

**FIRST ENGROSSMENT  
with Conference Committee Amendments**

Fifty-fifth  
Legislative Assembly  
of North Dakota

**ENGROSSED SENATE BILL NO. 2064**

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 office of  
2 management and budget, extension service, northern crops institute, upper great plains  
3 transportation institute, and the experiment centers; to provide a contingent appropriation; to  
4 provide for an interim legislative council study; to create and enact six new sections to chapter  
5 4-05.1 and a new section to chapter 4-22 of the North Dakota Century Code, relating to the  
6 state board of agricultural research and the duties of the extension service; to amend and  
7 reenact sections 4-05.1-01, 4-05.1-02, 4-05.1-03, 4-05.1-04, 4-22-02, 4-22-03, 4-22-04,  
8 4-22-06, 4-22-22, 4-22-47, and 4-22-48 of the North Dakota Century Code, relating to the state  
9 agricultural experiment station and state soil conservation committee; to repeal section 4-22-05  
10 of the North Dakota Century Code, relating to employees of the state soil conservation  
11 committee; and to declare an emergency.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the  
14 funds as may be necessary, are hereby appropriated out of any moneys in the general fund in  
15 the state treasury, not otherwise appropriated, and from special funds derived from federal  
16 funds and other income to the North Dakota state university extension service, the northern  
17 crops institute, the upper great plains transportation institute, and the North Dakota agricultural  
18 experiment centers for the purpose of defraying the expenses of their various divisions, for the  
19 biennium beginning July 1, 1997, and ending June 30, 1999, as follows:

20 Subdivision 1.

21 **NORTH DAKOTA STATE UNIVERSITY EXTENSION SERVICE**

|                       |              |
|-----------------------|--------------|
| 22 Salaries and wages | \$20,654,371 |
| 23 Operating expenses | 3,483,064    |
| 24 Equipment          | 450,000      |

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|    |                                             |                     |
|----|---------------------------------------------|---------------------|
| 1  | Soil conservation district grants           | <u>580,000</u>      |
| 2  | Total all funds                             | \$25,167,435        |
| 3  | Less estimated income                       | <u>13,017,998</u>   |
| 4  | Total general fund appropriation            | \$12,149,437        |
| 5  | Subdivision 2.                              |                     |
| 6  | NORTHERN CROPS INSTITUTE                    |                     |
| 7  | Salaries and wages                          | \$ 780,678          |
| 8  | Operating expenses                          | 118,650             |
| 9  | Equipment                                   | <u>72,450</u>       |
| 10 | Total all funds                             | \$ 971,778          |
| 11 | Less estimated income                       | <u>335,977</u>      |
| 12 | Total general fund appropriation            | \$ 635,801          |
| 13 | Subdivision 3.                              |                     |
| 14 | UPPER GREAT PLAINS TRANSPORTATION INSTITUTE |                     |
| 15 | Salaries and wages                          | \$ 2,132,128        |
| 16 | Operating expenses                          | 1,526,794           |
| 17 | Equipment                                   | 45,000              |
| 18 | Grants                                      | <u>1,150,000</u>    |
| 19 | Total all funds                             | \$ 4,853,922        |
| 20 | Less estimated income                       | <u>4,403,417</u>    |
| 21 | Total general fund appropriation            | \$ 450,505          |
| 22 | Subdivision 4.                              |                     |
| 23 | AGRICULTURAL EXPERIMENT STATION             |                     |
| 24 | Salaries and wages                          | <u>\$40,617,544</u> |
| 25 | Total all funds                             | \$40,617,544        |
| 26 | Estimated income:                           |                     |
| 27 | Main research station                       | \$14,127,692        |
| 28 | Hettinger research center                   | 63,473              |
| 29 | Langdon research center                     | 66,152              |
| 30 | North central research center               | 35,663              |

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|    |                                    |                |                   |
|----|------------------------------------|----------------|-------------------|
| 1  | Carrington research center         | <u>325,321</u> |                   |
| 2  | Less total estimated income        |                | <u>14,668,801</u> |
| 3  | Total general fund appropriation   |                | \$25,948,743      |
| 4  | Subdivision 5.                     |                |                   |
| 5  | MAIN RESEARCH CENTER               |                |                   |
| 6  | Operating expenses                 |                | \$ 4,638,480      |
| 7  | Equipment                          |                | 1,367,746         |
| 8  | Capital improvements               |                | 1,123,800         |
| 9  | Animal replacement                 | <u>300,000</u> |                   |
| 10 | Total all funds                    |                | \$ 7,430,026      |
| 11 | Less estimated income              |                | 3,508,546         |
| 12 | Total general fund appropriation   |                | \$ 3,921,480      |
| 13 | Subdivision 6.                     |                |                   |
| 14 | DICKINSON RESEARCH CENTER          |                |                   |
| 15 | Operating expenses                 |                | \$ 463,503        |
| 16 | Equipment                          |                | 54,076            |
| 17 | Capital improvements               |                | 35,000            |
| 18 | Animal replacement                 | <u>100,000</u> |                   |
| 19 | Total all funds                    |                | \$ 652,579        |
| 20 | Less estimated income              | <u>531,676</u> |                   |
| 21 | Total general fund appropriation   |                | \$ 120,903        |
| 22 | Subdivision 7.                     |                |                   |
| 23 | CENTRAL GRASSLANDS RESEARCH CENTER |                |                   |
| 24 | Operating expenses                 |                | \$ 388,543        |
| 25 | Equipment                          |                | 85,193            |
| 26 | Animal replacement                 | <u>100,000</u> |                   |
| 27 | Total all funds                    |                | \$ 573,736        |
| 28 | Less estimated income              | <u>451,400</u> |                   |
| 29 | Total general fund appropriation   |                | \$ 122,336        |
| 30 | Subdivision 8.                     |                |                   |
| 31 | HETTINGER RESEARCH CENTER          |                |                   |

