Sixty-eighth Legislative Assembly of North Dakota

FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general; 2 to create and enact a new section to chapter 50-0654-12 of the North Dakota Century Code, 3 relating to the creation of an opioid settlement funda retired law enforcement dogs program; to 4 amend and reenact sections 53-06.1-11.2, 53-12.1-09, and 54-12-11 of the North Dakota 5 Century Code, relating to transfers from the charitable gaming operating fund, transfers from 6 the lottery operating fund to the multijurisdictional drug task force grant fund, and the salary of 7 the attorney general; to provide a transfer; to provide an exemption; to provide for a report; and 8 to provide for a legislative management study; and to declare an emergency.

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

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

15			Adjustments or	
16		Base Level	Enhancements	<u>Appropriation</u>
17	Salaries and wages	\$50,832,646	\$5,642,965	\$56,475,611
18	Operating expenses	15,237,498	2,450,937	17,688,435
19	Capital assets	648,055	2,912,522	3,560,577
20	Grants	3,903,440	0	3,903,440
21	Human trafficking victims grants	1,101,879	9,601	1,111,480
22	Forensic nurse examiners grants	250,691	2,181	252,872
23	Statewide litigation funding pool	0	5,000,000	5,000,000
24	Litigation fees	127,500	0	127,500

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1	Medical examinations	660,000	0	660,000
2	North Dakota lottery	5,254,844	178,602	5,433,446
3	Arrest and return of fugitives	8,500	0	8,500
4	Gaming commission	7,489	0	7,489
5	Criminal justice information sharing	4,074,968	471,677	4,546,645
6	Law enforcement	<u>3,048,927</u>	<u> </u>	<u> </u>
7	Total all funds	\$85,156,437	\$20,814,263	\$105,970,700
8	Less estimated income	<u>42,509,719</u>	<u>(125,870)</u>	<u>42,383,849</u>
9	Total general fund	\$42,646,718	\$20,940,133	\$63,586,851
10	Full-time equivalent positions	253.00	7.00	260.00
11	Salaries and wages	\$50,832,646	(\$537,204)	\$50,295,442
12	Operating expenses	15,237,498	3,533,607	18,771,105
13	Capital assets	648,055	4,585,572	5,233,627
14	Grants	3,903,440	400,000	4,303,440
15	Human trafficking victims grants	1,101,879	3,525	1,105,404
16	Forensic nurse examiners grants	250,691	791	251,482
17	Statewide litigation funding pool	0	5,000,000	5,000,000
18	Litigation fees	127,500	0	127,500
19	Medical examinations	660,000	0	660,000
20	Children's medical examinations	0	304,560	304,560
21	North Dakota lottery	5,254,844	61,790	5,316,634
22	Arrest and return of fugitives	8,500	0	8,500
23	Gaming commission	7,489	0	7,489
24	Criminal justice information sharing	4,074,968	412,169	4,487,137
25	Law enforcement	3,048,927	82,770	<u>3,131,697</u>
26	Total all funds	\$85,156,437	\$13,847,580	\$99,004,017
27	Less estimated income	42,509,719	4,836,388	47,346,107
28	Total general fund	\$42,646,718	\$9,011,192	<u>\$51,657,910</u>
29	Full-time equivalent positions	253.00	13.00	266.00
30	SECTION 2. ONE-TIME FUNDING	G - EFFECT ON BAS		DRT TO

30 SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

31 SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding

1 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the

2 one-time funding items included in the appropriation in section 1 of this Act:

3	One-Time Funding Description	<u>2021-23</u>	<u>2023-25</u>
4	Criminal history improvement system	\$400,000	\$0
5	Automated biometric identification system	300,000	0
6	Charitable gaming technology system	475,000	0
7	Additional income	250,000	0
8	Missing persons database	300,000	0
9	Prosecuting case management system	1,000,000	0
10	Charitable gaming tax information technology costs	50,000	0
11	Capital assets	1,111,706	2,818,877
12	State crime laboratory capital improvements	0	250,000
13	Statewide litigation funding pool	4,650,000	5,000,000
14	Staff operating and equipment costs	0	792,090
15	Inflationary increases	0	156,463
16	Back the blue grants	0	3,500,000
17	Anti-methamphetamine program	0	1,772,038
18	Law enforcement resiliency grants	<u>0</u>	<u>400,000</u>
19	Total all funds	\$8,536,706	\$12,667,430
20	Total other funds	<u>8,536,706</u>	<u>2,050,084</u>
21	Total general fund	\$0	\$10,617,346
22	Total all funds	\$8,536,706	\$11,439,468
23	Total other funds	8,536,706	6,832,122
24	Total general fund	\$0	\$4,607,346

