

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015

Page 1, line 3, after the semicolon insert "to provide an appropriation to the department of career and technical education, the parks and recreation department, the department of public instruction, the university of North Dakota, the state historical society, Dickinson state university, the highway patrol, and the judicial branch; to create and enact a new section to chapter 10-04 of the North Dakota Century Code, relating to notice filing for certain legacy fund investments;"

Page 1, line 3, after "reenact" insert "subsection 1 of section 10-04-03, a new chapter to title 54, as created by section 3 in House Bill No. 1452, as approved by the sixty-seventh legislative assembly,"

Page 1, line 5, after "Code" insert "and section 510 of House Bill No. 1247, as approved by the sixty-seventh legislative assembly"

Page 1, line 5, after "to" insert "qualifications of the securities commissioner, the clean sustainable energy authority,"

Page 1, line 7, remove the first "and"

Page 1, line 8, after "fund" insert ", and the merging of the state department of health and the department of human services"

Page 1, line 9, after the first semicolon insert "to provide a contingent appropriation to the department of transportation, the university of North Dakota, and the Bank of North Dakota;"

Page 1, line 9, after the second semicolon insert "to provide a contingent transfer to the highway fund and the cultural endowment fund;"

Page 1, line 11, remove "and"

Page 1, line 11, after "report" insert "; to declare an emergency"

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$21,903,816	\$23,163	\$21,926,979
Operating expenses	14,937,426	1,375,788	16,313,214
Emergency commission contingency fund	500,000	(100,000)	400,000
Capital assets	767,125	4,767,494	5,534,619
Grants	54,000	(54,000)	0
Guardianship grants	1,950,000	500,000	2,450,000
Prairie public broadcasting	1,200,000	1	1,200,001
Community service supervision grants	350,000	50,000	400,000
State student internship program	<u>0</u>	<u>100,000</u>	<u>100,000</u>
Total all funds	\$41,662,367	\$6,662,446	\$48,324,813
Less estimated income	<u>8,746,515</u>	<u>5,501,898</u>	<u>14,248,413</u>
Total general fund	\$32,915,852	\$1,160,548	\$34,076,400
Full-time equivalent positions	112.00	(4.00)	108.00"

Page 3, line 14, replace "\$8,100,000" with "\$8,200,000"

Page 3, line 18, replace "\$8,100,000" with "\$8,200,000"

Page 3, after line 31, insert:

**"SECTION 5. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - MATCHING FUNDS - ONE-TIME FUNDING.**

1. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$78,000,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of a statewide career academy initiative grant program for the period beginning with the effective date of this Act, and ending June 30, 2023. The department of career and technical education shall establish the application process and develop eligibility requirements for the grant program that must include:
  - a. Funding may be used only for career and technical education projects involving construction, addition, maintenance, and equipment for new and existing career academies;
  - b. Grants awarded to each recipient must be at least \$500,000, but may not exceed \$10,000,000;
  - c. Grants may be awarded only to the extent a school district has secured matching funds from nonstate sources on a dollar-for-dollar basis;
  - d. The application period for the grant program begins with the effective date of this Act and ends on June 30, 2022. If funding remains after June 30, 2022, a second application period is available from July 1, 2022, through December 31, 2022. Successful applicants from the first application period are eligible for funding during the second application period. Any funding not committed by December 31, 2022, may not be spent and must be canceled at the end of the 2021-23 biennium in accordance with section 54-44.1-11;
  - e. Preference must be given to school districts that collaborate with other school districts for a regional career academy facility or to school districts to create a new career academy or use an existing career academy to positively affect that region of the state; and
  - f. Preference must be given to school districts that will promote postsecondary education and workforce training education in conjunction with secondary education.
2. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$12,216,400, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of state park infrastructure repairs and improvements for the period beginning with the effective date of this Act, and ending June 30, 2023.
3. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of

\$5,900,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing a grant to an entity for the development of a children's science center for the period beginning with the effective date of this Act, and ending June 30, 2023.

4. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of reconstruction of the university's apron at the Grand Forks airport for the period beginning with the effective date of this Act, and ending June 30, 2023.
5. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$4,200,000, or so much of the sum as may be necessary, to the state historical society for the purpose of infrastructure repairs and improvements for the period beginning with the effective date of this Act, and ending June 30, 2023.
6. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects for the period beginning with the effective date of this Act, and ending June 30, 2023.
7. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of a law enforcement training center remodel project for the period beginning with the effective date of this Act, and ending June 30, 2023.
8. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$157,600, or so much of the sum as may be necessary, to the judicial branch for the purpose of purchasing information technology equipment for the period beginning with the effective date of this Act, and ending June 30, 2023.
9. If the federal government distributes funding derived from the federal coronavirus capital projects fund to the state in more than one funding round, the office of management and budget shall prioritize the amounts received in the first funding round for the state agencies identified under this section as follows:
  - a. \$30,000,000 to the department of career and technical education under subsection 1;
  - b. \$6,079,400 to the parks and recreation department under subsection 2;
  - c. \$5,900,000 to the department of public instruction under subsection 3;
  - d. \$5,000,000 to the university of North Dakota under subsection 4;

- e. \$2,100,000 to the state historical society under subsection 5;
  - f. \$4,000,000 to Dickinson state university under subsection 6;
  - g. \$3,000,000 to the highway patrol under subsection 7; and
  - h. \$157,600 to the judicial branch under subsection 8.
10. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

**SECTION 6. CONTINGENT APPROPRIATION - TRANSFER EXCESS  
LEGACY FUND EARNINGS - ONE-TIME FUNDING - REPORT - LEGISLATIVE  
INTENT.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, which the the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of distributions to townships for road and bridge infrastructure needs for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:
- a. The department shall award grants with preference given to grant applications for projects that:
    - (1) Leverage available state, local, or federal funding;
    - (2) Coordinate with state, county, and other township projects;
    - (3) Focus on flood control and infrastructure resilience;
    - (4) Reduce road restrictions, improve mobility, and improve safety;
    - (5) Improve the agricultural economy and goods movement; and
    - (6) Confirm participating townships' ability to maintain the improvements.
  - b. The department shall establish an application process that must include the following eligibility requirements:
    - (1) The roadways or bridges associated with the project must provide continuity and connectivity to efficiently integrate and improve paved and unpaved corridors within the township and across township borders;
    - (2) The project must be consistent with applicable township long-range planning;
    - (3) The project must result in the roadway segment meeting an appropriate legal load limit; and

- (4) The project must comply with the American association of state highway transportation officials pavement and bridge design procedures and standards developed by the department of transportation in conjunction with the local jurisdiction.
        - c. For approved projects, the department shall initially distribute the portion of the approved grant funding for engineering and plan development costs. Upon execution of a construction contract by the township, the department shall distribute the remainder of the approved funding. Townships shall report to the department upon awarding of each contract and upon completion of each project.
        - d. Grants may be awarded for construction, engineering, and plan development costs, but may not be used for routine maintenance. Grants awarded may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2021. Section 54-44.1-11 does not apply to funding under this subsection and any funds not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for the purposes authorized by this subsection.
        - e. For the purposes of this subsection, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.
        - f. The funding provided under this subsection is considered a one-time funding item and the department shall report to the budget section and to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding, including the amounts awarded and distributed to each township, the amounts spent to date, and the amounts anticipated to be continued into the 2023-25 biennium.
2. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a space command initiative and related technical programs, including equipment, renovation costs, a sensitive compartmental information facility, and other expenses for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this subsection is considered a one-time funding item.
3. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the cultural endowment fund during the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this subsection is considered a one-time funding item. It is the intent of the sixty-seventh legislative assembly that the council on the arts expend up to \$50,000 annually from the cultural endowment fund pursuant to the appropriation authority provided in section 2 of Senate Bill No. 2010 during the 2021-23 biennium for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking

program. It is further the intent of the legislative assembly that the council on the arts continue to expend \$50,000 annually from the cultural endowment fund for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program until the moneys derived from general fund transfer authorized in this Act and deposited in the fund have been fully expended.

4. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$17,500,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of repaying a loan issued to support the Theodore Roosevelt presidential library and museum endowment fund for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this subsection is considered a one-time funding item.
5. The funding provided under this section is available in the order identified in this section and only to the extent the actual legacy fund earnings transferred to the general fund at the end of the 2019-21 biennium exceed the legislative estimate for legacy fund earnings for the 2019-21 biennium made at the close of the 2021 legislative session, as determined by the office of management and budget."

Page 4, line 2, replace "\$187,385,888" with "\$187,223,092"

Page 4, line 11, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 12, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 14, replace "\$600,000" with "\$500,000"

Page 4, replace line 26 with:

"Statewide memberships and related expenses	\$642,089"
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Page 5, line 10, remove "and a maximum of \$250"

Page 5, line 11, remove "per month"

Page 5, line 11, replace "each" with "the first"

Page 5, line 11, after "biennium" insert "and are to average 2 percent per eligible employee for the second year of the biennium"

Page 5, line 15, remove "and maximum"

Page 5, after line 26, insert:

**"SECTION 14. AMENDMENT.** Subsection 1 of section 10-04-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state securities department is under the supervision of a chief officer designated as the securities commissioner. The securities commissioner must be appointed by the governor and confirmed by the senate and shall hold office for a term of four years, beginning on the first day of July following a national presidential election and continuing until a successor has been appointed, confirmed by the senate, and has qualified, unless removed as herein provided. If the senate is not in session, the governor may make an interim appointment, and the interim appointee shall ~~may~~ may

hold office until the senate confirms or rejects the appointment. ~~The commissioner must be skilled in securities and may not be an incumbent of any other public office in the state.~~ The commissioner may not own or control any security required to be registered under this chapter, or any security which is exempt based on the approval of the securities department. The commissioner may not be an officer, director, or employee of any broker-dealer, agent, investment adviser, or investment adviser representative required to be registered under this chapter, or of a federal covered adviser required to be notice-filed under this chapter. The governor may remove from office any commissioner who fails to discharge faithfully the duties of office or who becomes disqualified under the provisions of this section.

It is the prime duty of the commissioner to administer the provisions of this chapter. The commissioner shall receive a salary within the amount appropriated for salaries by the legislative assembly. The commissioner shall use a seal with the words "securities commissioner, North Dakota" and such design as the commissioner may prescribe engraved thereon by which seal the commissioner may authenticate documents used in the administration of this chapter. The commissioner may employ such employees as are necessary for the administration of this chapter. In the absence or disability of the commissioner, the deputy or designee of the commissioner ~~shall~~may administer the provisions of this chapter as acting commissioner.