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|   |                                  |                |
|---|----------------------------------|----------------|
| 1 | Operating expenses               | \$ 228,027     |
| 2 | Equipment                        | 112,600        |
| 3 | Animal replacement               | <u>100,000</u> |
| 4 | Total all funds                  | \$ 440,627     |
| 5 | Less estimated income            | <u>237,595</u> |
| 6 | Total general fund appropriation | \$ 203,032     |

7 Subdivision 9.

8 LANGDON RESEARCH CENTER

|    |                                  |                |
|----|----------------------------------|----------------|
| 9  | Operating expenses               | \$ 173,002     |
| 10 | Equipment                        | <u>42,800</u>  |
| 11 | Total all funds                  | \$ 215,802     |
| 12 | Less estimated income            | <u>112,198</u> |
| 13 | Total general fund appropriation | \$ 103,604     |

14 Subdivision 10.

15 NORTH CENTRAL RESEARCH CENTER

|    |                                  |                |
|----|----------------------------------|----------------|
| 16 | Operating expenses               | \$ 323,503     |
| 17 | Equipment                        | 106,200        |
| 18 | Capital improvements             | <u>250,000</u> |
| 19 | Total all funds                  | \$ 679,703     |
| 20 | Less estimated income            | <u>591,763</u> |
| 21 | Total general fund appropriation | \$ 87,940      |

22 Subdivision 11.

23 WILLISTON RESEARCH CENTER

|    |                                  |                |
|----|----------------------------------|----------------|
| 24 | Operating expenses               | \$ 300,632     |
| 25 | Equipment                        | <u>159,900</u> |
| 26 | Total all funds                  | \$ 460,532     |
| 27 | Less estimated income            | <u>233,123</u> |
| 28 | Total general fund appropriation | \$ 227,409     |

29 Subdivision 12.

30 CARRINGTON RESEARCH CENTER

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|   |                                  |                |
|---|----------------------------------|----------------|
| 1 | Operating expenses               | \$ 635,712     |
| 2 | Equipment                        | 151,250        |
| 3 | Animal replacement               | <u>100,000</u> |
| 4 | Total all funds                  | \$ 886,962     |
| 5 | Less estimated income            | <u>761,052</u> |
| 6 | Total general fund appropriation | \$ 125,910     |

7 Subdivision 13.

8 AGRONOMY SEED FARM

|    |                                                   |                |
|----|---------------------------------------------------|----------------|
| 9  | Salaries and wages                                | \$ 303,231     |
| 10 | Operating expenses                                | 597,500        |
| 11 | Equipment                                         | 172,000        |
| 12 | Capital improvements                              | 80,000         |
| 13 | Capital improvements - farm shop                  | <u>100,000</u> |
| 14 | Total special funds appropriation                 | \$ 1,252,731   |
| 15 | Grand total general fund appropriation S.B. 2064  | \$44,147,100   |
| 16 | Grand total special funds appropriation S.B. 2064 | \$42,206,277   |
| 17 | Grand total all funds appropriation S.B. 2064     | \$86,353,377   |

18 **SECTION 2. APPROPRIATION.** There is hereby appropriated out of any moneys in  
19 the agricultural research fund in the state treasury, not otherwise appropriated, the sum of  
20 \$2,000,000, or so much of the sum as may be necessary, to the agricultural experiment station  
21 for the purpose of distributing agricultural research grants.

22 **SECTION 3. CONTINGENT APPROPRIATION - WILLISTON RESEARCH CENTER.**

23 There is hereby appropriated out of any moneys in the general fund in the state treasury, not  
24 otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, and  
25 from special funds derived from other income, the sum of \$100,000, or so much of the sum as  
26 may be necessary, to the Williston research center for the purpose of defraying a portion of the  
27 construction costs relating to the Ernie French center, for the biennium beginning July 1, 1997,  
28 and ending June 30, 1999. The general fund appropriation provided in this section may only be  
29 spent upon certification with the state treasurer that the Williston research center has received  
30 commitments to provide the \$100,000 of special funds derived from the other income for the  
31 project.

1           **SECTION 4. ADDITIONAL INCOME - APPROPRIATION.** Any additional income  
2 including funds from the federal government and gifts and donations from private sources  
3 received by the North Dakota agricultural experiment station, northern crops institute, upper  
4 great plains transportation institute, and the North Dakota state university extension service,  
5 except as otherwise provided by law, is hereby appropriated for the purpose designated in the  
6 gift, grant, or donation. All of the moneys in the operating fund must remain in the fund until  
7 expended pursuant to any specific legislative appropriation or an authorization from the  
8 emergency commission, and the balances of the moneys except those received from the  
9 federal government or as gifts from private sources, must be used to reduce the amount of  
10 moneys to be expended pursuant to the general fund appropriation only to the extent that the  
11 unencumbered balance in the operating fund on June 30, 1997, exceeds the estimated income  
12 for the biennium ending June 30, 1999.

13           **SECTION 5. FUNDING ALLOCATIONS - AUTHORITY.** The amounts in subdivision 4  
14 of section 1 must be used for the benefit of the entities of the agricultural experiment station as  
15 determined by the vice president of agricultural affairs at North Dakota state university in  
16 accordance with the guidelines established in section 6 of this Act. The office of management  
17 and budget shall establish a salaries and wages line item for each entity of the agricultural  
18 experiment station for the 1997-99 biennium and shall transfer appropriation authority included  
19 in subdivision 4 of section 1 of this Act to the salaries and wages line item for each entity as  
20 requested by the vice president of agricultural affairs at North Dakota state university.

