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Prepared by the Legislative Council staff for House Appropriations Committee
April 15, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO FIRST ENGROSSMENT

ENGROSSED SENATE BILL NO. 2015

Introduced by

Appropriations Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide a contingent appropriation; to create and enact a new section to chapter 54-23.3 of the North Dakota Century Code, relating to a Native American re-entry program; to provide for a report; to provide for a legislative management study; and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from other funds derived from special funds and federal funds, to the department of corrections and rehabilitation for the purpose of defraying the expenses of the department of corrections and rehabilitation, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
~~Adult services~~	~~$265,998,440~~	~~$161,089,699~~	~~$427,088,139~~
~~Youth services~~	~~26,853,221~~	~~9,480,420~~	~~36,333,641~~
~~New and vacant FTE pool~~	~~0~~	~~15,246,375~~	~~15,246,375~~
~~Total all funds~~	~~$292,851,661~~	~~$185,816,494~~	~~$478,668,155~~
~~Less other funds~~	~~45,744,746~~	~~108,434,000~~	~~154,178,746~~

~~Total general fund~~	~~$247,106,915~~	~~$77,382,494~~	~~$324,489,409~~
~~Full-time equivalent positions~~	~~929.79~~	~~51.00~~	~~980.79~~
Adult services	$265,998,440	$185,051,662	$451,050,102
Youth services	26,853,221	10,924,715	37,777,936
New and vacant FTE pool	0	15,248,196	15,248,196
Total all funds	$292,851,661	$211,224,573	$504,076,234
Less other funds	45,744,746	111,490,609	157,235,355
Total general fund	$247,106,915	$99,733,964	$346,840,879
Full-time equivalent positions	929.79	42.00	971.79

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

One-Time Funding Description	General Fund	Other Funds	Total
Heart River correctional center	$36,742	$35,635,000	$35,671,742
Missouri River correctional center temporary housing unit	121,136	8,032,757	8,153,893
~~Payments to county and regional jails~~	~~17,500,000~~	~~0~~	~~17,500,000~~
~~Deferred maintenance and extraordinary repairs~~	~~0~~	~~15,000,000~~	~~15,000,000~~
Payments to county and regional jails	28,930,210	0	28,930,210
Deferred maintenance and extraordinary repairs	0	16,056,609	16,056,609
New FTE costs	40,000	0	40,000
James River correctional center study	0	750,000	750,000
Missouri River correctional center planning and design	0	20,000,000	20,000,000
Software systems and technology upgrades	0	11,278,631	11,278,631
Equipment	0	2,079,700	2,079,700

Victims of crime grants	0	7,000,000	7,000,000
Mental health assessments and services	0	550,000	550,000
Rough rider industries equipment and supplies	0	13,722,181	13,722,181
Workforce training and education	0	1,027,500	1,027,500
James River correctional center maintenance building demolition	0	570,000	570,000
~~County and regional correctional centers contracted operations~~	~~0~~	~~3,000,000~~	~~3,000,000~~
~~Total~~	~~$17,697,878~~	~~$118,645,769~~	~~$136,343,647~~
Diversion and deflection center grant	0	5,000,000	5,000,000
Total	$29,128,088	$121,702,378	$150,830,466

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The department of corrections and rehabilitation may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the adult services and youth services line items in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The other funds line item in section 1 of this Act includes the sum of ~~$102,356,197~~$100,412,806 from the strategic investment and improvements fund for one-time projects and programs as follows:

Heart River correctional center project	$35,635,000
Missouri River correctional center temporary housing	8,032,757
Missouri River correctional center planning and design	20,000,000
James River correctional center facilities study	750,000
James River correctional center maintenance building demolition	570,000
~~County and regional correctional center contracted operations~~	~~3,000,000~~
~~Deferred maintenance and extraordinary repairs~~	~~15,000,000~~
Deferred maintenance and extraordinary repairs	16,056,609
Software and technology upgrades	11,278,631

Equipment	1,089,809
Victims of crime grants	7,000,000
~~Total~~	~~$102,356,197~~
Total	$100,412,806

SECTION 5. CONTINGENT APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - FEDERAL FUNDS - DEPARTMENT OF CORRECTIONS AND REHABILITATION.

1. Subject to the provisions of this section, there is appropriated from the strategic investment and improvements fund, not otherwise appropriated, the sum of $989,891, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of purchasing tasers, body cameras, and ballistic vests, for the biennium beginning July 1, 2025, and ending June 30, 2027.
2. The funding appropriated in this section is contingent upon the department of corrections and rehabilitation notifying the office of management and budget that the department will not receive $989,891 from federal funds for the purchase of tasers, body cameras, and ballistic vests during the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 6. OTHER FUNDS - COMMUNITY HEALTH TRUST FUND - DIVERSION AND DEFLECTION CENTER GRANT - MATCHING FUNDS - EXEMPTION. The adult services line item in section 1 of this Act includes $5,000,000 from the community health trust fund for the purpose of providing a grant for the establishment of a diversion and deflection center in the city of Fargo, for the biennium beginning July 1, 2025, and ending June 30, 2027. A grant recipient must provide two dollars of matching funds from nonstate sources for each dollar provided by the department of corrections and rehabilitation. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section. The entity awarded a grant under this section shall submit a project plan to the department of corrections and rehabilitation and must receive final approval from the director of the department before any state funds are distributed.

