

STATE GOVERNMENT

CHAPTER 472

HOUSE BILL NO. 1033

(Legislative Management)
(Juvenile Justice Committee)

AN ACT to create and enact section 54-01-09.4 of the North Dakota Century Code, relating to concurrent federal jurisdiction on military installations.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Section 54-01-09.4 of the North Dakota Century Code is created and enacted as follows:

54-01-09.4. United States military installations - Concurrent jurisdiction.

1. The state accepts the relinquishment of exclusive legislative jurisdiction from the United States in accordance with this section.
2. The state has concurrent legislative jurisdiction with the United States over any United States military installation under the control of the United States which is located within the boundaries of this state.
3. The concurrent legislative jurisdiction over a United States military installation under this section is effective upon the governor's written acceptance of a request filed by the principal officer, or other authorized representative who has supervision or control over the military installation under chapter 159 of United States Code title 10 [10 U.S.C. 2683], of the military installation where concurrent legislative jurisdiction is sought, relinquishing exclusive legislative jurisdiction and retaining concurrent legislative jurisdiction over the military installation.
4. The governor may not accept a request filed under subsection 3 unless the request:
 - a. States the name, position, and authority of the individual requesting the cession;
 - b. States the subject matter for the concurrent jurisdiction request;
 - c. Describes by metes and bounds the United States military installation subject to the concurrent legislative jurisdiction request; and
 - d. Indicates whether the request includes future contiguous expansions of land acquired for military purposes.
5. If the governor accepts a request filed under subsection 3:

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- a. The governor's acceptance must state each element of the request which is accepted; and
 - b. The governor shall submit the following documents to the secretary of state to index and submit copies to the individual who filed the request for concurrent legislative jurisdiction:
 - (1) The request for concurrent legislative jurisdiction;
 - (2) The governor's written acceptance of concurrent legislative jurisdiction; and
 - (3) A description by metes and bounds of the United States military installation subject to the concurrent legislative jurisdiction.
 6. The state may not incur or assume liability as a result of accepting concurrent legislative jurisdiction under this section.
 7. After concurrent legislative jurisdiction is established under this section, a state agency or a political subdivision may enter a reciprocal agreement with a United States agency to designate duties related to the concurrent legislative jurisdiction between the parties.

Approved March 14, 2025

Filed March 14, 2025

CHAPTER 473

HOUSE BILL NO. 1186

(Representatives Vollmer, D. Anderson)
(Senator Thomas)

AN ACT to create and enact a new section to chapter 54-02 of the North Dakota Century Code, relating to designating Knife River flint as the official state rock.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-02 of the North Dakota Century Code is created and enacted as follows:

State rock.

Knife River flint is the official rock of the state of North Dakota.

Approved March 26, 2025

Filed March 27, 2025

CHAPTER 474

HOUSE BILL NO. 1334

(Representative Heilman)

AN ACT to create and enact a new section to chapter 54-02 of the North Dakota Century Code, relating to designating rhubarb as the official state vegetable.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-02 of the North Dakota Century Code is created and enacted as follows:

State vegetable.

Rhubarb, rheum rhabarbarum, is the official vegetable of the state of North Dakota.

Approved March 14, 2025

Filed March 14, 2025

CHAPTER 475

HOUSE BILL NO. 1397

(Representatives Porter, Holle, Martinson, Rohr, Toman)
(Senator Schaible)

AN ACT to create and enact a new section to chapter 54-02 and a new section to chapter 54-54 of the North Dakota Century Code, relating to the designation of the state waltz and state troubadour; and to provide for application.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-02 of the North Dakota Century Code is created and enacted as follows:

State waltz.

"Dancing Dakota", written and composed by Chuck Suchy, is the North Dakota state waltz.

SECTION 2. A new section to chapter 54-54 of the North Dakota Century Code is created and enacted as follows:

State troubadour.

The chairman of the North Dakota council on the arts shall designate an individual to serve as the official state troubadour or trobairitz for a term of five years. The chairman may fill any vacancy by appointment for the unexpired portion of the term vacated.

SECTION 3. APPLICATION. An official state troubadour must be appointed under section 2 of this Act at the conclusion of any term of the inaugural troubadour appointed by resolution by the sixty-ninth legislative assembly.

Approved March 14, 2025

Filed March 14, 2025

CHAPTER 476

HOUSE BILL NO. 1248

(Representatives Weisz, Frelich, McLeod, M. Ruby)
(Senators Lee, Dever)

AN ACT to amend and reenact section 54-03-28 of the North Dakota Century Code, relating to the cost-benefit analysis requirement for health insurance mandated coverage of services.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-03-28 of the North Dakota Century Code is amended and reenacted as follows:

54-03-28. Health insurance mandated coverage of services - Cost-benefit analysis requirement.

1. ~~If the legislative management determines a legislative measure mandates health insurance coverage of services or payment for specified providers of services, the measure may not be referred to a committee of the legislative assembly unless a cost-benefit analysis provided by the legislative management is appended to that measure.~~
 - a. ~~If a committee of the legislative assembly determines a measure mandating health insurance coverage of services or payment of specified providers was referred to committee without a cost-benefit analysis, the committee shall request the legislative management provide a cost-benefit analysis. The committee may not act on the measure unless the measure is accompanied by the cost-benefit analysis.~~
 - b. ~~If a committee of the legislative assembly determines a proposed amendment to a measure mandates health insurance coverage of services or payment of specified providers, the committee may not act on the proposed amendment unless the amendment is accompanied by a cost-benefit analysis or amended cost-benefit analysis provided by the legislative management.~~
2. ~~Factors considered in the cost-benefit analysis must include:~~
 - a. ~~The extent to which the proposed mandate would increase or decrease the cost of the service.~~
 - b. ~~The extent to which the proposed mandate would increase the appropriate use of the service.~~
 - c. ~~The extent to which the proposed mandate would increase or decrease the administrative expenses of insurers and the premium and administrative expenses of insureds.~~
 - d. ~~The impact of the proposed mandate on the total cost of health care.~~

- ~~3. The legislative management shall adopt a procedure for identifying measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services. The procedure must include solicitation of draft measures and proposals during the interim between legislative sessions from legislators and agencies with bill introduction privileges and must include deadlines for identification of the measures or proposals.~~
2. Except as provided in subsection 3, a committee of the legislative assembly may not act on a legislative measure ~~that~~ the legislative management or committee determines mandates health insurance coverage of services or payment for specified providers of services unless the measure as recommended by the committee provides:

 - a. The measure is effective through June thirtieth of the next odd-numbered year following the year in which the legislative assembly enacted the measure, and after that date the measure is ineffective.
 - b. The application of the mandate is limited to the public employees health insurance program and the public employee retiree health insurance program. The application of ~~such the~~ mandate begins with every contract for health insurance which becomes effective after June thirtieth of the year in which the measure becomes effective.
 - c. That for the next legislative assembly, the ~~public employees retirement system shall prepare and request introduction of a bill to repeal the expiration date and to extend the mandated coverage or payment to apply to accident and health insurance policies. The public employees retirement system shall append to the bill provide to the employee benefits programs~~ committee a report regarding the effect of the mandated coverage or payment on the system's health insurance programs. The report must include information on the utilization and costs relating to the mandated coverage or payment and a recommendation on whether the coverage or payment should continue for the system's health insurance programs. ~~For purposes of this section, the bill is not a legislative measure mandating health insurance coverage of services or payment for specified providers of services, unless the bill is amended following introduction so as to change the bill's mandate.~~
- ~~4. The legislative management shall adopt a procedure for identifying measures and proposed measures mandating health insurance coverage of services or payment for specified providers of services. The procedure must include solicitation of draft measures and proposals during the interim between legislative sessions from legislators and agencies with bill introduction privileges and must include deadlines for identification of the measures or proposals.~~
3. If the legislative management determines a legislative measure mandating health insurance coverage of services or payment for specified providers of services has completed the process under subsection 2, the measure may not be referred to a committee of the legislative assembly unless a cost-benefit analysis provided by the legislative management is appended to the measure.

 - a. If a committee of the legislative assembly determines a measure or a proposed amendment to the measure mandating health insurance

coverage of services or payment of specified providers of services was referred to committee without a cost-benefit analysis, the committee shall request the legislative management provide a cost-benefit analysis.

- b. The committee may not act on the measure unless the measure is accompanied by the cost-benefit analysis.

4. Factors considered in the cost-benefit analysis must include:

- a. The extent to which the proposed mandate would increase or decrease the cost of the service.
- b. The extent to which the proposed mandate would increase the appropriate use of the service.
- c. The extent to which the proposed mandate would increase or decrease the administrative expenses of insurers and the premium and administrative expenses of insureds.
- d. The impact of the proposed mandate on the total cost of health care.

- 5. The legislative council shall contract with a private entity, ~~after receiving one or more recommendations from the insurance commissioner,~~ to provide the legislative management the cost-benefit analysis required by this section. ~~The insurance commissioner shall pay the cost of the contracted services to the entity providing the services.~~

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 477

HOUSE BILL NO. 1170

(Representatives Motschenbacher, Bahl, Christy, Fisher, Dressler)
(Senators Cleary, Dwyer, Gerhardt)

AN ACT to amend and reenact section 54-06-14 of the North Dakota Century Code, relating to state employee annual leave; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-06-14 of the North Dakota Century Code is amended and reenacted as follows:

54-06-14. Annual leave and sick leave for state employees.

1.
 - a. Annual leave and sick leave must be provided for all ~~persons~~ individuals in the permanent employment of this state who are not employed under a written contract of hire setting forth the terms and conditions of their employment, within the limitations, terms, and provisions of this section.
 - b. A state agency, unit, or entity that employs an individual subject to this section shall, upon hire, grant the individual forty hours of new hire leave to use within the first year of employment. Any new hire leave remaining after completion of the first year of employment is eliminated. New hire leave is not earned paid time off and is not paid out upon separation of employment.
 - c. Annual leave for an employee entitled to it must be within a range of a minimum of one working day per month of employment to a maximum of two working days per month of employment, based on tenure of employment, to be fixed by rules adopted by the employing unit. The employing unit may grant, at hire, annual leave within the parameters of one to two working days per month, which may exceed the amount based on tenure of employment, if the position being hired for was previously identified as a hard-to-fill occupation under subsection 5 of section 54-06-31 and the agency has satisfied the requirements under subsection 1 of section 54-06-31. Sick leave for an employee entitled to it must be within a range of a minimum of one working day per month of employment to a maximum of one and one-half working days per month of employment, based on tenure of employment, to be fixed by rules adopted by the employing unit.
 - d. Annual leave must be compensated for on the basis of full pay for the number of working days' leave credited to the employee. Sick leave must be compensated for on the basis of full pay for absence due to illness on working days during tenure of employment. An employee with at least ten continuous years of state employment is entitled to a lump sum payment equal to one-tenth of the pay attributed to the employee's unused sick leave accrued under this section. An employee's years of state employment must be deemed continuous if, under the official personnel policy of an agency, unit, or entity, the employee's work is terminated

because of a reduction in force and the employee is reinstated in any agency, unit, or entity within two years, or if the employee is placed on voluntary leave status without pay and the leave lasts no longer than two years for education purposes, or one year for any other voluntary leave without pay. The pay attributed to the accumulated, unused sick leave must be computed on the basis of the employee's salary or wage at the time the employee leaves the employ of the state and at the rate of one hour of pay for each hour of unused sick leave. The agency, unit, or entity that last employed the employee shall make the lump sum payment from funds appropriated by the legislative assembly to that agency, unit, or entity for salaries and wages. ~~Any~~

2. ~~A state agency, unit, or entity which that employs persons~~ A state agency, unit, or entity which employs an individual subject to this section shall formulate and adopt rules governing the granting of annual leave and sick leave which will effectuate the purpose of this section and best suit the factors of employment of that employing unit. Each employing unit shall file with the office of management and budget a copy of the rules adopted, including any amendments or additions to the rules.

SECTION 2. EFFECTIVE DATE. This Act becomes effective on May 1, 2026.

Approved April 10, 2025

Filed April 11, 2025

CHAPTER 478

HOUSE BILL NO. 1599

(Representatives O'Brien, Dockter, Martinson, Mitskog, Schreiber-Beck)
(Senators Axtman, Roers)

AN ACT to amend and reenact section 54-06-14.7 of the North Dakota Century Code, relating to shared leave for state employees.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-06-14.7 of the North Dakota Century Code is amended and reenacted as follows:

54-06-14.7. State leave sharing program - Rulemaking. (Retroactive application - See note)

1. The human resource management services division of the office of management and budget shall establish a state leave sharing program for permanent employees of the state. The program must provide for a mechanism for state employees to donate accrued annual and sick leave to an employee who does not have available leave who is suffering from a severe, extreme, or life-threatening condition, or who is caring for an immediate relative or household member who is suffering from a severe, extreme, or life-threatening condition.
2. A temporary employee or contracted employee with a limited-term appointment is not eligible to participate in the leave sharing program. An employee may not use more than four months donated leave in any twelve-month period and an employee may not retain leave beyond the occurrence necessitating the leave.
3. The human resource management services division shall:
 - a. Require medical certification from a physician, physician assistant, psychologist, or advanced practice nurse practitioner verifying the ~~severe, extreme, or life-threatening nature of the~~ medical condition and the expected duration of the condition;
 - b. Track the amount of leave taken by permanent state employees under the program; and
 - c. Adopt rules in accordance with chapter 28-32 to implement this section.

Approved March 26, 2025

Filed March 27, 2025

CHAPTER 479

SENATE BILL NO. 2308

(Senators Roers, Hogue)
(Representatives Lefor, Louser)

AN ACT to create and enact a new section to chapter 23.1-01, a new section to chapter 54-07, and two new sections to chapter 61-03 of the North Dakota Century Code, relating to standards for well drilling and installation of water well pumps, pitless units, and monitoring wells, a boards review task force, a water well contractors advisory board, and requirements for firms engaged in water well work, installation of water well pump and pitless units, monitoring well work, and drilling of geothermal systems; to amend and reenact section 6-09-43, subdivision j of subsection 2 of section 15.1-01-04, sections 15.1-07-33 and 23-35-02.2, subsection 1 of section 50-06-01.4, sections 52-02-02 and 52-02-08, subsection 1 of section 54-07-01.2, sections 54-54-05, 54-59-26, 54-59-27, 54-59-34, 54-59-36, 54-59-37, 54-59-39, 61-03-01.3, 61-04.1-03, 61-04.1-08, 61-04.1-09, 61-04.1-12, 61-04.1-14, 61-04.1-15, 61-04.1-16, 61-04.1-17, 61-04.1-18, 61-04.1-19, 61-04.1-20, 61-04.1-21, 61-04.1-33, 61-04.1-34, 61-04.1-37, 61-04.1-38, and 61-04.1-39, and subdivision a of subsection 2 of section 65-02-03.1 of the North Dakota Century Code, relating to the wastewater recycling treatment guide, boards and commissions, the unemployment insurance advisory council, gubernatorial appointments, the committee on aging, health information technology advisory committee, statewide longitudinal data system committee, atmospheric resource board, the department of health and human services, the council on the arts, the state engineer, the superintendent of public instruction, job service North Dakota, and workforce safety and insurance coordinating committee; to repeal chapter 8-11.1, sections 12-48-06.1, 15.1-37-05, 15.1-37-06, and 15.1-37-08, chapter 17-07, sections 19-24.1-38, 19-24.1-39, and 23-35-02.3, chapters 34-16 and 43-35, sections 50-06-05.6, 50-06.4-10, 50-11.1-25, 50-11.1-26, 50-11.1-27, 52-02-07, 54-34.3-10, 54-54-10, 54-59-25, 54-59-33, 54-59-35, 54-59-38, 54-60-25, 55-01-13, 55-01-14, 61-04.1-04, 61-04.1-05, 61-04.1-06, 61-04.1-07, and 61-04.1-10, and chapter 61-36 of the North Dakota Century Code, relating to occupational and professional boards, the midwest interstate passenger rail compact, prison industry advisory committee, energy policy commission, medical marijuana advisory committee, onsite wastewater recycling technical committee, state board of water well contractors, committee on aging, brain injury advisory council, early childhood council, unemployment insurance advisory council, commission on the status of women, health information technology advisory committee, poet laureate nominating board, rural development council, America 250 commission, atmospheric resource board, and Devils Lake outlet management advisory committee; to provide for a legislative management report; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-09-43 of the North Dakota Century Code is amended and reenacted as follows:

6-09-43. Health information technology planning loan fund - Appropriation.

1. The health information technology planning loan fund is established in the Bank for the purpose of providing low-interest loans to health care entities to assist those entities in improving health information technology infrastructure. This fund is a revolving loan fund. All moneys transferred into the fund, interest upon moneys in the fund, and collections of interest and principal on loans made from the fund are appropriated for disbursement according to this section.
2. The Bank shall make loans from this fund to health care entities as approved by the health information technology office director, ~~in collaboration with the health information technology advisory committee~~, in accordance with the criteria established by the health information technology director under section 54-59-26.
3. The Bank shall administer the health information technology planning loan fund. Funds in the loan fund may be used for loans as provided under this section and the costs of administration of the fund. Annually, the Bank may deduct a service fee for administering the revolving loan fund maintained under this section.
4. An application for a loan under this section must be made to the health information technology office. The health information technology office director, ~~in collaboration with the health information technology advisory committee~~, may approve the application of a qualified applicant that meets the criteria established by the health information technology office director. The health information technology office shall forward approved applications to the Bank. Upon approval of the application by the Bank, the Bank shall make the loan from the revolving loan fund as provided under this section.
5. The Bank may do all acts necessary to negotiate loans and preserve security as deemed necessary, to exercise any right of redemption, and to bring suit in order to collect interest and principal due the revolving loan fund under mortgages, contracts, and notes executed to obtain loans under this section. If the applicant's plan for financing provides for a loan of funds from sources other than the state of North Dakota, the Bank may make a loan subordinate security interest. The Bank may recover from the revolving loan fund amounts actually expended by the Bank for legal fees and to effect a redemption.