21           **SECTION 6. ALLOCATIONS - SALARIES AND WAGES - LEGISLATIVE INTENT -**  
22 **DECLARATION OF PURPOSE - GUIDELINES.**

- 23           1. It is the intent of the legislative assembly that the vice president of agricultural  
24 affairs at North Dakota state university consider the following items in making  
25 annual budget allocations for salaries and wages from the appropriations  
26 contained in subdivision 4 of section 1 of this Act:
- 27           a. Base salary allocations are to be made for operations based on mission,  
28 historical funding, research programs, and services of each entity.
- 29           b. Salary increase allocations are to be made based on general salary  
30 increases, one-time increases, performance-based increases, market

increases, and other increases, including workload changes, new responsibilities, and promotions.

c. Targeted initiative allocations are to be made as approved by the legislative assembly.

2. It is the intent of the legislative assembly that allocations are not to be used to close any entity of the agricultural experiment station nor may the work of any entity be substantially reorganized except as authorized by the legislative assembly.

3. It is the intent of the legislative assembly that each entity of the agricultural experiment station receive salaries and wages funding for the 1997-99 biennium that are at least ninety percent of the salaries and wages funding for the 1995-97 biennium.

4. The vice president of agricultural affairs at North Dakota state university shall periodically report to the budget section of the legislative council on the allocations made pursuant to this section and shall make recommendations regarding the allocation process for the 1999-2001 biennium.

**SECTION 7. TRANSFER AUTHORITY.** The state board of higher education is authorized to approve transfer of funds between line items for each agency included in section 1 of this Act and shall notify the office of management and budget within ten days following the transfer.

**SECTION 8. TRANSFER AUTHORITY.** Upon approval of the state board of higher education and the emergency commission, the director of the North Dakota agricultural experiment station may transfer appropriation authority between agencies included in subdivision 2 and in subdivisions 4 through 13 of section 1 of this Act.

**SECTION 9. LINE ITEM TRANSFERS - EMERGENCY COMMISSION.** Notwithstanding any other provision of law, the emergency commission may authorize the entities in subdivisions 5 through 13 of section 1 of this Act to establish a capital improvements line item and to transfer appropriation authority from another line item within the same subdivision to the capital improvements line item for the biennium beginning July 1, 1997, and ending June 30, 1999.

1           **SECTION 10. LEGISLATIVE INTENT - PART-TIME LABOR.** It is the intent of the  
2 legislative assembly that the board of higher education may authorize transfers for the entities  
3 of the agricultural experiment station of up to five percent of a capital improvements line item to  
4 salaries and wages for part-time labor costs relating to repairs, maintenance, and  
5 improvements at the research centers for the biennium beginning July 1, 1997, and ending  
6 June 30, 1999.

7           **SECTION 11. AGRICULTURAL STORAGE FACILITIES.** The board of higher  
8 education may authorize the construction of structures for storage of agricultural products or  
9 equipment by entities listed in section 1 of this Act provided the structures do not exceed  
10 \$100,000 in cost.

11           **SECTION 12. UNEXPENDED FUNDS - EXEMPTION.** Capital improvements funds  
12 contained in subdivision 2 of section 1 of chapter 5 of the 1995 Session Laws for the northern  
13 crops institute and capital improvements funds contained in subdivision 8 of section 1 of  
14 chapter 5 of the 1995 Session Laws for the north central research center are not subject to the  
15 provisions of section 54-44.1-11 and any unexpended funds from these appropriations are  
16 available during the biennium beginning July 1, 1997, and ending June 30, 1999.

17           **SECTION 13. ADDITIONAL INCOME - NORTH CENTRAL RESEARCH CENTER.**  
18 Notwithstanding the provisions of section 4 of this Act, the north central research center may  
19 utilize up to \$25,000 of unanticipated earned income received during the 1997-99 biennium for  
20 defraying the costs associated with the construction of a new headquarters building at the  
21 center for the biennium beginning July 1, 1997, and ending June 30, 1999.

22           **SECTION 14. LEGISLATIVE INTENT - FULL-TIME EQUIVALENTS.** The board of  
23 higher education is authorized to adjust or increase full-time equivalent positions as needed,  
24 subject to availability of funds. The board shall report any adjustments to the office of  
25 management and budget prior to the submission of the 1999-2001 budget request.

26           **SECTION 15. INTERIM LEGISLATIVE COUNCIL STUDY.** Because the North Dakota  
27 state university cooperative extension service and agricultural research centers are part of the  
28 North Dakota university system, the legislative council, during the 1997-99 interim, shall  
29 consider studying the feasibility and desirability of including the extension service and research  
30 centers appropriations in the same appropriations bill as other entities of the university system.



1 If the legislative council determines it is feasible and desirable, it shall recommend the format  
2 for the appropriations bill to be introduced to the 1999 legislative assembly.

3 **SECTION 16. LEGISLATIVE COUNCIL STUDY.** The legislative council shall consider  
4 studying, during the 1997-98 interim, alternative methods of governing and delivering soil  
5 conservation services in North Dakota. The study must address the advisability of continuing to  
6 elect state soil conservation committee members and district supervisors.

