

Fifty-ninth  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1304

Introduced by

Representatives Monson, Carlson, Glassheim, Skarphol

1 A BILL for an Act to amend and reenact section 54-27-21.1, subsection 8 of section 54-44.1-06,  
2 and section 54-44.1-08 of the North Dakota Century Code, relating to cost/benefit reports to the  
3 budget section for leasing arrangements, financing and leasing information in budget data  
4 contents, and budget reports to the legislative assembly.

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

6 **SECTION 1. AMENDMENT.** Section 54-27-21.1 of the North Dakota Century Code is  
7 amended and reenacted as follows:

8 **54-27-21.1. Documentation of asset acquisitions and leases of state land or**  
9 **property - Report to budget section.** Any state agency or institution that acquires the use of  
10 an asset as the result of a lease arrangement shall prepare a written analysis documenting the  
11 decision to acquire the use of the asset. The agency or institution shall make the analysis  
12 available to the auditor for review during the audit for the fiscal period during which the decision  
13 was made. Any state agency or institution that acquires the use of an asset with a value of fifty  
14 thousand dollars or more as the result of a lease arrangement or that leases state land or  
15 property shall prepare a written cost/benefit analysis supporting the leasing arrangement and  
16 present the analysis to the budget section of the legislative council.

17 **SECTION 2. AMENDMENT.** Subsection 8 of section 54-44.1-06 of the North Dakota  
18 Century Code, as effective after June 30, 2005, is amended and reenacted as follows:

19 8. A detailed report on all state agency and institution financing or leasing  
20 arrangements for the current biennium and financing or leasing arrangements  
21 being recommended in the executive budget, including a list of every individual  
22 asset or service, excluding real estate, with a value of at least fifty thousand dollars  
23 and every group of assets and services comprising a single system with a  
24 combined value of at least fifty thousand dollars acquired through a capital or

1 operating lease arrangement or debt financing arrangement by a state agency or  
2 institution. ~~The list must include assets or services acquired in the current~~  
3 ~~biennium and anticipated assets or services to be acquired in the next biennium.~~  
4 The report must contain information on the purpose of the arrangement, the  
5 original amount financed, current indebtedness, the length of the commitment,  
6 payment amounts, interest rates, and the source of funding used to make current  
7 and future payments.

8 **SECTION 3. AMENDMENT.** Section 54-44.1-08 of the North Dakota Century Code is  
9 amended and reenacted as follows:

10 **54-44.1-08. Budget report - Contents - When submitted to legislative assembly.**

11 The official budget report must be transmitted by the governor to all holdover legislators and  
12 legislators-elect not later than three days after the commencement of the session of the  
13 legislative assembly. Such report is not a third-class item under section 46-02-05. The budget  
14 director shall provide for the duplication or other satisfactory reproduction or printing of the  
15 official budget report, so as to ensure delivery of same as provided in this section. Such  
16 reports must contain the budget and revenue proposals recommended by the governor and the  
17 information required in subsections 1, 2, 3, 5, ~~and 6,~~ and 8 of section 54-44.1-06 and all other  
18 data and information as the governor shall decide. The budget director shall make available  
19 any and all information regarding budget data to the governor, the legislative assembly and its  
20 designees, legislators, and to the governor-elect as may be requested. The governor may  
21 present any additional budget information in any manner to the legislative assembly as the  
22 governor may desire.