**SECTION 15.** A new section to chapter 10-04 of the North Dakota Century Code is created and enacted as follows:

**Legacy fund investments - Notice filing.**

1. Within thirty days of completion of the transaction, any issuer of securities in receipt of an investment from the legacy fund under paragraph 3 of subdivision a of subsection 3 of section 21-10-11 or under subdivision b of subsection 3 of section 21-10-11, as created by section 4 of House Bill No. 1425 as approved by the sixty-seventh legislative assembly, shall electronically file a notice on a form prescribed by the commissioner and containing information as required by the commissioner.
2. The notice filing requirement under this section does not exempt the issuer from or supersede any other provision of this chapter.

**SECTION 16. AMENDMENT.** A new chapter to title 54 of the North Dakota Century Code, as created by section 3 of House Bill No. 1452 as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

**Definitions.**

As used in this chapter:

1. "Authority" means the clean sustainable energy authority.
2. "Clean" means a technology or concept that reduces emissions to the air, water, or land and meets or exceeds state and federal environmental regulations.

3. "Commission" means the industrial commission.
4. "Fund" means the clean sustainable energy fund.
5. "Program" means the clean sustainable energy program.
6. "Sustainable" means a technology or concept that allows the use of a natural resource to be maintained or enhanced through increased efficiency and life cycle benefits while either increasing or not adversely impacting energy security, affordability, reliability, resilience, or national security.

#### **Clean sustainable energy authority - Purpose.**

There is created the clean sustainable energy authority to support research, development, and technological advancements through partnerships and financial support for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery. The purpose of the financial support is to enhance the production of clean sustainable energy, to make the state a world leader in the production of clean sustainable energy, and to diversify and grow the state's economy.

#### **Clean sustainable energy authority - Membership - Meetings.**

1. The clean sustainable energy authority consists of sixteen members, including eight voting members and eight nonvoting technical advisors.
2. The eight voting members consist of:
  - a. One member appointed by the legislative management to serve as chairman;
  - b. Two members appointed by the lignite research council;
  - c. Two members appointed by the oil and gas research council;
  - d. Two members appointed by the renewable energy council; and
  - e. One member appointed by the western Dakota energy association.
3. The eight nonvoting technical advisors consist of:
  - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
  - b. The commissioner of commerce or the commissioner's designee;
  - c. The director of the department of environmental quality or the director's designee;
  - d. The director of mineral resources or the director's designee;
  - e. The director of the North Dakota pipeline authority or the director's designee;
  - f. The director of the North Dakota transmission authority or the director's designee;



- g. The director of the state energy research center or the director's designee;
  - h. The president of the Bank of North Dakota or the president's designee;
4. The term of office for the chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first. The initial terms for the voting members of the authority must be staggered following a method determined by the authority.
  5. The authority shall meet at least semiannually. The chairman shall call a meeting upon written request from three voting members of the authority. Five voting members is a quorum at any meeting.
  6. The authority may not forward a recommendation to the commission unless the recommendation fulfills the purposes of this chapter and is approved by a majority of the voting members of the authority.

#### **Clean sustainable energy authority - Duties - Report.**

1. The authority shall make recommendations to the commission for program guidelines, including eligibility criteria for entities to receive funding under this chapter.
2. The nonvoting technical advisors shall develop a process to review and evaluate projects to determine the technical merits and feasibility of any application, including potential benefits of the development of low-emission technology, the expansion of the development of the state's natural resources or energy production, and the contribution to the economic diversity in the state.
3. The authority may develop a loan program or a loan guarantee program under the clean sustainable energy fund. The Bank of North Dakota shall administer the loan program or loan guarantee program. The interest rate of a loan under this program may not exceed two percent per year. The maximum term of a loan under this section must be approved by the commission based on a recommendation from the authority. The Bank shall review applications for loans or loan guarantees and shall consider the business plan, financial statements, and other information necessary to evaluate the application. To be eligible for a loan or loan guarantee, an entity shall agree to provide the Bank of North Dakota with information as requested. The Bank of North Dakota may develop policies for loan participation with local financial institutions.
4. The authority shall make recommendations to the commission for grant awards, loan approvals, or other financial assistance to provide funding to support research, development, and technological advancements for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery in accordance with this chapter. Any projects, processes, activities, and technologies selected by the commission for funding must have been recommended by

the authority, must demonstrate feasibility based on a technical review conducted by the nonvoting technical advisors of the authority, must have other sources of financial support, and must achieve the priorities and purposes of the program. At the request of the authority, the Bank of North Dakota shall provide a recommendation regarding the economic feasibility of a project, process, activity, or technology under consideration by the authority. The Bank shall review the business plan, financial statements, and other information necessary to provide a recommendation.

5. The authority may consult with any other state agency necessary to carry out the purposes under this chapter.
6. Each biennium, the authority shall provide a written report to the legislative management regarding its activities and the program's financial impact on state revenues and the state's economy.

#### **Clean sustainable energy program - Powers and duties of the commission.**

1. The commission is granted all the powers necessary to carry out the purposes of this chapter, including the power to:
  - a. Provide grants, loans, or other forms of financial assistance to qualified entities for the research, demonstration, development, and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and use energy sources derived from within the state. Other forms of financial assistance include venture capital investments and interest rate buydowns. The commission must require an entity to provide assurance of financial and other types of support that demonstrate a commitment to the project, process, activity, or technology. The commission may develop policies for the approval of loans or loan guarantees issued from the clean sustainable energy fund.
  - b. Enter into contracts or agreements to carry out the purposes of this chapter, including contracting for the administration of the program.
  - c. Keep accurate records of all financial transactions performed under this chapter.
  - d. Cooperate with any private, local, state, or national organization to make contracts and agreements for programs that advance the mission of the program.
  - e. Accept loan repayments, donations, grants, contributions, or gifts from any public or private source to carry out the purposes of this chapter, which must be deposited in the clean sustainable energy fund.
  - f. Make guidelines necessary to carry out the purposes of this chapter, including guidelines relating to the ownership of intellectual property.
  - g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly, to make loans or loan guarantees under a loan program or loan guarantee program developed by the clean sustainable energy authority.

2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or dispose of any interest in an asset necessary for clean sustainable energy technology development to facilitate the production, transportation, distribution, or delivery of clean energy commodities produced in the state as a purchases of last resort.
3. The commission shall provide administrative support to the authority for the operation of the program, including the preparation of forms, review of applications, and ongoing review of any contracts. The commission may contract with a public or private entity to provide technical assistance necessary to implement the purposes of this chapter.
4. The commission is not subject to the reporting requirements under chapter 54-60.1.

**Clean sustainable energy program - Access to records.**

1. To the extent the commission or authority determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the commission or receiving commission services under this chapter, materials and data submitted to, made by, or received by the commission or authority, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota, and are subject to section 44-04-18.4.
2. A person or entity may file a request with the commission to have material designated as confidential under subsection 1. The request must contain any information required by the commission and must include at least the following:
  - a. A general description of the nature of the information sought to be protected.
  - b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
  - c. An explanation of why the information is not readily ascertainable by proper means of other persons.
  - d. A general description of any person that may obtain economic value from disclosure or use of the information, and how the person may obtain this value.
  - e. A description of the efforts used to maintain the secrecy of the information.
3. Any request under subsection 2 is confidential. The commission shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the commission determines the information is either not relevant or not a trade secret, the commission shall notify the requester and the requester may ask for the return of the information and the request within ten days of the notice. If no return is sought, the information and request are public record.

4. The names or identities of independent technical reviewers on a project or program are confidential, may not be disclosed by the commission, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

**Clean sustainable energy fund - Continuing appropriation - Line of credit - Loans - Repayments.**

1. There is created in the state treasury the clean sustainable energy fund. The fund consists of all moneys transferred to the fund by the legislative assembly; loan proceeds; interest upon moneys in the fund; principal and interest payments to the fund; and donations, grants, and other contributions received by the commission for deposit in the fund. All moneys in the fund are appropriated to the commission on a continuing basis to provide grants, loans, and other financial assistance and for administrative and operating costs of the authority and program pursuant to the provisions under this chapter.
2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees. The Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs, not to exceed one-half of one percent of the amount of the interest payment. The Bank shall contract with a certified public accounting firm to audit the fund annually if the fund has any outstanding loans. The cost of the audit must be paid from the fund.
3. The Bank of North Dakota shall extend a line of credit to the industrial commission to support loans or loan guarantees issued from the clean sustainable energy fund. The line of credit may not exceed two hundred fifty million dollars, and the interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota governmental entities. The industrial commission shall repay the line of credit from moneys available in the clean sustainable energy fund or other funds, as appropriated by the legislative assembly. If the moneys available from the clean sustainable energy fund on June 30, 2025, are not sufficient to repay the line of credit, the industrial commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit.
4. The industrial commission may access the line of credit to the extent needed through June 30, 2025, to provide funding as authorized by the legislative assembly to support loans or loan guarantees issued from the clean sustainable energy fund. Any moneys borrowed from the Bank of North Dakota pursuant to this section must be transferred to the clean sustainable energy fund to support loans or loan guarantees."

Page 11, after line 6, insert:

**"SECTION 24. AMENDMENT.** Section 510 of House Bill No. 1247, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

**SECTION 510. LEGISLATIVE INTENT.** It is the intent of the sixty-seventh legislative assembly that:

1. Effective September 1, 2022, the state department of health merge into the department of human services and both agencies be called the department of health and human services;
2. Effective September 1, 2022, the state department of health, including the state health officer, fall under the authority of the executive director of the department of human services, now known as the executive director of the department of health and human services;
3. During the 2021-23 biennium, the executive director of the former department of human services review and reorganize the structure of the former department of human services to incorporate the former state department of health and to find efficiencies in the newly formed department of health and human services;
4. The newly formed department of health and human services is not required to reduce the full-time equivalent positions of the former state department of health and department of human services;
5. The office of management and budget transfer the state department of health's appropriation into the department of human services appropriation for the period beginning September 1, 2022, and ending June 30, 2023;
6. ~~Section 4~~ The appropriations contained in section 1 of Senate Bill No. 2004, as approved by the sixty-seventh legislative assembly, ~~shall transfer into subdivisions 1 and 2 of and~~ section 1 of House Bill No. 1012, as approved by the sixty-seventh legislative assembly, be combined for the period beginning September 1, 2022, and ending June 30, 2023;
7. The combined budget of the department of human services and state department of health be referred to the budget of the department of health and human services; and
8. Department of health and human services is to be substituted for, shall take any action previously to be taken by, and shall perform any duties previously to be performed by the state department of health."

