

**HOUSE BILL NO. 1029**

Introduced by

Legislative Council

(Employee Benefits Programs Committee)

1 A BILL for an Act to create and enact four new sections to chapter 54-06 of the North Dakota  
2 Century Code, relating to state employee service awards, employer-paid tuition, and  
3 employer-paid professional organization membership and service club dues.

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

5 **SECTION 1.** A new section to chapter 54-06 of the North Dakota Century Code is  
6 created and enacted as follows:

7 **State employee service awards.** Each state agency, department, or institution may  
8 establish rules or policies for employee recognition and service award programs. Classified  
9 service agencies are subject to rules adopted by North Dakota human resource management  
10 services and approved by the state personnel board and the legislative council's administrative  
11 rules committee. Any other agency, department, or institution of the executive, legislative, or  
12 judicial branch may adopt similar rules or policies to ensure uniformity and consistency in state  
13 government. Notwithstanding any other provision of law, each nonclassified state agency,  
14 department, or institution establishing rules or policies for employee recognition and service  
15 award programs shall submit the rules and policies to the office of management and budget for  
16 review and comment, and after addressing any comments of the office of management and  
17 budget, shall submit the rules and policies to the legislative council's administrative rules  
18 committee. Within sixty days after the close of each biennial period, each state agency,  
19 department, or institution providing an employee service award under this section shall file with  
20 the office of management and budget a report indicating the individuals receiving a service  
21 award, the amount paid, and a statement of the public purpose or benefit of the expenditures.  
22 Within ninety days after the close of each biennial period, the office of management and budget  
23 shall submit to the legislative council a report summarizing this information. An expenditure  
24 made under this section is deemed to be compensation for services provided to the state and is

1 made for a public purpose and may not be construed as a gift for purposes of section 18 of  
2 article X of the Constitution of North Dakota.

3 **SECTION 2.** A new section to chapter 54-06 of the North Dakota Century Code is  
4 created and enacted as follows:

5 **Employer-paid tuition.** Each state agency, department, or institution may establish  
6 rules or policies to provide employer-paid costs of training or educational courses, including  
7 tuition and fees, within budgetary constraints. Classified service agencies are subject to rules  
8 adopted by North Dakota human resource management services and approved by the state  
9 personnel board and the legislative council's administrative rules committee. Any other state  
10 agency, department, or institution of the executive, legislative, or judicial branch may adopt  
11 rules or policies to ensure uniformity and consistency in state government. Notwithstanding any  
12 other provision of law, each nonclassified state agency, department, or institution establishing  
13 rules or policies for employer-paid costs of training or educational courses, including tuition and  
14 fees, shall submit the rules and policies to the office of management and budget for review and  
15 comment, and after addressing any comments of the office of management and budget, shall  
16 submit the rules and policies to the legislative council's administrative rules committee. Within  
17 sixty days after the close of each biennial period, each state agency, department, or institution  
18 providing employer-paid costs of training or educational courses, including tuition and fees,  
19 shall file with the office of management and budget a report indicating the individuals receiving  
20 employer-paid costs of training or educational courses, including tuition and fees; the amount  
21 paid; and a statement of the public purpose or benefit of the expenditure. Within ninety days  
22 after the close of each biennial period, the office of management and budget shall submit to the  
23 legislative council a report summarizing this information. An employee who receives  
24 employer-paid tuition under this section who leaves employment with that employer within two  
25 years of receiving the tuition must repay tuition received under this section on a prorated basis.  
26 An expenditure for employer-paid training or educational courses, including tuition and fees,  
27 under this section is deemed to be made for a public purpose and may not be construed as a  
28 gift for purposes of section 18 of article X of the Constitution of North Dakota.

29 **SECTION 3.** A new section to chapter 54-06 of the North Dakota Century Code is  
30 created and enacted as follows:

1           **Employer-paid professional organization membership and service club dues.**

2   Each state agency, department, or institution may pay employee membership dues for  
3   professional organizations and membership dues for service clubs when required to do  
4   business or if the membership is primarily for the benefit of the state. Within sixty days after the  
5   close of each biennial period, each state agency, department, or institution providing  
6   employer-paid professional organization membership and service club dues shall file with the  
7   office of management and budget a report indicating the individuals receiving employer-paid  
8   professional organization membership and service club dues, the amount paid, and a statement  
9   of the public purpose or benefit of the expenditure. Within ninety days after the close of each  
10   biennial period, the office of management and budget shall submit to the legislative council a  
11   report summarizing this information. An expenditure made under this section is deemed to be  
12   compensation for services provided to the state and is made for a public purpose and may not  
13   be construed as a gift for purposes of section 18 of article X of the Constitution of North Dakota.

14           **SECTION 4.** A new section to chapter 54-06 of the North Dakota Century Code is  
15 created and enacted as follows:

16           **Expenditure made pursuant to rule or policy.** An expenditure made pursuant to a  
17 rule or policy adopted pursuant to sections 1 through 3 of this Act is not a criminal offense.