

**SENATE BILL NO. 2028
with House Amendments**

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Introduced by

Legislative Management

(Government Finance Committee)

1 A BILL for an Act to amend and reenact sections 6-01-01.1, 6-01-04, 6-01-10, 6-01-11, and
2 6-01-16 of the North Dakota Century Code, relating to the budget approval process and reports
3 of the department of financial institutions; to provide a continuing appropriation; to provide for a
4 report; and to provide an expiration date.

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

6 **SECTION 1. AMENDMENT.** Section 6-01-01.1 of the North Dakota Century Code is
7 amended and reenacted as follows:

8 **6-01-01.1. Regulatory fund established - Uses - ~~Appropriation~~Continuing**
9 **appropriation.**

- 10 1. There is created a special fund designated as the financial institutions regulatory fund.
11 The amounts received under the following chapters, and any other moneys received
12 by the department of financial institutions, must be deposited into this fund: chapters
13 6-01, 6-03, 6-05, 6-06, 6-10, 13-04.1, 13-05, 13-08, 13-09.1, 13-10, and 13-11.
- 14 2. All moneys deposited in the financial institutions regulatory fund are reserved for use
15 by the department of financial institutions to defray the expenses of the department in
16 the discharge of its administrative and regulatory powers and duties as prescribed by
17 law, subject to the applicable laws relating to the appropriation of state funds and to
18 the deposit and expenditure of state moneys.
- 19 3. All moneys in the financial institutions regulatory fund are appropriated on a continuing
20 basis to the department of financial institutions to carry out its administrative and
21 regulatory powers and duties within the limits of an annual or biennial budget
22 approved by the state banking board and state credit union board.

1 4. The department of financial institutions is responsible for the proper
2 expenditures~~expenditure~~ of these moneys as provided by law and shall document the
3 revenues and expenditures of the fund at the time and in the manner required by the
4 office of management and budget.

5 ~~3.5.~~ Any cash balance in the financial institutions regulatory fund after all current biennium
6 expenditures are met must be carried forward in the financial institutions regulatory
7 fund for the next succeeding biennium.

8 ~~4.6.~~ All moneys derived from the investment of any portion of the financial institutions
9 regulatory fund must be credited to the fund.

10 **SECTION 2. AMENDMENT.** Section 6-01-04 of the North Dakota Century Code is amended
11 and reenacted as follows:

12 **6-01-04. Powers and duties of the state banking board and state credit union board.**

13 1. The state banking board may adopt rules for the government of financial institutions
14 and trust companies mentioned in section 6-01-01 to the extent the rules do not
15 conflict with any law of this state or of the United States. The state banking board shall
16 make and enforce such orders as are necessary or proper to protect the public and
17 the depositors or creditors of those financial institutions and trust companies.

18 2. The same powers are given to the state credit union board with reference to credit
19 unions as are granted to the state banking board with reference to financial institutions
20 and trust companies named in this chapter.

21 3. The state banking board and state credit union board shall hold a joint meeting to
22 consider any budget recommendations from the commissioner. Upon consideration of
23 a budget recommendation, the boards shall approve an annual or biennial budget for
24 the department of financial institutions, including the number of full-time equivalent
25 positions. A majority of the members of each board must be present to constitute a
26 quorum for the joint meeting, and approval by a majority of the members present of
27 each board is required to approve an annual or biennial budget for the department of
28 financial institutions.

29 **SECTION 3. AMENDMENT.** Section 6-01-10 of the North Dakota Century Code is amended
30 and reenacted as follows:

1 **6-01-10. Commissioner to keep records and make reports - Biennial report - Report to**
2 **the legislative assembly.**

- 3 1. The assistant commissioner shall act as secretary and keep all proper records and
4 files pertaining to the duties and work of the department of financial institutions and the
5 proceedings of the board. The commissioner shall report to the board annually,
6 touching on all the commissioner's official acts and those of the deputy examiners,
7 giving abstracts of statistics and of the conditions of the various institutions to which
8 the commissioner's duties relate, and making such recommendations and suggestions
9 as the commissioner may determine proper.
- 10 2. The state banking board shall submit a biennial report to the governor and the
11 secretary of state in accordance with section 54-06-04. In addition to any requirements
12 established pursuant to section 54-06-04, the banking board's report must include a
13 summary or abstract of the reports of the commissioner.
- 14 3. The commissioner shall report to the state credit union board annually in the same
15 manner as this section provides for the commissioner's report to the state banking
16 board. The state credit union board shall submit a biennial report to the governor and
17 the secretary of state in accordance with section 54-06-04, and in addition, the credit
18 union board's report must include a summary or abstract of the reports of the
19 commissioner.
- 20 4. The biennial reports of the state banking board and the state credit union board shall
21 be published in the form of a combined biennial report of the department of financial
22 institutions. The biennial report of the department shall be submitted to the governor
23 and the secretary of state in accordance with section 54-06-04. The biennial report of
24 the department must include all other biennial reports which the commissioner or the
25 boards are required by law to submit to the governor and the office of management
26 and budget.
- 27 5. The commissioner shall prepare and present a report to the house and senate
28 appropriations committees of the legislative assembly during each regular legislative
29 session at the time and in the manner directed by the chairmen of the committees.
30 The report must include a summary of the department's activities during the current
31 biennium, a statement of the department's revenues and expenditures for the prior

1 biennium and the current biennium to date, and any other information requested by
2 the chairmen of the committees.

3 **SECTION 4. AMENDMENT.** Section 6-01-11 of the North Dakota Century Code is amended
4 and reenacted as follows:

5 **6-01-11. Salary of commissioner.**

6 The salary of the commissioner must be within the amount ~~appropriated for salaries by the~~
7 ~~legislative assembly~~ budget approved by the boards. The commissioner is allowed, in addition to
8 the commissioner's salary, the commissioner's necessary and actual expenses incurred in the
9 discharge of the commissioner's official duties within the budget approved by the boards. The
10 commissioner's salary and expenses must be audited and paid in the manner in which the
11 salary and expenses of other state officers are paid.

12 **SECTION 5. AMENDMENT.** Section 6-01-16 of the North Dakota Century Code is amended
13 and reenacted as follows:

14 **6-01-16. Salaries of commissioner's deputies.**

15 The salary of the assistant commissioner and the salary of each other deputy must be fixed
16 by the commissioner within the ~~limits of the legislative appropriation for such salaries~~ budget
17 approved by the boards. In addition to the amounts herein specified, each deputy must be
18 allowed the deputy's actual and necessary traveling expenses when engaged in the discharge
19 of the deputy's duties. The salaries of all clerks, stenographers, and other assistants must be
20 fixed by the commissioner within the ~~limits of the legislative appropriation therefor~~ budget
21 approved by the boards.

22 **SECTION 6. EXPIRATION DATE.** This Act is effective through June 30, 2029, and after that
23 date is ineffective.