

Introduced by

1 A BILL for an Act to amend and reenact section 54-35-27 of the North Dakota Century Code,
2 relating to a legislative interim committee review of state agency fees.

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

4 **SECTION 1. AMENDMENT.** Section 54-35-27 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **54-35-27. Legislative interim committee review of state agency fees.**

7 1. The legislative management shall assign to one or more interim committees a study of
8 selected state agency fees ~~as provided in this section.~~

9 a. ~~By July 1, 2022, each state agency that is authorized to impose forty fees or~~
10 ~~fewer shall submit a report to the office of management and budget including:~~

- 11 (1) ~~The amount of each fee;~~
12 (2) ~~When the fee was implemented;~~
13 (3) ~~Why the fee is set at the specific dollar amount;~~
14 (4) ~~Where the fee is deposited; and~~
15 (5) ~~Whether the fee is critical for the budget of the agency.~~

16 b. ~~By July 1, 2024, each state agency that is authorized to impose more than forty~~
17 ~~fees shall submit a report to the legislative management including:~~

- 18 (1) ~~The amount of each fee;~~
19 (2) ~~When the fee was implemented;~~
20 (3) ~~Why the fee is set at the specific dollar amount;~~
21 (4) ~~Where the fee is deposited; and~~
22 (5) ~~Whether the fee is critical for the budget of the agency.~~

- 1 e. ~~By September first in the year the reports are received, the office of management~~
2 ~~and budget shall compile all of the reports into a single report and provide the~~
3 ~~report to the legislative management.~~
- 4 2. ~~In addition to the report required under subsection 1, each state agency shall provide~~
5 ~~an analysis of each fee. The analysis must include:~~
- 6 a. ~~A comparison of revenue generated by the fee to the cost incurred to provide the~~
7 ~~services associated with the fee;~~
- 8 b. ~~The history of the fee, including when it was created and any subsequent~~
9 ~~changes;~~
- 10 c. ~~The appropriateness of the fee amount and the affordability of the fee to the~~
11 ~~public; and~~
- 12 d. ~~The appropriateness of using other government revenues to pay a portion of~~
13 ~~services associated with the fee and the effect of the use of other revenues.~~
- 14 ~~3.2.~~ An interim committee assigned a fee study shall:
- 15 a. ~~Make~~May make a recommendation regarding ~~thea~~ fee which identifies whether
16 the fee should remain unchanged or be eliminated, increased, decreased, or
17 otherwise modified and the rationale for the recommendation.
- 18 b. ~~Report~~Shall report its findings and recommendations to the legislative
19 management. As part of its recommendations, the committee ~~shall~~may identify
20 potential state agency fees to be reviewed during the subsequent interim.
- 21 ~~4.3.~~ Any state agency authorized by the legislative assembly to impose a fee shall provide
22 data, analysis, and other information as requested by the interim committee
23 conducting a study under this section.
- 24 a. By October thirty-first of each odd-numbered year, each state agency that is
25 authorized to impose fees shall submit a report to the legislative council with the
26 following information for each fee:
- 27 (1) The name or description of the fee;
28 (2) The authorization for the fee;
29 (3) The year the fee was first created or last changed;
30 (4) The amount of the fee;

- 1 (5) The total collections from the fee in the most recently completed biennium,
2 including the amount collected as a percentage of the agency's budget;
3 (6) The estimated cost to administer the fee;
4 (7) Identification of the fund or funds in which the fee is deposited, including any
5 restrictions on the use of the fee collections;
6 (8) Any proposed changes to the fee;
7 (9) Consideration of the appropriateness of the fee, including the affordability of
8 the fee to the public, comparisons to the fee amount in other states, and the
9 impact of using other government revenues to pay a portion of services
10 associated with the fee;
11 (10) Indication of whether any fees were added, deleted, or changed since the
12 prior biennium; and
13 (11) Other requested information.
14 b. The legislative council shall compile information from the agency reports and
15 report to an interim committee assigned a study under this section.
16 c. If a state agency is unable to meet the deadline imposed under this subsection,
17 the state agency may request an extension.
18 ~~5.4.~~ Fees to be examined under this section include those deposited in the general fund or
19 the agency operating budget and those collected by institutions under the control of
20 the state board of higher education.
21 ~~6.~~ If a state agency is unable to meet the deadline imposed under subsection 1, the state
22 agency may appeal to the legislative management for an extension.
23 ~~7.5.~~ Notwithstanding any other provision of law, state agencies may not establish any new
24 fees under chapter 28-32 unless the fee was approved by the legislative assembly, the
25 budget section, or the emergency commission.
26 ~~8.~~ By July first of each even-numbered year, each agency that has fees shall provide a
27 report to the legislative management indicating whether any fees were added, deleted,
28 or changed during the course of the biennium.