²⁰² **SECTION 2. AMENDMENT.** Subdivision j of subsection 2 of section 15.1-01-04 of the North Dakota Century Code is amended and reenacted as follows:

j. The following gubernatorial appointees:

(1) ~~An individual representing the statewide longitudinal data system committee;~~

~~(2)~~ (2) An individual representing tribal school interests;

~~(3)~~ (2) An individual employed as a public school administrator;

~~(4)~~ (3) An individual employed as a public school principal;

²⁰² Section 15.1-01-04 was also amended by section 1 of Senate Bill No. 2262, chapter 164.

- ~~(5)(4)~~ An individual employed as a public elementary school teacher;
- ~~(6)(5)~~ An individual employed as a public secondary school teacher;
- ~~(7)(6)~~ A director of a special education unit; and
- ~~(8)(7)~~ A director of a regional education association.

²⁰³ **SECTION 3. AMENDMENT.** Section 15.1-07-33 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-33. Student information system - Exemption.

1. Notwithstanding any other technology requirements imposed by the superintendent of public instruction or the information technology department, each school district shall implement the state student information system administered by the ~~information technology department~~superintendent of public instruction and use it as its principal student information system. Each school district shall use a state course code, assigned by the department of public instruction, to identify all local classes in the state student information system.
2. The ~~statewide longitudinal data system committee~~superintendent of public instruction may exempt a school district from having to implement and utilize the state student information system if the school district demonstrates ~~that~~:
 - a. The district has acquired and is using a student information system determined to be compatible with the statewide longitudinal data system; or
 - b. In accordance with requirements of the bureau of Indian education, the district has acquired and is utilizing a student information system that is determined to be comparable by the superintendent.

²⁰⁴ **SECTION 4. AMENDMENT.** Section 23-35-02.2 of the North Dakota Century Code is amended and reenacted as follows:

23-35-02.2. Public health units to adopt onsite wastewater recycling treatment guide.

Each public health unit shall adopt the statewide technical guide for onsite wastewater recycling treatment technologies and sewage distribution technologies established by the ~~onsite wastewater recycling technical committee~~department of environmental quality.

SECTION 5. A new section to chapter 23.1-01 of the North Dakota Century Code is created and enacted as follows:

²⁰³ Section 15.1-07-33 was also amended by section 3 of House Bill No. 1357, chapter 169.

²⁰⁴ Section 23-35-02.2 was repealed by section 4 of Senate Bill No. 2267, chapter 248.

Standards for well drilling and installation of water well pumps, pitless units, and monitoring wells - Reports required.

1. All construction of water wells must comply with the rules adopted by the department of environmental quality.
2. All installation of water well pumps and pitless units must comply with the rules adopted by the department of environmental quality.
3. All monitoring wells constructed must comply with the rules adopted by the department of environmental quality. Each monitoring well contractor shall furnish all reports required by the rules of the department.
4. All drilling of geothermal systems must comply with the rules adopted by the department of environmental quality and the state geologist.

²⁰⁵ **SECTION 6. AMENDMENT.** Subsection 1 of section 50-06-01.4 of the North Dakota Century Code is amended and reenacted as follows:

1. The department includes the state hospital, the regional human service centers, a vocational rehabilitation unit, public health division, and other units or offices and administrative and fiscal support services as the commissioner of the department determines necessary. The department must be structured to promote efficient and effective operations and, consistent with fulfilling its prescribed statutory duties, shall act as the official agency of the state in the discharge of the following functions not otherwise by law made the responsibility of another state agency:
 - a. (1) Administration of programs for children and families, including adoption services and the licensure of child-placing agencies, foster care services and the licensure of foster care arrangements, certification of shelter care services, child protection services, children's trust fund, licensure of early childhood programs, refugee services, in-home community-based services, quality control, and administration of the interstate compacts on the placement of children and juveniles, and the early childhood services advisory board.
 - (2) Administration of programs to identify all available options for effectively maximizing the provision of early childhood services within the state and address the coordinated utilization of facilities and personnel for the provision of early childhood services within the state.
- b. Administration of programs for individuals with developmental disabilities, including licensure of facilities and services, the establishment funding for family members and corporate guardianships, and the design and implementation of a community-based service system for persons in need of habilitation.
- c. Administration of aging service programs, including nutrition, transportation, advocacy, social, ombudsman, recreation, and related services funded under the Older Americans Act of 1965 [42 U.S.C. 3001 et seq.], home and community-based services, licensure of adult foster care homes, and the committee on aging.

²⁰⁵ Section 50-06-01.4 was also amended by section 16 of Senate Bill No. 2113, chapter 441.

- d. Administration of behavioral health programs, including reviewing and identifying service needs and activities in the state's behavioral health system in an effort to ensure health and safety, access to services, and quality of services; establishing quality assurance standards for the licensure of substance use disorder program services and facilities; providing policy leadership in partnership with public and private entities; and providing chronic disease management, regional intervention services, and twenty-four-hour crisis services for individuals with behavioral health disorders.
- e. Administration of economic assistance programs, including temporary assistance for needy families, the supplemental nutrition assistance program, home energy assistance, child care assistance, refugee assistance, work experience, work incentive, and quality control.
- f. Administration of medical service programs, including medical assistance for children's health insurance program, Medicaid waivers, early and periodic screening, diagnosis and treatment, utilization control, autism services, and claims processing.
- g. Administration of general assistance.
- h. Administration of child support.
- i. Administration of program, services, and licensing outlined in title 23 and other previous duties of the state department of health and state health council.
- j. Administration of a program to improve the quality of life for an individual with brain injury and the individual's family through brain injury awareness, prevention, research, education, collaboration, support services, and advocacy.

SECTION 7. AMENDMENT. Section 52-02-02 of the North Dakota Century Code is amended and reenacted as follows:

52-02-02. Powers, duties, organization, and methods of procedure of bureau - Seal.

The bureau may adopt, amend, or rescind ~~such~~ rules and regulations, make ~~such~~ expenditures, require ~~such~~ reports, make ~~such~~ investigations, and take ~~such~~ other action as it deems necessary or suitable in the administration of the North Dakota unemployment compensation law. ~~Such rules~~ All rules and regulations are effective upon publication in the manner, not inconsistent with the provisions of the North Dakota unemployment compensation law, which the bureau shall prescribe. The bureau shall determine its own organization and methods of procedure in accordance with the provisions of the North Dakota unemployment compensation law and shall have an official seal which shall be noticed judicially.

SECTION 8. AMENDMENT. Section 52-02-08 of the North Dakota Century Code is amended and reenacted as follows:

52-02-08. Bureau and advisory councils to take steps to stabilize employment.

The bureau, ~~with the advice and aid of its advisory councils, and~~ through its appropriate divisions, shall take appropriate steps to:

1. Reduce and prevent unemployment.
2. Encourage and assist in the adoption of practical methods of career and technical education training, retraining, and career development counseling.
3. Investigate, recommend, advise, and assist in the establishment and operation, by municipalities, counties, school districts, and the state, of reserves for public works to be used in times of business depression and unemployment.
4. Promote the re-employment of unemployed workers throughout the state in every other way that may be feasible.
5. Carry on and publish the results of investigations and research studies.

SECTION 9. AMENDMENT. Subsection 1 of section 54-07-01.2 of the North Dakota Century Code is amended and reenacted as follows:

1. Notwithstanding sections 2-05-01, 4.1-05-02, 4.1-26-02, 6-01-03, 6-09-02.1, 12-55.1-02, 12-59-01, 15-39.1-05.1, 15.1-01-01, 15.1-13-02, 20.1-02-23, 23.1-01-02, 36-01-01, 37-18.1-01, ~~50-06-05.6, 54-34.3-10, 54-54-02, 55-01-01, and 61-02-04,~~ all members of the following boards and commissions must, subject to the limitations of this section, be considered to have resigned from such boards and commissions effective January first of the first year of each four-year term of the governor:
 - a. The aeronautics commission.
 - b. The milk marketing board.
 - c. The dairy promotion commission.
 - d. The state banking board.
 - e. The state credit union board.
 - f. The advisory board of directors to the Bank of North Dakota.
 - g. The pardon advisory board.
 - h. The state parole board.
 - i. The state board of public school education.
 - j. The education standards and practices board.
 - k. The board of trustees of the teachers' fund for retirement.
 - l. The state game and fish advisory board.

- m. The environmental review advisory council.
- n. The board of animal health.
- o. The administrative committee on veterans' affairs.
- p. ~~The committee on aging.~~
- q. ~~The commission on the status of women.~~
- r. The North Dakota council on the arts.
- s-g. The state historical board.
- t-r. The state water commission.

SECTION 10. A new section to chapter 54-07 of the North Dakota Century Code is created and enacted as follows:

Boards review task force - Report to legislative management.

1. The office of the governor shall provide staffing and administrative services to the boards review task force. The task force shall:
 - a. Review and assess all boards, commissions, committees, councils, and task forces for inefficiencies and duplication of responsibilities; and
 - b. Make recommendations to the legislative assembly regarding minimizing and streamlining government operations through the consolidation or elimination of boards, commissions, committees, councils, and task forces.
2. In addition to the governor or the governor's designee, who shall serve as the presiding officer of the task force, the task force must include:
 - a. A member of the senate, appointed by the senate majority leader.
 - b. A member of the house of representatives, appointed by the house of representatives majority leader.
 - c. A representative of an organization representing cities, appointed by the governor.
 - d. A representative of an organization representing counties, appointed by the governor.
 - e. A representative of the business community, appointed by the governor.
 - f. A representative of an occupational licensing board, appointed by the governor.
 - g. A member at large, appointed by the governor.
3. A member of the task force who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the office of the governor. A state employee who is a member of the task force is entitled to receive that employee's regular

salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency. A member of the task force who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the task force. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the task force who is a member of the legislative assembly.

4. Before October 1, 2026, the task force shall provide a report of its findings and recommendations and any proposed legislation necessary to implement the recommendations to the legislative management.

SECTION 11. AMENDMENT. Section 54-54-05 of the North Dakota Century Code is amended and reenacted as follows:

54-54-05. Duties of council.

The duties of the council are:

1. To stimulate and encourage throughout the state the study and presentation of the performing and fine arts and public interest and participation therein.
2. To make such surveys as may be deemed advisable of public and private institutions engaged within the state in artistic and cultural activities, including but not limited to, music, theater, dance, painting, sculpture, architecture, and allied arts and crafts, and to make recommendations concerning appropriate methods to encourage participation in and appreciation of the arts to meet the legitimate needs and aspirations of persons in all parts of the state.
3. To take such steps as may be necessary and appropriate to encourage public interest in the cultural heritage of our state and to expand the state's cultural resources.
4. To encourage and assist freedom of artistic expression essential for the well-being of the arts.
5. To determine the artistic value of property as provided by section 1-08-04.1.
6. To administer a poet laureate program that selects the poet laureate and requires the poet laureate to participate in at least four public events around the state each year.

SECTION 12. AMENDMENT. Section 54-59-26 of the North Dakota Century Code is amended and reenacted as follows:

54-59-26. Health information technology office - Duties - Loan and grant programs.

1. The health information technology office is created in the department. ~~The health information technology advisory committee shall make recommendations to the health information technology office for implementing an interoperable health information infrastructure that is consistent with emerging national standards; promote the adoption and use of electronic health records and other health information technologies; and promote interoperability of health information systems for the purpose of improving health care quality, patient safety, and the overall efficiency of health care and public health services.~~

2. The health information technology office director, ~~in collaboration with the health information technology advisory committee,~~ shall:
 - a. Apply for federal funds that may be available to assist the state and health care providers in implementing and improving health information technology.
 - b. Implement and administer a health information exchange that utilizes information infrastructure and systems in a secure and cost-effective manner to facilitate the collection, storage, and transmission of health records.
 - c. Adopt rules under chapter 28-32 for the use of health information, use of the health information exchange, and participation in the health information exchange.
 - d. Adopt rules under chapter 28-32 for accessing the health information exchange to ensure appropriate and required privacy and security protections and relating to the authority of the director to suspend, eliminate, or terminate the right to participate in the health information exchange.
 - e. Establish a health information technology planning loan program to provide low-interest loans to health care entities to assist those entities in improving their health information technology infrastructure under section 6-09-43.
 - f. Facilitate and expand electronic health information exchange in the state, directly or by awarding grants.
 - g. Establish an application process and eligibility criteria for and accept and process applications for loans and grants under subdivisions e and f. The eligibility criteria must be consistent with federal requirements associated with federal funds received under subdivision a. The eligibility criteria for loans under subdivision f must include a requirement that the recipient's approved health information technology be strategically aligned with the state's health information technology plan and the associated federal standards and that the recipient has passed an onsite electronic medical record readiness assessment conducted by an assessment team determined by ~~the health information technology advisory committee and~~ the health information technology office director.
 - h. Determine fees and charges for access and participation in the health information exchange. Any moneys collected under this subdivision must be deposited in the electronic health information exchange fund.
 - i. Consult and coordinate with the department of health and human services to facilitate the collection of health information from health care providers and state agencies for public health purposes, including identifiable health information that may be used by state agencies, departments, or institutions to comply with applicable state or federal laws.
3. ~~If the health information technology advisory committee determines that establishing a health information exchange with another state or states will assist in providing health information exchange services in a cost effective~~

~~manner, the~~The health information technology office director, ~~in collaboration with the health information technology advisory committee,~~ may join with another state or states to establish, implement, and administer a health information exchange consistent with ~~other provisions of this chapter.~~

SECTION 13. AMENDMENT. Section 54-59-27 of the North Dakota Century Code is amended and reenacted as follows:

54-59-27. Health information technology office - Electronic health information exchange fund.

1. There is created an electronic health information exchange fund. The fund consists of moneys deposited in the fund from federal or other sources or moneys transferred into the fund as directed by the legislative assembly. The health information technology office shall administer this fund and shall distribute moneys in the fund accordingly. The moneys in the fund must be used to facilitate and expand electronic health information exchange. Moneys in the fund may be used, subject to legislative appropriations, to provide services directly, for grants as provided under this section, and for the costs of administration of the fund.
2. A grant applicant shall submit an application to the health information technology office, which shall determine the applicant's eligibility based upon criteria established by the health information technology office director ~~in collaboration with the health information technology advisory committee.~~
3. This section does not create an entitlement to any funds available for grants under this section. The health information technology office may award these grants to the extent funds are available and, within the office's discretion, to the extent such applications are approved.

SECTION 14. AMENDMENT. Section 54-59-34 of the North Dakota Century Code is amended and reenacted as follows:

54-59-34. Statewide longitudinal data system ~~committee~~ department - Information technology department - Duties.

1. The ~~statewide longitudinal data system committee~~department shall manage a statewide longitudinal data system among education, workforce, and training entities that:
 - a. Provides for the dissemination of management information to stakeholders and partners of state education, training, and employment systems;
 - b. Is required to provide on an annual basis to education and workforce development programs, to the extent permitted by federal law, the wage record interchange system 2 data sharing agreement and the state wage interchange system data sharing agreement and state performance reports that measure the aggregate outcomes of participants in the workforce and continuing education programs, including private workforce and education programs that request the reports; and
 - c. Uses data from educational and workforce systems as central sources of statewide longitudinal data.

2. The department may, subject to federal and state privacy laws, enter interagency agreements, including agreements designating authorized representatives of the educational agencies participating in the system, under the Family Educational Rights and Privacy Act [20 U.S.C. 1232(g); 34 CFR 99].
3. ~~The statewide longitudinal data system committee~~department shall establish policies and adopt rules addressing access to and the collection, storage, and sharing of information and the systems necessary to perform those functions, subject to applicable federal and state privacy laws and interagency agreements and restrictions relating to confidential information required to conform to applicable federal and state privacy laws.
- 3-4. ~~The statewide longitudinal data system committee~~department shall provide operational oversight for information sharing activities and make recommendations for and provide oversight of information sharing budgets.
- 4-5. ~~The statewide longitudinal data system committee in consultation with the information technology department shall:~~
 - a. Establish the terms and conditions under which a person may be authorized to access data through the statewide longitudinal data system;
 - b. Direct that all statewide longitudinal data system administrators implement approved data protection practices to ensure the security of electronic and physical data, provided that the practices include requirements for encryption and staff training;
 - c. Provide for biennial privacy and security audits of the statewide longitudinal data system;
 - d. Establish protocols, including procedures, for the notification of students and parents in the event of a data breach involving the statewide longitudinal data system;
 - e. Require that data retention and disposition by the statewide longitudinal data system be governed by the same policies as those instituted for the information technology department; and
 - f. Require the provision of annual training regarding data protection to any individuals who have access to the statewide longitudinal data system, including school district employees, employees of the North Dakota university system office and institutions under the control of the state board of higher education, and elected or appointed state or local governmental officials.
6. The department may authorize studies to benefit and improve workforce training and education.

SECTION 15. AMENDMENT. Section 54-59-36 of the North Dakota Century Code is amended and reenacted as follows:

54-59-36. Statewide longitudinal data system ~~committee~~ - Report to legislative management.

During each interim the ~~statewide longitudinal data system committee~~department shall provide a report regarding the statewide longitudinal data system to one or more committees designated by the legislative management and shall provide recommendations for further development, cost proposals, proposals for legislation, and recommendations for data sharing governance.

SECTION 16. AMENDMENT. Section 54-59-37 of the North Dakota Century Code is amended and reenacted as follows:

54-59-37. Statewide longitudinal data system ~~committee~~ - Continuing appropriation.

The ~~statewide longitudinal data system committee~~department may solicit and receive gifts, grants, and donations from public and private sources. Any moneys received in accordance with this section are appropriated on a continuing basis for the support of the statewide longitudinal data system.