Page 12, after line 12, insert:

**"SECTION 30. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE COMPENSATION.** During the 2021-22 interim, the legislative management shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 31. EMERGENCY.** Sections 3 and 5 of this Act and Senate Bill No. 2140, as approved by the sixty-seventh legislative assembly, are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Summary of Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
<b>Office of Management and Budget</b>				
Total all funds	\$41,662,367	\$47,361,750	\$963,063	\$48,324,813
Less estimated income	<u>8,746,515</u>	<u>14,252,906</u>	<u>(4,493)</u>	<u>14,248,413</u>
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00
<b>State Treasurer</b>				
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	<u>0</u>	<u>8,100,000</u>	<u>100,000</u>	<u>8,200,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>Judicial Branch</b>				
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	<u>0</u>	<u>0</u>	<u>157,600</u>	<u>157,600</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>Department of Public Instruction</b>				
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	<u>0</u>	<u>0</u>	<u>5,900,000</u>	<u>5,900,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>University of North Dakota</b>				
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	<u>0</u>	<u>0</u>	<u>5,000,000</u>	<u>5,000,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>Dickinson State University</b>				
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	<u>0</u>	<u>0</u>	<u>4,000,000</u>	<u>4,000,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>Dept. of Career and Technical Education</b>				
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	<u>0</u>	<u>0</u>	<u>78,000,000</u>	<u>78,000,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>Highway Patrol</b>				
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	<u>0</u>	<u>0</u>	<u>3,000,000</u>	<u>3,000,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
<b>State Historical Society</b>				
Total all funds	\$0	\$0	\$4,200,000	\$4,200,000
Less estimated income	<u>0</u>	<u>0</u>	<u>4,200,000</u>	<u>4,200,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Parks and Recreation Department				
Total all funds	\$0	\$0	\$12,216,400	\$12,216,400
Less estimated income	0	0	12,216,400	12,216,400
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$41,662,367	\$55,461,750	\$113,537,063	\$168,998,813
Less estimated income	8,746,515	22,352,906	112,569,507	134,922,413
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00

**House Bill No. 1015 - Office of Management and Budget - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$21,903,816	\$22,797,003	(\$870,024)	\$21,926,979
Operating expenses	14,937,426	15,430,128	883,086	16,313,214
Capital assets	767,125	5,534,619		5,534,619
Grants	54,000			
Emergency commission contingency fund	500,000	400,000		400,000
Guardianship grants	1,950,000	2,050,000	400,000	2,450,000
Prairie Public Broadcasting	1,200,000	800,000	400,001	1,200,001
Community service supervision grants	350,000	250,000	150,000	400,000
Student internship program		100,000		100,000
Total all funds	\$41,662,367	\$47,361,750	\$963,063	\$48,324,813
Less estimated income	8,746,515	14,252,906	(4,493)	14,248,413
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00

**Department 110 - Office of Management and Budget - Detail of Senate Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Transfers FTE Positions for IT Unification <sup>2</sup>	Adds Funding for Statewide Dues <sup>2</sup>	Adds Funding for Grants <sup>4</sup>	Total Senate Changes
Salaries and wages	(\$23,477)	(\$846,547)			(\$870,024)
Operating expenses		866,061	\$17,025		883,086
Capital assets					
Grants					
Emergency commission contingency fund					
Guardianship grants				\$400,000	400,000
Prairie Public Broadcasting				400,001	400,001
Community service supervision grants				150,000	150,000
Student internship program					
Total all funds	(\$23,477)	\$19,514	\$17,025	\$950,001	\$963,063
Less estimated income	(4,493)	0	0	0	(4,493)
General fund	(\$18,984)	\$19,514	\$17,025	\$950,001	\$967,556
FTE	0.00	(4.00)	0.00	0.00	(4.00)

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Four FTE positions are transferred to the Information Technology Department for the IT unification project, reducing salaries and wages by \$846,547 and increasing operating expenses by \$866,061. The House did not include the IT unification project.

<sup>3</sup> Funding of \$17,025 from the general fund is added for increased costs associated with statewide memberships and dues.

<sup>4</sup> Funding of \$950,001 is added from the general fund as follows:

- \$400,000 for guardianship grants to provide a total of \$2,450,000. The House provided a total of \$2,050,000.
- \$400,001 for Prairie Public Broadcasting to provide a total of \$1,200,001. The House provided a total of \$800,000.
- \$150,000 for community service supervision grants to provide a total of \$400,000. The House provided a total of \$250,000.

This amendment also:

- Adds a section to appropriate funding from the federal Coronavirus Capital Projects Fund to various agencies for eligible capital projects. The House did not include this section.
- Provides contingent appropriations from any legacy fund earnings exceeding the legislative forecast for transfer to the highway fund for township road and bridge projects (\$21.8 million), for a University of North Dakota space command initiative (\$4 million), for transfer to the cultural endowment fund for arts initiatives (\$1 million), and for the Bank of North Dakota to repay a loan to support the Theodore Roosevelt Presidential Library and Museum endowment fund (\$17.5 million). The House did not include contingent appropriations for excess legacy fund earnings.
- Adjusts the transfer from the tax relief fund to the human service finance fund to provide \$187,223,092. The House provided for a transfer of \$187,385,888.
- Adjusts the funding identified from the Capitol building fund for extraordinary repairs to match the \$500,000 appropriated in Section 1 of the bill. The House appropriated \$500,000 for extraordinary repairs.
- Increases the amount of funding identified for statewide memberships and dues totaling \$642,089. The House provided \$625,064 for statewide memberships and dues.
- Adjusts the compensation guidelines to reflect an average increase of 1.5 percent with a monthly minimum of \$100 in the 1<sup>st</sup> year of the biennium and an average increase of 2 percent in the 2<sup>nd</sup> year of the biennium. The House provided an average increase of 1.5 percent with a monthly minimum of \$100 and a monthly maximum of \$200 for both years of the biennium.
- Removes the requirement for the Securities Commissioner to be skilled in securities and removes the restriction that the Securities Commissioner may not hold any other public office. The House did not include this change.
- Requires a notice filing for certain securities held as investments from the legacy fund. The House did not include this requirement.
- Authorizes the Bank of North Dakota to provide a line of credit of up to \$250 million to support loans or loan guarantees under the clean sustainable energy fund. The House did not authorize this line of credit.
- Amends House Bill No. 1247 to clarify the process for merging the budgets of the State Department of Health and the Department of Human Services. The House did not include this amendment to House Bill No. 1247.
- Adds a Legislative Management study of state employee compensation. The House did not include a study of state employee compensation.
- Provides an emergency clause for community services supervision fund grants, federal coronavirus capital projects, and Senate Bill No. 2140, relating to repayments under the professional student exchange program. The House did not include an emergency clause.

**House Bill No. 1015 - State Treasurer - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Non-oil township grants		\$8,100,000	\$100,000	\$8,200,000
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	0	8,100,000	100,000	8,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00



**Department 120 - State Treasurer - Detail of Senate Changes**

	Increases Funding for Grants <sup>1</sup>	Total Senate Changes
Non-oil township grants	\$100,000	\$100,000
Total all funds	\$100,000	\$100,000
Less estimated income	100,000	100,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Funding for grants to non-oil-producing townships is increased by \$100,000 to provide a total of \$8.2 million from the state disaster relief fund.

**House Bill No. 1015 - Judicial Branch - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$157,600	\$157,600
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	0	0	157,600	157,600
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 180 - Judicial Branch - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$157,600	\$157,600
Total all funds	\$157,600	\$157,600
Less estimated income	157,600	157,600
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$157,600 from the federal Coronavirus Capital Projects Fund is added for information technology equipment. The House did not include this funding.

**House Bill No. 1015 - Department of Public Instruction - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$5,900,000	\$5,900,000
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	0	0	5,900,000	5,900,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 201 - Department of Public Instruction - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$5,900,000	\$5,900,000
Total all funds	\$5,900,000	\$5,900,000
Less estimated income	5,900,000	5,900,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$5.9 million from the federal Coronavirus Capital Projects Fund is added for a grant to an entity for the development of a children's science center in Minot. The House did not include this funding.

**House Bill No. 1015 - University of North Dakota - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$5,000,000	\$5,000,000
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 230 - University of North Dakota - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$5,000,000	\$5,000,000
Total all funds	\$5,000,000	\$5,000,000
Less estimated income	5,000,000	5,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$5 million from the federal Coronavirus Capital Projects Fund is added for reconstruction of the University of North Dakota's apron at the Grand Forks airport. The House did not include this funding.

**House Bill No. 1015 - Dickinson State University - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$4,000,000	\$4,000,000
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	0	0	4,000,000	4,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 239 - Dickinson State University - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$4,000,000	\$4,000,000
Total all funds	\$4,000,000	\$4,000,000
Less estimated income	4,000,000	4,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$4 million from the federal Coronavirus Capital Projects Fund is added for a Pulver Hall project and meat processing laboratory project at Dickinson State University. The House did not include this funding.

**House Bill No. 1015 - Dept. of Career and Technical Education - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$78,000,000	\$78,000,000
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	0	0	78,000,000	78,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 270 - Dept. of Career and Technical Education - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$78,000,000	\$78,000,000
Total all funds	\$78,000,000	\$78,000,000
Less estimated income	78,000,000	78,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$78 million from the federal Coronavirus Capital Projects Fund is added for a statewide career academy initiative grant program. The House did not include this funding.

**House Bill No. 1015 - Highway Patrol - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$3,000,000	\$3,000,000
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 504 - Highway Patrol - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$3,000,000	\$3,000,000
Total all funds	\$3,000,000	\$3,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$3 million from the federal Coronavirus Capital Projects Fund is added for a law enforcement training center remodel project. The House did not include this funding.

**House Bill No. 1015 - State Historical Society - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$4,200,000	\$4,200,000
Total all funds	\$0	\$0	\$4,200,000	\$4,200,000
Less estimated income	0	0	4,200,000	4,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 701 - State Historical Society - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$4,200,000	\$4,200,000
Total all funds	\$4,200,000	\$4,200,000
Less estimated income	4,200,000	4,200,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$4.2 million from the federal Coronavirus Capital Projects Fund is added for State Historical Society infrastructure repairs and improvements. The House did not include this funding.

