

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2184

Introduced by

Senators Lee, Burckhard, K. Roers

Representatives Mitskog, Weisz

1 A BILL ~~for an Act to provide for a legislative management study regarding occupational and~~
2 ~~professional regulation by the state.~~for an Act to create and enact a new section to chapter
3 43-51 of the North Dakota Century Code, relating to uniform regulation of occupations and
4 professions; and to amend and reenact section 54-10-27 of the North Dakota Century Code,
5 relating to the duties of the state auditor.

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

7 ~~—SECTION 1. LEGISLATIVE MANAGEMENT STUDY—OCCUPATIONAL AND~~
8 ~~PROFESSIONAL REGULATION.~~ During the 2023-24 interim, the legislative management shall
9 ~~consider studying the state's system for regulating occupations and professions, including~~
10 ~~consideration of the powers, duties, and membership of occupational and professional boards;~~
11 ~~licensure requirements; disciplinary actions; and audit processes. The study must include~~
12 ~~consultation with occupational and professional boards. The study may include consideration of~~
13 ~~apprenticeships, internships, and board collaboration with primary and secondary education.~~
14 ~~The legislative management shall report its findings and recommendations, together with any~~
15 ~~legislation required to implement the recommendations, to the sixty-ninth legislative assembly.~~

16 **SECTION 1.** A new section to chapter 43-51 of the North Dakota Century Code is created
17 and enacted as follows:
18 **Uniform administration of boards.**
19 1. As used in this section, the term "board" includes the state board of accountancy, state
20 electrical board, North Dakota real estate appraiser qualifications and ethics board,
21 state real estate commission, secretary of state with respect to contractor licensing,
22 North Dakota board of medicine, and state board of dental examiners.
23 2. A board shall regulate the board's occupation or profession in the least restrictive
24 manner appropriate to protect public health and safety. At the first regularly scheduled

1 meeting of each calendar year, a board shall discuss this requirement and related
2 plans to remove unnecessary restrictions and regulatory burdens. The board shall
3 include the plan in the board's minutes.

4 3. A board shall develop a mission statement consistent with the board's obligation of
5 protecting public health and safety. The board shall recite the mission statement at the
6 beginning of each regularly scheduled board meeting.

7 4. A board shall follow processes to allow for efficient and accurate processing of
8 licensing applications, including timely communication to an applicant to address
9 issues or deficiencies.

10 a. A board may adopt rules to provide for issuance of a provisional or temporary
11 license between board meetings for a routine application as determined by the
12 board.

13 b. If a board does not defer routine application approval to staff or selected board
14 members, the board shall convene at least monthly to ensure timely issuance of
15 licenses. A board may adopt rules defining what is considered a routine
16 application that may be approved by staff or selected board members.

17 5. A board may assist in providing education for a licensee or an individual interested in
18 pursuing the regulated occupation or profession.

19 6. The governor shall appoint the members of a board as provided by law and may
20 remove a member for cause, misconduct, incapacity, or neglect of duty. After
21 expiration of a board member's term, the board member may continue to serve until
22 the governor makes an appointment to fill the position.

23 7. A board shall set and maintain an annual budget and financial statements accounting
24 for fees collected. The board shall maintain an appropriate reserve as determined by
25 the board.

26 8. A board may contract for administrative and support services to assist in the operation
27 of the board.

28 9. A board may contract with the information technology department and may obtain and
29 purchase services through the information technology department, including electronic
30 mail systems, website services, and cybersecurity services.

1 10. Unless otherwise specifically provided by law, a board member who has a direct and
2 substantial personal or pecuniary interest in a matter before the board shall disclose
3 the fact and may not participate in or vote on that matter without the consent of a
4 majority of the board.

5 11. Annually, the attorney general shall conduct online or in-person training for new board
6 members. The training must include information regarding open meetings and open
7 records, lobbying, and conflicts of interests. During the first year of a board member's
8 initial term, the board member shall attend the training and after the first year, the
9 board member may attend the training. A board may offer additional orientation
10 training to a new board member.

11 **SECTION 2. AMENDMENT.** Section 54-10-27 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 **54-10-27. Occupational and professional boards - Audits and reports.**

14 1. The governing board of any occupational or professional board shall provide for an
15 audit once every two years by a certified public accountant or licensed public
16 accountant. The accountant conducting the audit shall submit the audit report to the
17 state auditor's office. If the report is in the form and style prescribed by the state
18 auditor, the state auditor may not audit that board. An occupational or professional
19 board may request the state auditor to conduct its audit, and if the state auditor agrees
20 to conduct the audit, the state auditor shall deposit the fees charged to the
21 occupational or professional board into the state auditor operating account. The state
22 auditor may charge an occupational or professional board a fee not to exceed ninety
23 dollars an hour for the costs of reviewing the audit report.

24 2. Instead of providing for an audit every two years, an occupational or professional
25 board that has less than two ~~hundred thousand~~ million dollars of annual receipts may
26 submit an annual report to the state auditor. The report must contain the information
27 required by the state auditor. The state auditor also may make any additional
28 examination or audit determined necessary in addition to the annual report. ~~When a~~
29 ~~report is not filed, the~~ The state auditor may charge the occupational or professional
30 board an amount equal to the fair value of the additional examination or audit and any
31 other services rendered. The state auditor may charge an occupational or professional

1 board a fee not to exceed ~~eighty-six~~ninety dollars an hour for the costs of reviewing
2 the annual report.

3 3. If an audit report or annual report shows the amount of the unobligated and
4 undesigned balance of a board's operating fund exceeds two hundred fifty thousand
5 dollars, the report must include a statement from the board regarding the board's
6 plans for handling this excess amount.