7 **SECTION 17. AMENDMENT.** Section 4-05.1-01 of the 1995 Supplement to the North  
8 Dakota Century Code is amended and reenacted as follows:

9 **4-05.1-01. Definitions.** In this chapter, unless the context otherwise requires:

- 10 1. "Agricultural experiment station" means the North Dakota state university main  
11 research ~~station~~ center, the Dickinson research extension center, the Williston  
12 research extension center, the Langdon research extension center, the central  
13 grasslands research extension center, the Carrington research extension center,  
14 the Hettinger research extension center, the north central research extension  
15 center, the agronomy seed farm, and any other department or agency designated  
16 by the state board of higher education.
- 17 2. ~~"Director" means the director of the North Dakota agricultural experiment station.~~
- 18 ~~3. "Superintendent" "Center director"~~ "Center director" means an administrator in charge of a research  
19 or research extension center.
- 20 3. "Station director" means the administrator of the agricultural experiment station.

21 **SECTION 18. AMENDMENT.** Section 4-05.1-02 of the 1995 Supplement to the North  
22 Dakota Century Code is amended and reenacted as follows:

23 **4-05.1-02. Agricultural experiment station.** The state board of agricultural research  
24 and the president of North Dakota state university shall control and administer the North Dakota  
25 agricultural experiment station ~~is under the control of and~~ subject to the supervision of the state  
26 board of higher education. ~~The agricultural experiment station shall develop research~~  
27 ~~programs involving the basic and applied biological, physical, and social sciences that will~~  
28 ~~enhance agricultural systems and improve the quality of life.~~ Funds appropriated to the  
29 agricultural experiment station may not be commingled with funds appropriated to North Dakota  
30 state university. Appropriation requests to defray expenses of the agricultural experiment

station must be separate from appropriation requests to defray expenses of North Dakota state university.

**SECTION 19. AMENDMENT.** Section 4-05.1-03 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-03. ~~Director—Superintendents~~ Center directors - Research station and research extension centers - Records and information.** ~~The director is under the direction of the president of the North Dakota state university of agriculture and applied science. The research station and research extension centers of the North Dakota agricultural experiment station are under the jurisdiction of the station director. Each research or research extension center must be administered by a superintendent center director who shall report to the station director. Each research or research extension center shall keep detailed records of all research activities and publish and disseminate research results and information for the benefit of this state.~~

**SECTION 20. AMENDMENT.** Section 4-05.1-04 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-04. ~~Reports to director and state board of higher education.~~** Each ~~superintendent center director~~ shall submit ~~a biennial~~ an annual report to the station director ~~on or before the first day of August of each odd-numbered year~~ as directed by the state board of agricultural research. Each report must set forth in detail the investigations and experiments made during the preceding ~~fiscal biennium year~~, recommendations for the welfare of the center, the financial condition of the center, how all moneys have been expended, and the results of experiments. The station director shall submit these reports, with a ~~biennial~~ report of the North Dakota state university main research ~~station center~~, to the state board of agricultural research and the state board of higher education on or before the first day of September of each ~~odd-numbered~~ year. If the state board of higher education submits a biennial report to the governor and the secretary of state in accordance with section 54-06-04, the report must include a composite of the reports from the main research ~~station center~~ and each research extension center.

**SECTION 21.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**State board of agricultural research - Membership - Terms.**

1. The state board of agricultural research consists of:
  - a. The president of North Dakota state university;
  - b. The vice president of agricultural affairs at North Dakota state university;
  - c. The administrator of the agricultural experiment station;
  - 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 commissioner of agriculture who serves in an ex officio capacity; and
  - h. The director of the North Dakota state university extension service who serves in an ex officio capacity.
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.
  - 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

1                   of higher education a list of two or more names from which the state board of  
2                   higher education shall appoint a successor. Future appointments to these  
3                   five positions must be made in the same manner. The state board of higher  
4                   education shall ensure that four out of the five seats are held by agricultural  
5                   producers.

6                   b. At least ninety days before the conclusion of the initial term of each member  
7                   appointed by the extension service's multicounty program units, the units  
8                   through their advisory groups shall provide to the state board of higher  
9                   education a list of two or more names from which the state board of higher  
10                   education shall appoint a successor. Future appointments to these five  
11                   positions must be made in the same manner. The state board of higher  
12                   education shall ensure that four out of the five seats are held by agricultural  
13                   producers.

14                   **SECTION 22.** A new section to chapter 4-05.1 of the North Dakota Century Code is  
15 created and enacted as follows:

16                   **Compensation of board members - Expenses.** Each appointed member of the state  
17 board of agricultural research is entitled to receive sixty-two dollars and fifty cents per day as  
18 compensation for the time actually spent devoted to the duties of office and is entitled to  
19 receive necessary expenses in the same manner and amounts as state officials for attending  
20 meetings and performing other functions of office.

21                   **SECTION 23.** A new section to chapter 4-05.1 of the North Dakota Century Code is  
22 created and enacted as follows:

23                   **State board of agricultural research - Chairman - Meetings.** The state board of  
24 agricultural research annually shall elect one of its members to serve as chairman. The board  
25 shall meet at the times and locations designated by the chairman in consultation with the vice  
26 president of agricultural affairs at North Dakota state university.