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The attorney general shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the
 amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from
 federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the

1 attorney general for the purposes of defraying the expenses of the office, for the biennium 2 beginning July 1, 2023, and ending June 30, 2025. The attorney general shall notify the office of 3 management and budget and the legislative council of any funding made available pursuant to 4 this section. 5 SECTION 4. TRANSFER - LOTTERY OPERATING FUND TO GAMING AND EXCISE TAX 6 ALLOCATION FUND - STATEWIDE LITIGATION FUNDING POOL. Notwithstanding sections 7 53-12.1-09 and 53-12.1-10, the attorney general shall transfer \$2,760,000 from the lottery 8 operating fund to the gaming and excise tax allocation fund by June 30, 2023, for the purpose 9 of defraying litigation expenses of the state through the statewide litigation funding pool during 10 the period beginning with the effective date of this Act, and ending June 30, 2025. 11 SECTION 5. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE 12 AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND. The 13 statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which 14 $\frac{4.557,748}{1.797,748}$ is from the general fund and $\frac{442,252}{1.202,252}$ is from the gaming 15 and excise tax allocation fund, which the attorney general shall transfer to eligible state 16 agencies for litigation expenses during the biennium beginning July 1, 2023, and ending 17 June 30, 2025. The attorney general may not use funding from the statewide litigation funding 18 pool to pay judgments under section 32-12-04. 19 SECTION 6. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -20 CHARITABLE GAMING OPERATING FUND. The estimated income line item in section 1 of 21 this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses 22 related to the continued development and implementation of the charitable gaming technology 23 system. 24 SECTION 7. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -25 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes 26 \$1,111,480\$1,105,404 from the general fund for the purpose of providing grants to 27 organizations involved in providing prevention and treatment services related to human 28 trafficking victims and related administrative costs for the biennium beginning July 1, 2023, and 29 ending June 30, 2025. The attorney general may provide grants for the development and 30 implementation of direct care emergency or long-term crisis services, residential care, training 31 for law enforcement, support of advocacy services, and programs promoting positive outcomes

1 for victims. Any organization that receives a grant under this section shall report to the attorney 2 general and the appropriations committees of the sixty-ninth legislative assembly on the use of 3 the funds received and the outcomes of its program. The attorney general shall report to the 4 legislative management during the 2023-24 interim on the status and results of the grant 5 program. 6 SECTION 8. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The 7 forensic nurse examiners grants line item in section 1 of this Act includes \$252,872\$251,482 8 from the general fund for the purpose of providing forensic nurse examiner program grants for 9 community-based or hospital-based sexual assault examiner programs and related 10 administrative costs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any 11 organization that receives a grant under this section shall report to the attorney general and the 12 appropriations committees of the sixty-ninth legislative assembly on the use of the funds 13 received and the outcomes of its programs. The attorney general shall report to the 14 appropriations committees of the sixty-ninth legislative assembly on the number of nurses 15 trained, the number and location of nurses providing services related to sexual assault nurse 16 examiner programs, and documentation of collaborative efforts to assist victims which includes 17 nurses, the hospital or clinic, law enforcement, and state's attorneys. 18 SECTION 8. BACK THE BLUE GRANT PROGRAM - MATCHING REQUIREMENT -19 **REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in 20 section 1 of this Act includes \$3,500,000 from the general fund for the purpose of providing-21 back the blue grants to assist local law enforcement agencies with workforce recruitment and 22 retention, for the biennium beginning July 1, 2023, and ending June 30, 2025. Of the funding-23 available under this program, \$1,500,000 is available exclusively to local law enforcement 24 agencies employing ten or fewer employees working in a law enforcement capacity. 25 1. To be eligible for a grant under this section, a law enforcement agency must have 26 incurred workforce recruitment and retention-related expenditures. Eligible-27 expenditures include: 28 a. Bonuses paid to new and current law enforcement officers; 29 b. Tuition and fee payments made on behalf of law enforcement trainees; and 30 c. Costs to upgrade law enforcement equipment.