SECTION 17. AMENDMENT. Section 54-59-39 of the North Dakota Century Code is amended and reenacted as follows:

54-59-39. State agencies - Mandatory provision of information - Confidentiality.

1. The information technology department may request from any state agency:
 - a. All information required by 20 U.S.C. 9871(e)(2)(D);
 - b. Any other educational information ~~the statewide longitudinal data system committee determines is~~ required for a longitudinal data system to comply with state or federal law; and
 - c. Unemployment insurance wage data from job service North Dakota for education and workforce development program evaluations, except that the information technology department may not redisclose any data identifying an individual unless the redisclosure is expressly permitted by a written agreement between job service North Dakota and the department or is otherwise expressly permitted or required by federal or state law.
2. A state agency providing information requested under subsection 1 shall enter an interagency agreement with the department which identifies applicable federal and state privacy laws and agency-established restrictions relating to its confidential information the agency has determined is required to comply with federal and state privacy laws.
3. Subject to applicable restrictions on the use and disclosure of confidential information required to comply with federal and state privacy laws and the terms of the interagency agreement, any state agency receiving a request for information under subsection 1 shall provide the information at the time and in the manner required by the information technology department.

SECTION 18. AMENDMENT. Section 61-03-01.3 of the North Dakota Century Code is amended and reenacted as follows:

61-03-01.3. Director - State engineer - Powers and duties.

1. The director shall:
 - a. Enforce all rules adopted by the department;
 - b. Hire a state engineer who is a qualified professional engineer, has appropriate hydrology experience, and will report to the director;
 - c. Hire other employees as necessary to carry out the duties of the department and director;
 - d. Organize the department in an efficient manner; and
 - e. Take any other action necessary and appropriate for administration of the department.
 - f. Adopt rules to license water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
 - g. Advise the governor and the state water commission regarding operations of Devils Lake outlets.
 - h. Recommend an operational plan for the Devils Lake outlet based on Sheyenne River capacity and water quality considerations.
2. The state engineer is responsible for and shall manage the department's oversight of dam safety, water appropriations, and construction and drainage permits, and associated technical duties related to public safety and property protection.

SECTION 19. A new section to chapter 61-03 of the North Dakota Century Code is created and enacted as follows:

Water well contractors advisory board.

1. The water well contractors advisory board is established and consists of:
 - a. The director, or director's designee.
 - b. Three water well contractors, appointed by the governor.
 - c. One geothermal system driller or one monitoring well contractor, appointed by the governor.
 - d. One water well pump and pitless unit installer, appointed by the governor.
 - e. One member at large, appointed by the governor.
2. The advisory board:
 - a. Shall advise the department in the adoption and implementation of rules for the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.

- b. May receive reports from the department on the status and activities of the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
- c. May provide recommendations to the department and the legislative management on the certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.
- d. Shall collaborate with the department to manage the fiduciary responsibilities of certification and regulation of water well contractors, water well pump and pitless unit installers, monitoring well contractors, and geothermal system drillers.

SECTION 20. A new section to chapter 61-03 of the North Dakota Century Code is created and enacted as follows:

Requirements for firms engaged in water well work, installation of water well pumps and pitless units, monitoring well work, and drilling of geothermal systems - Exceptions.

- 1. A person, partnership, association, corporation, or limited liability company may not engage in the business of constructing a water well in this state unless at all times a certified water well contractor, who is responsible for the proper construction or alteration of a water well, is in charge. This section does not prohibit any person, partnership, association, corporation, or limited liability company from constructing any water well on the person's or entity's own premises for the person's or entity's own use.
- 2. A person may not engage in the business of installing water well pumps and pitless units in the state after July 1, 1986, unless a certified installer, who is responsible for the proper installation of the pump and pitless unit, is in charge of the installation. This chapter does not prohibit any person from installing water well pumps and pitless units on that person's own premises for that person's own use.
- 3. A person may not engage in the business of constructing a monitoring well in this state unless at all times a certified monitoring well contractor, who is responsible for the proper construction or alteration of the monitoring well, is in charge. This section does not prohibit any person from installing a monitoring well on that person's own premises for that person's own use.
- 4. A person may not engage in the business of drilling geothermal systems in the state after July 1, 2008, unless a certified driller, who is responsible for the proper drilling of the geothermal system, is in charge of the drilling. This section does not prohibit a person from drilling geothermal systems on that person's own premises for that person's own use.
- 5. Within thirty days after the completion of each well, each water well contractor shall report to the department, on forms provided by the department, any information required by the department, including a log of formations penetrated, well depth, and casing size and weight. Each water well contractor shall provide a copy of the report to the customer. All information submitted to the department must remain the property of the department.

SECTION 21. AMENDMENT. Section 61-04.1-03 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-03. Definitions.

As used in this chapter, unless the context otherwise requires:

1. ~~"Board" means the North Dakota atmospheric resource board which, in the exercise of the powers granted under this chapter, has all of the powers of an administrative agency as defined in chapter 28-32.~~
2. "Controller" refers to any licensee duly authorized in this state to engage in weather modification operations.
- ~~3-2.~~ "Geographical region" means a geographical area with a contiguous boundary that may enclose a portion of any county or counties.
- ~~4-3.~~ "Hail suppression" refers to the activation of any process that will reduce, modify, suppress, eliminate, or soften hail formed in clouds or storms.
- ~~5-4.~~ "Increasing precipitation" refers to the activation of any process that will actually result in greater amounts of moisture reaching the ground in any area from a cloud or cloud system than would have occurred naturally.
- ~~6-5.~~ "Initiating precipitation" refers to the process of causing precipitation from clouds which could not otherwise have occurred naturally or inducing precipitation significantly earlier than would have occurred naturally.
- ~~7-6.~~ "Operation" means the performance of any weather modification activity undertaken for the purpose of producing or attempting to produce any form of modifying effect upon the weather within a limited geographical area or within a limited period of time.
- ~~8-7.~~ "Research and development" means exploration, field experimentation, and extension of investigative findings and theories of a scientific or technical nature into practical application for experimental and demonstration purposes, including the experimental production of models, devices, equipment, materials, and processes.
- ~~9-8.~~ "Weather modification" means and extends to the control, alteration, and amelioration of weather elements, including man-caused changes in the natural precipitation process, hail suppression or modification, and alteration of other weather phenomena, including clouds, temperature, wind direction, and velocity, and the initiating, increasing, decreasing, and otherwise modifying by artificial methods of precipitation in the form of rain, snow, hail, mist, or fog through cloud seeding, electrification, or by other means to provide immediate practical benefits.
- ~~10-9.~~ "Weather modification authority" means the governing body created by a board of county commissioners under section 61-04.1-22.1, 61-04.1-23, 61-04.1-27, 61-04.1-29, or 61-04.1-31.

SECTION 22. AMENDMENT. Section 61-04.1-08 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-08. Powers and duties of ~~board~~the department.

The ~~board~~department has the following powers and duties:

1. ~~The board shall appoint an executive director to serve at the board's discretion and to perform duties assigned by the board.~~
2. ~~The board shall authorize the employment of staff the board deems necessary to carry out the provisions of this chapter. The executive director shall hire the staff, subject to the approval of the board.~~
3. The ~~board~~department shall adopt rules concerning qualifications, procedures, and conditions for issuance, revocation, suspension, and modification of licenses and permits; standards and instructions governing weather modification operations, including monitoring and evaluation, recordkeeping, and reporting, and the ~~board~~department shall establish procedures and forms for this recordkeeping and reporting. The ~~board~~department may adopt all other rules necessary to the administration of this chapter. The provisions of chapter 28-32 apply to this chapter and rules of the ~~board~~department must be published in the North Dakota Administrative Code.
- 4-2. The ~~board~~department may contract with any person to carry out weather modification operations and, in connection with regulated weather modification operations in a county or geographical region, shall carry on monitoring and evaluation activities.
- 5-3. The ~~board~~department may order any person who is conducting weather modification operations in violation of this chapter or any rules adopted to implement this chapter, to cease and desist from those operations and the order is enforceable in any court of competent jurisdiction within this state.
- 6-4. The ~~board~~department may cooperate and contract with any person engaged in activities similar to the work of the ~~board~~department and may make contracts and agreements to carry out programs consistent with the purpose and intent of this chapter. The ~~board~~department may request and accept any grants of funds or services from any person and expend these funds or use these services to carry out this chapter.
- 7-5. The ~~board~~department shall monitor the current state of knowledge regarding the magnitude and impacts of possible regional and global climatic changes and shall provide information to other state agencies that may benefit from this knowledge.
- 8-6. The ~~board~~department shall administer and enforce the provisions of this chapter and do all things reasonably necessary to effectuate the purposes of this chapter.
- 9-7. The ~~board~~department may plan and study a hail suppression pilot program that would provide urban and rural hail suppression operations statewide or to any portion of the state.

SECTION 23. AMENDMENT. Section 61-04.1-09 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-09. ~~Board~~Department of water resources to establish research and development program - Hail suppression pilot program.

1. The ~~board~~department of water resources shall establish a program of weather modification research and development in this state. The ~~board~~department shall supervise and coordinate all research and development activities in the state or research and development activities outside of the state participated in or conducted by any state institution or state or county agency.
2. If the ~~board~~department plans and studies a hail suppression pilot program, the ~~board~~department may conduct a planning phase that includes studying the impact on the environment, providing public education, and formulating an operations plan.

SECTION 24. AMENDMENT. Section 61-04.1-12 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-12. Exemptions.

The ~~board~~department of water resources may provide by rule for exemption of the following activities from the license and permit requirements of section 61-04.1-11:

1. Research and development conducted by the state, political subdivisions of the state, colleges and universities of the state, agencies of the federal government, or bona fide research corporations.
2. Weather modification operations of an emergency nature taken against fire, frost, or fog.

Exempted activities ~~shall must~~ be conducted so as not to unduly interfere with weather modification operations conducted under a permit issued in accordance with this chapter.

SECTION 25. AMENDMENT. Section 61-04.1-14 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-14. Issuance of license - Fee.

The ~~board~~department of water resources shall provide, by rule, the procedure and criteria for the issuance of a license. The ~~board~~department, in accordance with its rules, shall issue a weather modification license to each applicant who:

1. Pays a license fee of fifty dollars.
2. Demonstrates competence to engage in weather modification operations, to the satisfaction of the ~~board~~department.
3. Designates an agent for the service of process pursuant to section 61-04.1-13 or chapter 10-19.1.

Each license issued by the ~~board~~department is nontransferable and ~~shall expire~~expires on December thirty-first of the year of issuance. A license ~~shall be~~is revocable for cause at any time prior to such date if, after holding a hearing upon due notice, the ~~board~~department determines that cause for revocation exists. License fees collected by the ~~board~~department ~~must~~ be paid into the general fund in the state treasury.

SECTION 26. AMENDMENT. Section 61-04.1-15 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-15. Revocation or suspension of license.

The ~~board~~department of water resources may suspend or revoke a license for any of the following reasons:

1. Incompetency.
2. Dishonest practice.
3. False or fraudulent representations made in obtaining a license or permit under this chapter.
4. Failure to comply with any provisions of this chapter or any rules adopted by the ~~board~~department pursuant to this chapter.

SECTION 27. AMENDMENT. Section 61-04.1-16 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-16. Permit required - Issuance of permit - Fee.

1. A weather modification permit ~~shall be~~ required for each geographical area, as set out in the operational plan required by subdivision b, in which a person intends to conduct weather modification operations. Each permit issued by the ~~board~~ department of water resources ~~expires~~ on December thirty-first of the year of issuance. A person applying for a weather modification operational permit shall file an application with the ~~board~~department, in such form as the ~~board~~ department prescribes, which application ~~shall~~must be accompanied by an application fee of twenty-five dollars and contain such information as the ~~board~~department, by rule, may require, and in addition, each applicant for a permit shall:
 - a. Furnish proof of financial responsibility as provided by section 61-04.1-19.
 - b. Set forth a complete operational plan for the proposed operation which ~~shall~~must include a specific statement of its nature and object, a map of the proposed operating area which specifies the primary target area for the proposed operation and shows the area that is reasonably expected to be affected by such operation, a statement of the approximate time during which the operation is to be conducted, a list of the materials and methods to be used in conducting the operation, and such other detailed information as may be needed to describe the operation.
2. The ~~board~~department may issue the permit if it determines that:
 - a. The applicant holds a valid weather modification license issued under this chapter.
 - b. The applicant has furnished satisfactory proof of financial responsibility in accordance with section 61-04.1-19.
 - c. The applicant has paid the required application fee.
 - d. The operation:

- (1) Is reasonably conceived to improve water quantity or quality, reduce loss from weather hazards, provide economic benefits for the people of this state, advance scientific knowledge, or otherwise carry out the purposes of this chapter.
 - (2) Is designed to include adequate safeguards to minimize or avoid possible damage to the public health, safety, welfare, or the environment.
 - (3) Will not adversely affect another operation for which a permit has been issued.
- e. The applicant has North Dakota workforce safety and insurance coverage for all employees working in this state.
 - f. The applicant has furnished a performance bond as required by section 61-04.1-34.
 - g. The applicant has complied with such other requirements for the issuance of permits as may be required by the rules ~~and regulations~~ of the ~~board~~department.
 - h. The applicant has furnished a bid bond.
 - i. The applicant has registered, with the North Dakota aeronautics commission, any aircraft intended to be used in connection with the operation.

To carry out the objectives and purposes of this chapter, the ~~board~~department may condition and limit permits as to primary target areas, time of the operation, materials, equipment, and methods to be used in conducting the operation, emergency shutdown procedure, emergency assistance, and such other operational requirements as may be established by the ~~board~~department.

- 3. The ~~board shall~~department may issue only one permit at a time for operations in any geographical area if two or more operations conducted in such an area according to permit limitations might adversely interfere with one another.
- 4. All permit fees collected by the ~~board shall~~department must be paid into the general fund of the state treasury.

SECTION 28. AMENDMENT. Section 61-04.1-17 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-17. Hearings.

The ~~board~~department of water resources shall give public notice, in the official county newspaper or newspapers in the area of the state reasonably expected to be affected by operations conducted under a permit, that it is considering an application for such permit, and, if objection to the issuance of the permit is received by the ~~board~~department within twenty days, the ~~board~~department may hold a public hearing for the purpose of obtaining information from the public concerning the effects of issuing the permit. The ~~board~~department may ~~also~~ hold such hearings upon its own motion.

SECTION 29. AMENDMENT. Section 61-04.1-18 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-18. Revocation, suspension, or modification of permit.

The board department of water resources may suspend or revoke a permit if it appears that the permittee no longer has the qualifications necessary for the issuance of an original permit or has violated any provision of this chapter, or any of the rules adopted under it.

The board department may revise the conditions and limits of a permit if:

1. The permittee is given notice and a reasonable opportunity for a hearing, to be held in accordance with chapter 28-32.
2. It appears to the board department that a modification of the conditions and limits of a permit is necessary to protect the public's health, safety, welfare, or the environment.

If it appears to the board department that an emergency situation exists or is impending which could endanger the public's health, safety, welfare, or the environment, the board department may, without prior notice or hearing, immediately modify the conditions or limits of a permit, or order temporary suspension of a permit. The issuance of such an order ~~shall~~ must include notice of a hearing to be held within ten days thereafter on the question of permanently modifying the conditions and limits or continuing the suspension of the permit. Failure to comply with an order temporarily suspending an operation or modifying the conditions and limits of a permit ~~shall be~~ is grounds for immediate revocation of the license and permit of the person controlling or engaged in the operation.

SECTION 30. AMENDMENT. Section 61-04.1-19 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-19. Proof of financial responsibility.

Proof of financial responsibility is made by showing to the satisfaction of the board department of water resources that the permittee has the ability to respond in damages to liability which might reasonably result from the operation for which the permit is sought. ~~Such proof~~ Proof of financial responsibility may be shown by:

1. Presentation to the board department of proof of a prepaid noncancelable insurance policy against such liability, in an amount approved by the board department.
2. Filing with the board department a corporate surety bond, cash, or negotiable securities in an amount approved by the board department.

SECTION 31. AMENDMENT. Section 61-04.1-20 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-20. Board Department of water resources may create operating districts - Representation of noncontracting counties.

The board department of water resources may place any county or geographical region for which a person contracts with the state for weather modification operations in any operational district the board department determines necessary to best provide that county or geographical region with the benefits of weather modification. In

determining the boundaries of an operating district, the ~~board~~department shall consider the patterns of crops within the state, climatic patterns, and the limitations of aircraft and other technical equipment. The ~~board~~department may assign any county that has not created a weather modification authority under this chapter to an operating district solely for the purpose of representation on the operations committee of that district.

SECTION 32. AMENDMENT. Section 61-04.1-21 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-21. District operations advisory committees created - Duties.

1. There must be a district operations advisory committee in each operations district created in accordance with section 61-04.1-20. Each committee must be composed of one commissioner of the weather modification authority, if a weather modification authority exists, from each county within the district; a representative of each person contracting for a geographical region assigned to the district; and one member of the board of county commissioners from each county assigned to the district. Each advisory committee, upon majority vote, with the concurrence of the ~~board~~department of water resources, shall adopt rules and bylaws necessary to govern that committee's procedures and meetings. Each committee shall evaluate weather modification operations within that committee's district and make recommendations and proposals to the ~~board~~department concerning these operations.
2. The weather modification authority of any county authorized to contract for weather modification operations under this chapter which is not assigned to an operations district shall assume the functions of the district operations committee and may exercise the powers and duties assigned to the operations committees by this chapter and by the rules of the ~~board~~department.

SECTION 33. AMENDMENT. Section 61-04.1-33 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-33. Bids required - When.

