

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1004

Page 1, line 2, after "services" insert "; to create and enact a new section to chapter 54-27 of the North Dakota Century Code, relating to the deposit of judgment funds; to provide for a legislative management report; to provide for a transfer; and to provide for an exemption"

Page 1, replace lines 10 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$41,362,968	\$5,511,774	\$46,874,742
Operating expenses	31,242,543	6,478,670	37,721,213
Capital assets	1,796,393	(326,613)	1,469,780
Grants	55,812,575	15,857,570	71,670,145
Tobacco prevention	13,410,022	850,459	14,260,481
Women, infants, and children food payments	19,900,000	0	19,900,000
COVID-19	4,459,766	93,353,091	97,812,857
Public health laboratory capital project	0	55,120,000	55,120,000
Total all funds	\$167,984,267	\$176,844,951	\$344,829,218
Less estimated income	<u>129,409,112</u>	<u>170,213,282</u>	<u>299,622,394</u>
Total general fund	\$38,575,155	\$6,631,669	\$45,206,824
Full-time equivalent positions	210.50	5.00	215.50"

Page 2, line 2, after "biennium" insert "and the 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 4 through 12 with:

"Vital records system technology upgrades	\$275,000	\$0
Statewide health strategies initiative	3,000,000	0
COVID-19 response	9,262,341	0
Forensic examiner upgrades	910,000	0
COVID-19 response - House Bill No. 1395	87,290,597	0
Public health laboratory capital project	<u>15,000,000</u>	<u>55,120,000</u>
Total all funds	\$115,737,938	\$55,120,000
Less estimated income	<u>110,209,662</u>	<u>55,120,000</u>
Total general fund	\$5,528,276	\$0

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The department of health and human services 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. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority between line items within section 1 of this Act, subdivisions 1, 2, and 3 of section 1 of Senate Bill No. 2012, and any other

appropriation authority for the department of health and human services approved by the sixty-eighth legislative assembly for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the department of health and human services. The department of health and human services shall notify the legislative council of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2024, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-ninth legislative assembly regarding any transfers made pursuant to this section.

SECTION 4. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT. Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority from line items within section 1 of this Act, subdivisions 1, 2, and 3 of Senate Bill No. 2012, and any other appropriation authority for the department of health and human services approved by the sixty-eighth legislative assembly to subdivision 4 of Senate Bill No. 2012, for the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the department of health and human services. The department of health and human services shall notify the legislative council of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2024, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-ninth legislative assembly regarding any transfers made pursuant to this section.

SECTION 5. TRANSFER OF APPROPRIATION AUTHORITY. Section 1 of this Act and section 1 of Senate Bill No. 2012 includes appropriation authority for the department of health and human services for the biennium beginning July 1, 2023, and ending June 30, 2025. On July 1, 2023, the office of management and budget shall combine the appropriation authority contained in section 1 of this Act and section 1 of Senate Bill No. 2012, and any other appropriation authority for the department of health and human services in other bills approved by the sixty-eighth legislative assembly, into one budget for the department of health and human services. The department of health and human services shall submit one budget request for the biennium beginning July 1, 2025, and ending June 30, 2027."

Page 2, replace line 21 with:

"Domestic violence offender treatment	1,000,000
Domestic violence prevention	1,000,000"

Page 2, replace line 24 with:

"Local public health state aid	3,275,000"
--------------------------------	------------

Page 2, replace lines 27 and 28 with:

"Tobacco cessation grants	500,000
Youth vaping prevention grants	300,000"

Page 2, replace line 31 with:

"Total community health trust fund	\$20,072,324
------------------------------------	--------------

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

Deposit of JUUL Labs, Inc., judgment funds.

Eighty percent of any funds received by the state under the consent judgment adopted by the south central judicial district court in its consent judgment entered December 8, 2022, [Civil No. 08-2022-CV-02972] in State of North Dakota, ex rel. Drew H. Wrigley v. JUUL Labs, Inc., must be deposited in the community health trust fund.

SECTION 9. TRANSFER - ATTORNEY GENERAL REFUND FUND TO COMMUNITY HEALTH TRUST FUND. The attorney general shall transfer eighty percent of any funds deposited in the attorney general refund fund during the biennium beginning July 1, 2021, and ending June 30, 2023, relating to the consent judgment entered December 8, 2022, [Civil No. 08-2022-CV-02972] in State of North Dakota, ex rel. Drew H. Wrigley v. JUUL Labs, Inc., to the community health trust fund on July 1, 2023.

SECTION 10. USE OF PUBLIC HEALTH CRISIS RESPONSE GRANT FUNDS. The public health division of the department of health and human services shall use \$870,000 of funding made available through the federal COVID-19 public health crisis response grant for public health workforce to provide grants to local public health units. To be eligible to receive a grant, local public health units must apply for this grant funding by December 31, 2023. Any public health workforce funds not awarded to local public health units may be used by the department of health and human services for workforce efforts pursuant to federal grant guidance.