SECTION 7. DEPARTMENT OF CORRECTIONS AND REHABILITATION OPERATING FUND REVENUES. Any moneys received by the department of corrections and rehabilitation from correctional supervision, electronic monitoring, and detention; reimbursements from other

agencies; profits received from department of corrections and rehabilitation commissary; miscellaneous revenue, including offender fines, fees, restitution, and medical copayments; and from the youth correctional center permanent fund, may be deposited in the department of corrections and rehabilitation operating fund and expended pursuant to legislative appropriation, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 8. A new section to chapter 54-23.3 of the North Dakota Century Code is created and enacted as follows:

Native American re-entry program - Report to legislative management.

1. The department of corrections and rehabilitation, in cooperation with representatives from each federally recognized American Indian tribe in the state, and the Indian affairs commission, shall establish and administer a re-entry program to provide re-entry services and support tailored to the needs of Native Americans.
2. The Native American re-entry program shall:
   a. Assess the needs of Native American adult offenders with the goal of reducing recidivism;
   b. Identify culturally responsive training opportunities and provide training to department staff;
   c. Designate a Native American liaison to operate within the department regarding parole and probation services for adult offenders; and
   d. Develop oversight and evaluation processes, including outcome-based metrics related to recidivism reduction.
3. The department of correction and rehabilitation shall provide an annual report to the legislative management regarding the status of the Native American re-entry program.

SECTION 9. MISSOURI RIVER CORRECTIONAL CENTER PLANNING AND DESIGN - STEERING COMMITTEE - REPORT. The appropriation in the adult services line item in section 1 of this Act includes $20,000,000 from the strategic investment and improvements fund for planning and design for a new ~~six hundred bed~~ minimum security male correctional facility for the Missouri River correctional center. The department of corrections and rehabilitation shall establish a Missouri River correctional center steering committee to oversee the design and construction of the new Missouri River correctional center facility, including other options, for the biennium beginning July 1, 2025, and ending June 30, 2027. The committee 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. The department of corrections and rehabilitation shall provide a quarterly report to the legislative management regarding the planning and design of a new minimum security facility.

~~**SECTION 10. LEGISLATIVE MANAGEMENT STUDY - DEPARTMENT OF CORRECTIONS AND REHABILITATION.** During the 2025-26 interim, the legislative management shall consider studying the impacts of providing requirements for offenders sentenced to the supervision and custody of the department of corrections and rehabilitation. The study must include a thorough review of the impacts of requiring an offender to serve eighty-five percent of an offender's term of imprisonment in a secured facility, together with input from district court judges regarding sentencing decisions, state's attorneys regarding charging decisions, the department of corrections and rehabilitation regarding early release and use of transitional facilities to provide outside services to inmates, and the parole board regarding decisions to parole an inmate. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.~~

SECTION 10. LEGISLATIVE MANAGEMENT STUDY - SENTENCING, CORRECTIONS, AND PAROLE OVERSIGHT. During the 2025-26 interim, the legislative management shall study the sentencing, correctional, and parole systems within the state, with a focus on improving transparency, consistency, and outcomes in the administration of justice. The study must include a comprehensive review of:

1. Sentencing requirements and incarceration impacts, including an evaluation of the potential impacts of requiring offenders sentenced to the custody of the department of corrections and rehabilitation to serve eighty-five percent of their terms in secured facilities. The study must include:
   a. Cost analyses;
   b. Consideration of recidivism trends;
   c. Consideration of rehabilitation and re-entry opportunities; and
   d. Input from:
      (1) District court judges regarding sentencing decisions;

(2) State's attorney and defense attorneys regarding charging practices, plea negotiations, and trial resources;

(3) The department of corrections and rehabilitation regarding inmate classification, housing, placement authority, and transitional services including work or educational release; and

(4) The parole board regarding parole eligibility and release decisions.

2. The structure and function of the parole board, including chapter 12-59 and any rules adopted by the parole board. The study must include:

a. Membership structure, appointment process, terms, quorum, and meeting transparency;

b. Parole eligibility requirements and determinations;

c. Victim rights and notification systems; and

d. The role and input of the department of corrections and rehabilitation in parole-related matters.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

SECTION 11. EXEMPTION - UNEXPENDED APPROPRIATIONS. The following appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2025, and ending June 30, 2027:

1. Any amounts remaining from funds transferred to the department of corrections and rehabilitation for deferred maintenance and extraordinary repairs from funding appropriated from the strategic investment and improvements fund to the office of management and budget in section 1 of chapter 640 of the 2023 Special Session Session Laws.

2. Any amounts remaining from funds transferred to the department of corrections and rehabilitation for deferred maintenance and extraordinary repairs from funding appropriated from federal funds derived from the state fiscal recovery fund to the office of management and budget in subsection 10 of section 1 of chapter 550 of the 2021 Special Session Session Laws and continued pursuant to section 9 of chapter 15 of the 2023 Session Laws.

3. The sum of $131,200,000 appropriated from the strategic investment and improvements fund for the construction of a new Heart River correctional center in section 1 of chapter 15 of the 2023 Session Laws.
4. The sum of $307,000 appropriated from the strategic investment and improvements fund for DOCSTARS maintenance in section 1 of chapter 15 of the 2023 Session Laws.
5. The sum of $2,000,000 appropriated from the strategic investment and improvements fund for information technology needs in section 1 of chapter 15 of the 2023 Session Laws.