~~Whenever the board shall undertake to contract~~department of water resources contracts with any licensed controller in an amount in excess of ten thousand dollars in any one year, the ~~board~~department shall advertise for proposals for such weather modification activities and, in its proceedings with respect to bids therefor, shall substantially follow the manner and form required by the laws of this state for the purchase of supplies by the office of management and budget. The ~~board~~department ~~may not enter into a~~ contract or agreement for weather modification services except with a controller, holding the permit as required by this chapter, except for the purpose of gathering technical information, and making studies or surveys.

SECTION 34. AMENDMENT. Section 61-04.1-34 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-34. Performance bond, cash, or negotiable securities required.

~~Before the board shall contract~~department of water resources contracts with any controller, ~~the department~~ shall require the controller to furnish a surety bond or cash or negotiable securities for the faithful performance of the contract in such amount as determined by the ~~board~~department, conditioned that the licensee and the licensee's

agents will in all respects faithfully perform all weather modification contracts undertaken with the ~~board~~department and will comply with all provisions of this chapter and the contract entered into by the ~~board~~department and the licensee.

SECTION 35. AMENDMENT. Section 61-04.1-37 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-37. Liability of controller.

1. An operation conducted under the license and permit requirements of this chapter is not an ultrahazardous or abnormally dangerous activity which makes the permittee subject to liability without fault.
2. Dissemination of materials and substances into the atmosphere by a permittee acting within the conditions and limits of the permittee's permit ~~shall~~do not constitute trespass.
3. Except as provided in this section and in section 61-04.1-36, ~~nothing in this chapter shall~~does not prevent any person adversely affected by a weather modification operation from recovering damages resulting from negligent or intentionally harmful conduct by a permittee.
4. The fact that a person holds a license or was issued a permit under this chapter, or that the person has complied with the rules adopted by the ~~board~~pursuant to department of water resources under this chapter, is not admissible as a defense in any legal action which may be brought against the person.

SECTION 36. AMENDMENT. Section 61-04.1-38 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-38. ~~Board~~Department of water resources may receive and expend funds.

1. The ~~board~~department of water resources may receive and accept in the name of the state any funds that are offered or become available from any federal grant or appropriation, private gift, donation, or bequest, county funds, or funds from any other source except license and permit fees, and to expend these funds for the expense of administering this chapter, and, with the exception of county funds and funds from any other person contracting with the ~~board~~department for weather modification operations, for the encouragement of research and development in weather modification by any private person, the North Dakota state university, the university of North Dakota, or any other appropriate state, county, or public agency in this state by direct grant, contract, or other means.
2. All federal grants, federal appropriations, private gifts, donations, or bequests, county funds, or funds from any other source except license and permit fees, received by the ~~board~~department must be paid over to the state treasurer, who shall credit this amount to ~~a special fund in the state treasury known as the state weather modification fund~~the water commission fund. All proceeds deposited by the state treasurer in the ~~state weather modification~~water commission fund are appropriated to the ~~board~~department and, if expended, must be disbursed by warrant-check prepared by the office of management and budget upon vouchers submitted by the ~~board~~department and must be used for the purpose of paying for the expense of administration of this

chapter and, with the exception of county funds or funds from any other person contracting with the ~~board~~department for weather modification operations, for the encouragement of research and development in weather modification by any private person, the North Dakota state university, the university of North Dakota, or any other appropriate state, county, or public agency by direct grant, contract, or other means.

SECTION 37. AMENDMENT. Section 61-04.1-39 of the North Dakota Century Code is amended and reenacted as follows:

61-04.1-39. Payment for weather modification - State to provide funds.

Any weather modification authority or person that contracted with the ~~board~~department of water resources for weather modification operations under this chapter shall appropriate to the ~~state weather modification~~water commission fund the amount determined by the ~~board~~department to be necessary to provide that weather modification authority or person with weather modification operations. The ~~board~~department may expend, from the ~~state weather modification~~water commission fund, the funds the ~~board~~department deems necessary to provide a contracting weather modification authority or person with weather modification operations.

SECTION 38. AMENDMENT. Subdivision a of subsection 2 of section 65-02-03.1 of the North Dakota Century Code is amended and reenacted as follows:

- a. A departing member representing an employer must be replaced by a member representing an employer, most of whose employees are in a different rate classification than those of the employer represented by the departing member. The governor shall appoint the member for an employer representative from a list of three potential candidates submitted by ~~a coordinating committee appointed by the governor, composed of an organization of business associations. The organization shall accept qualified candidate recommendations received from~~ representatives from the associated general contractors of North Dakota, the North Dakota petroleum council, the greater North Dakota chamber of commerce, the North Dakota motor carriers association, the North Dakota hospital association, the national federation of independent business, the lignite energy council, and other statewide business interests.

²⁰⁶ **SECTION 39. REPEAL.** Chapter 8-11.1, sections 12-48-06.1, 15.1-37-05, 15.1-37-06, and 15.1-37-08, chapter 17-07, sections 19-24.1-38, 19-24.1-39, and 23-35-02.3, chapters 34-16 and 43-35, sections 50-06-05.6, 50-06.4-10, 50-11.1-25, 50-11.1-26, 50-11.1-27, 52-02-07, 54-34.3-10, 54-54-10, 54-59-25, 54-59-33, 54-59-35, 54-59-38, 54-60-25, 61-04.1-04, 61-04.1-05, 61-04.1-06, 61-04.1-07, and 61-04.1-10, and chapter 61-36 of the North Dakota Century Code are repealed.

SECTION 40. REPEAL. Sections 55-01-13 and 55-01-14 of the North Dakota Century Code are repealed.

²⁰⁶ Section 23-35-02.3 was also repealed by section 4 of Senate Bill No. 2267, chapter 248. Section 43-35-13 was amended by section 1 of Senate Bill No. 2058, chapter 400. Section 43-35-14 was amended by section 2 of Senate Bill No. 2058, chapter 400. Section 43-35-17 was amended by section 3 of Senate Bill No. 2058, chapter 400. Section 43-35-21 was amended by section 4 of Senate Bill No. 2058, chapter 400. Section 43-35-23 was amended by section 5 of Senate Bill No. 2058, chapter 400. Section 43-35-16 was also repealed by section 6 of Senate Bill No. 2058, chapter 400.

SECTION 41. EFFECTIVE DATE. Section 40 of this Act is effective December 31, 2026.

SECTION 42. EXPIRATION DATE. Sections 10 and 19 of this Act are effective through December 1, 2026, and after that date are ineffective.

Approved May 2, 2025

Filed May 2, 2025

CHAPTER 480

SENATE BILL NO. 2176

(Senators Axtman, Hogan)
(Representatives O'Brien, Pyle)

AN ACT to create and enact a new section to chapter 54-07 of the North Dakota Century Code, relating to the children's cabinet and designated working groups; to repeal section 50-06-43.1 of the North Dakota Century Code, relating to the children's cabinet; and to provide for a legislative management report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁰⁷ **SECTION 1.** A new section to chapter 54-07 of the North Dakota Century Code is created and enacted as follows:

Children's cabinet - Membership - Duties - Working groups - Report.

1. The children's cabinet is created to assess, guide, and coordinate the care for children and families across the state's branches of government and the tribal nations.
2. The children's cabinet is composed of:
 - a. The governor, or the governor's designee;
 - b. The chief justice of the supreme court, or the chief justice's designee;
 - c. Two members of the house of representatives, appointed by the majority leader of the house of representatives to serve two-year terms;
 - d. Two members of the senate, appointed by the majority leader of the senate to serve two-year terms;
 - e. The superintendent of public instruction, or the superintendent's designee;
 - f. The director of the committee on protection and advocacy, or the director's designee;
 - g. The commissioner of the department of health and human services, or the commissioner's designee;
 - h. A representative of the tribal nations in the state, who is appointed by the governor; and
 - i. Five individuals, appointed by the governor to serve a term of two years at the pleasure of the governor, consisting of:
 - (1) A local school representative;

²⁰⁷ Section 54-07-13 was amended by section 43 of House Bill No. 1012, chapter 11.

- (2) A local special education representative;
 - (3) A human service zone director;
 - (4) A representative of a private agency that provides direct services to vulnerable children; and
 - (5) A parent.
- 3. The governor, in collaboration with the chairman of the legislative management, shall appoint as the presiding officer of the children's cabinet a member of the governor's cabinet or a legislator serving on the children's cabinet. The children's cabinet shall select one of its members to serve as the vice-presiding officer.
- 4. The children's cabinet shall meet at least quarterly. Additional meetings may be held at the discretion of the presiding officer.
- 5. The children's cabinet shall:
 - a. Coordinate broad-based leadership across programs, agencies, branches of government, and tribal nations to meet the needs of children and families;
 - b. Develop strategies to address gaps or needs regarding early care and education, medical and behavioral health, community, child welfare, and juvenile justice;
 - c. Develop strategies to provide for the full continuum of care in the delivery of services, including promotion, prevention, early identification and intervention, service delivery, and recovery;
 - d. Seek to engage cooperation across public and private service providers;
 - e. Provide a comprehensive vision for how and where children are best served, attending to children and families in a respectful and relevant manner;
 - f. Seek strategies to provide services to children without consideration of prior engagement with juvenile services;
 - g. Provide for the active participation of consumers and providers statewide on advisory committees;
 - h. Receive information and recommendations from the department of health and human services, department of corrections and rehabilitation, and other state agencies;
 - i. Establish and oversee designated working groups to develop policies impacting children and families; and
 - j. Provide an annual report to the legislative management and governor regarding the activities and findings of:
 - (1) The children's cabinet; and

(2) Other designated working groups on children and family issues.

6. The office of the governor shall provide staffing and administrative services for the children's cabinet and coordinate with other designated working groups on children and family issues.
7.
 - a. The presiding officer of the children's cabinet may designate working groups and appoint or remove liaisons to serve on the working groups.
 - b. A member of the children's cabinet or working group who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the office of the governor.
 - c. A state employee who is a member of the children's cabinet or working group is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency.
 - d. A member of the children's cabinet or working group who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the children's cabinet or working group. The legislative council shall pay the per diem compensation and reimbursement for travel and such expenses as provided by law for any member of the children's cabinet or working group who is a member of the legislative assembly.

SECTION 2. REPEAL. Section 50-06-43.1 of the North Dakota Century Code is repealed.

Approved April 8, 2025

Filed April 8, 2025

CHAPTER 481

SENATE BILL NO. 2251

(Senators Cleary, Weston, Castaneda, Paulson)
(Representatives M. Ruby, Rohr)

AN ACT to amend and reenact section 54-10-01, subsection 5 of section 54-10-14, and sections 54-10-22 and 54-10-27 of the North Dakota Century Code, relating to audits conducted by the state auditor and charges for audits.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

54-10-01. Powers and duties of state auditor - Report. (Retroactive application - See note)

1. The state auditor shall:
 - a. Be vested with the duties, powers, and responsibilities involved in performing the postaudit of all financial transactions of state government, detecting and reporting any defaults, and determining that expenditures have been made in accordance with law and appropriation acts.
 - b. Perform or provide for the audit of the general purpose financial statements and a review of the material included in the comprehensive annual financial report of the state in accordance with government auditing standards.
 - c. Except for the audit of the department of financial institutions as outlined in section 54-10-31, perform or provide for audits of state agencies in accordance with government auditing standards and legislative audit and fiscal review committee guidelines developed under section 54-35-02.10. Except for the annual audit of the North Dakota lottery required by section 53-12.1-03, the state auditor shall audit each state agency once every two to four years. Audits may be conducted at more frequent intervals if requested by the governor or the legislative audit and fiscal review committee. ~~The state auditor shall charge an amount equal to the cost of the audit and other services rendered by the state auditor to all agencies that receive and expend moneys from other than the general fund. This charge may be reduced for an agency that receives and expends both general fund and nongeneral fund moneys. The charge for an audit of an agricultural commodity group listed in section 4.1-44-04 must be six thousand dollars for an annual financial statement audit or four thousand dollars for a two-year single page financial statement audit performed during the biennium ending June 30, 2025, and may be increased by five percent on July first of each odd-numbered year thereafter. State agencies shall use nongeneral fund moneys to pay for the cost of the audit. If nongeneral fund moneys are not available, the agency may, upon approval of the legislative assembly, or the budget section if the legislative assembly is not in session, use general fund moneys to pay for the audit. Any budget section action under this subdivision must comply with section 54-35-02.9.~~

- d. Except for the audit of the department of financial institutions as outlined in section 54-10-31, perform or provide for performance audits of state agencies, or the agencies' blended component units or discreetly presented component units, as determined necessary by the legislative assembly, or the legislative audit and fiscal review committee if the legislative assembly is not in session. When determining the necessity of a performance audit, the legislative audit and fiscal review committee shall consider:
 - (1) The potential cost-savings or efficiencies that may be gained as a result of the performance audit;
 - (2) The staff resources of the state auditor's office and of the state agency being audited which will be required to conduct the audit;
 - (3) The potential for discovery of noncompliance with state law or legislative intent regarding the program or agency; and
 - (4) The potential for the performance audit to identify opportunities for program improvements.
- e. Report quarterly to the legislative audit and fiscal review committee regarding:
 - (1) Communication processes with audited entities and any changes to the processes;
 - (2) Billing practices and procedures, including the use of cost estimates for audits, an itemized invoicing methodology, and a defined change order process for audits that exceed the original estimate;
 - (3) Information on audits completed, including:
 - (a) Name of the audited organization;
 - (b) Organization type;
 - (c) Audit type;
 - (d) Audit period;
 - (e) Estimated and actual hours and costs; and
 - (f) Total audit cost and the total cost as a percentage of the audited organization's operating budget; and
 - (4) Audit schedules, including audits performed by private firms and audits performed by the state auditor's office.
- f. Report on the functions of the state auditor's office to the governor and the secretary of state in accordance with section 54-06-04 or more often as circumstances may require.
- g. Perform work on mineral royalties for the federal government in accordance with section 1735(a) of the Mineral Lands and Mining Act [30 U.S.C. 1735 et seq.].

- h. Report to the legislative audit and fiscal review committee regarding final report distribution policies and practices and any final audit reports released to the public prior to distribution of the final audit report to all individuals charged with the governance of the audit client.
 - i. Perform all other duties as prescribed by law.
- 2. The state auditor may:
 - a. Conduct any work required by the federal government and charge an amount equal to the cost of the audit to be paid by the audited federal funds of the appropriate government agency and deposited into the general fund.
 - b. Within the resources available to the state auditor, perform or provide for performance audits of state agencies as determined necessary by the state auditor.
 - c. Audit the International Peace Garden at the request of the board of directors of the International Peace Garden.
 - d. Contract with a private certified public accountant or other qualified professional to conduct or assist with an audit, review, or other work the state auditor is authorized to perform or provide for under this section. Before entering any contract, the state auditor shall present information to the legislative audit and fiscal review committee on the need for the contract and its estimated cost and duration. Except for performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection and except for audits of occupational or professional boards, the state auditor shall execute the contract and any executive branch agency, including higher education institutions, shall pay the fees of the contractor. For performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection, the state auditor may charge a state agency for the cost of a contract relating to an audit, subject to approval by the legislative assembly or the legislative audit and fiscal review committee if the legislative assembly is not in session. When considering a request, the legislative audit and fiscal review committee shall consider the effect of the audit cost on the agency being audited, the necessity of the contract, and the potential benefit to the state resulting from the contract. The state auditor shall notify the affected agency of the potential cost before requesting approval from the legislative assembly or the legislative audit and fiscal review committee.
- 3. Notwithstanding subdivision c of subsection 1 and subdivision d of subsection 2, the state auditor may not charge audit fees to an institution of higher education, agency, or office under the control of the state board of higher education, including passthrough grants, except for a proportional share of audit fees on federal programs or grants to the extent those audited federal programs or grants provide for allowable cost recovery. Institutions without an approved indirect cost recovery fund may not be assessed audit fees on closed federal programs.

²⁰⁸ **SECTION 2. AMENDMENT.** Subsection 5 of section 54-10-14 of the North Dakota Century Code is amended and reenacted as follows:

5. A political subdivision may not pay a public accountant for an audit until the state auditor has accepted the audit. However, a political subdivision may make progress payments to the public accountant. A political subdivision shall retain ~~twenty~~^{twenty-five} percent of any progress payment until the audit report is accepted by the state auditor.

SECTION 3. AMENDMENT. Section 54-10-22 of the North Dakota Century Code is amended and reenacted as follows:

54-10-22. Public officers to aid state auditor - Auditor's authority on investigation - Referral of open records request.

1. The officers and employees of all departments, institutions, boards, commissions, and political subdivisions, subject to examination by the state auditor, shall afford all reasonable facilities for the investigation provided for in this title and shall make returns and exhibits to the auditor under oath in ~~such~~ form and ~~in such~~ manner as the auditor may prescribe.
2. The auditor shall have full power and authority to audit any books, papers, accounts, bills, vouchers, and other documents or property of any and all departments, boards, commissions, political subdivisions, and financial institutions subject to the auditor's audit. The auditor shall have authority to audit under oath any or all trustees, managers, officers, employees, or agents of any such departments, boards, commissions, or political subdivisions. When necessary, the auditor shall employ stenographers or clerical help, the expense incurred to be collected by the auditor from the respective department, institution, board, commission, or political subdivision.
3. If the auditor receives a request for access to or inspection of information submitted to the auditor by a department, institution, board, commission, or political subdivision, the auditor shall refer the request to the submitting department, institution, board, commission, or political subdivision for response. The referral of a request under this subsection satisfies the responsibility of the auditor to respond to a request for public records under chapter 44-04.

SECTION 4. AMENDMENT. Section 54-10-27 of the North Dakota Century Code is amended and reenacted as follows:

54-10-27. Occupational and professional boards - Audits and reports.