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2	retention-related expenditures must submit a report of actual expenditures incurred to		
3	the attorney general with the grant application.		
4			
5	a. May spend the funds for this program only to the extent the applicant has		
6	secured one dollar of matching funds from nonstate sources for every four dollars		
7	provided by the attorney general;		
8	b. Shall reimburse each eligible applicant fifty percent of allowable expenditures;		
9			
10	entities; and		
11	d. Shall report to the sixty-ninth legislative assembly regarding the number of grants		
12	awarded under this section.		
13	SECTION 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO		
14	SIXTY-NINTH LEGISLATIVE ASSEMBLY. The law enforcement line item in section 1 of this		
15	Act includes \$400,000 from the general fund for the purpose of providing law enforcement		
16	resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025.		
17	Funding provided under this Act must be used to defray administrative, therapeutic, training,		
18	and outreach-related costs of providing mental health and wellness support services to current		
19	and retired correctional and law enforcement personnel. The attorney general shall establish		
20	guidelines to award funding under this section. Any organization that receives a grant under this		
21	section shall report to the attorney general and the attorney general shall report to the		
22	appropriations committees of the sixty-ninth legislative assembly on the use of the funds		
23	received and the outcomes of its programs.		
24	SECTION 10. A new section to chapter 50-06 of the North Dakota Century Code is created		
25	and enacted as follows:		
26	<u>Opioid settlement fund.</u>		
27	<u>— There is created in the state treasury an opioid settlement fund. The fund consists of opioid</u>		
28	litigation funds received by the state. Moneys received by the state as a result of opioid litigation		
29	must be deposited in the fund. Moneys in the fund may be used as authorized by legislative		
30	appropriation. The legislative assembly shall consult with the governor in determining the use of		
31	the moneys in the fund. As used in this section, "opioid litigation" means civil litigation, demand,		

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1	or settlement in lieu of litigation alleging unlawful conduct related to the marketing, sale, or			
2	distribution of opioids in this state or other alleged illegal actions that contributed to the			
3	excessive use of opioids.			
4	SECTION 10. AMENDMENT. Section 53-06.1-11.2 of the North Dakota Century Code is			
5	amende	ed and reenacted as follows:		
6	53-	06.1-11.2. Charitable gaming operating fund - Attorney general - State treasurer -		
7	Allocations - Transfer to the general fund.			
8	1.	There is created in the state treasury the charitable gaming operating fund. The fund		
9		consists of all gaming taxes, monetary fines, and interest and penalties collected		
10	under this chapter.			
11	2.	Excluding moneys in the charitable gaming operating fund appropriated by the		
12		legislative assembly for administrative and operating costs associated with charitable		
13	gaming, the attorney general shall allocate remaining moneys in the charitable gaming			
14	operating fund on a quarterly basis as follows:			
15		a. Ten thousand dollars to the gambling disorder prevention and treatment fund.		
16		b. Subject to legislative appropriations, five percent of the total moneys deposited in		
17		the charitable gaming operating fund to cities and counties in proportion to the		
18		taxes collected under section 53-06.1-12 from licensed organizations conducting		
19		games within each city, for sites within city limits, or within each county, for sites		
20		outside city limits. If a city or county allocation is less than two hundred dollars,		
21		that city or county is not entitled to receive a payment for the quarter and the		
22		undistributed amount must be included in the total amount to be distributed to		
23		other cities and counties for the quarter.		
24	3.	On or before June thirtieth of each odd-numbered yearBefore the final accounting has		
25		closed for each biennium, the attorney general shall certify to the state treasurer the		
26		amount of accumulated fundsbalance in the charitable gaming operating fund which		
27		exceed the amount appropriated by the legislative assembly for administrative and		
28		operating costs associated with charitable gaming for the subsequent biennium. The		
29		state treasurer shall transfer the certified amount from the charitable gaming operating		
30	fund to the general fund prior to following funds at the end of each biennium:			
31		a. The first twenty-five million dollars to the general fund;		