**House Bill No. 1015 - Parks and Recreation Department - Senate Action**

	<b>Base Budget</b>	<b>House Version</b>	<b>Senate Changes</b>	<b>Senate Version</b>
Federal coronavirus capital projects			\$12,216,400	\$12,216,400
Total all funds	\$0	\$0	\$12,216,400	\$12,216,400
Less estimated income	0	0	12,216,400	12,216,400
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 750 - Parks and Recreation Department - Detail of Senate Changes**

	<b>Adds Funding for Capital Projects<sup>1</sup></b>	<b>Total Senate Changes</b>
Federal coronavirus capital projects	\$12,216,400	\$12,216,400
Total all funds	\$12,216,400	\$12,216,400
Less estimated income	12,216,400	12,216,400
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$12,216,400 from the federal Coronavirus Capital Projects Fund is added for state park infrastructure repairs and improvements. The House did not include this funding.

Sixty-seventh  
Legislative Assembly  
of North Dakota

## ENGROSSED HOUSE BILL NO. 1015

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions  
2 under the supervision of the director of the office of management and budget; to provide an  
3 appropriation to the state treasurer; to provide an appropriation to the department of career and  
4 technical education, the parks and recreation department, the department of public instruction,  
5 the university of North Dakota, the state historical society, Dickinson state university, the  
6 highway patrol, and the judicial branch; to create and enact a new section to chapter 10-04 of  
7 the North Dakota Century Code, relating to notice filing for certain legacy fund investments; to  
8 amend and reenact subsection 1 of section 10-04-03, a new chapter to title 54, as created by  
9 section 3 in House Bill No. 1452, as approved by the sixty-seventh legislative assembly,  
10 sections 54-44.1-18, 54-44.4-07, 54-44.4-08, 57-51.1-07.5, subsections 2 and 3 of section  
11 57-51.1-07.7, and subsection 2 of section 57-51.1-07.8 of the North Dakota Century Code and  
12 section 510 of House Bill No. 1247, as approved by the sixty-seventh legislative assembly,  
13 relating to qualifications of the securities commissioner, the clean sustainable energy authority,  
14 publishing political subdivision budgets, environmentally preferable products, the state share of  
15 oil and gas tax revenue allocations, the municipal infrastructure fund, ~~and~~ the county and  
16 township infrastructure fund, and the merging of the state department of health and the  
17 department of human services; to repeal section 54-06-25 of the North Dakota Century Code,  
18 relating to the state employee compensation commission; to provide a contingent appropriation  
19 to the department of transportation, the university of North Dakota, and the Bank of North  
20 Dakota; to provide for a transfer; to provide a contingent transfer to the highway fund and the  
21 cultural endowment fund; to provide for a claims payment; to provide compensation guidelines;  
22 to provide an exemption; to provide for a legislative management study; ~~and~~ to provide a report;  
23 to declare an emergency.

24 BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

1       **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
2 as may be necessary, are appropriated out of any moneys in the general fund in the state  
3 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
4 other income, to the office of management and budget for the purpose of defraying the  
5 expenses of the office of management and budget, for the biennium beginning July 1, 2021, and  
6 ending June 30, 2023, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
9 <del>Salaries and wages</del>	<del>\$21,903,816</del>	<del>\$893,187</del>	<del>\$22,797,003</del>
10 <del>Operating expenses</del>	<del>14,937,426</del>	<del>492,702</del>	<del>15,430,128</del>
11 <del>Emergency commission contingency fund</del>	<del>500,000</del>	<del>(100,000)</del>	<del>400,000</del>
12 <del>Capital assets</del>	<del>767,125</del>	<del>4,767,494</del>	<del>5,534,619</del>
13 <del>Grants</del>	<del>54,000</del>	<del>(54,000)</del>	<del>0</del>
14 <del>Guardianship grants</del>	<del>1,950,000</del>	<del>100,000</del>	<del>2,050,000</del>
15 <del>Prairie public broadcasting</del>	<del>1,200,000</del>	<del>(400,000)</del>	<del>800,000</del>
16 <del>Community service supervision grants</del>	<del>350,000</del>	<del>(100,000)</del>	<del>250,000</del>
17 <del>State student internship program</del>	<del>0</del>	<del>100,000</del>	<del>100,000</del>
18 <del>Total all funds</del>	<del>\$41,662,367</del>	<del>\$5,699,383</del>	<del>\$47,361,750</del>
19 <del>Less estimated income</del>	<del>8,746,515</del>	<del>5,506,391</del>	<del>14,252,906</del>
20 <del>Total general fund</del>	<del>\$32,915,852</del>	<del>\$192,992</del>	<del>\$33,108,844</del>
21 <del>Full-time equivalent positions</del>	<del>112.00</del>	<del>0.00</del>	<del>112.00</del>
22 <u>Salaries and wages</u>	<u>\$21,903,816</u>	<u>\$23,163</u>	<u>\$21,926,979</u>
23 <u>Operating expenses</u>	<u>14,937,426</u>	<u>1,375,788</u>	<u>16,313,214</u>
24 <u>Emergency commission contingency fund</u>	<u>500,000</u>	<u>(100,000)</u>	<u>400,000</u>
25 <u>Capital assets</u>	<u>767,125</u>	<u>4,767,494</u>	<u>5,534,619</u>
26 <u>Grants</u>	<u>54,000</u>	<u>(54,000)</u>	<u>0</u>
27 <u>Guardianship grants</u>	<u>1,950,000</u>	<u>500,000</u>	<u>2,450,000</u>
28 <u>Prairie public broadcasting</u>	<u>1,200,000</u>	<u>1</u>	<u>1,200,001</u>
29 <u>Community service supervision grants</u>	<u>350,000</u>	<u>50,000</u>	<u>400,000</u>
30 <u>State student internship program</u>	<u>0</u>	<u>100,000</u>	<u>100,000</u>
31 <u>Total all funds</u>	<u>\$41,662,367</u>	<u>\$6,662,446</u>	<u>\$48,324,813</u>

1	<u>Less estimated income</u>	<u>8,746,515</u>	<u>5,501,898</u>	<u>14,248,413</u>
2	<u>Total general fund</u>	<u>\$32,915,852</u>	<u>\$1,160,548</u>	<u>\$34,076,400</u>
3	<u>Full-time equivalent positions</u>	<u>112.00</u>	<u>(4.00)</u>	<u>108.00</u>

4       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**  
5 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
6 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the  
7 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

8	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
9	Extraordinary repairs	\$1,900,000	\$500,000
10	Capitol south entrance project	2,000,000	0
11	Special assessments on capitol grounds	320,000	300,000
12	Litigation funding pool	3,500,000	0
13	Assessment of state lands and facilities	500,000	0
14	Risk management technology project	170,000	0
15	State student internship program	250,000	100,000
16	Electronic procurement study	50,000	0
17	Facility consolidation study	0	350,000
18	Building automation project	0	518,800
19	Interior and exterior signage projects	0	500,000
20	Procurement software	0	2,021,204
21	Statewide budget software	<u>0</u>	<u>1,230,100</u>
22	Total all funds	\$8,690,000	\$5,520,104
23	Less estimated income	<u>8,390,000</u>	<u>5,420,104</u>
24	Total general fund	\$300,000	\$100,000

25       The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget  
26 for the 2023-25 biennium. The office of management and budget shall report to the  
27 appropriations committees of the sixty-eighth legislative assembly on the use of this one-time  
28 funding for the biennium beginning July 1, 2021, and ending June 30, 2023.

29       **SECTION 3. APPROPRIATION - COMMUNITY SERVICES SUPERVISION FUND.** Any  
30 moneys in the community service supervision fund under section 29-26-22 are appropriated to  
31 the office of management and budget for distribution to community corrections association



1 regions on or before August first of each year during the biennium beginning July 1, 2021, and  
2 ending June 30, 2023.

3 **SECTION 4. APPROPRIATION - STATE DISASTER RELIEF FUND - STATE**  
4 **TREASURER - DISTRIBUTIONS TO NON-OIL-PRODUCING COUNTIES.** Due to

5 extraordinary flooding in 2020 in parts of the state and due to the excessive cost of road  
6 maintenance, there is appropriated out of any moneys in the state disaster relief fund in the  
7 state treasury, not otherwise appropriated, the sum of ~~\$8,100,000~~ \$8,200,000, or so much of the  
8 sum as may be necessary, to the state treasurer for the purpose of providing distributions to  
9 non-oil-producing counties for the benefit of the organized and unorganized townships within  
10 each non-oil-producing county, for the biennium beginning July 1, 2021, and ending June 30,  
11 2023. In August 2021, the state treasurer shall distribute ~~\$8,100,000~~ \$8,200,000, or so much of  
12 the sum as may be necessary, to non-oil-producing counties for the benefit of the organized and  
13 unorganized townships within each non-oil-producing county. The distribution to each  
14 non-oil-producing county must provide for an allocation of \$5,000 to each organized and  
15 unorganized township within the county. The amount allocated to organized townships under  
16 this section must be paid by the county treasurer to each organized township. The amount  
17 allocated to unorganized townships under this section must be credited by the county treasurer  
18 to a special fund for unorganized township roads. The distributions under this section must be  
19 used for the maintenance and improvement of township paved and unpaved roads and bridges.  
20 A township is not eligible for an allocation of funds under this section if the township does not  
21 maintain any township roads. For the purposes of this section, a "non-oil-producing county"  
22 means a county that has received no allocation of funding or a total allocation of funding under  
23 subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1,  
24 2019, and ending August 31, 2020.

25 **SECTION 5. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS**  
26 **FUND - MATCHING FUNDS - ONE-TIME FUNDING.**

- 27 1. There is appropriated from federal funds derived from the federal coronavirus capital  
28 projects fund, not otherwise appropriated, the sum of \$78,000,000, or so much of the  
29 sum as may be necessary, to the department of career and technical education for the  
30 purpose of a statewide career academy initiative grant program for the period  
31 beginning with the effective date of this Act, and ending June 30, 2023. The

1 department of career and technical education shall establish the application process  
2 and develop eligibility requirements for the grant program that must include:

- 3 a. Funding may be used only for career and technical education projects involving  
4 construction, addition, maintenance, and equipment for new and existing career  
5 academies;
- 6 b. Grants awarded to each recipient must be at least \$500,000, but may not exceed  
7 \$10,000,000;
- 8 c. Grants may be awarded only to the extent a school district has secured matching  
9 funds from nonstate sources on a dollar-for-dollar basis;
- 10 d. The application period for the grant program begins with the effective date of this  
11 Act and ends on June 30, 2022. If funding remains after June 30, 2022, a second  
12 application period is available from July 1, 2022, through December 31, 2022.  
13 Successful applicants from the first application period are eligible for funding  
14 during the second application period. Any funding not committed by  
15 December 31, 2022, may not be spent and must be canceled at the end of the  
16 2021-23 biennium in accordance with section 54-44.1-11;
- 17 e. Preference must be given to school districts that collaborate with other school  
18 districts for a regional career academy facility or to school districts to create a  
19 new career academy or use an existing career academy to positively affect that  
20 region of the state; and
- 21 f. Preference must be given to school districts that will promote postsecondary  
22 education and workforce training education in conjunction with secondary  
23 education.