The governing board of any occupational or professional board shall provide for an audit once every two years by a certified public accountant or licensed public accountant. The accountant conducting the audit shall submit the audit report to the state auditor's office. If the report is in the form and style prescribed by the state auditor, the state auditor may not audit that board. An occupational or professional board may request the state auditor to conduct its audit, and if the state auditor agrees to conduct the audit, the state auditor shall deposit the fees charged to the occupational or professional board into the state auditor operating account. Instead of providing for an audit every two years, an occupational or professional board that has

²⁰⁸ Section 54-10-14 was also amended by section 1 of Senate Bill No. 2299, chapter 591.

less than ~~two hundred thousand~~two million dollars of annual receipts may submit an annual report to the state auditor. The report must contain the information required by the state auditor. The state auditor also may make any additional examination or audit determined necessary in addition to the annual report. When a report is not filed, the state auditor may charge the occupational or professional board an amount equal to the fair value of the additional examination or audit and any other services rendered. The state auditor may charge an occupational or professional board a fee not to exceed ninety dollars an hour for the costs of reviewing the annual report.

Approved April 21, 2025

Filed April 22, 2025

CHAPTER 482

HOUSE BILL NO. 1278

(Representatives Lefor, Vigesaa, Vollmer, Swiontek)
(Senators Bekkedahl, Hogue, Patten, Rummel)

AN ACT to create and enact two new sections to chapter 54-11 of the North Dakota Century Code, relating to the management of moneys in the state treasury and a cash management board; to provide a report; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-11 of the North Dakota Century Code is created and enacted as follows:

Moneys in the state treasury - Management.

The state treasurer in coordination with the Bank of North Dakota and the cash management board shall review existing policies and procedures and, if necessary, develop policies and procedures for the management of moneys in the state treasury. For purposes of this section, moneys in the state treasury:

1. Include the general fund and special funds.
2. Exclude the veterans' postwar trust fund and funds invested by the state investment board and the board of university and school lands.

SECTION 2. A new section to chapter 54-11 of the North Dakota Century Code is created and enacted as follows:

Cash management board - Report.

1. The cash management board is created to:
 - a. Review existing policies and, if necessary, develop policies in coordination with the state treasurer and the Bank of North Dakota for the management of moneys in the state treasury.
 - b. Provide transparency regarding the state's consolidated financial position.
 - c. Identify state agency and interagency cash flow characteristics and processes.
 - d. Review state agency cash management technology and opportunities to improve state cash management practices.
 - e. Review state agency and statewide operational cash flow requirements and forecast cash flow needs.
 - f. Identify cash management practices to improve cash structures and to provide transaction efficiencies.

2. The board shall review existing policies and, if necessary, develop policies with a goal of managing moneys in the state treasury to ensure principal preservation and adequate liquidity for the state's cash flow needs while maximizing total return based on an appropriate level of statewide risk. The policies may include:
 - a. An appropriate tiered cash flow structure.
 - b. Authorization to commingle, for management purposes, moneys in the state treasury when determined to be advantageous.
 - c. Prioritization to optimize cash flow structuring to align with the mission of state agencies and the state's consolidated financial position.
3. The Bank of North Dakota shall provide staff services to the board.
4. Upon request, a state agency shall provide information to the board regarding cash flow and liquidity needs, including projections for the timing of revenues and expenditures.
5. The board consists of:
 - a. The governor or the governor's designee who shall serve as the chairman;
 - b. The director of the office of management and budget or the director's designee;
 - c. The president of the Bank of North Dakota or the president's designee;
 - d. Two members of the house of representatives appointed by the house majority leader;
 - e. Two members of the senate appointed by the senate majority leader; and
 - f. The state treasurer or the state treasurer's designee.
6. Legislative members of the board are entitled to receive compensation and expense reimbursement as provided under section 54-03-20 and reimbursement for mileage as provided by law for state officers. The legislative council shall pay the compensation and expense reimbursement for the legislative members.
7. The board shall provide at least one report each fiscal year to the budget section.

SECTION 3. EXPIRATION DATE. This Act is effective through June 30, 2028, and after that date is ineffective.

Approved April 10, 2025

Filed April 11, 2025

CHAPTER 483

SENATE BILL NO. 2050

(State and Local Government Committee)
(At the request of the Attorney General)

AN ACT to amend and reenact subsection 1 of section 54-12-24 of the North Dakota Century Code, relating to the director of the state crime laboratory.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 54-12-24 of the North Dakota Century Code is amended and reenacted as follows:

1. A state crime laboratory is created as a division of the office of the attorney general. This division consists of a director, the state toxicologist, and such other personnel as may be appointed by the attorney general. The state crime laboratory may establish and charge fees for services rendered. The state crime laboratory must be administratively separated from the bureau of criminal investigation. The director ~~serves at the pleasure of the attorney general and~~ is entitled to receive a salary set by the attorney general within the limits of legislative appropriation.

Approved March 14, 2025

Filed March 14, 2025

CHAPTER 484

HOUSE BILL NO. 1308

(Representatives Satrom, Brandenburg, Schneider, Ostlie)
(Senators Clemens, Conley)

AN ACT to amend and reenact sections 54-12-33 and 54-12-33.1 of the North Dakota Century Code, relating to duties of the human trafficking commission and immunity for reporting human trafficking; to provide a continuing appropriation; and to provide a contingent effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁰⁹ **SECTION 1. AMENDMENT.** Section 54-12-33 of the North Dakota Century Code is amended and reenacted as follows:

54-12-33. Human trafficking commission.

1. The attorney general ~~may shall~~ establish a human trafficking commission, comprised of designees from state, local, and tribal agencies which have contact with victims or perpetrators, nongovernmental organizations that represent or work with victims, and other organizations and individuals, including victims, whose expertise would benefit the commission. ~~The attorney general may establish the commission by appointing an existing statewide coalition.~~ In addition to the attorney general designees, the commission must include:
 - a. A legislator from the majority party, appointed by the chairman of the legislative management;
 - b. A legislator from the minority party, appointed by the chairman of the legislative management;
 - c. An individual from the department of health and human services child and family services division, appointed by the commissioner of the department of health and human services;
 - d. An individual representing a rural school district, appointed by the superintendent of public instruction;
 - e. An individual representing one of the state's largest ten school districts, appointed by the superintendent of public instruction;
 - f. An individual representing tribal nations, appointed by the North Dakota united tribes tribal chairman's association;
 - g. An individual from the North Dakota state's attorneys' association, appointed by the executive director of the North Dakota state's attorneys' association; and

²⁰⁹ Section 54-12-33 was also amended by section 2 of House Bill No. 1308, chapter 484.

- h. An individual from the governor's office, appointed by the governor.
- 2. The attorney general or the attorney general's designee shall serve as the presiding officer of the commission.
- 3. The commission shall:
 - a. Collect and evaluate data on human trafficking in this state and submit an annual report to the attorney general, governor, and legislative assembly;
 - b. Promote awareness and provide information to education personnel and the general public about human trafficking, victim remedies and services, and trafficking prevention;
 - c. Promote training on human trafficking prevention and victim services for state and local employees and members of regulated occupations and professions who may have recurring contact with victims or perpetrators;
 - d. Promote training on human trafficking investigation and prosecution and on missing and murdered indigenous people with the North Dakota state's attorney's association, the North Dakota peace officers standards and training board, and state and local law enforcement agencies;
 - e. Present annually regarding human trafficking awareness and prevention at professional development conferences directed toward teachers, administrators, and support staff which are hosted by educational organizations in this state or by the department of public instruction; ~~and~~
 - f. Facilitate annual prevention and awareness education for students on human trafficking and exploitation; and
 - g. Conduct other appropriate activities.

²¹⁰ **SECTION 2. AMENDMENT.** Section 54-12-33 of the North Dakota Century Code is amended and reenacted as follows:

54-12-33. Human trafficking commission.

- 1. The attorney general shall establish a human trafficking commission, comprised of designees from state, local, and tribal agencies which have contact with victims or perpetrators, nongovernmental organizations that represent or work with victims, and other organizations and individuals, including victims, whose expertise would benefit the commission. In addition to the attorney general designees, the commission must include:
 - a. A legislator from the majority party, appointed by the chairman of the legislative management;
 - b. A legislator from the minority party, appointed by the chairman of the legislative management;

²¹⁰ Section 54-12-33 was also amended by section 1 of House Bill No. 1308, chapter 484.

- c. An individual from the department of health and human services child and family services division, appointed by the commissioner of the department of health and human services;
 - d. An individual representing a rural school district, appointed by the superintendent of public instruction;
 - e. An individual representing one of the state's largest ten school districts, appointed by the superintendent of public instruction;
 - f. An individual representing tribal nations, appointed by the North Dakota united tribes tribal chairman's association;
 - g. An individual from the North Dakota state's attorneys' association, appointed by the executive director of the North Dakota state's attorneys' association; and
 - h. An individual from the governor's office, appointed by the governor.
2. The attorney general or the attorney general's designee shall serve as the presiding officer of the commission.
3. The commission shall:
 - a. Collect and evaluate data on human trafficking in this state and submit an annual report to the attorney general, governor, and legislative assembly;
 - b. Promote awareness and provide information to education personnel and the general public about human trafficking, victim remedies and services, and trafficking prevention;
 - c. Promote training on human trafficking prevention and victim services for state and local employees and members of regulated occupations and professions who may have recurring contact with victims or perpetrators;
 - d. Promote training on human trafficking investigation and prosecution and on missing and murdered indigenous people with the North Dakota state's attorney's association, the North Dakota peace officers standards and training board, and state and local law enforcement agencies;
 - e. Present annually regarding human trafficking awareness and prevention at professional development conferences directed toward teachers, administrators, and support staff which are hosted by educational organizations in this state or by the department of public instruction;
 - f. Facilitate annual prevention and awareness education for students on human trafficking and exploitation, in accordance with the new section to chapter 15.1-09, as created by Senate Bill No. 2330, as approved by the sixty-ninth legislative assembly; and
 - g. Conduct other appropriate activities.

SECTION 3. AMENDMENT. Section 54-12-33.1 of the North Dakota Century Code is amended and reenacted as follows:

54-12-33.1. Human trafficking prevention training - Exemptions - Immunity - Continuing appropriation.

1. As used in this section:
 - a. "Human trafficking" means human trafficking as defined in chapter 12.1-41.
 - b. "Human trafficking commission" means the commission established under section 54-12-33.
 - c. "Lodging establishment" means any hotel, motel, resort, building, or structure that is used to provide sleeping accommodations to transient guests.
 - d. "Proprietor" means the person in charge of a lodging establishment and includes an owner, lessee, and manager.
 - e. "Regulated occupation or profession" includes a profession regulated by the education standards and practices board, an occupation or profession regulated under title 43, and an attorney licensed to practice law in this state.
2. ~~Within ninety days of the effective date of this section, the~~The human trafficking commission shall establish an educational training program with a focus on the accurate and prompt identification and reporting of, or response to, suspected human trafficking. To the extent possible, the human trafficking commission shall allow the use of existing training modules and materials. The training must include:
 - a. Human trafficking awareness;
 - b. How to recognize potential victims of human trafficking;
 - c. How to identify activities commonly associated with human trafficking; and
 - d. Effective responses to human trafficking situations, including how to report suspected human trafficking to law enforcement.
3. A proprietor may:
 - a. Provide each onsite employee with the training described in subsection 2.
 - b. In an employee roster or in each employee's personnel file, annually certify each employee has received the training approved by the human trafficking commission.
 - c. Conduct an ongoing awareness campaign for employees which addresses the information described in subsection 2.
4. A proprietor may post and maintain a poster approved and provided by the human trafficking commission which contains the information described in subsection 2. The poster must include the contact information for an organization that provides assistance and support services to human trafficking victims. The poster may be visibly displayed at the lodging establishment's check-in area, lobby, or transient guest services.

5. An entity that regulates an occupation or profession may accept the training described in subsection 2 for continuing education credit.
6. A proprietor or employee of a lodging establishment or a member of a regulated occupation or profession who acts in good faith is immune from liability in any civil action for reporting suspected human trafficking activities but a member of a regulated occupation or profession may be subject to disciplinary action for the reporting if the reporting violates an applicable ethics regulation imposed by the member's regulated occupation or profession.
- ~~6-7.~~ The human trafficking commission may seek, apply for, accept, and receive any donation, gift, grant, or bequest offered or tendered from public or private sources for the purpose of furthering the objectives of the human trafficking prevention training and incentivizing proprietors and members of a regulated occupation or profession to participate in the human trafficking prevention training. All moneys received or accepted under this subsection are appropriated on a continuing basis to the human trafficking commission.

SECTION 4. CONTINGENT EFFECTIVE DATE. Section 2 of this Act becomes effective if the new section to chapter 15.1-09 of the North Dakota Century Code, as created by Senate Bill No. 2330, is approved by the sixty-ninth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 485

HOUSE BILL NO. 1199

(Representatives Holle, Davis, Finley-DeVill, Brown, Frelich, Grueneich, Porter)
(Senators Braunberger, Cory, Patten, Marcellais)

AN ACT to create and enact a new section to chapter 54-12 of the North Dakota Century Code, relating to the collection of data on missing persons and the missing indigenous people task force; to amend and reenact section 54-12-34 of the North Dakota Century Code, relating to the criminal justice data information sharing system; to provide for a legislative management report; to provide an appropriation; to provide a continuing appropriation; to provide for a transfer; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-12-34 of the North Dakota Century Code is amended and reenacted as follows:

54-12-34. Criminal justice data information sharing system.

1. The attorney general shall maintain a criminal justice data information sharing system within the bureau of criminal investigation for the exchange of criminal justice data information by judicial, law enforcement, and emergency services agencies, and the department of transportation. Only an authorized individual employed by a criminal justice agency as defined in section 12-60-16.1, the department of transportation, a state court, or the department of emergency services or any other individual approved by the attorney general or the attorney general's designee may access the system. For access to the criminal justice data information sharing system, an individual shall undergo a criminal history background check, including a fingerprint check, and meet eligibility access criteria in accordance with the rules adopted under this section.
2. The criminal justice data information sharing system may be accessed only in accordance with rules adopted under this section. Any law enforcement record in the possession of the attorney general through the criminal justice data information sharing system is an exempt record. Criminal justice data information about an offense committed by a child if the offense has not been transferred under section 27-20.4-21 to another court having jurisdiction of the offense and information about a child victim or witness is confidential.
3. The attorney general shall provide staff to maintain the criminal justice data information system and provide administrative support for the advisory board.
4. A criminal justice information advisory board must be appointed, consisting of:
 - a. The chief justice of the supreme court or the chief justice's designee.
 - b. The director of the department of emergency services or the director's designee.

- c. The director of the department of corrections and rehabilitation or the director's designee.
 - d. The superintendent of the state highway patrol or the superintendent's designee.
 - e. The chief of the bureau of criminal investigation, who is the chairman of the advisory board.
 - f. The chief information officer of the state or the chief information officer's designee.
 - g. The director of the department of transportation or the director's designee.
 - h. A representative of a city police department, appointed by the attorney general from a list of two or more nominees from the North Dakota chiefs of police association.
 - i. A representative of a county sheriff's office, appointed by the attorney general from a list of two or more nominees from the North Dakota sheriffs and deputies association.
 - j. A state's attorney, appointed by the attorney general from a list of two or more nominees from the North Dakota state's attorney's association.
 - k. A city government representative, appointed by the attorney general from a list of two or more nominees from the league of cities.
 - l. A county government representative, appointed by the attorney general from a list of two or more nominees from the association of counties.
5. Advisory board members who are not permanent full-time state employees are entitled to compensation of seventy-five dollars per day and mileage and expenses as provided by law for state employees. With the exception of the chief of the bureau of criminal investigation, advisory board members appointed under this section serve staggered three-year terms.
 6. The attorney general, after consultation with the advisory board, shall adopt rules to establish eligibility for access to the criminal justice data information sharing system; to implement the collection, storage, and sharing of criminal justice information and the systems necessary to perform those functions; and to address the operation of the advisory board.
 7. ~~The attorney general shall implement a missing person repository for authorized users to enter missing person information in accordance with rules established by the bureau of criminal investigation. Missing person information, including demographic data related to indigenous people, which is entered by an authorized user or made available to an authorized user by a federally recognized tribe in this state must be included in the repository. Records under this subsection are exempt records that may be disclosed only in accordance with bureau of criminal investigation rules.~~

SECTION 2. A new section to chapter 54-12 of the North Dakota Century Code is created and enacted as follows:

Missing indigenous people task force - Membership - Duties - Collection of data on missing persons - Continuing appropriation - Legislative management report.

1. There is created a missing indigenous people task force. The attorney general, or the attorney general's designee, shall serve as the chairman of the task force and the attorney general's office shall provide staff services for the task force.
2. The task force shall meet at least once each quarter.
3. The task force membership must include the following members:
 - a. The superintendent of public instruction, or the superintendent's designee;
 - b. The chief of the bureau of criminal investigation, or the chief's designee;
 - c. The executive director of the Indian affairs commission, or the executive director's designee;
 - d. The superintendent of the state highway patrol, or the superintendent's designee;
 - e. A representative from each of the federally recognized Indian nations, tribes, or bands in this state, appointed by the attorney general from a list of two or more nominees from the chairman of each tribe;
 - f. Two members of the house of representatives, one appointed by the majority leader of the house of representatives and one appointed by the minority leader of the house of representatives; and
 - g. Two members of the senate, one appointed by the majority leader of the senate and one appointed by the minority leader of the senate.
4. While respecting the government-to-government relationship between the state and each tribe, the primary duties of the task force are to:
 - a. Identify jurisdictional barriers between federal, state, local, and tribal law enforcement and community agencies;
 - b. Identify causes that contribute to missing and murdered indigenous people and make recommendations to federally recognized tribes in the state to reduce cases of missing and murdered indigenous people;
 - c. Identify strategies to improve interagency communication, cooperation, and collaboration to remove jurisdictional barriers and increase reporting and investigation of missing indigenous people;
 - d. Administer the missing indigenous people grant fund; and
 - e. Consult with the United States department of justice office of tribal justice to invite a federal liaison or representative for consultation on the federal Savanna's Act [Pub. L. 116-165; 134 Stat. 760; 25 U.S.C. 5701 et seq.].