27                   **SECTION 24.** A new section to chapter 4-05.1 of the North Dakota Century Code is  
28 created and enacted as follows:

29                   **State board of agricultural research - Duties.** Within the policies of the state board  
30 of higher education, the state board of agricultural research is responsible for the budgeting,

1 supervision, and policymaking responsibilities associated with the supervision of the agricultural  
2 experiment station. The agricultural research board shall:

- 3       1. Determine the causes of any adverse economic impacts on crops and livestock  
4       produced in this state;
- 5       2. Develop ongoing strategies for the provision of research solutions to negate  
6       adverse economic impacts on crops and livestock produced in this state;
- 7       3. Make available financial resources, including grants and salaries, and make  
8       available equipment and facilities to implement the strategies developed under  
9       subsection 2, subject to approval by the state board of higher education;
- 10      4. Develop an annual budget for the operation of the agricultural experiment station;
- 11      5. Develop a biennial budget request and submit that request to the state board of  
12      higher education on or before March first of each even-numbered year;
- 13      6. Maximize the use of existing financial resources, equipment, and facilities to  
14      generate the greatest economic benefit from research efforts and to promote  
15      efficiency;
- 16      7. Annually evaluate the results of research activities and expenditures and report the  
17      findings to the legislative council and the state board of higher education;
- 18      8. Advise the administration of North Dakota state university regarding the  
19      recruitment and selection of the vice president of agricultural affairs and the station  
20      director; and
- 21      9. Advise the director of the extension service regarding the dissemination of  
22      research information and the best practices for management of the extension  
23      service.

24       **SECTION 25.** A new section to chapter 4-05.1 of the North Dakota Century Code is  
25 created and enacted as follows:

26       **Agricultural research fund.** The agricultural research fund is a special fund in the  
27 state treasury. The moneys in the fund must be expended for purposes of agricultural  
28 research.

29       **SECTION 26.** A new section to chapter 4-05.1 of the North Dakota Century Code is  
30 created and enacted as follows:

31       **State board of agricultural research - Apportionment of research funds.**

- 1           1.   The state board of agricultural research annually shall apportion the proceeds of  
2               the agricultural research fund as follows:
  - 3               a.   Seventy percent to research activities affecting North Dakota agricultural  
4               commodities that account for at least two percent of the gross sales of all  
5               agricultural commodities grown or produced in the state. The percentage of  
6               the dollars available for each agricultural commodity under this section may  
7               not exceed the percentage that the gross sales of the agricultural commodity  
8               bear to the North Dakota gross sales of all agricultural commodities grown or  
9               produced during the previous year, as determined by the agricultural statistics  
10              service;
  - 11              b.   Eighteen percent to research activities affecting North Dakota animal  
12              agriculture; and
  - 13              c.   Twelve percent to research activities affecting new and emerging crops in  
14              North Dakota.
- 15           2.   The state board of agricultural research shall solicit proposals for research from  
16               the public and private sectors and shall appoint committees to review the  
17               proposals and award the agricultural research grants on a competitive basis. Each  
18               committee must consist of a majority of agricultural producers selected in  
19               consultation with the agricultural commodity groups representing commodities that  
20               are the subjects of the proposed research and may include researchers and other  
21               individuals knowledgeable about the proposed area of research. Whenever  
22               possible, the committees shall require that a grant recipient commit matching  
23               funds.
- 24           3.   The state board of agricultural research shall develop policies regarding the award  
25               of research grants, including requirements for matching funds, cooperation with  
26               other in-state and out-of-state researchers, and coordination with other in-state  
27               and out-of-state proposed or ongoing research projects.

28           **SECTION 27. AMENDMENT.** Section 4-22-02 of the 1995 Supplement to the North  
29   Dakota Century Code is amended and reenacted as follows:

30           **4-22-02. Definitions.** In this chapter, unless the context or subject matter otherwise  
31   requires:

1. ~~"Agency of this state" includes the government of this state and any subdivision, agency, or instrumentality, corporate or otherwise, of the government of this state.~~
2. ~~"Committee" or "state soil conservation committee" means the state soil conservation committee established by this chapter.~~
3. ~~2.~~ "Director" means the director of the North Dakota state university extension service.
3. ~~"District" or "soil conservation district" means a governmental subdivision of this state, and a public body, corporate and politic, organized in accordance with the provisions of this chapter for the purposes, with the powers, and subject to the restrictions hereinafter set forth provided by law.~~
4. "Due notice" means notice published at least twice, with an interval of at least seven days between the two publication dates, in a newspaper or other publication of general circulation within the appropriate area, ~~or if no such.~~ If this type of publication of general circulation is not available, by posting the term means notice posted at a reasonable number of conspicuous places within the appropriate area, such the posting to include, where possible, posting at public places where it may be customary to post notices concerning county or municipal affairs generally. At any hearing held pursuant to such due notice, at the time and place designated in such the notice, adjournment may be made from time to time without the necessity of renewing the notice for the adjourned dates.
5. "Government" ~~or "governmental"~~ includes the government of this state, the government of the United States, and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them.
6. "Land occupier" ~~or "occupier of land" includes any person, firm, corporation, or limited liability company who that holds title to or is in possession of any lands lying within a district organized under the provisions of this chapter, whether as owner, lessee, renter, tenant, or otherwise, and whether or not the person, firm, corporation, or limited liability company is living or located in a rural or urban area within the district.~~
7. "Petition" means a petition filed under ~~the provisions of~~ this chapter for the creation of a soil conservation district.

8. "Qualified elector" means ~~every person of the age of~~ an individual who is at least  
eighteen ~~or upwards who~~ years old, is a citizen of the United States, and who has  
resided in the ~~state and in the~~ precinct thirty days next preceding any election,  
whether or not the ~~person~~ individual is living in a rural or urban area.

9. ~~"State" means the state of North Dakota.~~

~~10.~~ "Supervisor" means one of the members of the governing body of a district,  
elected or appointed in accordance with ~~the provisions of~~ this chapter.

~~11.~~ "United States" or "agencies of the United States" includes the United States of  
America, the soil conservation service of the United States department of  
agriculture, and any other agency or instrumentality, corporate or otherwise, of the  
United States of America.