24 2. There is appropriated from federal funds derived from the federal coronavirus capital  
25 projects fund, not otherwise appropriated, the sum of \$12,216,400, or so much of the  
26 sum as may be necessary, to the parks and recreation department for the purpose of  
27 state park infrastructure repairs and improvements for the period beginning with the  
28 effective date of this Act, and ending June 30, 2023.

29 3. There is appropriated from federal funds derived from the federal coronavirus capital  
30 projects fund, not otherwise appropriated, the sum of \$5,900,000, or so much of the  
31 sum as may be necessary, to the department of public instruction for the purpose of

1 providing a grant to an entity for the development of a children's science center for the  
2 period beginning with the effective date of this Act, and ending June 30, 2023.

3 4. There is appropriated from federal funds derived from the federal coronavirus capital  
4 projects fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the  
5 sum as may be necessary, to the university of North Dakota for the purpose of  
6 reconstruction of the university's apron at the Grand Forks airport for the period  
7 beginning with the effective date of this Act, and ending June 30, 2023.

8 5. There is appropriated from federal funds derived from the federal coronavirus capital  
9 projects fund, not otherwise appropriated, the sum of \$4,200,000, or so much of the  
10 sum as may be necessary, to the state historical society for the purpose of  
11 infrastructure repairs and improvements for the period beginning with the effective  
12 date of this Act, and ending June 30, 2023.

13 6. There is appropriated from federal funds derived from the federal coronavirus capital  
14 projects fund, not otherwise appropriated, the sum of \$4,000,000, or so much of the  
15 sum as may be necessary, to Dickinson state university for the purpose of a Pulver  
16 hall project, a meat processing laboratory remodel, and other projects for the period  
17 beginning with the effective date of this Act, and ending June 30, 2023.

18 7. There is appropriated from federal funds derived from the federal coronavirus capital  
19 projects fund, not otherwise appropriated, the sum of \$3,000,000, or so much of the  
20 sum as may be necessary, to the highway patrol for the purpose of a law enforcement  
21 training center remodel project for the period beginning with the effective date of this  
22 Act, and ending June 30, 2023.

23 8. There is appropriated from federal funds derived from the federal coronavirus capital  
24 projects fund, not otherwise appropriated, the sum of \$157,600, or so much of the sum  
25 as may be necessary, to the judicial branch for the purpose of purchasing information  
26 technology equipment for the period beginning with the effective date of this Act, and  
27 ending June 30, 2023.

28 9. If the federal government distributes funding derived from the federal coronavirus  
29 capital projects fund to the state in more than one funding round, the office of  
30 management and budget shall prioritize the amounts received in the first funding  
31 round for the state agencies identified under this section as follows:

- a. \$30,000,000 to the department of career and technical education under subsection 1;
- b. \$6,079,400 to the parks and recreation department under subsection 2;
- c. \$5,900,000 to the department of public instruction under subsection 3;
- d. \$5,000,000 to the university of North Dakota under subsection 4;
- e. \$2,100,000 to the state historical society under subsection 5;
- f. \$4,000,000 to Dickinson state university under subsection 6;
- g. \$3,000,000 to the highway patrol under subsection 7; and
- h. \$157,600 to the judicial branch under subsection 8.

10. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

**SECTION 6. CONTINGENT APPROPRIATION - TRANSFER EXCESS LEGACY FUND EARNINGS - ONE-TIME FUNDING - REPORT - LEGISLATIVE INTENT.**

1. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, which the the office of management and budget shall transfer to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of distributions to townships for road and bridge infrastructure needs for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:
  - a. The department shall award grants with preference given to grant applications for projects that:
    - (1) Leverage available state, local, or federal funding;
    - (2) Coordinate with state, county, and other township projects;
    - (3) Focus on flood control and infrastructure resilience;
    - (4) Reduce road restrictions, improve mobility, and improve safety;

1 (5) Improve the agricultural economy and goods movement; and

2 (6) Confirm participating townships' ability to maintain the improvements.

3 b. The department shall establish an application process that must include the  
4 following eligibility requirements:

5 (1) The roadways or bridges associated with the project must provide continuity  
6 and connectivity to efficiently integrate and improve paved and unpaved  
7 corridors within the township and across township borders;

8 (2) The project must be consistent with applicable township long-range  
9 planning;

10 (3) The project must result in the roadway segment meeting an appropriate  
11 legal load limit; and

12 (4) The project must comply with the American association of state highway  
13 transportation officials pavement and bridge design procedures and  
14 standards developed by the department of transportation in conjunction with  
15 the local jurisdiction.

16 c. For approved projects, the department shall initially distribute the portion of the  
17 approved grant funding for engineering and plan development costs. Upon  
18 execution of a construction contract by the township, the department shall  
19 distribute the remainder of the approved funding. Townships shall report to the  
20 department upon awarding of each contract and upon completion of each project.

21 d. Grants may be awarded for construction, engineering, and plan development  
22 costs, but may not be used for routine maintenance. Grants awarded may be  
23 applied to engineering, design, and construction costs incurred on related  
24 projects as of January 1, 2021. Section 54-44.1-11 does not apply to funding  
25 under this subsection and any funds not spent by June 30, 2023, must be  
26 continued into the biennium beginning July 1, 2023, and ending June 30, 2025,  
27 and may be expended only for the purposes authorized by this subsection.

28 e. For the purposes of this subsection, a "non-oil-producing county" means a county  
29 that has received no allocation of funding or a total allocation of funding under  
30 subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning  
31 September 1, 2019, and ending August 31, 2020.

1 f. The funding provided under this subsection is considered a one-time funding item  
2 and the department shall report to the budget section and to the appropriations  
3 committees of the sixty-eighth legislative assembly on the use of this one-time  
4 funding, including the amounts awarded and distributed to each township, the  
5 amounts spent to date, and the amounts anticipated to be continued into the  
6 2023-25 biennium.

7 2. There is appropriated out of any moneys in the general fund in the state treasury, not  
8 otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be  
9 necessary, to the university of North Dakota for the purpose of a space command  
10 initiative and related technical programs, including equipment, renovation costs, a  
11 sensitive compartmental information facility, and other expenses for the biennium  
12 beginning July 1, 2021, and ending June 30, 2023. The funding provided under this  
13 subsection is considered a one-time funding item.

14 3. There is appropriated out of any moneys in the general fund in the state treasury, not  
15 otherwise appropriated, the sum of \$1,000,000, or so much of the sum as may be  
16 necessary, which the office of management and budget shall transfer to the cultural  
17 endowment fund during the biennium beginning July 1, 2021, and ending June 30,  
18 2023. The funding provided under this subsection is considered a one-time funding  
19 item. It is the intent of the sixty-seventh legislative assembly that the council on the  
20 arts expend up to \$50,000 annually from the cultural endowment fund pursuant to the  
21 appropriation authority provided in section 2 of Senate Bill No. 2010 during the  
22 2021-23 biennium for the maintenance of the public arts projects constructed as part  
23 of the North Dakota creative placemaking program. It is further the intent of the  
24 legislative assembly that the council on the arts continue to expend \$50,000 annually  
25 from the cultural endowment fund for the maintenance of the public arts projects  
26 constructed as part of the North Dakota creative placemaking program until the  
27 moneys derived from general fund transfer authorized in this Act and deposited in the  
28 fund have been fully expended.

29 4. There is appropriated out of any moneys in the general fund in the state treasury, not  
30 otherwise appropriated, the sum of \$17,500,000, or so much of the sum as may be  
31 necessary, to the Bank of North Dakota for the purpose of repaying a loan issued to

1 support the Theodore Roosevelt presidential library and museum endowment fund for  
2 the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided  
3 under this subsection is considered a one-time funding item.

- 4 5. The funding provided under this section is available in the order identified in this  
5 section and only to the extent the actual legacy fund earnings transferred to the  
6 general fund at the end of the 2019-21 biennium exceed the legislative estimate for  
7 legacy fund earnings for the 2019-21 biennium made at the close of the  
8 2021 legislative session, as determined by the office of management and budget.

9 **SECTION 7. TRANSFER - TAX RELIEF FUND TO HUMAN SERVICE FINANCE FUND.**

10 The office of management and budget shall transfer the sum of ~~\$187,385,888~~\$187,223,092  
11 from the tax relief fund to the human service finance fund during the biennium beginning July 1,  
12 2021, and ending June 30, 2023.

13 **SECTION 8. TRANSFER - STATE STUDENT INTERNSHIP PROGRAM FUNDS TO**

14 **STATE AGENCIES.** The office of management and budget shall transfer funds from the state  
15 student internship program line item appropriated in section 1 of this Act to eligible state  
16 agencies for state student internships during the biennium beginning July 1, 2021, and ending  
17 June 30, 2023.

18 **SECTION 9. ESTIMATED INCOME - ONE-TIME FUNDING - CAPITOL BUILDING FUND.**

19 The estimated income line item in section 1 of this Act includes ~~\$2,268,800~~\$2,168,800 of  
20 one-time funding from the capitol building fund. Of the ~~\$2,268,800~~\$2,168,800, \$350,000 in the  
21 operating expenses line item is for a facility consolidation study, \$300,000 in the operating  
22 expenses line item is for special assessments associated with the capitol grounds,  
23 ~~\$600,000~~\$500,000 in the capital assets line item is for extraordinary repairs, \$518,800 in the  
24 capital assets line item is for a building automation project, and \$500,000 in the capital assets  
25 line item is for interior and exterior signage.