5. The task force shall submit a report of its activities, findings, and any recommendations to the legislative management by August first of each year. The report must include:
 - a. The number of indigenous individuals reported missing in the missing person repository;
 - b. The number of indigenous individuals recovered as a result of the missing person repository;
 - c. The number of indigenous individuals recovered as a result of the missing indigenous people grant fund;
 - d. The number of missing indigenous individuals searched for and recovered;
 - e. The number of missing indigenous individuals entries into the missing person repository by year;
 - f. An analysis by year of the characteristics of missing indigenous people, including age, gender, child protective services involvement status, foster case status, duration of time missing, and estimated related cause;
 - g. The number of actively missing indigenous people by year;
 - h. A description of the activities and progress related to improving interagency communication, cooperation, and collaboration and removing interjurisdictional barriers; and
 - i. Any other information the task force finds relevant to the task force's mission.
6. The task force may make recommendations to federal, state, and local agencies in carrying out the task force's duties.
7. Money in the missing indigenous people grant fund is appropriated on a continuing basis to the task force for the purpose of supporting the efforts of a federally recognized Indian nation, tribe, or band in this state, to identify, report, and find missing indigenous people. The director of the office of management and budget shall transfer any funds remaining in the missing indigenous people grant fund after July 31, 2035, to the general fund.
8. The attorney general shall implement a missing person repository for authorized users to enter missing person information in accordance with rules established by the bureau of criminal investigation. Missing person information, including demographic data related to indigenous people, which is entered by an authorized user or made available to an authorized user by a federally recognized tribe in this state must be included in the repository. Records under this subsection are exempt records that may be disclosed only in accordance with bureau of criminal investigation rules.

SECTION 3. APPROPRIATION - TRANSFER - MISSING INDIGENOUS PEOPLE GRANT PROGRAM FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the missing indigenous people grant fund for the purpose of

supporting the efforts of a federally recognized Indian nation, tribe, or band in this state, to identify, report, and find missing indigenous people, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 4. EXPIRATION DATE. Sections 1 and 2 of this Act are effective through July 31, 2035, and after that date are ineffective.

SECTION 5. EMERGENCY. This Act is declared to be an emergency measure.

Approved May 1, 2025

Filed May 2, 2025

CHAPTER 486

HOUSE BILL NO. 1233

(Representatives Lefor, Vigesaa)
(Senator Bekkedahl)

AN ACT to amend and reenact sections 15-10-12.1, 48-01.2-25, 54-16-03, 54-16-04, 54-16-04.1, 54-16-09, and 54-16-13 of the North Dakota Century Code, relating to the powers and duties of the emergency commission and budget section; to repeal sections 54-16-04.2, 54-16-08, and 54-16-11.1 of the North Dakota Century Code, relating to the powers and duties of the emergency commission; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-10-12.1 of the North Dakota Century Code is amended and reenacted as follows:

15-10-12.1. Acceptance of buildings and campus improvements - Legislative approval.

The state board of higher education may authorize campus improvements and building maintenance on land under the control of the board which are financed by donations, gifts, grants, and bequests if the cost of the improvement or building maintenance is not more than seven hundred thousand dollars. The consent of the legislative assembly is required for construction of any building or any addition to a building on land under the control of the board which is financed by donations, gifts, grants, and bequests. The consent of the legislative assembly is required for campus improvements or building maintenance financed by donations, gifts, grants, and bequests if the cost of the improvements or maintenance is more than seven hundred thousand dollars. During the time the legislative assembly is not in session, except for the ~~six~~three months preceding the convening of a regular session and the three months following the close of a regular session, and unless otherwise restricted by previous legislative action or other law, the budget section may authorize the use of land under the control of the board and construct buildings financed by donations, gifts, grants, and bequests and campus improvements and building maintenance financed by donations, gifts, grants, and bequests if the cost of the improvement or maintenance is more than seven hundred thousand dollars. Any project request submitted to the budget section for the construction of a building financed by donations, gifts, grants, and bequests must include the removal of a building or buildings with an equivalent or greater total number of square feet compared to the proposed building. The budget section approval must comply with section 54-35-02.9 and must include a specific dollar limit for each building, campus improvement project, or maintenance project. The state board of higher education may authorize the sale of any real property or buildings which an institution of higher learning has received by gift or bequest. The board shall prescribe such conditions for the sale of the property as it determines necessary. The conditions must include requiring an appraisal and public auction or advertisement for bids, unless the gift instrument requires a different process. If the state board of higher education submits a request for campus improvements, building maintenance, or to construct buildings under this section to the budget section for approval, the legislative council shall notify each member of the legislative assembly of the date of the budget section meeting at which

the request will be considered and provide a copy of the meeting agenda to each member of the legislative assembly. The chairman of the budget section shall allow any member of the legislative assembly an opportunity to present testimony to the budget section regarding any such request.

SECTION 2. AMENDMENT. Section 48-01.2-25 of the North Dakota Century Code is amended and reenacted as follows:

48-01.2-25. Authorization of expansion of public improvements by legislative assembly or budget section.

Notwithstanding any other provision of law, a state agency or institution may not significantly change or expand a public improvement beyond what has been approved by the legislative assembly unless the legislative assembly approves the change or expansion of the project or any additional expenditure for the project. During the time the legislative assembly is not in session, and unless otherwise restricted by previous legislative action or other law, the budget section may approve a change or expansion or any additional expenditure for the project. However, the budget section may not approve a change, expansion, or additional expenditure for the project during the ~~six~~^{three} months preceding the convening of a regular session or during the three months following the close of a regular session except for changes in project scope and related additional expenditures resulting from an unforeseen emergency event. Any request considered by the budget section must comply with section 54-35-02.9. For the purposes of this section, a significant change or expansion includes the construction of an addition to a building, including skywalks or other type of enclosed walkway, or any other substantial increase in the area of the building, but does not include the construction of building entrances and stairwells.

SECTION 3. AMENDMENT. Section 54-16-03 of the North Dakota Century Code is amended and reenacted as follows:

54-16-03. Unlawful to expend more than appropriated - ~~May secure approval from commission for use of other funds~~ - Deficit void - Submission of petition to emergency commission.

1. A state officer may not expend, or agree or contract to expend, any amount in excess of the sum appropriated for that expenditure, and may not expend an amount appropriated for any specific purpose or fund or for any other purpose without prior approval in the form of a transfer approval ~~or expenditure authorization~~ as provided in this chapter.
2. When an emergency exists, a state officer may submit to the secretary of the emergency commission an itemized petition requesting approval to:
 - a. Transfer money and spending authority between funds or line items pursuant to section 54-16-04;
 - b. ~~Accept and expend~~ special funds or federal funds pursuant to section 54-16-04.1;
 - c. ~~Accept and expend state contingency funds~~ Transfer appropriation authority from the state contingencies appropriation pursuant to section 54-16-09; or
 - d. ~~Accept and expend other funds~~ pursuant to section 54-16-04.2; or
 - e. Recommend full-time equivalent positions pursuant to section 54-16-04.3.

3. The secretary of the emergency commission shall provide a copy of each petition submitted under this section to the office of management and budget and legislative council. The office of management and budget may provide an analysis and prioritization of emergency requests to the emergency commission.
4. Any petition to the emergency commission by a state officer must be considered by the emergency commission. A petition under this section must be approved or recommended by the emergency commission before submission for consideration by the budget section.
5. Any debt or deficit created by a state officer in violation of this section is void.

SECTION 4. AMENDMENT. Section 54-16-04 of the North Dakota Century Code is amended and reenacted as follows:

54-16-04. May order transfer of moneys between funds - Line item transfers - ~~Order may draw from state treasury~~Budget section approval.

The emergency commission, upon the advice of the office of management and budget and approval by the budget section of the legislative management, may order money or spending authority transferred from one fund or line item to another fund or line item belonging to or appropriated for the same institution or board or the same state enterprise, ~~may order a transfer of spending authority from the state contingencies appropriation, or, in an extremity, may authorize money to be drawn from the state treasury to meet the emergency until the legislative assembly can make an appropriation available. The following transfers, if authorized by the emergency commission, require the approval of the budget section of the legislative management:~~

1. ~~A transfer of moneys or spending authority which would eliminate or make impossible the accomplishment of a program or objective funded by the legislative assembly.~~
2. ~~A transfer exceeding fifty thousand dollars from one fund or line item to another fund or line item, unless the transfer is necessary to comply with a court order or to avoid:~~
 - a. ~~An imminent threat to the safety of people or property due to a natural disaster or war crisis; or~~
 - b. ~~An imminent financial loss to the state. Any request considered by the budget section must comply with section 54-35-02.9. The budget section, when considering requests under this section, may approve the request in the form received from the emergency commission or may amend and approve the request. A request amended and approved by the budget section is deemed to be approved by the emergency commission. Approval by the budget section is not required if the transfer is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state.~~

SECTION 5. AMENDMENT. Section 54-16-04.1 of the North Dakota Century Code is amended and reenacted as follows:

54-16-04.1. May authorize acceptance and disbursement of special funds or federal funds - Budget section approval.

1. The emergency commission, upon the advice and counsel of the office of management and budget ~~and approval by the budget section of the legislative management~~, may authorize the state treasurer to receive any moneys not appropriated by the legislative assembly which are made available by any federal agency and a state officer to accept any special funds or federal funds not appropriated by the legislative assembly which the legislative assembly has not indicated an intent to reject.
2. ~~The emergency commission may authorize passthrough federal funds from one state agency to another state agency. A request to expend federal funds received by a state agency and passed through to any other state agency may be approved only under this section.~~
3. ~~The emergency commission, with approval of the budget section of the legislative management if the amount under consideration exceeds fifty thousand dollars but does not exceed three million dollars, may authorize any state officer to receive and expend federal moneys from the date such moneys become available until June thirtieth following the next regular legislative session.~~
4. ~~The emergency commission, with approval of the budget section of the legislative management if the amount under consideration exceeds three million dollars, may authorize any state officer to receive and expend federal moneys from the date such moneys become available until June thirtieth following the next regular legislative session. The budget section may approve a request under this subsection in the form received from the emergency commission or may amend and approve a request. A request amended and approved by the budget section is deemed to be approved by the emergency commission. Any request considered by the budget section must comply with section 54-35-02.9.~~
5. Any special funds or federal funds made available to this state which ~~are have~~ not been appropriated by the legislative assembly for a specific purpose or program and which are not required to be spent prior to the next regular legislative session, upon the approval for acceptance by the emergency commission and the budget section of the legislative management, must be deposited into a separate fund until the legislative assembly appropriates the funds.
- 6-a-3. Approval by the budget section of the legislative management is not required for the acceptance of special funds or federal funds if the acceptance is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state.
 - b. ~~Budget section approval is required under this section before the expenditure of any funds accepted under these conditions.~~
7. ~~The expenditures must be consistent with state law and with the terms of the grant and the program may not commit the legislative assembly for matching funds in the future unless the program has first been approved by the legislative assembly.~~
- 8-4. A state officer may not expend funds received from the federal government which have not been specifically appropriated by the legislative assembly except as provided in this chapter.

- ~~9. A state officer shall submit an expenditure plan with a request for approval under this section of expenditure of federal funds combined with or as part of a block grant for a new or existing program.~~
- ~~10. The cumulative amount of requests to expend funds that may be approved each biennium under this section may not exceed fifty million dollars. Any request received under this section which, if approved, would result in more than fifty million dollars of funds being approved for expenditure under this section during the biennium may be approved only by the legislative assembly during a regular legislative session or during a special legislative session called by the governor. The director of the office of management and budget shall notify the members of the legislative assembly of any requests submitted which, if approved, would exceed the limit under this subsection.~~
- ~~11. Any request received under this section to expend funds received through a federal act that makes available to the state more than fifty million dollars may be approved only by the legislative assembly during a regular legislative session or a special legislative session called by the governor.~~
- ~~12. Subsections 10 and 11 do not apply to federal highway administration emergency relief funding received by the state or to disaster or emergency recovery funding received by the state pursuant to chapter 37-17.1.~~

SECTION 6. AMENDMENT. Section 54-16-09 of the North Dakota Century Code is amended and reenacted as follows:

54-16-09. Transfer of spending authority from state contingencies appropriation - Budget section approval.

~~The emergency commission, upon the advice of the office of management and budget, may order a transfer of spending authority from the state contingencies appropriation, which must be deducted from the state contingencies line item in the appropriation to the office of management and budget and added to the appropriate line item in the appropriation of the state officer who requested the transfer. The emergency commission, with approval of the budget section of the legislative management if the amount under consideration exceeds fifty thousand dollars, shall certify, by an approved motion recorded in its minutes, that the material, services, or purposes for which the authority was transferred are necessary and proper expenditures and, if an appropriation for that purpose was made by the legislative assembly, that the appropriation for that purpose is insufficient. Approval by the budget section of the legislative management is not required if the transfer is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state.~~

1. The emergency commission, upon the advice and counsel of the office of management and budget and approval by the budget section of the legislative management, may order a transfer of general fund, special funds, or federal funds appropriation authority from the state contingencies appropriation, which must be deducted from the state contingencies appropriation to the office of management and budget and added to the appropriate line item in the appropriation of the state officer approved for the transfer.
2. Any request considered by the budget section must comply with section 54-35-02.9. The budget section, when considering requests under this section, may approve the request in the form received from the emergency

commission or may amend and approve the request. A request amended and approved by the budget section is deemed to be approved by the emergency commission.

3. Approval by the budget section is not required if the transfer of appropriation authority is necessary to avoid an imminent threat to the safety of people or property due to a natural disaster or war crisis or an imminent financial loss to the state.

SECTION 7. AMENDMENT. Section 54-16-13 of the North Dakota Century Code is amended and reenacted as follows:

54-16-13. Authority to borrow funds for a disaster - Continuing appropriation.

Any board, agency, commission, or officer of the state, subject to the approval of the emergency commission and the budget section of the legislative management, may borrow moneys from the Bank of North Dakota for the purpose of responding to a disaster within the state as declared by the governor pursuant to chapter 37-17.1. The amount of moneys borrowed is limited to the amount of any estimated federal reimbursement for repair, recovery, or response relating to a disaster within the state, unless the state contingencies appropriation is inadequate to pay the estimated state share of the costs, then moneys may be borrowed up to one hundred percent of the costs incurred by the agency. Any interest payments on the funds borrowed must be paid from funds available ~~transferred~~ to the agency from the state contingencies appropriation as authorized by the emergency commission ~~or other funds as authorized by the emergency commission and budget section.~~ Any moneys borrowed from the Bank of North Dakota pursuant to this section are ~~hereby~~ appropriated and may be spent by the board, agency, commission, or officer of this state for the repair, recovery, or response relating to a disaster within the state. If it appears to the borrower that at the end of the biennium the amount available to repay the amount borrowed plus interest is insufficient to totally repay the Bank of North Dakota, the borrower shall request from the legislative assembly a deficiency appropriation sufficient for the repayment of the amount borrowed plus interest.

SECTION 8. REPEAL. Sections 54-16-04.2, 54-16-08, and 54-16-11.1 of the North Dakota Century Code are repealed.

SECTION 9. APPROPRIATION. The funds appropriated 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, and from other funds derived from special funds and federal funds, to the office of management and budget for the purpose of making funds available to the emergency commission for state contingencies, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

State contingencies - General fund	\$750,000
State contingencies - Special funds	20,000,000
State contingencies - Federal funds	<u>50,000,000</u>
Total all funds	\$70,750,000
Less other funds	<u>70,000,000</u>
Total general fund	\$750,000

Approved April 10, 2025

Filed April 11, 2025

CHAPTER 487

SENATE BILL NO. 2256

(Senators Sorvaag, Patten, Sickler, Davison)
(Representatives Nathe, Swiontek)

AN ACT to create and enact a new section to chapter 54-17 of the North Dakota Century Code, relating to a research technology park grant program; to provide an appropriation; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-17 of the North Dakota Century Code is created and enacted as follows:

Research technology park grant program - North Dakota state university - Report.

1. The industrial commission shall administer the research technology park grant program. Subject to legislative appropriations, the industrial commission shall distribute grant funding to the research technology park at North Dakota state university. The research technology park shall use the funds in accordance with this section.
2. The research technology park at North Dakota state university is created to conduct exploratory, transformational, and innovative research and product development activities that advance intelligent autonomous mobile equipment opportunities and benefit the state's economy and environment through:
 - a. Exploratory research and development of technologies and methodologies that facilitate the prudent development and efficient use of the state's autonomous agriculture resources and defense capabilities;
 - b. Access to advanced robotics and artificial intelligence expertise for timely scientific and engineering activities to support the state's interests; and
 - c. Education and outreach related to the state's advanced technology resources, including the advancement of engineering and technical readiness.
3. Each biennium, the research technology park shall develop a plan for the use of funds received under this section, including industry matching requirements. The plan must be approved by the industrial commission.
4. The research technology park may:
 - a. Select research topics and projects;
 - b. Enter contracts or agreements with other institutions of higher education to support the selected research topics and projects;

- c. Enter contracts or agreements with federal, private, and nonprofit organizations to carry out the selected research topics and projects; and
- d. Accept donations, grants, contributions, and gifts from any source to finance the selected research topics and projects.
- 5. Annually, the research technology park shall report all research activities, product development, and accomplishments to the industrial commission and the legislative management. Upon request, the research technology park shall report to the appropriations committees of the legislative assembly on the use of funding under this section.