**SECTION 28. AMENDMENT.** Section 4-22-03 of the North Dakota Century Code is  
amended and reenacted as follows:

**4-22-03. State soil conservation committee - Elective and appointive members -  
Records and seal.**

1. The ~~state soil conservation~~ committee ~~must be maintained as an agency of this~~  
~~state to~~ shall perform the functions conferred upon it in this chapter within the limits  
of legislative appropriations. The committee consists of seven voting members, of  
whom five must be elected and two must be appointed by the governor ~~as~~  
~~provided herein.~~

~~4.~~ ~~Elective members:~~

2. For the purpose of electing the five elective members of the committee, the state of  
~~North Dakota is hereby~~ divided into five areas, ~~as follows:~~

A.a. (1) Area I includes ~~the counties of~~ Benson, Cavalier, Eddy, Foster, Grand  
Forks, Nelson, Pembina, Ramsey, Towner, Walsh, and Wells counties.

B. (2) Area II ~~shall include the counties of~~ includes Barnes, Cass, Dickey,  
Griggs, LaMoure, Ransom, Richland, Sargent, Steele, and Traill  
counties.

C. (3) Area III ~~shall include the counties of~~ includes Bottineau, Burke, Divide,  
McHenry, Mountrail, Pierce, Renville, Rolette, and Ward counties.



D. ~~(4)~~ Area IV ~~shall include the counties of~~ includes Burleigh, Emmons, Kidder, Logan, McIntosh, McLean, Morton, Oliver, Sheridan, Sioux, and Stutsman counties.

E. ~~(5)~~ Area V ~~shall include the counties of~~ includes Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Stark, Slope, and Williams counties.

b. One member of the committee must be elected from each of the five areas by vote of the members of the boards of supervisors of the ~~conservation~~ districts in that area. Every voting member of a board of supervisors of a ~~conservation~~ district organized under this chapter is eligible to vote in the election for a member of the committee in the area in which the district is located.

c. Elections must be held under ~~regulations to be issued~~ rules adopted by the committee and in cooperation with and at the time of the North Dakota association of soil conservation districts area meetings. In those cases where the territory of a district does not lie wholly within the boundaries of one of the five areas established under this section, the ~~regulations~~ rules must provide for the assignment of ~~such~~ the district by the committee for the purposes of ~~such~~ the elections, to the area within which most of its population resides.

d. The committee shall conduct the election of members of the committee ~~must be conducted by the committee and~~. The election need not be held on the same dates or in the same places as the general elections for state or local officers.

2. ~~Appointive members:~~

3. ~~Two~~ The governor shall appoint two members of the committee ~~must be appointed by the governor, who~~. The governor shall select appointees appoint individuals who can represent those interests within the state not already represented, or less fully represented, by one or more of the five elected members of the committee. The governor shall attempt, so far as feasible, to make possible suitable representation for all interests in the state in the membership of the committee, including the interests of, ~~but not limited to,~~ farmers, livestock growers, rural areas,

small towns, cities, and industry and business, recognizing that any single member of the committee may sometimes appropriately be regarded as representing more than one of these interests.

4. The committee shall invite representatives of the state association of soil conservation districts, North Dakota ~~cooperative~~ state university extension service, ~~the~~ soil conservation service, ~~North Dakota~~ state water commission, ~~the~~ commissioner of agriculture, and ~~the~~ game and fish department to serve as advisory, nonvoting members of the committee.

5. The term of office of every member of the committee is three years and until a successor is elected or appointed. ~~The governor has the power to extend the terms of one or more members of the committee in office upon the effective date of this chapter, in order to provide for overlapping terms for the members of the committee.~~ A member of the committee is eligible for reelection and reappointment, but no member may serve for more than two full, successive terms. ~~Vacancies~~ The governor may fill a vacancy in either an elective or appointive ~~terms may be filled~~ term for the unexpired term ~~by appointment by the governor.~~ ~~The committee shall keep a record of its official actions, shall adopt a seal, which seal must be judicially noticed, and may perform such acts, hold such public hearings, and adopt such rules as may be necessary for the execution of its functions under this chapter.~~

**SECTION 29. AMENDMENT.** Section 4-22-04 of the North Dakota Century Code is amended and reenacted as follows:

**4-22-04. Committee - Chairman - Quorum - Compensation** ~~– Provision for surety bonds and annual audit.~~ The committee shall meet annually and select its chairman, ~~who~~. The chairman shall serve for one year from the date of ~~his~~ selection and ~~who~~ is not eligible for a second term as chairman. Additional meetings may be held by the committee as considered necessary by the chairman, at a time and place to be fixed by the chairman. ~~Special~~ The chairman shall call special meetings ~~must be called by the chairman~~ upon written request of any four members. ~~A majority of the committee constitutes a quorum, and the concurrence of a majority in any matter within its duties is required for its determination.~~ The members of the committee ~~shall~~ are entitled to receive forty-five dollars per day as compensation for their

1 services on the committee, and are entitled to expenses, including traveling expenses,  
2 necessarily incurred in the discharge of their duties on the committee, in the same manner and  
3 at the same rate as prescribed by law for state employees and officials. ~~The committee shall~~  
4 ~~provide for the execution of surety bonds, which may be issued by the state bonding fund, for~~  
5 ~~all employees who are entrusted with funds or property; shall provide for the keeping of a full~~  
6 ~~and accurate record of all proceedings and of all resolutions, rules, and orders issued or~~  
7 ~~adopted; and shall provide for an annual audit of the accounts of receipts and disbursements.~~