26 **SECTION 10. ESTIMATED INCOME - ONE-TIME FUNDING - STRATEGIC INVESTMENT**

27 **AND IMPROVEMENTS FUND.** The estimated income line item in section 1 of this Act includes  
28 \$3,251,304 from the strategic investment and improvements fund. Of the \$3,251,304,  
29 \$2,021,204 in the capital assets line item is for procurement software, and \$1,230,100 in the  
30 capital assets line item is for budget software.

1       **SECTION 11. GRANTS AND SPECIAL ITEMS.** Section 1 of this Act includes appropriation  
2 authority which may be used only for the following grants and special items:

3	Unemployment insurance	\$2,000,000
4	Capitol grounds planning commission	\$25,000
5	<del>Statewide memberships and related expenses</del>	<del>\$625,064</del>
6	<u>Statewide memberships and related expenses</u>	<u>\$642,089</u>

7       **SECTION 12. RISK MANAGEMENT FUND - CLAIMS PAYMENT.** Pursuant to the  
8 continuing appropriation authority under section 32-12.2-07, the director of the office of  
9 management and budget may make payments from the risk management fund during the  
10 biennium beginning July 1, 2021, and ending June 30, 2023, for reasonable and necessary  
11 costs and attorney's fees incurred by a state employee as a result of a criminal investigation or  
12 prosecution occurring after December 31, 2018, under circumstances in which there was an  
13 absence of probable cause, as identified in a prosecutorial or judicial determination or as  
14 determined by the director of the office of management and budget in the absence of a  
15 prosecutorial or judicial determination, and in which the offense involves the discharge of a  
16 public duty. The director of the office of management and budget shall consult with the attorney  
17 general when reviewing claims under this section and shall obtain written approval from the  
18 attorney general for any claim exceeding ten thousand dollars.

19       **SECTION 13. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.**

- 20       1. The 2021-23 biennium compensation adjustments for permanent state employees are  
21 to average 1.5 percent with a minimum of \$100 per month ~~and a maximum of \$250~~  
22 ~~per month~~ per eligible employee for ~~each~~ the first fiscal year of the biennium and are to  
23 average 2 percent per eligible employee for the second year of the biennium. The  
24 increases for the first year of the biennium are to be given beginning with the month of  
25 July 2021, to be paid in August 2021, and for the second year of the biennium are to  
26 be given beginning with the month of July 2022, to be paid in August 2022. Except for  
27 minimum ~~and maximum~~ amounts, increases for eligible state employees are to be  
28 based on documented performance and are not to be the same percentage increase  
29 for each employee.
- 30       2. The office of management and budget shall develop guidelines for use by state  
31 agencies for providing compensation adjustments for classified state employees. The



1 guidelines must follow the compensation philosophy statement under section  
2 54-44.3-01.2.

3 3. Probationary employees are not entitled to the increases. However, at the discretion of  
4 the appointing authority, probationary employees may be given all or a portion of the  
5 increases effective in July, paid in August, or upon completion of probation. Employees  
6 whose overall documented performance level does not meet standards are not eligible  
7 for any salary increase.

8 **SECTION 14. AMENDMENT.** Subsection 1 of section 10-04-03 of the North Dakota  
9 Century Code is amended and reenacted as follows:

10 1. The state securities department is under the supervision of a chief officer designated  
11 as the securities commissioner. The securities commissioner must be appointed by  
12 the governor and confirmed by the senate and shall hold office for a term of four years,  
13 beginning on the first day of July following a national presidential election and  
14 continuing until a successor has been appointed, confirmed by the senate, and has  
15 qualified, unless removed as herein provided. If the senate is not in session, the  
16 governor may make an interim appointment, and the interim appointee ~~shall~~ **may** hold  
17 office until the senate confirms or rejects the appointment. ~~The commissioner must be~~  
18 ~~skilled in securities and may not be an incumbent of any other public office in the~~  
19 ~~state.~~ The commissioner may not own or control any security required to be registered  
20 under this chapter, or any security which is exempt based on the approval of the  
21 securities department. The commissioner may not be an officer, director, or employee  
22 of any broker-dealer, agent, investment adviser, or investment adviser representative  
23 required to be registered under this chapter, or of a federal covered adviser required to  
24 be notice-filed under this chapter. The governor may remove from office any  
25 commissioner who fails to discharge faithfully the duties of office or who becomes  
26 disqualified under the provisions of this section.

27 It is the prime duty of the commissioner to administer the provisions of this  
28 chapter. The commissioner shall receive a salary within the amount appropriated for  
29 salaries by the legislative assembly. The commissioner shall use a seal with the words  
30 "securities commissioner, North Dakota" and such design as the commissioner may  
31 prescribe engraved thereon by which seal the commissioner may authenticate

1 documents used in the administration of this chapter. The commissioner may employ  
2 such employees as are necessary for the administration of this chapter. In the  
3 absence or disability of the commissioner, the deputy or designee of the commissioner  
4 ~~shall~~may administer the provisions of this chapter as acting commissioner.

5 **SECTION 15.** A new section to chapter 10-04 of the North Dakota Century Code is created  
6 and enacted as follows:

7 **Legacy fund investments - Notice filing.**

- 8 1. Within thirty days of completion of the transaction, any issuer of securities in receipt of  
9 an investment from the legacy fund under paragraph 3 of subdivision a of subsection 3  
10 of section 21-10-11 or under subdivision b of subsection 3 of section 21-10-11, as  
11 created by section 4 of House Bill No. 1425 as approved by the sixty-seventh  
12 legislative assembly, shall electronically file a notice on a form prescribed by the  
13 commissioner and containing information as required by the commissioner.  
14 2. The notice filing requirement under this section does not exempt the issuer from or  
15 supersede any other provision of this chapter.

16 **SECTION 16. AMENDMENT.** A new chapter to title 54 of the North Dakota Century Code,  
17 as created by section 3 of House Bill No. 1452 as approved by the sixty-seventh legislative  
18 assembly, is amended and reenacted as follows:

19 **Definitions.**

20 As used in this chapter:

- 21 1. "Authority" means the clean sustainable energy authority.  
22 2. "Clean" means a technology or concept that reduces emissions to the air, water, or  
23 land and meets or exceeds state and federal environmental regulations.  
24 3. "Commission" means the industrial commission.  
25 4. "Fund" means the clean sustainable energy fund.  
26 5. "Program" means the clean sustainable energy program.  
27 6. "Sustainable" means a technology or concept that allows the use of a natural resource  
28 to be maintained or enhanced through increased efficiency and life cycle benefits  
29 while either increasing or not adversely impacting energy security, affordability,  
30 reliability, resilience, or national security.

**Clean sustainable energy authority - Purpose.**

There is created the clean sustainable energy authority to support research, development, and technological advancements through partnerships and financial support for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery. The purpose of the financial support is to enhance the production of clean sustainable energy, to make the state a world leader in the production of clean sustainable energy, and to diversify and grow the state's economy.

**Clean sustainable energy authority - Membership - Meetings.**

1. The clean sustainable energy authority consists of sixteen members, including eight voting members and eight nonvoting technical advisors.
2. The eight voting members consist of:
  - a. One member appointed by the legislative management to serve as chairman;
  - b. Two members appointed by the lignite research council;
  - c. Two members appointed by the oil and gas research council;
  - d. Two members appointed by the renewable energy council; and
  - e. One member appointed by the western Dakota energy association.
3. The eight nonvoting technical advisors consist of:
  - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
  - b. The commissioner of commerce or the commissioner's designee;
  - c. The director of the department of environmental quality or the director's designee;
  - d. The director of mineral resources or the director's designee;
  - e. The director of the North Dakota pipeline authority or the director's designee;
  - f. The director of the North Dakota transmission authority or the director's designee;
  - g. The director of the state energy research center or the director's designee;
  - h. The president of the Bank of North Dakota or the president's designee;
4. The term of office for the chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first.

1 The initial terms for the voting members of the authority must be staggered following a  
2 method determined by the authority.

3 5. The authority shall meet at least semiannually. The chairman shall call a meeting upon  
4 written request from three voting members of the authority. Five voting members is a  
5 quorum at any meeting.

6 6. The authority may not forward a recommendation to the commission unless the  
7 recommendation fulfills the purposes of this chapter and is approved by a majority of  
8 the voting members of the authority.

9 **Clean sustainable energy authority - Duties - Report.**

10 1. The authority shall make recommendations to the commission for program guidelines,  
11 including eligibility criteria for entities to receive funding under this chapter.

12 2. The nonvoting technical advisors shall develop a process to review and evaluate  
13 projects to determine the technical merits and feasibility of any application, including  
14 potential benefits of the development of low-emission technology, the expansion of the  
15 development of the state's natural resources or energy production, and the  
16 contribution to the economic diversity in the state.

17 3. The authority may develop a loan program or a loan guarantee program under the  
18 clean sustainable energy fund. The Bank of North Dakota shall administer the loan  
19 program or loan guarantee program. The interest rate of a loan under this program  
20 may not exceed two percent per year. The maximum term of a loan under this section  
21 must be approved by the commission based on a recommendation from the authority.  
22 The Bank shall review applications for loans or loan guarantees and shall consider the  
23 business plan, financial statements, and other information necessary to evaluate the  
24 application. To be eligible for a loan or loan guarantee, an entity shall agree to provide  
25 the Bank of North Dakota with information as requested. The Bank of North Dakota  
26 may develop policies for loan participation with local financial institutions.

27 4. The authority shall make recommendations to the commission for grant awards, loan  
28 approvals, or other financial assistance to provide funding to support research,  
29 development, and technological advancements for the large scale development and  
30 commercialization of projects, processes, activities, and technologies that reduce  
31 environmental impacts and increase sustainability of energy production and delivery in

1 accordance with this chapter. Any projects, processes, activities, and technologies  
2 selected by the commission for funding must have been recommended by the  
3 authority, must demonstrate feasibility based on a technical review conducted by the  
4 nonvoting technical advisors of the authority, must have other sources of financial  
5 support, and must achieve the priorities and purposes of the program. At the request  
6 of the authority, the Bank of North Dakota shall provide a recommendation regarding  
7 the economic feasibility of a project, process, activity, or technology under  
8 consideration by the authority. The Bank shall review the business plan, financial  
9 statements, and other information necessary to provide a recommendation.

10 5. The authority may consult with any other state agency necessary to carry out the  
11 purposes under this chapter.

12 6. Each biennium, the authority shall provide a written report to the legislative  
13 management regarding its activities and the program's financial impact on state  
14 revenues and the state's economy.