SECTION 2. APPROPRIATION - INDUSTRIAL COMMISSION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - RESEARCH TECHNOLOGY PARK GRANT PROGRAM - ONE-TIME FUNDING. There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the industrial commission for the purpose of providing grants under the research technology park grant program pursuant to section 1 of this Act, during the biennium beginning July 1, 2025, and ending June 30, 2027. Of the \$10,000,000, the industrial commission shall distribute a grant of \$5,000,000 to the research technology park without a matching requirement and may distribute a grant of up to \$5,000,000 to the research technology park only to the extent the research technology park provides one dollar of matching funds from nonstate sources for each dollar of grant funding distributed under the program. The appropriation in this section is considered a one-time funding item.

Approved May 5, 2025

Filed May 6, 2025

CHAPTER 488

HOUSE BILL NO. 1592

(Representatives Novak, D. Anderson, J. Olson, Tveit)
(Senators Boehm, Kessel)

AN ACT to amend and reenact sections 54-17.5-01, 54-17.5-02, 54-17.5-03, 54-17.5-04, and 54-17.5-06 of the North Dakota Century Code, relating to the appointments, operations, and powers of the lignite research council, the powers of the industrial commission, and public record exemptions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-17.5-01 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-01. Declaration of findings and public purpose.

The legislative assembly finds and declares that North Dakota's lignite industry produces approximately ~~thirty million~~ twenty-five million tons of lignite annually, contributing to our state's and nation's energy independence by generating electricity for more than two million people in the northern great plains region and by producing synthetic natural gas from coal that heats three hundred thousand homes and businesses in eastern states, which is equivalent to over twenty thousand barrels of oil per day. The legislative assembly further finds and declares that North Dakota's lignite industry generates over ~~twenty-eight thousand~~ twelve thousand direct and indirect jobs for North Dakota, nearly ~~three billion~~ six billion dollars in annual business volume, and over ~~one hundred three million~~ one hundred million dollars in annual tax revenue. The legislative assembly further finds and declares that it is an essential governmental function and public purpose to assist with the development and wise use of North Dakota's vast lignite resources by supporting a lignite research, development, and marketing program that promotes economic, efficient, and clean uses of lignite and products derived from lignite in order to maintain and enhance development of North Dakota lignite and its products; support educational activities relating to the lignite industry; preserve and create jobs involved in the production and utilization of North Dakota lignite; ensure economic stability, growth, and opportunity in the lignite industry; defend through litigation activities the production, use, and continued development of lignite as a vital state natural resource; and maintain a stable and competitive tax base for our state's lignite industry for the general welfare of North Dakota. The legislative assembly further finds and declares that development of North Dakota's lignite resources must be conducted in an environmentally sound manner that protects our state's air, water, and soil resources as specified by applicable federal and state law.

SECTION 2. AMENDMENT. Section 54-17.5-02 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-02. Lignite research council - Compensation - Appointment of members.

1. The industrial commission shall ~~consult~~ engage in regular and substantive consultation with the lignite research council ~~established by executive order in~~

matters of policy affecting the administration of the lignite research fund, including holding regularly scheduled grant meetings and activities, receiving formal written recommendations from the lignite research council, and providing opportunities for the lignite research council to review and provide input on proposed policies. Section 44-03-04 does not apply to members of the lignite research council appointed by the governor.

2. The lignite research council is composed of twenty-four members appointed by the governor from a list provided by the lignite energy council and two members of the legislative assembly appointed by the chairman of the legislative management. The governor may reject the list and request the lignite energy council submit a new list until the appointments are made. The lignite research council consists of:
 - a. Six members representing lignite processing;
 - b. Three members representing lignite research;
 - c. Four members representing state agencies involved with lignite activities;
 - d. Four members representing mining;
 - e. One member representing the workforce community;
 - f. One member representing political subdivisions;
 - g. Two members representing transmission interests;
 - h. One Native American tribal representative; and
 - i. Two members representing landowners.
3. The lignite research council shall elect its chairman and vice chairman from among its members.
4. The lignite research council shall elect five members from among its members to serve with the chairman and vice chairman as an executive committee, to act on behalf of the lignite research council between lignite research council meetings. The executive committee shall meet at the request of the chairman.
5. The lignite research council shall meet at least twice a year and additional meetings as the chairman determines necessary at a time and place to be fixed by the chairman. A special meeting must be called by the chairman on written request of any three members. A majority of active members constitutes a quorum.
6. The lignite research council shall recommend to the industrial commission the approval of grants, loans, or other financial assistance necessary or appropriate for funding, research, development, marketing, and educational projects, or activities, and any other matters related to this chapter.
7. Members of the lignite research council appointed by the governor serve at the pleasure of the governor.
8. A member of the lignite research council who is a member of the legislative assembly is entitled to receive per diem compensation at the rate as provided

under section 54-35-10 for each day devoted to attending meetings or performing other duties relating to the official business of the lignite research council. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the lignite research council who is a member of the legislative assembly.

SECTION 3. AMENDMENT. Section 54-17.5-03 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-03. Priority projects, processes, and activities.

1. In evaluating applications for funding from the lignite research fund for North Dakota's lignite research, development, and marketing program, the industrial commission and lignite research council shall give priority to those projects, processes, or activities that will preserve existing jobs and production, which will create the greatest number of new jobs and most additional lignite production and economic growth potential in coal-producing counties or those counties with recoverable coal reserves, which will attract matching private industry investment equal to at least fifty percent or more of the total cost, and which will result in development and demonstration of a marketable lignite product or products with a high level of probability of near term commercialization.
2. For marketing applications, priority must be given to those projects, processes, or activities that develop baseline information, implement specific marketing strategies, and otherwise contribute to the effective marketing of lignite and its products.
3. For reclamation applications, priority must be given to those projects, processes, or activities that will reduce unnecessary regulatory costs and assist in effectively reclaiming surface mined land to its original or better productivity as soon as possible.
4. Any projects, activities, or processes selected by the commission for funding must achieve the priorities and purposes of the program, must have undergone technical review and be determined to have technical merit, must have generated matching private industry investment, and must have received a favorable lignite research council recommendation.
5. The industrial commission shall take into consideration, in selecting independent technical reviewers, a reviewer's educational background, government or industry experience, and experience relevant to the subject matter of the proposed project or program.

SECTION 4. AMENDMENT. Section 54-17.5-04 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-04. Industrial commission powers.

The industrial commission is hereby granted all powers necessary or appropriate to carry out and effectuate the purposes of this chapter, including the power:

1. To make grants or loans, and to provide other forms of financial assistance as necessary or appropriate, to qualified persons for research, development, and marketing projects, processes, or activities directly related to lignite and products derived from lignite.

2. To make and execute contracts and all other instruments necessary or convenient for the performance of its powers and functions under this chapter, including the authority to contract for the administration of the lignite research, development, and marketing program.
3. To allocate sufficient funding from the lignite research, development, and marketing program to retain a technical advisor, as determined necessary by the lignite research council, to support program operations and provide expert analysis, project evaluation, research coordination, and industry engagement to advance the objective of the lignite research program and ensure the effective and strategic use of program funds.
4. To issue evidences of indebtedness as authorized in this chapter and to borrow money in an amount not to exceed six million dollars from the Bank of North Dakota for a period not to exceed five years on the terms and conditions as the Bank of North Dakota and the industrial commission may approve without the necessity of establishing or maintaining any reserve fund as otherwise required by section 54-17.5-05.
- 4-5. To receive and accept aid, grants, or contributions of money or other things of value from any source to be held, used, and applied to carry out the purposes of this chapter, subject to the conditions upon which the aid, grants, or contributions are made, including aid, grants, or contributions from any department, agency, or instrumentality of the United States for any purpose consistent with the provisions of this chapter.
- 5-6. To issue and sell evidences of indebtedness in an amount or amounts as the commission may determine, plus costs of issuance, financing, and any evidences of indebtedness funded reserve funds required by agreements with or for the benefit of holders of the evidences of indebtedness for the purpose of funding research, development, and marketing projects, processes, or activities directly related to lignite and products derived from lignite.
- 6-7. To refund and refinance its evidences of indebtedness from time to time as often as it is advantageous and in the public interest to do so, and to pledge any and all income and revenues derived by the commission under this chapter or from a project, process, or activity funded under this chapter to secure payment or redemption of the evidences of indebtedness.
8. To keep accurate records of all financial transactions performed under this chapter.
9. To adopt and enforce policies to effectuate the purpose of this chapter.

SECTION 5. AMENDMENT. Section 54-17.5-06 of the North Dakota Century Code is amended and reenacted as follows:

54-17.5-06. Access to commission records.

1. Materials and data submitted to, or made or received by, the commission, to the extent that the commission determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the commission or receiving commission services under this chapter, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota are subject to section 44-04-18.4.

2. A person or entity must file a request with the commission to have material designated as confidential under subsection 1. A request to have material designated as confidential is exempt as defined in section 44-04-17.1. The request must contain any information required by the commission, and must include at least the following:
 - a. A general description of the nature of the information sought to be protected.
 - b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
 - c. An explanation of why the information is not readily ascertainable by proper means by other persons.
 - d. A general description of any person or entity that may obtain economic value from disclosure or use of the information, and how the person or entity may obtain this value.
 - e. A description of the efforts used to maintain the secrecy of the information.
3. Any information submitted under subsection 2 is confidential. The commission shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the commission determines the information is either not relevant or not a trade secret, the commission shall notify the requester and the requester may ask for the return of the information and request within ten days of the notice. If no return is sought, the information and request are a public record.
4. The names or identities of independent technical reviewers on any project or program and the names of individual lignite council members making recommendations are confidential and may not be disclosed by the commission, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

Approved April 16, 2025

Filed April 16, 2025

CHAPTER 489

HOUSE BILL NO. 1554

(Representatives D. Anderson, Headland, O'Brien, Schauer, Vollmer, Novak)
(Senators Dwyer, Thomas)

AN ACT to amend and reenact section 54-17.8-06 of the North Dakota Century Code, relating to the North Dakota outdoor heritage advisory board; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-17.8-06 of the North Dakota Century Code is amended and reenacted as follows:

54-17.8-06. North Dakota outdoor heritage advisory board - Members.

1. There is created a North Dakota outdoor heritage advisory board consisting of twelve members. The governor shall appoint representatives from each of the groups listed in this section based upon recommendations made by the appropriate group. The advisory board consists of:
 - a. Four members from the agriculture community. The governor shall appoint one member from the North Dakota farm bureau, North Dakota farmers union, the North Dakota stockmen's association, and the North Dakota grain growers association.
 - b. Two members from the energy industry. The governor shall appoint one member from the North Dakota petroleum council and one member from the lignite energy council.
 - c. Four members from the conservation community. The governor shall appoint the members from the conservation community at large of statewide conservation groups.
 - d. One member from the business community from the greater North Dakota chamber.
 - e. One member from the North Dakota recreation and park association.
2. The governor also shall appoint to the advisory board one representative from each of the following agencies to serve as ex officio, nonvoting technical members: the department of parks and recreation, the department of water resources, the game and fish department, the office of the state forester, and the North Dakota association of soil conservation districts.
3. The term of office of each member of the board is four years and members may not serve more than two consecutive terms. The terms of office commence on the first day of July. The initial terms for the advisory board members must be staggered following a method determined by the board.

4. The advisory board shall select a chairman from among the members. Seven voting members is a quorum at any meeting.
5. The advisory board shall have at least two regular meetings each year and additional meetings as the chairman determines necessary at a time and place to be fixed by the chairman. Special meetings must be called by the chairman on written request of any five members.
6. The advisory board may not forward a grant application to the commission unless the application is for funding activities that fulfill the purposes of this chapter and the application receives a favorable recommendation from a majority of the advisory board members present at a meeting at which a quorum is present.
7. Members of the advisory board appointed by the governor serve at the pleasure of the governor.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 25, 2025

Filed March 26, 2025

CHAPTER 490

SENATE BILL NO. 2352

(Senators Dever, Hogan, Magrum, Mathern)

AN ACT to create and enact a new subsection to section 54-23.3-04 of the North Dakota Century Code, relating to authorization for children of inmates to reside at the Heart River correctional center.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subsection to section 54-23.3-04 of the North Dakota Century Code is created and enacted as follows:

To employ personnel and establish policies and procedures to authorize a child of a female inmate to reside at the Heart River correctional center under the care and general control of the female inmate if the child is eighteen months of age or younger. The policies must include considerations of the residential safety of the child, the length of time the child may reside within the facility, and treatment or other penological interest.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 491

HOUSE BILL NO. 1254

(Representatives Murphy, Hanson, Ista, Schreiber-Beck)
(Senators Barta, Cleary)

AN ACT to amend and reenact subsection 4 of section 54-24-03 of the North Dakota Century Code, relating to the powers and duties of the state librarian.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²¹¹ **SECTION 1. AMENDMENT.** Subsection 4 of section 54-24-03 of the North Dakota Century Code is amended and reenacted as follows:

4. Make library materials available to libraries throughout the state, to individuals connected with departments of state, and to citizens of North Dakota ~~who do not have adequate library facilities, under the rules of the state library.~~

Approved April 16, 2025

Filed April 16, 2025

²¹¹ Section 54-24-03 was also amended by section 1 of Senate Bill No. 2219, chapter 493.

CHAPTER 492

HOUSE BILL NO. 1344

(Representatives Heinert, Kiefert, Koppelman, Louser, O'Brien, Pyle, M. Ruby)
(Senators Roers, Sickler)

AN ACT to create and enact a new section to chapter 54-23.3 of the North Dakota Century Code, relating to use of local jails or correctional facilities for inmates sentenced to the physical custody of the department of corrections and rehabilitation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-23.3 of the North Dakota Century Code is created and enacted as follows:

Denial of admission.

1. If the department of corrections and rehabilitation is beyond capacity and denies the admission of an inmate sentenced to the physical custody of the department, the department may use local jails or correctional facilities and negotiate the terms of the agreement with each facility.
2. Admission of an inmate is denied by the department when a county requests admission to the department with a judgment of conviction ordering an individual to be placed with the physical custody of the department and the request for admission is denied or unavailable within seven days of notification to the department. When the denial of admission exceeds seven days, the department is responsible to pay the contracted rate beginning from the date of initial notification of the judgment of conviction and placement in the physical custody of the department.
3. An agreement under this section must include a minimum daily rate per inmate, including medical costs, to be paid by the department to the governing body of the jail or correctional facility beginning the day after the department receives notice from the district court of an order placing an individual in the care and custody of the department and ending on the admission date provided by the department.

Approved March 26, 2025

Filed March 27, 2025

CHAPTER 493**SENATE BILL NO. 2219**

(Senators Cleary, Rummel, Weber)
(Representatives Hanson, Mitskog, Murphy)

AN ACT to create and enact a new subsection to section 54-24-03 and a new subsection to section 54-24.2-01 of the North Dakota Century Code, relating to disbursement of surplus library materials and the eligibility of public libraries to receive financial aid.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²¹² **SECTION 1.** A new subsection to section 54-24-03 of the North Dakota Century Code is created and enacted as follows:

Disburse surplus library materials to libraries throughout the state.

SECTION 2. A new subsection to section 54-24.2-01 of the North Dakota Century Code is created and enacted as follows:

Complete and submit the annual report required under section 54-24.2-06 for the previous calendar year.

Approved March 17, 2025

Filed March 18, 2025

²¹² Section 54-24-03 was also amended by section 1 of House Bill No. 1254, chapter 491.

CHAPTER 494

HOUSE BILL NO. 1420

(Representatives Murphy, Ista, Schreiber-Beck)
(Senators Barta, Cleary)

AN ACT to amend and reenact subsection 2 of section 54-24.4-05 of the North Dakota Century Code, relating to state aid to public libraries.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 54-24.4-05 of the North Dakota Century Code is amended and reenacted as follows:

2. Approve the distribution of state funded grants to libraries, except for grants distributed under chapter 54-24.2.

Approved March 21, 2025

Filed March 24, 2025

CHAPTER 495

HOUSE BILL NO. 1081

(Government and Veterans Affairs Committee)
(At the request of the Office of Management and Budget)

AN ACT to repeal sections 54-27-21 and 54-27-21.1 of the North Dakota Century Code, relating to fixed asset minimum reporting value and documentation of asset acquisitions; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. REPEAL. Sections 54-27-21 and 54-27-21.1 of the North Dakota Century Code are repealed.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 17, 2025

Filed March 18, 2025

CHAPTER 496

SENATE BILL NO. 2049

(State and Local Government Committee)
(At the request of the Information Technology Department)

AN ACT to amend and reenact sections 54-35-15.2, 54-59-01, subsection 8 of section 54-59-05, and section 54-59-32 of the North Dakota Century Code, relating to executive steering committees of major information technology projects.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-35-15.2 of the North Dakota Century Code is amended and reenacted as follows:

54-35-15.2. Information technology committee - Powers and duties.