1	b. The next four million dollars to the attorney general operating fund;	
2	c. Any remaining amounts to the general fund.	
3	SECTION 11. A new section to chapter 54-12 of the North Dakota Century Code is created	
4	and enacted as follows:	
5	Retired law enforcement dogs - Reimbursement.	
6	1. The attorney general shall create a program to assist local and state law enforcement	
7	dogs that are retired by reason of age or medical condition.	
8	2. The attorney general shall reimburse the handler of a law enforcement dog if the	
9	handler:	
10	a. Is authorized to retain possession of a retired law enforcement dog in a private	
11	setting at the handler's home; and	
12	b. Submits itemized receipts each quarter for medical bills of the law enforcement	
13	dog.	
14	3. Reimbursements under this section may not exceed one thousand dollars per retired	
15	law enforcement dog per calendar year.	
16	4. The attorney general shall adopt any rules necessary to implement this section.	
17	SECTION 12. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is	
18	amended and reenacted as follows:	
19	53-12.1-09. Operating fund - Continuing appropriation - Authorization of	
20	disbursements - Report - Net proceeds.	
21	There is established within the state treasury the lottery operating fund into which must be	
22	deposited all revenue from the sale of tickets, interest received on money in the fund, and all	
23	other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket	
24	paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund	
25	appropriated by the legislative assembly for administrative and operating costs of the lottery	
26	under section 53-12.1-10, all other money in the fund is continuously appropriated for the	
27	purposes specified in this section. During each regular session, the attorney general shall	
28	present a report to the appropriations committee of each house of the legislative assembly on	
29	the actual and estimated operating revenue and expenditures for the current biennium and	
30	projected operating revenue and expenditures for the subsequent biennium authorized by this	
31	section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made	

- 1 only against the fund or money collected from a retailer on the sale of a ticket. A disbursement
- 2 from the fund must be for the following purposes:
- Payment of a prize as the director deems appropriate to the owner of a valid, winning
 ticket;
- 5 2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly
 offset by cosponsorship funds collected;
- 7 3. Payment of a gaming system or related service expense, retailer record and credit
 8 check fees, game group dues, and retailer commissions; and
- 9 4. Transfer of net proceeds:
- a. Eighty thousand dollars must be transferred to the state treasurer each quarter
 for deposit in the gambling disorder prevention and treatment fund;
- b. An amount for the lottery's share of a game's prize reserve pool must be
 transferred to the multistate lottery association;
- c. Starting July 1, 20192023, two hundred <u>fifty</u> thousand dollars must be transferred
 to the state treasurer each quarter for deposit in the attorney general
 multijurisdictional drug task force grant fund; and
- 17 d. The balance of the net proceeds, less holdback of any reserve funds the director
 18 may need for continuing operations, must be transferred to the state treasurer on
 19 at least an annual basis for deposit in the state general fund.
- 20 SECTION 13. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is
- 21 amended and reenacted as follows:
- 22 **54-12-11. Salary of attorney general.**
- 23 The annual salary of the attorney general is one hundred sixty-fiveseventy-fiveseventy-nine
- 24 thousand eight<u>ninethree</u> hundred forty-five<u>twenty-eighttwelve</u> dollars through June 30,
- 25 20222024, and one hundred sixty-nine<u>eighty-twoeighty-six</u> thousand one<u>nine</u>four hundred
- 26 sixty-twosixty-fiveeighty-four dollars thereafter.
- SECTION 14. CRIMINAL HISTORY RECORD CHECKS FEES. Any individual or entity
 requesting a criminal history record check from the bureau of criminal investigation, as a result
- 29 of legislation enacted by the sixty-eighth legislative assembly, shall pay a reasonable fee
- 30 established by the attorney general to the attorney general to be deposited in the general fund
- 30 established by the attorney general to the attorney general to be deposited in the general fund
- for the biennium beginning July 1, 2023, and ending June 30, 2025.

