

HOUSE BILL NO. 1353

Introduced by

Representatives Skarphol, Devlin, Weisz

Senators Fischer, Holmberg, J. Lee

1 A BILL for an Act to amend and reenact sections 15-52-01, 15-52-03, 15-52-04, and
2 ~~54-27-25~~57-36-32 of the North Dakota Century Code, relating to the purpose of the school of
3 medicine and health sciences, the school of medicine and health sciences advisory council, the
4 school of medicine and health sciences strategic plan, and ~~the tobacco settlement trust-~~
5 ~~fund~~additional tax on the sale of cigarettes; to repeal ~~chapter 23-42 and~~ section 54-27-25.1 of
6 the North Dakota Century Code, relating to ~~the tobacco prevention and control program and-~~
7 water development trust fund expenditures; and to provide an appropriation; ~~and to provide for-~~
8 ~~a transfer.~~

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

10 **SECTION 1. AMENDMENT.** Section 15-52-01 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **15-52-01. School of medicine and health sciences.**

13 The primary purpose of the university of North Dakota school of medicine and health
14 sciences is to educate~~increase the health care workforce in the state by educating~~ physicians,
15 ~~with a focus on the education of primary care physicians,~~ and other health professionals,
16 increase the health care workforce in the state with a focus on the education of primary care
17 physicians, and to enhance the quality of life in North Dakota. Other purposes include the
18 discovery of knowledge that benefits the people of this state and enhances the quality of their
19 lives.

20 **SECTION 2. AMENDMENT.** Section 15-52-03 of the North Dakota Century Code is
21 amended and reenacted as follows:

1 **15-52-03. School of medicine and health sciences advisory council - Members, terms,**
2 **meetings.**

3 1. To assure the proper coordination of the university of North Dakota school of medicine
4 and health sciences with all other health activities of the state, a permanent school of
5 medicine and health sciences advisory council is established to perform the duties in
6 section 15-52-04.

7 2. For the purposes of this section, a "small community" means a metropolitan statistical
8 area with a combined population of five thousand or less, a "medium community"
9 means a metropolitan statistical area with a combined population of more than five
10 thousand but less than thirty thousand, and a "large community" means a metropolitan
11 statistical area with a combined population of thirty thousand or more. The council
12 consists of ~~fifteen~~sixteen members:

13 a. (1) Two members of the senate, one of whom must be from the majority party
14 and one of whom must be from the minority party, selected by the chairman
15 of the legislative management; and
16 (2) ~~Two~~two members of the house of representatives, one of whom must be
17 from the majority party and one of whom must be from the minority party, to
18 be selected by the chairman of the legislative management;

19 b. ~~One member selected by each of the following:~~
20 (1) ~~The department of human services;~~
21 (2) ~~The state board of higher education;~~
22 (3) ~~The state department of health;~~
23 (4) ~~The North Dakota medical association;~~
24 (5) ~~The North Dakota healthcare association;~~
25 (6) ~~The veterans administration hospital in Fargo; and~~
26 (7) ~~The university of North Dakota center for rural health; and~~Eight members
27 selected by the governor to represent the human services regions of the
28 state, of which four members must be from a small community, two
29 members from a medium community, and two members from a large
30 community. Of the members selected by the governor, at least five of the
31 members must be health care providers involved regularly in patient care, at

1 least one member must be a clinic or hospital administrator, and at least one
2 member must be an individual involved in health care;

3 c. ~~Four~~Two members selected by the dean of the university of North Dakota school
4 of medicine and health sciences, ~~one from each of the four campuses of the~~
5 school of medicine and health sciences ~~with headquarters in Bismarek, Fargo,~~
6 ~~Grand Forks, and Minot.;~~

7 d. One member selected by the state board of higher education; and

8 e. The director of the university of North Dakota center for rural health, who shall
9 serve as an ex officio member.

10 3. ~~The representatives named by the state agencies and boards must be selected to~~
11 ~~serve as members of the advisory council for periods of at least one year, but may not~~
12 ~~serve longer than their term of office on the public agency. The representatives from~~
13 ~~the North Dakota state medical association and the North Dakota healthcare~~
14 ~~association shall serve a term of three years or until their successors are named and~~
15 ~~qualified. The legislators must be selected to serve four-year terms and may be~~
16 selected for one additional term, but may not serve beyond their term of office. The
17 governor shall appoint members to serve terms of three years, except for those first
18 appointed, of which four members must serve for two years and four members for
19 three years. The governor may appoint members to serve one additional term. All
20 other members must be selected to serve three-year terms and may be selected for
21 one additional term.