8 **SECTION 30. AMENDMENT.** Section 4-22-06 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **4-22-06. Duties and powers generally.** ~~In addition to the duties and powers~~  
11 ~~hereinafter conferred upon the state soil conservation~~ The committee, it has the following  
12 duties and powers:

- 13 1. To offer such assistance as may be appropriate to the supervisors of soil  
14 ~~conservation~~ districts in the carrying out of any of their powers and programs.
- 15 2. To keep the supervisors of each of the several districts informed of the activities  
16 and experience of all other districts, and to facilitate an interchange of advice and  
17 experience between such districts and cooperation between them.
- 18 3. ~~To coordinate the programs of the several conservation districts so far as this may~~  
19 ~~be done by advice and consultation.~~
- 20 4. To secure the cooperation and assistance of state, federal, regional, interstate,  
21 and local, public, and private agencies with ~~conservation~~ districts; and to facilitate  
22 arrangements under which ~~conservation~~ districts may assist or serve county  
23 governing bodies and other agencies in the administration of any activity  
24 concerned with the conservation of natural resources.
- 25 5. ~~To disseminate information throughout the state concerning the activities and~~  
26 ~~programs of the soil conservation districts, and to encourage the formation of such~~  
27 ~~districts in areas where their organization is desirable.~~
- 28 6. ~~To review district programs, to coordinate the programs of the several districts, and~~  
29 ~~to coordinate programs and activities as they relate to other special purpose~~  
30 ~~districts.~~

- 1       ~~7.~~ 4. To review agreements, or forms of agreements, proposed to be entered into by  
2                   districts with other districts or with state, federal, interstate, or other public or  
3                   private organizations, and advise the districts concerning such agreements or  
4                   forms of agreement.
- 5       ~~8.~~ 5. To recommend to the inclusion in annual and longer term director biennial budgets  
6                   of funds necessary from the legislative assembly to finance the activities of the  
7                   committee and districts; and to distribute such moneys appropriated by the  
8                   legislative assembly ~~according to applicable state laws or regulations~~ for grants to  
9                   soil conservation districts.
- 10       ~~9.~~ To compile information and make studies, summaries, and other analyses of  
11                   district programs in relation to each other and to other resource conservation  
12                   programs on a statewide basis.
- 13       ~~40.~~ 6. To represent the state in matters affecting soil conservation.
- 14       ~~44.~~ 7. To require annual reports from ~~conservation~~ districts, ~~the form and content of~~  
15                   ~~which must be developed by the committee on consultation with district~~  
16                   ~~supervisors.~~
- 17       ~~42.~~ 8. To establish uniform accounting methods which must be used by ~~soil conservation~~  
18                   districts, and to establish a uniform auditing reporting system.
- 19       ~~43.~~ 9. ~~Pursuant to procedures developed mutually by the committee and other state and~~  
20                   ~~local agencies that are authorized to plan or administer activities significantly~~  
21                   ~~affecting the conservation of natural resources, to receive from such~~ To receive  
22                   from other state and local agencies for review and comment suitable descriptions  
23                   of their plans, programs, and activities affecting the conservation of natural  
24                   resources for purposes of coordination with district conservation programs; to  
25                   arrange for and participate in conferences necessary to avoid conflict among such  
26                   plans and programs; to call attention to omissions; and to avoid duplication of  
27                   effort.
- 28       ~~14.~~ To develop and administer policy guidelines which the districts shall follow in the  
29                   operation of district activities.

30       **SECTION 31.** A new section to chapter 4-22 of the North Dakota Century Code is  
31       created and enacted as follows:

1       **Soil conservation - Duties.** The North Dakota state university extension service shall  
2 assist the committee in performing the committee's duties, within the limits of legislative  
3 appropriation. The director shall instruct extension agents to cooperate in the delivery of  
4 information and services to the districts.

5       **SECTION 32. AMENDMENT.** Section 4-22-22 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7       **4-22-22. Supervisors - Terms of office - Vacancies - Removal - Compensation -**  
8 **Expenses.** At the general election to be held in 1972, three district supervisors must be  
9 elected. The candidate receiving the largest number of votes is elected for a six-year term; the  
10 candidate receiving the second highest number of votes is elected for a four-year term; and the  
11 candidate receiving the third highest number of votes is elected for a two-year term. At each  
12 succeeding general election, one supervisor must be elected for a term of six years, or until the  
13 successor is duly elected and qualified, to each expiring or vacant term. In newly formed  
14 districts, three supervisors must be elected at the first general election following the district's  
15 organization. The candidate receiving the largest number of votes is elected for a six-year  
16 term; the candidate receiving the second highest number of votes is elected for a four-year  
17 term; and the candidate receiving the third highest number of votes is elected for a two-year  
18 term. At each succeeding general election, one supervisor must be elected for a term of six  
19 years, or until the successor is duly elected and qualified, to each expiring or vacant term. The  
20 county auditor of the county or counties in which the district lies shall return to the secretary of  
21 state within fifteen days following any general election a certified abstract of the votes cast in  
22 the county at such election for each candidate for district supervisor. At the time that the  
23 county auditor transmits the certified abstract of the votes cast for each candidate, the county  
24 auditor shall file with the secretary of state a certificate showing the name and address of each  
25 candidate.

26       In order to be eligible for election to the office of supervisor, candidates must be land  
27 occupiers and physically living in the district. Candidates must be elected on a nonpartisan  
28 ballot. In case the office of any supervisor, for any reason, becomes vacant, the remaining  
29 members of the board of supervisors shall, with the advice and consent of the state committee,  
30 fill the vacancy by appointment. If vacancies occur in the office of two supervisors, the  
31 remaining supervisor and the state committee shall fill the vacancy; and in case the offices of

1 all supervisors of a district become vacant, the state committee shall fill the vacancies by  
2 appointment. A supervisor appointed to fill a vacancy holds office until the next general  
3 election. A supervisor elected to fill a vacancy serves the balance of the unexpired term in  
4 which the vacancy occurred.