1	SECTION 15. EXEMPTION - CONTINGENT FEE ARRANGEMENT. Notwithstanding		
2	section 54-12-08.1, the attorney general may contract for legal services compensated by a		
3	contingent fee arrangement for ongoing multistate technology litigation during the biennium		
4	beginning July 1, 2023, and ending June 30, 2025.		
5	SECTION 16. EXEMPTION - GAMING TAX REVENUE GRANTS. Notwithstanding section		
6	53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and		
7	counties relating to the seventh and eighth quarters of the 2021-23 biennium through		
8	October 31, 2023.		
9	SECTION 17. EXEMPTION - ATTORNEY GENERAL REFUND FUND. Notwithstanding		
10	section 54-12-18, the attorney general may retain the balance in the attorney general refund		
11	fund which would otherwise be transferred to the general fund on June 30, 2023.		
12	SECTION 18. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount		
13	appropriated to the attorney general from the general fund for a concealed weapon rewrite		
14	project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the		
15	2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section		
16	54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general		
17	for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and		
18	ending June 30, 2025.		
19	SECTION 19. EXEMPTION - LEGAL CASE MANAGEMENT SYSTEM. The amount		
20	appropriated to the attorney general from other funds for the statewide automated victim		
21	information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017		
22	Session Laws, continued into the 2019-21 biennium for the statewide automated victim		
23	information and notification system, and continued into the 2021-23 biennium for the legal case		
24	management system, is not subject to the provisions of section 54-44.1-11. Any unexpended		
25	funds from this appropriation are available to the attorney general for the legal case		
26	management system during the biennium beginning July 1, 2023, and ending June 30, 2025.		
27	SECTION 20. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT. The		
28	amount of \$400,000 appropriated from the attorney general refund fund in the operating		
29	expenses line item for the criminal history improvement project in section 1 of chapter 3 of the		
30	2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during		
31	the biennium beginning July 1, 2023, and ending June 30, 2025.		

1 SECTION 21. EXEMPTION - AUTOMATED BIOMETRIC IDENTIFICATION SYSTEM. The 2 amount of \$300,000 appropriated from federal funds to upgrade the automated biometric 3 identification system during the 2021-23 biennium in section 1 of chapter 3 of the 2021 Session 4 Laws is not subject to section 54-44.1-11 and is available for the system during the biennium 5 beginning July 1, 2023, and ending June 30, 2025. 6 SECTION 22. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS. The 7 amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice 8 assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the 9 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section 10 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and 11 ending June 30, 2025. 12 SECTION 23. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND. The amount 13 of \$1,350,000\$1,000,000 appropriated from federal funds derived from the state fiscal recovery 14 fund, of which \$300,000 was for a missing persons database, \$1,000,000 was for the 15 replacement of the prosecuting case management system, and \$50,000 was for charitable-16 gaming information technology costs, in subsections 19, in subsection 20, and 42 of section 1 of 17 chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and 18 is available for the program during the biennium beginning July 1, 2023, and ending June 30, 19 2025. 20 SECTION 24. LEGISLATIVE MANAGEMENT STUDY - STATE CRIME LABORATORY. 21 During the 2023-24 interim, the legislative management shall study the services and needs of 22 the North Dakota state crime laboratory, including staffing and equipment needs; the need for 23 forensic scientists with training in firearms and fingerprint analysis; the feasibility and desirability 24 of remodeling current state crime laboratory facilities, acquiring other vacant laboratory facilities 25 in the state, and operating additional state crime laboratory facilities in the state; services the 26 state crime laboratory should have the capability of providing to support law enforcement 27 entities in the state; and whether the state crime laboratory should be administratively separate 28 from the bureau of criminal investigation. The legislative management shall report its findings 29 and recommendations, together with any legislation required to implement the 30 recommendations, to the sixty-ninth legislative assembly.

1 SECTION 25. ATTORNEY COST-SAVINGS - REPORT TO SIXTY-NINTH LEGISLATIVE 2 **ASSEMBLY.** The attorney general shall report to the appropriations committees of the 3 sixty-ninth legislative assembly regarding any cost-savings realized by hiring full-time equivalent 4 attorney positions instead of contracting for third-party legal counsel during the 2023-25 5 biennium. 6 SECTION 26. EMERGENCY. The \$250,000 appropriated from the general fund in the 7 capital assets line item in section 1 for state crime laboratory capital improvements and 8 sections 4 and 16 of this Act are declared to be an emergency measure.