

HOUSE BILL NO. 1523

Introduced by

Representatives B. Koppelman, Delzer, Devlin, Dockter, Kading, Kasper, K. Koppelman,
Marschall, M. Ruby, Schobinger

Senators O. Larsen, Unruh

1 A BILL for an Act to create and enact a new section to chapter 54-27 of the North Dakota
2 Century Code, relating to the operating fund balances of state agencies, departments, and
3 institutions; to amend and reenact section 54-44-12 of the North Dakota Century Code, relating
4 to accounts of occupational and professional boards, associations, and commissions, and to
5 provide an effective date.

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

7 **SECTION 1.** A new section to chapter 54-27 of the North Dakota Century Code is created
8 and enacted as follows:

9 **Operating fund balances of state agencies, departments, and institutions -**

10 **Limitation - Transfer.**

11 If, at the end of any fiscal year, the unobligated and undesignated balance of the operating
12 fund of an executive branch state agency, department, or institution exceeds the higher of two
13 hundred fifty thousand dollars or an amount equal to the annual expenses of the agency,
14 department, or institution, the director of the office of management and budget shall transfer the
15 excess amount of funds from the operating fund to the legacy fund. For purposes of this
16 section, an agency, department, or institution's annual expenses are the average expenses of
17 the agency, department, or institution for the three previous fiscal years as reported in the
18 agency, department, or institution's audited annual financial statements. Any balance held in a
19 fund due to statutory or contractual requirements is not subject to the limitations provided in this
20 section.

21 **SECTION 2. AMENDMENT.** Section 54-44-12 of the North Dakota Century Code is
22 amended and reenacted as follows:

1 **54-44-12. Deposit and disbursement of funds of occupational and professional**
2 **boards - Appropriation - Limitation - Transfer.**

3 All occupational and professional boards, associations, and commissions created by law
4 shall deposit all fees and other moneys received in any bank selected by the majority vote of
5 the governing body of the board, association, or commission. Checks may be drawn against the
6 bank account, opened pursuant to this section, for the authorized expenditures of the board,
7 association, or commission on the signature or signatures of the person or persons authorized
8 to so act by the governing body. All moneys in accounts opened pursuant to this section are
9 hereby appropriated for the use of the occupational or professional board, association, or
10 commission opening the account. If, at the end of any fiscal year, the unobligated and
11 undesignated balance of an account of an occupational or professional board, association, or
12 commission exceeds the higher of two hundred fifty thousand dollars or an amount equal to the
13 annual expenses of the entity, the entity shall transfer the excess amount of funds from the
14 account to the state treasurer for deposit in the legacy fund. For purposes of this section, an
15 occupational or professional board, association, or commission's annual expenses are the
16 average expenses of the board, association, or commission for the three previous fiscal years
17 as reported in the board, association, or commission's audited annual financial statements. Any
18 balance held in an account due to statutory or contractual requirements is not subject to the
19 limitations provided in this section.

20 **SECTION 3. EFFECTIVE DATE.** This Act becomes effective August 1, 2021.