22 4. The members of the council are entitled to compensation from the university of North
23 Dakota school of medicine and health sciences for attendance at council meetings,
24 including meetings held through video or teleconference, at a rate of one hundred
25 forty-eight dollars per day and are entitled to reimbursement for expenses incurred in
26 attending the meetings in the amounts provided by law for other state officers. A state
27 employee who is a member of the council may not receive compensation under this
28 subsection but is entitled to mileage and expense reimbursement to be paid by the
29 university of North Dakota school of medicine and health sciences.

30 4-5. The council shall name its own chairman and the dean of the university of North
31 Dakota school of medicine and health sciences shall serve as executive secretary of

1 the council. The council shall meet not less than ~~twice~~four times each year, and, from
2 time to time, on its own motion or upon request of the university administration.

3 6. Any council member absent from three or more advisory council meetings during a
4 two-year period may no longer serve on the advisory council and a new member
5 appointed pursuant to subsection 2.

6 **SECTION 3. AMENDMENT.** Section 15-52-04 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **15-52-04. Duties of council.**

9 1. The advisory council, in consultation with the school of medicine and health sciences
10 and the other agencies, associations, and institutions represented on the advisory
11 council, shall study and make recommendations regarding the strategic plan,
12 programs, and facilities of the school of medicine and health sciences.

13 2. ~~Biennially~~Annually, the advisory council shall submit a report, together with its
14 recommendations and outcomes, to the ~~agencies, associations, and institutions~~
15 ~~represented on the advisory council, to the university of North Dakota, to the budget~~
16 ~~section, and to the legislative council management.~~ In addition, the advisory council
17 shall submit a report together with its recommendations and outcomes to the
18 appropriations committees of the house and senate during each legislative session.

19 3. a. The report must describe the advisory council's recommendations regarding the
20 strategic plan, programs, and facilities of the school of medicine and health
21 sciences as developed under subsection 1. The recommendations for
22 implementing strategies through the school of medicine and health sciences or
23 other agencies and institutions must:

24 (1) Address the health care needs of the people of the state; ~~and~~

25 (2) Provide information regarding the state's health care workforce needs;

26 (3) Provide for increasing the number of primary care physicians practicing in
27 the state;

28 (4) Collaborate with local organizations and political subdivisions to place
29 primary care physicians in rural parts of the state;

30 (5) Allow for the recruitment of students into specialized programs identified as
31 necessary for addressing the health care needs of the state;

1 (6) Provide for increasing the number of resident training positions available to
2 train primary care physicians in the state, including incentives to establish
3 resident training programs; and

4 (7) Provide that after meeting commitments to the western interstate
5 commission for higher education and the Indians into medicine program,
6 university of North Dakota school of medicine and health sciences students
7 fill at least eighty percent of the resident training positions available in the
8 state.

9 b. The recommendations required under subdivision a may address:

10 (1) Medical education and training;

11 (2) The recruitment and retention of physicians and other health care
12 professionals;

13 (3) Factors influencing the practice environment for physicians and other health
14 care professionals;

15 (4) Access to health care;

16 (5) Patient safety;

17 (6) The quality of health care and the efficiency of its delivery; and

18 (7) Financial challenges in the delivery of health care.

19 4. The council may consult with any individual or entity in performing its duties under this
20 section.

21 ~~**SECTION 4. AMENDMENT.** Section 54-27-25 of the North Dakota Century Code is~~
22 ~~amended and reenacted as follows:~~

23 ~~**54-27-25. Tobacco settlement trust fund – Interest on fund – Uses.**~~

24 ~~1. There is created in the state treasury a tobacco settlement trust fund. The fund~~
25 ~~consists of the tobacco settlement dollars obtained by the state under subsection IX(c)~~
26 ~~(1) of the master settlement agreement and consent agreement adopted by the east~~
27 ~~central judicial district court in its judgment entered December 28, 1998 [Civil~~
28 ~~No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc.~~
29 ~~Except as provided in subsection 2, moneys received by the state under~~
30 ~~subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be~~

1 credited to the fund and deposited in the fund. The principal and interest of the fund
2 must be allocated as follows:

3 ~~a. Transfers to a community health trust fund to be administered by the state~~
4 ~~department of health. The state department of health may use funds as~~
5 ~~appropriated for community-based public health programs and other public health~~
6 ~~programs, including programs with emphasis on preventing or reducing tobacco~~
7 ~~usage in this state. Transfers under this subsection must equal ten percent of~~
8 ~~total annual transfers from the tobacco settlement trust fund of which a minimum~~
9 ~~of eighty percent must be used for tobacco prevention and control.~~

10 ~~b. Transfers to the common schools trust fund to become a part of the principal of~~
11 ~~that fund. Transfers under this subsection must equal forty-five percent of total~~
12 ~~annual transfers from the tobacco settlement trust fund.~~

13 ~~c. Transfers to the water development trust fund to be used to address the~~
14 ~~long-term water development and management needs of the state. Transfers~~
15 ~~under this subsection must equal forty-five percent of the total annual transfers~~
16 ~~from the tobacco settlement trust fund.~~

17 ~~2. There is created in the state treasury a tobacco prevention and control~~
18 ~~health care~~
19 ~~programs trust fund. The fund consists of the tobacco settlement dollars obtained by~~
20 ~~the state under section IX(c)(2) of the agreement adopted by the east central judicial~~
21 ~~district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of~~
22 ~~North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund~~
23 ~~must be credited to the fund and deposited in the fund. Moneys received into~~
24 ~~the~~
25 ~~fund are to be administered by the executive committee for the purpose of creating~~
26 ~~and implementing the comprehensive plan. If in any biennium, the tobacco prevention~~
27 ~~and control trust fund does not have adequate dollars to fund a comprehensive plan,~~
28 ~~the treasurer shall transfer money from the water development trust fund to the~~
29 ~~tobacco prevention and control trust fund in an amount equal to the amount~~
30 ~~determined necessary by the executive committee to fund a comprehensive~~
~~plan~~
~~available, subject to legislative appropriations, for defraying the expenses of~~
~~university of North Dakota school of medicine and health sciences projects and~~

~~programs related to increasing the health care workforce in the state, with a focus on the education of primary care physicians.~~

~~3. Transfers to the funds under this section must be made within thirty days of receipt by the state.~~

SECTION 4. AMENDMENT. Section 57-36-32 of the North Dakota Century Code is amended and reenacted as follows:

57-36-32. Separate and additional tax on the sale of cigarettes - Collection - Allocation of revenue - Tax avoidance prohibited.

There is hereby levied and assessed and there shall be collected by the state tax commissioner and paid to the state treasurer, upon all cigarettes sold in this state, an additional tax, separate and apart from all other taxes, of ~~seventeen~~~~thirty-seven and one-half~~ mills on each cigarette, to be collected as existing taxes on cigarettes sold are, or hereafter may be, collected, by use of appropriate stamps and under similar accounting procedures. No person, firm, corporation, or limited liability company shall transport or bring or cause to be shipped into the state of North Dakota any cigarettes as provided herein, other than for delivery to wholesalers in this state, without first paying the tax thereon to the state tax commissioner. All of the moneys collected by the state treasurer under this section shall be credited to the state general fund.

SECTION 5. REPEAL. ~~Chapter 23-42 and section~~~~Section~~ 54-27-25.1 of the North Dakota Century Code ~~are~~~~is~~ repealed.

SECTION 6. APPROPRIATION - HEALTH SCIENCES FACILITY PROJECT. There is appropriated out of any moneys in the ~~health care programs trust~~~~general~~ fund in the state treasury, not otherwise appropriated, the sum of \$28,900,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of constructing a new health sciences facility at the university of North Dakota, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 7. APPROPRIATION - MEDICAL SCHOOL PROGRAM EXPANSION. There is appropriated out of any moneys in the ~~health care programs trust~~~~general~~ fund in the state treasury, not otherwise appropriated, the sum of \$5,800,000, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of increasing the number of medical and health sciences students at the university of

1 North Dakota school of medicine and health sciences and the number of residency training
2 positions in the state, for the biennium beginning July 1, 2011, and ending June 30, 2013.

3 ~~SECTION 8. TRANSFER - TOBACCO PREVENTION AND CONTROL TRUST FUND -~~
4 ~~HEALTH CARE PROGRAMS TRUST FUND.~~ The office of management and budget shall
5 transfer any balance remaining in the tobacco prevention and control trust fund at the end of the
6 2009-11 biennium to the health care programs trust fund. For purposes of this section, "at the
7 end of the 2009-11 biennium" means after cancellation of unexpended appropriations under
8 section 54-44.1-11.