SECTION 11. LABORATORY BUILDING STEERING COMMITTEE. The department of health and human services shall establish a laboratory building steering committee to oversee the design and construction of the laboratory building project for the biennium beginning July 1, 2023, and ending June 30, 2025. The committee must include representation from the department of health and human services, department of environmental quality, office of management and budget, the governor's office, and the legislative assembly. The legislative assembly representation must include one member of the senate appointed by the senate majority leader, one member of the house appointed by the house majority leader, and one member of the minority party from either the senate or the house appointed by the minority leaders of the senate and the house.

SECTION 12. EXEMPTION - 2021-23 BIENNIUM APPROPRIATION - STATEWIDE HEALTH STRATEGIES. The sum of \$3,000,000, of which \$1,500,000 is from the community health trust fund and \$1,500,000 is from other income derived from matching funds, appropriated for statewide health strategies in section 1 of chapter 32 of the 2021 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for statewide health strategies initiatives during the biennium beginning July 1, 2023, and ending June 30, 2025. The amount appropriated from the community health trust fund is contingent on the department of health and human services securing dollar-for-dollar matching funds.

SECTION 13. EXEMPTION - 2021-23 BIENNIUM APPROPRIATION - PUBLIC HEALTH LABORATORY CAPITAL PROJECT. The sum of \$15,000,000 of federal funds, derived from the state fiscal recovery fund, appropriated for a public health laboratory capital project in subdivision 7 of section 1 of chapter 550 of the 2021 Special Session Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the public health laboratory capital project during the biennium beginning July 1, 2023, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1004 - DHHS - Health Services - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$41,362,968	\$5,511,774	\$46,874,742
Operating expenses	31,242,543	6,478,670	37,721,213
Capital assets	1,796,393	(326,613)	1,469,780
Grants	55,812,575	15,857,570	71,670,145
Tobacco prevention	13,410,022	850,459	14,260,481
WIC food payments	19,900,000		19,900,000
COVID-19 response	4,459,766	93,353,091	97,812,857
State laboratory		55,120,000	55,120,000
Total all funds	\$167,984,267	\$176,844,951	\$344,829,218
Less estimated income	129,409,112	170,213,282	299,622,394
General fund	\$38,575,155	\$6,631,669	\$45,206,824
FTE	210.50	5.00	215.50

Department 350 - DHHS - Health Services - Detail of House Changes

	Adjusts Funding for Cost to Continue Salaries¹	Adjusts Base Budget Funding²	Adds Funding for Salary and Benefit Increases³	Adds 1 FTE Autopsy Technician⁴	Adds 4 FTE Program Management Positions⁵	Increases Funding for Information Technology⁶
Salaries and wages	\$319,801	\$2,167,308	\$2,909,563	\$65,094	\$50,008	
Operating expenses		4,099,423				\$1,241,694
Capital assets		(326,613)				
Grants		8,721,285				
Tobacco prevention		(24,358)	74,817			
WIC food payments						
COVID-19 response		93,203,287	149,804			
State laboratory						
Total all funds	\$319,801	\$107,840,332	\$3,134,184	\$65,094	\$50,008	\$1,241,694
Less estimated income	216,068	106,147,341	2,379,473	0	50,008	1,050,392
General fund	\$103,733	\$1,692,991	\$754,711	\$65,094	\$0	\$191,302
FTE	0.00	0.00	0.00	1.00	4.00	0.00

	Adds Funding for Injury Prevention⁷	Increases Funding for Public Health Registries⁸	Increases Funding for the Biomedical Cache⁹	Adds Funding for Emergency Response and Preparedness¹⁰	Increases Funding for Local Public State Aid¹¹	Increases Funding for Domestic Violence Prevention¹²
Salaries and wages						
Operating expenses	\$31,000	\$701,553	\$20,000	\$385,000		
Capital assets						
Grants					\$2,750,000	\$3,686,285
Tobacco prevention						
WIC food payments						
COVID-19 response						
State laboratory						
Total all funds	\$31,000	\$701,553	\$20,000	\$385,000	\$2,750,000	\$3,686,285
Less estimated income	0	0	0	0	2,750,000	1,000,000
General fund	\$31,000	\$701,553	\$20,000	\$385,000	\$0	\$2,686,285
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for Domestic Violence Offender Treatment¹³	Adds Funding for Tobacco Treatment and Cessation Grants¹⁴	Add Funding for Youth Vaping Prevention Grants¹⁵	Adds Funding for Laboratory Building¹⁶	Total House Changes
Salaries and wages					\$5,511,774
Operating expenses					6,478,670
Capital assets					(326,613)
Grants	\$700,000				15,857,570
Tobacco prevention		\$500,000	\$300,000		850,459
WIC food payments					
COVID-19 response					93,353,091
State laboratory				\$55,120,000	55,120,000
Total all funds	\$700,000	\$500,000	\$300,000	\$55,120,000	\$176,844,951
Less estimated income	<u>700,000</u>	<u>500,000</u>	<u>300,000</u>	<u>55,120,000</u>	<u>170,213,282</u>
General fund	\$0	\$0	\$0	\$0	\$6,631,669
FTE	0.00	0.00	0.00	0.00	5.00

¹ Funding is added for cost to continue salary increases.

