

1 A BILL for an Act to provide an appropriation to the department of health and human services
2 for federal rural health transformation program grant funds; to provide an exemption; to provide
3 for application; to provide a report; and to provide an effective date.

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

5 **SECTION 1. APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES -**
6 **FEDERAL RURAL HEALTH TRANSFORMATION PROGRAM.** There is appropriated from
7 other funds derived from federal funds, not otherwise appropriated, the sum of \$397,873,940, or
8 so much of the sum as may be necessary, to the department of health and human services for
9 the federal rural health transformation program, for the period beginning with the effective date
10 of this Act and ending June 30, 2027.

11 **SECTION 2. EXEMPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04,
12 the director of the office of management and budget shall transfer funds between section 1 of
13 this Act and subdivisions 1, 2, 3, 4, 5, and 6 of section 1 of House Bill No. 1012, as approved by
14 the sixty-ninth legislative assembly, as requested by the department of health and human
15 services. Any transfers from section 1 of this Act to the salaries and wages block grant line item
16 in subdivision 1 of section 1 of House Bill No. 1012, as approved by the sixty-ninth legislative
17 assembly, are not subject to the transfer limitation provisions in section 4 of House Bill
18 No. 1012. The department of health and human services shall notify the legislative council of
19 any transfer made pursuant to this section.

20 **SECTION 3. EXEMPTION - CONTINGENT AUTHORIZATION TO INCREASE**
21 **APPROPRIATION AUTHORITY.** If the department of health and human services awards
22 federal rural health transformation program funds appropriated in section 1 of this Act to another
23 state agency or institution, notwithstanding any other provision of law, the office of management
24 and budget may adjust the state agency or institution's federal funds appropriation authority by

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1 the amount of the award during the period beginning with the effective date of this Act and
2 ending June 30, 2027. The office of management and budget shall notify the legislative council
3 of any appropriation adjustments made pursuant to this section.

4 **SECTION 4. APPLICATION - EXEMPTION - FEDERAL RURAL HEALTH**

5 **TRANSFORMATION PROGRAM.**

6 1. Section 54-27-12 does not apply to the erection or improvement of any public building
7 or structure or the purchase of real property utilizing funding appropriated in section 1
8 of this Act.

9 2. Notwithstanding chapter 54-44.7, an agency or governing body may use the process
10 outlined in section 37-10-03.6 for consultants in the areas of architecture, engineering,
11 construction management, land surveying, and related matters when using the funding
12 appropriated in section 1 of this Act for public improvements to meet the requirements
13 of section 48-01.2-02.

14 3. Equipment or supplies purchased by the state with the funding appropriated in
15 section 1 of this Act may be transferred to other entities or individuals in accordance
16 with the requirements of the federal rural health transformation program.

17 4. Notwithstanding subsection 7 of section 54-44.4-13, cooperative purchasing may be
18 made available to entities eligible to receive funding appropriated in section 1 of this
19 Act in accordance with the requirements of the federal rural health transformation
20 program.

21 5. Section 32-12.2-15 does not apply to any routine or standardized products that contain
22 adhesive contract terms in shrink wrap documents, third-party end user licenses, or
23 click-through agreements that are not consistent with section 32-12.2-15 for purchases
24 using funding appropriated in section 1 of this Act if the purchase involves training,
25 training and testing materials, reference materials, access to online information, online
26 services, memberships, licensure, conferences, or travel, and the purchase or use
27 does not require the disclosure of confidential information or personally identifiable
28 information as defined in chapter 51-30 and does not impact data or system security.

29 For purposes of this section, "routine or standardized products" means products
30 commercially available to the public.

1 **SECTION 5. GRANT RECIPIENT ACKNOWLEDGMENT AND REPORTING.** The funds
2 appropriated in section 1 of this Act are limited duration federal funds allocated to the state
3 through the federal rural health transformation program. The department of health and human
4 services shall require grant recipients to acknowledge in any grant agreement that the funding
5 awarded is from funding that will not continue beyond the duration of the federal rural health
6 transformation program. The department may require grant recipients to submit process and
7 outcome measures to the department for programs and services receiving funds appropriated in
8 section 1 of this Act.

9 **SECTION 6. LEGISLATIVE MANAGEMENT REPORT.** During the remainder of the
10 2025-26 interim, the department of health and human services shall provide periodic reports to
11 the legislative management regarding the status of funding allocations, programs, outcomes,
12 and other requested information associated with the federal rural health transformation program
13 grant.

14 **SECTION 7. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing with
15 the secretary of state.