5 Any soil conservation district, upon resolution of the three elected supervisors, may  
6 appoint two additional supervisors who shall serve for a term of one year from and after the  
7 date of their appointment. Such supervisors must be appointed by a majority of the three  
8 elected supervisors and have all the powers, voting privileges, duties, and responsibilities of  
9 elected supervisors, except that the expense allowances of the appointed supervisors must be  
10 paid by the local soil conservation district concerned. As far as possible, the appointed  
11 supervisors shall represent interests within the district which are not represented by the elected  
12 supervisors.

13 Any supervisor of a soil conservation district may, after notice given and hearing held in  
14 accordance with chapter 28-32, be removed from office by the state committee.

15 The supervisors of soil conservation districts are entitled to receive, upon a majority  
16 vote of the supervisors, twenty-five dollars for attending each regular or special meeting as  
17 compensation for their services. Supervisors of soil conservation districts are entitled to  
18 receive travel and subsistence expenses necessarily incurred in attending district, state, or  
19 other meetings approved by the state soil conservation committee, ~~which expenses must be~~  
20 ~~paid from appropriations available to the state committee.~~ The compensation and all other  
21 expenses including travel incurred by district supervisors while transacting district business and  
22 not specifically authorized by the state soil conservation committee must be paid from district  
23 funds.

24 **SECTION 33. AMENDMENT.** Section 4-22-47 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **4-22-47. Consolidation of districts - Petition - Referendum - Conduct of**  
27 **referendum.** Two or more ~~soil conservation~~ districts may be consolidated into one district by  
28 compliance with ~~the provisions of this chapter.~~ A petition ~~or petitions~~ for consolidation of soil  
29 conservation districts must be filed with the ~~secretary of the~~ state soil conservation committee  
30 and must be signed by at least twenty-five qualified electors living in each district. Upon the  
31 filing of ~~such a petition or petitions,~~ the state committee ~~shall~~ by resolution shall fix a date for a

1 referendum to be held in each ~~such~~ district and shall direct the ~~board of supervisors thereof~~ to  
2 cause notice of ~~such~~ the referendum to be posted in at least five conspicuous places within the  
3 district and to be published once each week for two consecutive weeks ~~prior to~~ before the  
4 referendum in a newspaper of general circulation ~~therein~~ in the districts involved. Only  
5 qualified electors living within the district are eligible to vote at the referendum. ~~Such~~ The  
6 notice must state the date of the referendum, ~~the~~ identify each polling place ~~or places~~ for  
7 holding ~~such~~ the referendum, the time when the polls will open and close, and the question to  
8 be submitted to the qualified electors. ~~Such~~ The notice must be substantially in the following  
9 form:

10 ~~Notice is hereby given that on~~ On the \_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ a referendum will  
11 be held at \_\_\_\_\_

12 (Designate polling place or places)

13 the purpose of submitting to the qualified electors within

14 \_\_\_\_\_ soil conservation district

15 (Name of district)

16 the question as to whether \_\_\_\_\_ soil conservation districts

17 (Names of districts)

18 embracing the following townships \_\_\_\_\_

19 (Designate townships, by number and range)

20 shall be consolidated into one soil conservation district.

21 The ballot ~~will~~ must be in the following form:

22 Shall \_\_\_\_\_ soil conservation districts embracing the

23 (Names of districts)

24 following townships \_\_\_\_\_ be

25 (Designate townships, by number and range)

26 consolidated into one soil conservation district?

27 Yes \_\_\_\_\_

28 No \_\_\_\_\_

29 The board of supervisors of the district shall appoint the board of election for each  
30 polling place ~~must be appointed by the board of supervisors of the district and consists~~. The

board of election must consist of one inspector, one judge, and one clerk. Members of ~~such~~  
the election board shall be entitled to receive ~~the sum of~~ five dollars for their services.

**SECTION 34. AMENDMENT.** Section 4-22-48 of the 1995 Supplement to the North  
Dakota Century Code is amended and reenacted as follows:

**4-22-48. Conduct of referendum - Canvass of votes.** A referendum upon the  
question of consolidating two or more soil conservation districts must be conducted in  
accordance with the laws of the state prescribing the conduct of general elections. After the  
polls are closed, the board of election shall ~~proceed to~~ canvass the votes and the clerk of the  
board shall certify to the board of supervisors of the clerk's district and to the ~~state~~ committee  
the result of the referendum. ~~The clerk shall then securely wrap the ballots cast at the~~  
~~referendum and shall express or mail the ballots to the secretary of the state committee. The~~  
~~committee shall also canvass the ballots and verify the result. The secretary of the committee~~  
~~shall file the ballots in the secretary's office. Upon the expiration of two years after such ballots~~  
~~were canvassed by the state committee they may be destroyed.~~ The state committee shall  
publish the results of the referendum ~~after having canvassed the ballots and if the committee~~  
~~finds that.~~ If a majority of the ballots cast on the question in each district are for consolidation,  
the committee shall file with the secretary of state a statement certifying that the consolidated  
district has been duly and regularly established.

**SECTION 35. REPEAL.** Section 4-22-05 of the 1995 Supplement to the Dakota  
Century Code is repealed.

**SECTION 36. EMERGENCY.** The equipment line item in subdivision 8 of section 1 of  
this Act is declared to be an emergency measure.