² Funding is added, including funding from federal and special funds, for base budget changes and adjustments to transfer funding between the former State Department of Health and former Department of Human Services budgets.

³ The following funding is added for 2023-25 biennium salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024, and increases in health insurance premiums from \$1,429 to \$1,648 per month:

	General Fund	Other Funds	Total
Salary increase	\$488,250	\$1,513,380	\$2,001,630
Health insurance increase	<u>266,461</u>	<u>866,093</u>	<u>1,132,554</u>
Total	\$754,711	\$2,379,473	\$3,134,184

⁴ Funding is added to convert 1 temporary position to 1 FTE autopsy technician IV position.

⁵ Funding from federal funds is added to convert 4 temporary positions to 4 FTE program management III positions to serve as tribal liaisons.

⁶ Funding is added for Information Technology Department rate increases.

⁷ Funding related to injury prevention is increased for the poison control hotline.

⁸ Funding is added for inflationary increases relating to public health registries.

⁹ Funding is added to expand the biomedical cache.

¹⁰ Funding is added for emergency response and preparedness training and exercise.

¹¹ Funding is added from the community health trust fund to increase local public health state aid to provide a total of \$8,000,000, of which \$4,725,000 is from the general fund and \$3,275,000 is from the community health trust fund.

¹² Funding for domestic violence prevention is increased to provide a total of \$5,936,285, of which \$4,596,285 is from the general fund, \$1,000,000 is from the community health trust fund, and \$340,000 is from the domestic violence and sexual assault prevention fund which receives revenue from marriage license fees.

¹³ Funding from the community health trust fund is increased for domestic violence offender treatment to provide a total of \$1 million from the fund.

¹⁴ Funding from the community health trust fund is added for a NDQuits cessation program with pharmacies.

¹⁵ Funding from the community health trust fund is added for youth vaping and nicotine prevention grants.

¹⁶ One-time funding from the federal State Fiscal Recovery Fund is added for a new laboratory building shared with the Department of Environmental Quality.

This amendment also:

- Adds a section to provide an exemption to allow the Department of Health and Human Services to transfer funding between line items in House Bill No. 1004, subdivisions 1, 2, and 3 of Section 1 of Senate Bill No. 2012, and any other appropriation authority for the Department of Health and Human Services approved by the 68th Legislative Assembly;
- Adds a section to provide an exemption to allow the Department of Health and Human Services to transfer funding from the line items in House Bill No. 1004, subdivisions 1, 2, and 3 of Section 1 of Senate Bill No. 2012, and any other appropriation authority for the Department of Health and Human Services approved by the 68th Legislative Assembly to subdivision 4 of Section 1 of Senate Bill No. 2012;
- Adds a section to require the Office of Management and Budget to combine the appropriation authority contained in Section 1 of House Bill No. 1004, Section 1 of Senate Bill No. 2012, and any other appropriation authority for the Department of Health and Human Services into one budget. The section also requires the Department of Health and Human Services to submit one budget request for the 2025-27 biennium;
- Amends the section related to estimated income provided from the community health trust fund to provide funding of \$20,072,324 from the fund for various programs and grants during the 2023-25 biennium;
- Adds a section to provide the statutory changes to require 80 percent of the funds received by the state as a result of the JUUL Labs, Inc. lawsuit settlement be deposited in the community health trust fund;
- Adds a section to require the Attorney General transfer 80 percent of the JUUL settlement proceeds received during the 2021-23 biennium and deposited in the refund fund to the community health trust fund;
- Adds a section to require the department to first make available \$870,000 from the federal COVID-19 public health crisis response grant to local public health units. Funding not requested by December 31, 2023, will be available to the department for workforce efforts pursuant to grant guidance;
- Adds a section of legislative intent to provide the Laboratory Building Steering Committee include representation from the Department of Health and Human Services, Department of Environmental Quality, Office of Management and Budget, Governor's office, and the Legislative Assembly;
- Adds a section to provide an exemption to allow the department to continue \$3 million of one-time funding, of which \$1.5 million is from the community health trust fund and \$1.5 million is from other funds secured as matching funds, provided for a statewide health strategies initiative during the 2021-23 biennium to the 2023-25 biennium. The amount appropriated from the community health trust fund is contingent on the department securing dollar-for-dollar matching funds; and
- Adds a section to provide an exemption to allow the department to continue any unexpended funding provided from the federal State Fiscal Recovery Fund during the 2021 special legislative session for the public health laboratory capital project. The section provides any unexpended funds remaining of the \$15 million one-time funding appropriation are available for the public health laboratory capital project during the 2023-25 biennium.