

**FIRST ENGROSSMENT****ENGROSSED SENATE BILL NO. 2024**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 environmental quality; and to amend and reenact section 23.1-13-16 of the North Dakota  
3 Century Code, relating to inspection fees.

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

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

|    | <u>Base Level</u>              | <u>Adjustments or<br/>Enhancements</u> | <u>Appropriation</u> |
|----|--------------------------------|--|----------------------|
| 11 |                                |  |                      |
| 12 |                                |  |                      |
| 13 | Salaries and wages             | \$38,756,030                           | \$4,479,208          |
| 14 | New and vacant FTE pool        | 0                                      | 2,290,870            |
| 15 | Operating expenses             | 15,457,832                             | 6,395,874            |
| 16 | Capital assets                 | 1,013,500                              | 3,650,100            |
| 17 | Grants                         | <u>37,198,118</u>                      | <u>22,740,341</u>    |
| 18 | Total all funds                | \$92,425,480                           | \$39,556,393         |
| 19 | Less other funds               | <u>76,074,697</u>                      | <u>37,031,440</u>    |
| 20 | Total general fund             | \$16,350,783                           | \$18,875,736         |
| 21 | Full-time equivalent positions | 173.00                                 | 2.00                 |
|    |                                |  | 175.00               |

1       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

2       **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
3 items included in the appropriation in section 1 of this Act which are not included in the entity's  
4 base budget for the 2027-29 biennium and which the entity shall report to the appropriations  
5 committees of the seventieth legislative assembly regarding the use of this funding:

| 6 <u>One-Time Funding Description</u>                       | <u>Total Other Funds</u> |
|---|--------------------------|
| 7       Move to new chemistry laboratory                    | \$1,500,000              |
| 8       New chemistry laboratory capital assets             | 1,375,000                |
| 9       New chemistry laboratory operating expenses         | 700,186                  |
| 10      Emerging contaminants program equipment             | 943,200                  |
| 11      Petroleum tank database                             | 700,000                  |
| 12      State fuel inspection program capital assets        | 215,000                  |
| 13      Water and wastewater operator certification program | <u>5,000</u>             |
| 14      Grand total other funds                             | \$5,438,386              |

15       **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The  
16 department of environmental quality may not spend funds appropriated in the new and vacant  
17 FTE pool line item in section 1 of this Act, but may request the office of management and  
18 budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages  
19 line item in accordance with the guidelines and reporting provisions included in House Bill  
20 No. 1015, as approved by the sixty-ninth legislative assembly.

21       **SECTION 4. OTHER FUNDS - ENVIRONMENT AND RANGELAND PROTECTION FUND.**

22       The other funds line item in section 1 of this Act includes the sum of \$250,000 from the  
23 environment and rangeland protection fund. This amount includes \$50,000 for a grant to the  
24 North Dakota stockmen's association environmental services program.

25       **SECTION 5. OTHER FUNDS - PETROLEUM TANK RELEASE COMPENSATION FUND.**

26       The other funds line item in section 1 of this Act includes the sum of \$1,827,025 from the  
27 petroleum tank release compensation fund for expenses related to the petroleum tank release  
28 program.

29       **SECTION 6. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.**

30       The other funds line item in section 1 of this Act includes the sum of \$3,575,186 from the  
31 strategic investment and improvements fund for expenses related to moving into the new

1 chemistry laboratory and for chemistry laboratory operating expenses and equipment  
2 purchases.

3 **SECTION 7. AMENDMENT.** Section 23.1-13-16 of the North Dakota Century Code is  
4 amended and reenacted as follows:

5 **23.1-13-16. Inspection fees.**

6 Every person licensed by the tax commissioner as a motor vehicle fuel or special fuels  
7 dealer shall pay to the tax commissioner an inspection fee of one-fortieth of one cent per gallon  
8 [3.79 liters] for every gallon [3.79 liters] of gasoline, kerosene, tractor fuel, heating oil, or diesel  
9 fuel sold or used during a calendar month except those gallons sold out of state or those  
10 gallons sold as original package sales as defined in chapters 57-43.1 and 57-43.2. The fee  
11 must accompany the monthly report required in the following section and is due no later than  
12 the twenty-fifth day of each calendar month for the preceding month. The tax commissioner  
13 shall forward all money collected under this section to the state treasurer monthly, and the state  
14 treasurer shall ~~place the money in the general fund of the state~~deposit the funds in the  
15 department of environmental quality operating fund. The funds must be used, subject to  
16 legislative appropriations, for the state fuel inspection program. The tax commissioner shall  
17 make available annually a report by licensed dealer listing the number of gallons [liters] of motor  
18 vehicle fuel and special fuels upon which the inspection fee has been paid. The provisions of  
19 chapters 57-43.1 and 57-43.2 pertaining to the administration of motor vehicle fuel and special  
20 fuels taxes not in conflict with the provisions of this chapter govern the administration of the  
21 inspection fee levied by this chapter.