15 **Clean sustainable energy program - Powers and duties of the commission.**

- 16 1. The commission is granted all the powers necessary to carry out the purposes of this  
17 chapter, including the power to:
- 18 a. Provide grants, loans, or other forms of financial assistance to qualified entities  
19 for the research, demonstration, development, and commercialization of projects,  
20 processes, activities, and technologies that reduce environmental impacts and  
21 use energy sources derived from within the state. Other forms of financial  
22 assistance include venture capital investments and interest rate buydowns. The  
23 commission must require an entity to provide assurance of financial and other  
24 types of support that demonstrate a commitment to the project, process, activity,  
25 or technology. The commission may develop policies for the approval of loans or  
26 loan guarantees issued from the clean sustainable energy fund.
  - 27 b. Enter into contracts or agreements to carry out the purposes of this chapter,  
28 including contracting for the administration of the program.
  - 29 c. Keep accurate records of all financial transactions performed under this chapter.
  - 30 d. Cooperate with any private, local, state, or national organization to make  
31 contracts and agreements for programs that advance the mission of the program.

1 e. Accept loan repayments, donations, grants, contributions, or gifts from any public  
2 or private source to carry out the purposes of this chapter, which must be  
3 deposited in the clean sustainable energy fund.

4 f. Make guidelines necessary to carry out the purposes of this chapter, including  
5 guidelines relating to the ownership of intellectual property.

6 g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly,  
7 to make loans or loan guarantees under a loan program or loan guarantee  
8 program developed by the clean sustainable energy authority.

9 2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or  
10 dispose of any interest in an asset necessary for clean sustainable energy technology  
11 development to facilitate the production, transportation, distribution, or delivery of  
12 clean energy commodities produced in the state as a purchases of last resort.

13 3. The commission shall provide administrative support to the authority for the operation  
14 of the program, including the preparation of forms, review of applications, and ongoing  
15 review of any contracts. The commission may contract with a public or private entity to  
16 provide technical assistance necessary to implement the purposes of this chapter.

17 4. The commission is not subject to the reporting requirements under chapter 54-60.1.

18 **Clean sustainable energy program - Access to records.**

19 1. To the extent the commission or authority determines the materials or data consist of  
20 trade secrets or commercial, financial, or proprietary information of individuals or  
21 entities applying to or contracting with the commission or receiving commission  
22 services under this chapter, materials and data submitted to, made by, or received by  
23 the commission or authority, are not public records subject to section 44-04-18 and  
24 section 6 of article XI of the Constitution of North Dakota, and are subject to section  
25 44-04-18.4.

26 2. A person or entity may file a request with the commission to have material designated  
27 as confidential under subsection 1. The request must contain any information required  
28 by the commission and must include at least the following:

29 a. A general description of the nature of the information sought to be protected.

30 b. An explanation of why the information derives independent economic value,  
31 actual or potential, from not being generally known to other persons.

- 1 c. An explanation of why the information is not readily ascertainable by proper
- 2 means of other persons.
- 3 d. A general description of any person that may obtain economic value from
- 4 disclosure or use of the information, and how the person may obtain this value.
- 5 e. A description of the efforts used to maintain the secrecy of the information.
- 6 3. Any request under subsection 2 is confidential. The commission shall examine the
- 7 request and determine whether the information is relevant to the matter at hand and is
- 8 a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the
- 9 commission determines the information is either not relevant or not a trade secret, the
- 10 commission shall notify the requester and the requester may ask for the return of the
- 11 information and the request within ten days of the notice. If no return is sought, the
- 12 information and request are public record.
- 13 4. The names or identities of independent technical reviewers on a project or program
- 14 are confidential, may not be disclosed by the commission, and are not public records
- 15 subject to section 44-04-18 or section 6 of article XI of the Constitution of North
- 16 Dakota.

17 **Clean sustainable energy fund - Continuing appropriation - Line of credit - Loans -**  
18 **Repayments.**

- 19 1. There is created in the state treasury the clean sustainable energy fund. The fund
- 20 consists of all moneys transferred to the fund by the legislative assembly; loan
- 21 proceeds; interest upon moneys in the fund; principal and interest payments to the
- 22 fund; and donations, grants, and other contributions received by the commission for
- 23 deposit in the fund. All moneys in the fund are appropriated to the commission on a
- 24 continuing basis to provide grants, loans, and other financial assistance and for
- 25 administrative and operating costs of the authority and program pursuant to the
- 26 provisions under this chapter.
- 27 2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees.
- 28 The Bank of North Dakota shall deposit in the fund all principal and interest paid on
- 29 the loans made from the fund. The Bank may use a portion of the interest paid on the
- 30 outstanding loans as a servicing fee to pay for administrative costs, not to exceed
- 31 one-half of one percent of the amount of the interest payment. The Bank shall contract

1 with a certified public accounting firm to audit the fund annually if the fund has any  
2 outstanding loans. The cost of the audit must be paid from the fund.

3 3. The Bank of North Dakota shall extend a line of credit to the industrial commission to  
4 support loans or loan guarantees issued from the clean sustainable energy fund. The  
5 line of credit may not exceed two hundred fifty million dollars, and the interest rate  
6 associated with the line of credit must be the prevailing interest rate charged to North  
7 Dakota governmental entities. The industrial commission shall repay the line of credit  
8 from moneys available in the clean sustainable energy fund or other funds, as  
9 appropriated by the legislative assembly. If the moneys available from the clean  
10 sustainable energy fund on June 30, 2025, are not sufficient to repay the line of credit,  
11 the industrial commission shall request from the legislative assembly a deficiency  
12 appropriation to repay the line of credit.

13 4. The industrial commission may access the line of credit to the extent needed through  
14 June 30, 2025, to provide funding as authorized by the legislative assembly to support  
15 loans or loan guarantees issued from the clean sustainable energy fund. Any moneys  
16 borrowed from the Bank of North Dakota pursuant to this section must be transferred  
17 to the clean sustainable energy fund to support loans or loan guarantees.

18 **SECTION 17. AMENDMENT.** Section 54-44.1-18 of the North Dakota Century Code is  
19 amended and reenacted as follows:

20 **54-44.1-18. Searchable database of expenditures.**

- 21 1. The director of the budget shall develop and make publicly available an aggregate and  
22 searchable budget database website that includes the following information for the  
23 biennium:
- 24 a. Each budget unit making expenditures.
  - 25 b. The amount of funds expended.
  - 26 c. The source of the funds expended.
  - 27 d. The budget program of the expenditure.
  - 28 e. Any other information determined relevant by the director of the budget.
- 29 2. The director of the budget shall include the name and city of the recipient of each  
30 expenditure in the budget database website after the director has completed



1 implementation of a business intelligence component to the state's financial reporting  
2 system.

3 3. The director of the budget may not include in the database any information that is  
4 confidential or exempt under state or federal law.

5 4. The director of the budget may update the budget database website as new data  
6 becomes available. Each state agency shall provide to the director of the budget any  
7 data required to be included in the budget database website no later than thirty days  
8 after the data becomes available to the agency.

9 5. By January first of each even-numbered year, the director of the budget shall add data  
10 for the previous biennium to the budget database website. The director of the budget  
11 shall ensure that all data added to the budget database website remains accessible to  
12 the public for a minimum of ten years.

13 6. The budget database website may not redirect users to any other government  
14 website, unless the website has information from all budget units and each category of  
15 information required can be searched electronically by field in a single search.

16 ~~7. The governing body of each political subdivision may submit the annual budget  
17 adopted by the governing body to the director of the budget. The director of the budget  
18 shall include on the office of management and budget website any information  
19 submitted by a participating governing body of a political subdivision. The official who  
20 submits the annual budget to the director of the budget may not submit any  
21 information that is confidential under state or federal law. In lieu of submitting the  
22 annual budget adopted by the governing body to the director, any participating  
23 governing body may provide to the director a publicly accessible internet link on which  
24 the annual budget adopted by the participating governing body is available.~~

25 **SECTION 18. AMENDMENT.** Section 54-44.4-07 of the North Dakota Century Code is  
26 amended and reenacted as follows:

27 **54-44.4-07. Procurement of environmentally preferable products.**

28 1. The office of management and budget, the institutions of higher education, and any  
29 other state agency or institution that has authority to purchase products are  
30 encouraged to purchase environmentally preferable products.

- 1           a. ~~Where~~When practicable, specifications for purchasing newsprint printing services  
2           should specify the use of soybean-based ink. The North Dakota soybean council  
3           and the agriculture commissioner shall assist the office of management and  
4           budget in locating suppliers of soybean-based inks and in collecting data on the  
5           purchase of soybean-based inks.
- 6           b. ~~In requesting bids for paper products, the office of management and budget must  
7           request information on the recycled content of such products.~~
- 8           e. ~~Where~~When practicable, biobased products should be specified.
- 9           2. The office of management and budget, in coordination with the state board of higher  
10          education, shall develop guidelines for a biobased procurement program.

11          **SECTION 19. AMENDMENT.** Section 54-44.4-08 of the North Dakota Century Code is  
12          amended and reenacted as follows:

13          **54-44.4-08. Purchase of recycled paper products.**

14          ~~The~~When practicable, the office of management and budget, and any state agency or  
15          institution that has authority to purchase products, shall ensure that at least twenty percent of  
16          the total volume of paper and paper products being purchased for state agencies and  
17          institutions contain, should specify at least twenty-five percent recycled material. ~~The office of  
18          management and budget shall implement a methodology to track compliance with this section.~~

19          **SECTION 20. AMENDMENT.** Section 57-51.1-07.5 of the North Dakota Century Code is  
20          amended and reenacted as follows:

21          **57-51.1-07.5. State share of oil and gas taxes - Deposits.**

22          From the revenues designated for deposit in the state general fund under chapters 57-51  
23          and 57-51.1, the state treasurer shall deposit the revenues received each biennium in the  
24          following order:

- 25          1. The first two hundred million dollars into the state general fund;  
26          2. The next two hundred million dollars into the tax relief fund;  
27          3. The next seventy-five million dollars into the budget stabilization fund, but not in an  
28          amount that would bring the balance in the fund to more than the limit in section  
29          54-27.2-01;  
30          4. The next two hundred million dollars into the state general fund;  
31          5. The next ten million dollars into the lignite research fund;

- 1       6.    The next ~~fifteen~~twenty million dollars into the state disaster relief fund, but not in an  
2           amount that would bring the unobligated balance in the fund to more than ~~fifteen~~twenty  
3           million dollars;
- 4       7.    ~~The next thirty million three hundred seventy five thousand dollars, or the amount~~  
5           ~~necessary to provide for the distributions under subsection 2 of section 57-51.1-07.7,~~  
6           ~~into the municipal infrastructure fund;~~
- 7       ~~8.~~    The next four hundred million dollars into the strategic investment and improvements  
8           fund;
- 9       ~~9.~~    ~~An amount equal to the deposit under subsection 7 into the county and township~~  
10           ~~infrastructure fund;~~
- 11       8.    The next fifty-nine million seven hundred fifty thousand dollars, or the amount  
12           necessary to provide for twice the amount of the distributions under subsection 2 of  
13           section 57-51.1-07.7, into the funds designated for infrastructure development in  
14           non-oil-producing counties under sections 57-51.1-07.7 and 57-51.1-07.8 with fifty  
15           percent deposited into the municipal infrastructure fund and fifty percent deposited into  
16           the county and township infrastructure fund;
- 17       ~~10-9.~~    The next one hundred ~~sixty-nine~~seventy million two hundred fifty thousand dollars or  
18           the amount necessary to provide a total of two hundred thirty million dollars into the  
19           funds designated for infrastructure development in non-oil-producing counties under  
20           sections 57-51.1-07.7 and 57-51.1-07.8 with fifty percent deposited into the municipal  
21           infrastructure fund and fifty percent deposited into the county and township  
22           infrastructure fund;
- 23       ~~11-10.~~    The next twenty million dollars into the airport infrastructure fund; and
- 24       ~~12-11.~~    Any additional revenues into the strategic investment and improvements fund.

25       **SECTION 21. AMENDMENT.** Subsection 2 of section 57-51.1-07.7 of the North Dakota  
26       Century Code is amended and reenacted as follows:

- 27       2.    Within forty days after the fund balance is greater than or equal to the amount needed  
28           for the grants under this subsection or by September thirtieth of each odd-numbered  
29           year, whichever is earlier, the state treasurer shall distribute moneys in the fund as  
30           grants to cities for essential infrastructure projects. The state treasurer shall distribute

1           the grants only if the fund balance is at least ten percent of the amount needed for  
2           distributions under this subsection based on the following:

- 3           a. Two million five hundred thousand dollars to each city with a population of at  
4           least five thousand;
- 5           b. Five hundred thousand dollars to each city with a population of at least two  
6           thousand but less than five thousand; and
- 7           c. One hundred twenty-five thousand dollars to each city with a population of at  
8           least one thousand but less than two thousand.
- 9           d. If, at the time of the distributions, the moneys in the fund are less than the  
10           amount needed for the grants under this subsection, the state treasurer shall  
11           distribute the grants under this subsection on a pro rata basis.
- 12           e. For the purposes of determining the city's population under this subsection, the  
13           state treasurer shall use the most recent actual or estimated census data  
14           published by the United States census bureau.

15           **SECTION 22. AMENDMENT.** Subsection 3 of section 57-51.1-07.7 of the North Dakota  
16 Century Code is amended and reenacted as follows:

- 17           3. Within sixty days after the fund receives its statutory limit of oil and gas tax allocations  
18           under section 57-51.1-07.5 or by September thirtieth of each odd-numbered year,  
19           whichever is earlier, the state treasurer shall distribute the moneys in the fund as  
20           grants to cities for essential infrastructure projects. The state treasurer shall distribute  
21           the grants only if the fund balance is at least ten percent of the amount needed for  
22           distributions under this subsection based on the following:
- 23           a. One hundred fifty dollars per person of the city's population.
- 24           b. In addition to the amounts in subdivision a, for a city with a positive average of  
25           the annual percentage increase in population from three years prior, a dollar  
26           amount equal to the product of the following:
- 27           (1) The amount calculated in subdivision a; and
- 28           (2) The average of the annual percentage increase in population from three  
29           years prior, multiplied by ten.
- 30           c. In addition to the amounts in subdivisions a and b, for a city with a positive  
31           average of the annual percentage increase in taxable property values from three

1 years prior, a dollar amount equal to the average of the annual property valuation  
2 percentage increase for the three most recent years, multiplied by twenty-five  
3 thousandths.

4 d. Grants may be distributed under this subdivision only if the grant distributions  
5 under subsection 2 are completed. If the moneys in the fund are insufficient to  
6 provide for the grants, the state treasurer shall distribute the grants under this  
7 subsection on a pro rata basis. If any moneys remain in the fund after the  
8 distribution of grants under this subsection, the state treasurer shall distribute any  
9 remaining moneys in the fund in proportion to the combined total distributed to  
10 each city under this section relative to the combined total distributed to all the  
11 cities under this section.

12 e. For the purposes of determining the city's population under this subsection, the  
13 state treasurer shall use the most recent actual or estimated census data  
14 published by the United States census bureau.

15 f. For the purposes of determining taxable property values, the state treasurer shall  
16 use the most recent data published by the tax commissioner in the tax levy  
17 report.

18 **SECTION 23. AMENDMENT.** Subsection 2 of section 57-51.1-07.8 of the North Dakota  
19 Century Code is amended and reenacted as follows:

- 20 2. Within sixty days after the fund receives its statutory limit of oil and gas tax allocations  
21 under section 57-51.1-07.5 or by September thirtieth of each odd-numbered year,  
22 whichever is earlier, the state treasurer shall distribute moneys in the fund as grants to  
23 counties for road and bridge infrastructure projects. The state treasurer shall distribute  
24 the grants only if the fund balance is at least ten percent of the amount needed for  
25 distributions under this section.

26 **SECTION 24. AMENDMENT.** Section 510 of House Bill No. 1247, as approved by the sixty-  
27 seventh legislative assembly, is amended and reenacted as follows:

28 **SECTION 510. LEGISLATIVE INTENT.** It is the intent of the sixty-seventh  
29 legislative assembly that:

- 1           1.    Effective September 1, 2022, the state department of health merge into the
- 2                    department of human services and both agencies be called the department of
- 3                    health and human services;
- 4           2.    Effective September 1, 2022, the state department of health, including the state
- 5                    health officer, fall under the authority of the executive director of the department
- 6                    of human services, now known as the executive director of the department of
- 7                    health and human services;
- 8           3.    During the 2021-23 biennium, the executive director of the former department of
- 9                    human services review and reorganize the structure of the former department of
- 10                   human services to incorporate the former state department of health and to find
- 11                   efficiencies in the newly formed department of health and human services;
- 12           4.    The newly formed department of health and human services is not required to
- 13                   reduce the full-time equivalent positions of the former state department of health
- 14                   and department of human services;
- 15           5.    The office of management and budget transfer the state department of health's
- 16                   appropriation into the department of human services appropriation for the period
- 17                   beginning September 1, 2022, and ending June 30, 2023;
- 18           6.    ~~Section 1~~The appropriations contained in section 1 of Senate Bill No. 2004, as
- 19                   approved by the sixty-seventh legislative assembly, ~~shall transfer into~~
- 20                   ~~subdivisions 1 and 2 of~~and section 1 of House Bill No. 1012, as approved by the
- 21                   sixty-seventh legislative assembly, be combined for the period beginning
- 22                   September 1, 2022, and ending June 30, 2023;
- 23           7.    The combined budget of the department of human services and state department
- 24                   of health be referred to the budget of the department of health and human
- 25                   services; and
- 26           8.    Department of health and human services is to be substituted for, shall take any
- 27                   action previously to be taken by, and shall perform any duties previously to be
- 28                   performed by the state department of health.

29           **SECTION 25. REPEAL.** Section 54-06-25 of the North Dakota Century Code is repealed.

30           **SECTION 26. EXEMPTION - FISCAL MANAGEMENT.** The amount appropriated for the  
31   fiscal management division, as contained in section 1 of chapter 40 of the the 2019 Session

1 Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this  
2 appropriation are available for continued development and operating costs of the statewide  
3 systems, including accounting, management, and payroll, during the biennium beginning July 1,  
4 2021, and ending June 30, 2023.

5 **SECTION 27. EXEMPTION - STATE STUDENT INTERNSHIP PROGRAM.** The amount of  
6 \$250,000 appropriated in section 1, identified in section 2, and transferred in section 8 of  
7 chapter 40 of the 2019 Session Laws is not subject to the provisions of section 54-44.1-11. Any  
8 unexpended funds from this appropriation are available to the office of management and budget  
9 for the state student internship program during the biennium beginning July 1, 2021, and ending  
10 June 30, 2023.

11 **SECTION 28. EXEMPTION - ASSESSMENT OF STATE LANDS AND FACILITIES.** The  
12 amount of \$500,000 appropriated from the strategic investment and improvements fund in  
13 section 1 and identified in section 2 of chapter 40 of the 2019 Session Laws is not subject to the  
14 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to  
15 the office of management and budget to continue the assessment of state lands and facilities  
16 during the biennium beginning July 1, 2021, and ending June 30, 2023.

17 **SECTION 29. LEGISLATIVE MANAGEMENT STUDY - SPACE NEEDS AT STATE**  
18 **CAPITOL.**

- 19 1. During the 2021-22 interim, the legislative management shall consider studying space  
20 needs of the executive, judicial, and legislative branches at the state capitol. The study  
21 must include:
- 22 a. A review of each branch's employee work location policies;
  - 23 b. An assessment of the space needs of each branch to fulfill their constitutional  
24 and statutory responsibilities;
  - 25 c. An evaluation of state agency leases of space from private and other  
26 governmental entities in Bismarck, amounts being paid for these leases, and  
27 state agency rental payments being made to the office of management and  
28 budget from special and federal funds;
  - 29 d. Consideration of the feasibility and desirability of the office of management and  
30 budget charging rent to agencies receiving funding from the general fund; and
  - 31 e. The development of a space utilization plan for the capitol complex.

1           2.    The legislative management shall report its findings and recommendations, together  
2                    with any legislation required to implement the recommendations, to the sixty-eighth  
3                    legislative assembly.

4           **SECTION 30. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE**

5   **COMPENSATION.** During the 2021-22 interim, the legislative management shall consider  
6   studying the classified state employee compensation system, including a review of the  
7   development and determination of pay grades and classifications. The legislative management  
8   shall report its findings and recommendations, together with any legislation required to  
9   implement the recommendations, to the sixty-eighth legislative assembly.

10          **SECTION 31. EMERGENCY.** Sections 3 and 5 of this Act and Senate Bill No. 2140, as  
11   approved by the sixty-seventh legislative assembly, are declared to be an emergency measure.