The information technology committee has continuing existence and may meet and conduct its business during the legislative session and in the interim between sessions. The committee shall:

1. Meet at least once each calendar quarter.
2. Receive a report from the chief information officer of the state at each meeting.
3. Review the business plan of the information technology department.
4. Review macro-level issues relating to information technology.
5. Review the activities of the information technology department.
6. Review statewide information technology standards.
7. Review the statewide information technology plan.
8. Review information technology efficiency and security.
9. Review established or proposed information technology programs and information technology acquisition by the executive and judicial branches.
10. Except as provided in subsection 11, receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the information technology department and the affected agency regarding any major information technology project of an executive branch agency. For the purposes of this subsection, a major project is an information technology project with a total cost of five hundred thousand dollars that meets one or more of the following criteria, as determined by the chief information officer:

- a. An estimated total cost, as defined by the information technology department, of five million dollars or more;
 - b. Requires one year or longer to reach operational status; or
 - c. Requires oversight due to its potential benefits, risks, public impact, visibility, or another significant reason.
11. a. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the state board of higher education regarding any major project of the state board of higher education or any institution under the control of the state board of higher education if the project:
- (1) Significantly impacts the statewide wide area network, including the campus access routers;
 - (2) Impacts the statewide library system; or
 - (3) Is an administrative project. An administrative project is a project that directly collects, aggregates, modifies, stores, or reports institutional student, financial, or human resources records or data and is provided primarily for administrative purposes.
- b. For the purposes of this subsection, a major project is a project with a total cost of five hundred thousand dollars or more.
12. Receive and review information from the information technology department and the affected agency regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five ~~hundred thousand~~million dollars as determined necessary by the information technology department.
13. Receive a report from the chief information officer before October first of each even-numbered year regarding proposed major information technology projects and other information technology issues for the next biennium.
14. Receive and review information, including a project startup report summarizing the project description, project objectives, business need or problem, cost-benefit analysis, and project risks and a project closeout report summarizing the project objectives achieved, project budget and schedule variances, and lessons learned, from the affected legislative or judicial branch agency regarding any information technology project of the legislative or judicial branch with a total cost of five ~~hundred thousand~~million dollars or more.
15. Receive information from the state board of higher education regarding higher education information technology planning, services, and major projects.

SECTION 2. AMENDMENT. Section 54-59-01 of the North Dakota Century Code is amended and reenacted as follows:

54-59-01. Definitions.

As used in this chapter:

1. "Agency" or "entity" does not include any agricultural commodity promotion group or any occupational or professional board.
2. "Cybersecurity" means processes or capabilities, wherein, systems, communications, and information are protected and defended against damage, unauthorized use or modification, and exploitation.
3. "Cybersecurity strategy" means a vision, plan of action, or guiding principles. Unless otherwise defined in this chapter, the term does not mean an associated operational plan.
4. "Department" means the information technology department.
5. "Information technology" means the use of hardware, software, services, and supporting infrastructure to manage and deliver information using voice, data, and video.
6. "Major information technology project" means a project that meets one or more of the following criteria, as determined by the chief information officer:
 - a. An estimated total cost, as defined by the department, of five million dollars or more;
 - b. Requires one year or longer to reach operational status; or
 - c. Requires oversight due to its potential benefits, risks, public impact, visibility, or other significant reason.
7. "Network services" means the equipment, software, and services necessary to transmit voice, data, or video.

SECTION 3. AMENDMENT. Subsection 8 of section 54-59-05 of the North Dakota Century Code is amended and reenacted as follows:

8. May request and review information regarding any information technology project of an executive branch agency with a total cost of between one hundred thousand and five ~~hundred thousand~~ million dollars as determined necessary by the department. The department shall present the information to the information technology committee on request of the committee.

SECTION 4. AMENDMENT. Section 54-59-32 of the North Dakota Century Code is amended and reenacted as follows:

54-59-32. Major information technology projects - ~~Appointment of executive steering committees~~ Oversight.

1. An executive branch state agency, excluding institutions under the control of the state board of higher education, proposing to conduct a major information technology project ~~as described in subsection 10 of section 54-35-15.2,~~ the department, and the office of management and budget, in consultation with the attorney general, shall collaborate on the procurement, contract

negotiation, and contract administration of the project. The agency, the department, and the office of management and budget, in consultation with the attorney general, shall approve the solicitation, contract, or agreement, and any amendments relating to the project before submission to the executive steeringoversight committee as provided in subsection 3.

2. The procurement officer and primary project manager for a major information technology project must meet the qualifications established by the department and the office of management and budget.
3. An executive steeringoversight committee must be appointed to oversee ~~each~~ a major information technology project. ~~The agency project sponsorchief information officer shall serve as~~appoint a chairman of the committee. ~~The executive steeringoversight committee must consist of~~may include the director of the office of management and budget or a designee of the director, the chief information officer or a designee of the officer, the head of the agency contracting for the project or a designee, the project sponsor, and a large project oversight analyst designated by the chief information officer. ~~The executive steeringoversight committee shall monitor the overall status of the project and review~~make recommendations to the head of the agency contracting for the project or a designee, and the project sponsor, regarding project decisions, including negotiation and execution of contracts, approval of project budgets, implementation of project schedules, assessment of project quality, and consideration of scope changes. ~~Any project decision declared by a member of the committee to be a major project decision requires at least four affirmative votes.~~
4. An agreement or contract, including an amendment, revision, or scope change, for a major information technology project may not be entered unless signed by the head of the contracting agency or a designee and the chief information officer or a designee of the officer.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 497

HOUSE BILL NO. 1535

(Representatives Davis, Finley-DeVille, Martinson, Satrom, Schneider, Brown,
Sanford, Swiontek)
(Senators Braunberger, Cory, Lee)

AN ACT to amend and reenact the new chapter to title 54 as created by section 1 of Senate Bill No. 2098, as approved by the sixty-ninth legislative assembly, and section 54-35-23 of the North Dakota Century Code, relating to a state alert notice system and the committee on tribal and state relations; and to provide for a report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-35-23 of the North Dakota Century Code is amended and reenacted as follows:

54-35-23. Committee on tribal and state relations - Membership - Duties.

1. The committee on tribal and state relations is composed of seven members as follows:
 - a. A chairman designated by the chairman of the legislative management;
 - b. Three members of the house of representatives, two of whom must be selected by the leader representing the majority faction of the house of representatives and one of whom must be selected by the leader representing the minority faction of the house of representatives; and
 - c. Three members of the senate, two of whom must be selected by the leader representing the majority faction of the senate and one of whom must be selected by the leader representing the minority faction of the senate.
2. The committee shall meet at such times and places as determined by the chairman. The legislative council shall provide staffing for the committee.
3. The committee shall conduct joint meetings with the North Dakota tribal governments' task force to study tribal-state issues, including government-to-government relations, human services, education, corrections, and issues related to the promotion of economic development and shall evaluate the feather alert notice, regarding missing indigenous individuals, under section 2 of this Act. After the joint meetings have concluded, the committee shall meet to prepare a report on its findings and recommendations, together with any legislation required to implement those recommendations, to the legislative management.
4. The members of the committee are entitled to compensation from the legislative council for attendance at committee meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses incurred in attending the meetings in the amounts provided by law for other state officers.

5. a. The North Dakota tribal governments' task force is composed of six members as follows:
 - (1) The executive director of the Indian affairs commission, or the executive director's designee;
 - (2) The chairman of the Standing Rock Sioux Tribe, or the chairman's designee;
 - (3) The chairman of the Spirit Lake Tribe, or the chairman's designee;
 - (4) The chairman of the Three Affiliated Tribes of the Fort Berthold Reservation, or the chairman's designee;
 - (5) The chairman of the Turtle Mountain Band of Chippewa Indians, or the chairman's designee; and
 - (6) The chairman of the Sisseton-Wahpeton Oyate of the Lake Traverse Reservation, or the chairman's designee.
- b. If the executive director of the Indian affairs commission or any of the tribal chairmen appoint a designee to serve on the task force, only one individual may serve as that designee during the biennium. A substitute designee may be appointed by the executive director of the Indian affairs commission or a tribal chairman in the event of the death, incapacity, resignation, or refusal to serve of the initial designee.

²¹³ **SECTION 2. AMENDMENT.** The new chapter to title 54 of the North Dakota Century Code as created by section 1 of Senate Bill No. 2098, as approved by the sixty-ninth legislative assembly, is amended and reenacted as follows:

Definitions.

As used in this chapter:

1. "Amber alert notice" means an urgent bulletin using the emergency alert system to air a description of a child who has been abducted.
2. "Blue alert notice" means an urgent bulletin using the emergency alert system to air a description of an individual or an individual's vehicle to aid in the apprehension of an individual who has threatened a law enforcement officer with a deadly weapon, used a deadly weapon against a law enforcement officer, caused a law enforcement officer to suffer serious bodily injury or death, abducted a law enforcement officer, or caused a law enforcement officer to go missing while on duty, and the individual has left the scene of the offense.
3. ~~"Missing endangered individual" means:~~
 - a. ~~A disabled adult or elderly vulnerable adult as defined in section 50-25.2-01 who has disappeared and whose disappearance has been reported to law enforcement;~~

²¹³ Section 54-67-01 was created by section 1 of Senate Bill No. 2098, chapter 549. Section 54-67-02 was created by section 1 of Senate Bill No. 2098, chapter 549. Section 54-67-04 was created by section 1 of Senate Bill No. 2098, chapter 549.

- ~~b. An individual who has a developmental disability as defined in section 25-01.2-01 who has disappeared and whose disappearance has been reported to law enforcement; or~~
- ~~c. An elderly adult who has disappeared, whose disappearance has been reported to law enforcement and the disappearance:~~

~~(1) Indicates the individual is believed to be in grave danger of serious bodily harm or death, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence of the imminent risk;~~

~~(2) Warrants a silver alert notice activation due to the particular circumstances, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence that the particular circumstances warrant a silver alert notice activation.~~ "Feather alert notice" means an urgent bulletin using the emergency alert system to air a description of an indigenous individual who has been abducted or is believed to be at imminent risk of serious bodily injury or death.

- 4. "Missing and endangered persons alert notice" means an urgent bulletin using the emergency alert system to air a description of an adult who has been abducted or is believed to be at imminent risk of serious bodily injury or death.
- 5. "Silver alert notice" means an urgent bulletin using the emergency alert system to air a description of a missing, disabled, or elderly individual, or individual with a developmental disability, to aid in the location of that individual.

Alert notice system activation - Report.

- 1. A law enforcement agency may request the bureau of criminal investigation or the superintendent of the highway patrol to activate an amber alert notice, a blue alert notice, a missing and endangered persons alert notice, a feather alert notice, or a silver alert notice.
- 2. The bureau of criminal investigation, in cooperation with the highway patrol and other relevant stakeholders, shall prepare an operational plan to prepare for and respond to requests for activation of an amber alert notice, a blue alert notice, a missing and endangered persons alert notice, a feather alert notice, or a silver alert notice. The plan must include the role and requirements of the division of state radio of the department of emergency services in broadcasting an alert to the public, including alerts in indigenous languages when available.
- 3. The bureau of criminal investigation, in cooperation with the highway patrol, department of emergency services, and local law enforcement, shall use one or more modes of communication for an alert defined in this chapter, including:
 - a. The emergency alert system;

- b. The national information system for travel;
 - c. Digital highway message signs;
 - d. Local alerting systems if available;
 - e. State or local jurisdiction websites; or
 - f. Social media platforms.
4. The Indian affairs commission shall serve as the primary liaison between tribal, state, and federal agencies regarding alert notices, if the missing individual is indigenous, and assist with public education, outreach, and advocacy efforts.
5. The bureau of criminal investigation and the highway patrol shall issue an annual report to the Indian affairs commission on the effectiveness and implementation of the feather alert notice and the missing and endangered persons alert notice for cases involving missing indigenous individuals.

Annual public meetings - Report.

The bureau of criminal investigation and the highway patrol, in cooperation with a representative of each federally recognized tribe in this state, shall present reports and findings at an annual public meeting with tribal leaders.

Minimum requirements for activating an amber or blue wireless emergency alert notice.

1. An amber alert notice may not be activated unless:
 - a. The abduction involves a child seventeen years of age or younger;
 - b. The law enforcement agency investigating the abduction has confirmed the child is believed to be in grave danger of serious bodily harm or death; and
 - c. The bureau of criminal investigation or the superintendent of the highway patrol determines sufficient descriptive information has been provided about the child, the abductor, or the abductor's motor vehicle to:
 - (1) Assist with the safe recovery of the child;
 - (2) Assist with the apprehension of the abductor; and
 - (3) Believe an immediate broadcast alert will assist in the search for and safe return of the child.
2. A blue alert notice may not be activated unless:
 - a. An individual who is a suspect in an offense has threatened a law enforcement officer with a deadly weapon, used a deadly weapon against a law enforcement officer, caused a law enforcement officer to suffer serious bodily injury or death, abducted a law enforcement officer, or caused a law enforcement officer to go missing while on duty;

- b. The individual has fled the scene of the offense and a description of the individual or the individual's vehicle is available for broadcast;
 - c. The law enforcement agency investigating the offense has determined the individual poses a threat to the public or other law enforcement personnel; and
 - d. Dissemination of available information to the public may help avert further harm or assist in the apprehension of the suspect.
3. A missing and endangered persons alert notice may not be activated unless:
- a. The abduction involves an individual eighteen years of age or older;
 - b. The law enforcement agency investigating the abduction has confirmed the missing individual is believed to be in grave danger of serious bodily harm or death; and
 - c. The bureau of criminal investigation or the superintendent of the highway patrol determines sufficient descriptive information has been provided about the missing individual, the suspect, or the motor vehicle to:
 - (1) Assist with the safe recovery of the missing individual;
 - (2) Assist with the apprehension of the suspect; and
 - (3) Believe an immediate broadcast alert will assist in the search for and safe return of the missing individual.
4. A feather alert notice may not be activated unless:
- a. The abduction involves an indigenous individual;
 - b. The law enforcement agency investigating the abduction has confirmed the missing individual is believed to be in grave danger of serious bodily harm or death; and
 - c. The bureau of criminal investigation or the superintendent of the highway patrol determines sufficient descriptive information has been provided about the missing individual, the suspect, or the motor vehicle to:
 - (1) Assist with the safe recovery of the missing individual;
 - (2) Assist with the apprehension of the suspect; and
 - (3) Believe an immediate broadcast alert will assist in the search for and safe return of the missing individual.
5. A silver alert notice may not be activated unless the missing individual is:
- a. A disabled adult or elderly vulnerable adult, as defined in section 50-25.2-01, who has disappeared and whose disappearance has been reported to law enforcement;

- b. An individual who has a developmental disability, as defined in section 25-01.2-01, who has disappeared and whose disappearance has been reported to law enforcement; or
 - c. An elderly adult who has disappeared, whose disappearance has been reported to law enforcement, and the disappearance:
 - (1) Indicates the individual is believed to be in grave danger of serious bodily harm or death, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence of the imminent risk; or
 - (2) Warrants a silver alert notice activation due to the particular circumstances, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence that the particular circumstances warrant a silver alert notice activation.
6. If a request for activation of a missing endangered persons alert notice or a feather alert notice does not meet the minimum requirements under this section, the department of emergency services shall follow the department's operational plan for determining proper public notification channels.

Approved May 2, 2025

Filed May 5, 2025

CHAPTER 498

HOUSE BILL NO. 1442

(Representatives Toman, Lefor, Weisz, Vigesaa)
(Senators Hogue, Bekkedahl)

AN ACT to create and enact a new section to chapter 54-35 of the North Dakota Century Code, relating to the creation of a legislative task force on government efficiency; to provide for a legislative management report; to provide an expiration date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative task force on government efficiency - Members - Duties - Report to the legislative management.

1. The legislative management shall create a legislative task force on government efficiency.
2. Each member of the task force shall serve two-year terms. The membership of the task force consists of:
 - a. The director of the office of management and budget;
 - b. The chief operating officer for the office of the governor;
 - c. One elected statewide officer, appointed by the governor;
 - d. One individual residing in the state, appointed by the governor;
 - e. Three members of the house of representatives, appointed by the majority leader of the house of representatives; and
 - f. Three members of the senate, appointed by the majority leader of the senate.
3. The chairman of the legislative management shall select a member of the legislative assembly appointed under subdivision e or f of subsection 2 to serve as chairman of the task force.
4. The task force shall:
 - a. Meet at least once each calendar quarter or more frequently at the call of the chairman.
 - b. Review and analyze budgets and reports from executive branch agencies and the supreme court.

- c. Collaborate with and receive testimony from executive branch agencies and the supreme court to identify areas to increase efficiency and methods to implement cost-saving measures, determine areas of state government deemed unnecessary or duplicative, target outdated or overly restrictive regulations, and find areas in which partnerships between the state and private industry would create innovative financing models to drive economic growth and job creation.
 - d. Review the effectiveness and necessity of programs and laws created by the legislative assembly through previous legislative enactments.
 - e. Request the state auditor or an independent private auditing firm to conduct program evaluations using generally accepted performance audit standards for state and local governments.
 - f. Submit an annual report to the legislative management detailing its findings and progress in implementing cost-saving measures and efficiencies along with any recommended legislation for introduction at the next legislative session.
5. A state employee who is a member of the task force is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency. A member of the task force who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the task force. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the task force who is a member of the legislative assembly.
6. The legislative council shall provide staffing and administrative services for the task force through July 31, 2031.

SECTION 2. EXPIRATION DATE. This Act is effective through July 31, 2031, and after that date is ineffective.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 499

HOUSE BILL NO. 1547

(Representatives Richter, Conmy, Jonas, Mitskog, Nelson, Novak, Schreiber-Beck)
(Senators Axtman, Beard, Davison, Mathern)

AN ACT to create a committee to study special education funding during the 2025-26 interim; and to provide for a legislative management report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. SPECIAL EDUCATION FUNDING COMMITTEE - REPORT TO LEGISLATIVE MANAGEMENT.

1. During the 2025-26 interim, the legislative management shall establish and provide staffing and administrative services to a committee to study special education funding. The chairman of legislative management may add temporary, nonvoting members to the committee, as deemed necessary by the committee, to serve without compensation.
2. The committee may include:
 - a. Eight members of the legislative assembly, four members from the house of representatives and four members from the senate, appointed by the legislative management;
 - b. Two multi-unit special education directors;
 - c. One large school special education director;
 - d. One special education coordinator;
 - e. One superintendent of a large school;
 - f. One superintendent of a small or midsize school;
 - g. One business manager of a large school; and
 - h. One multi-unit special education business manager.
3. During the 2025-26 interim, the special education funding committee study must include a comprehensive review of special education funding models, including student contracts, high-cost students, residential placement, and reimbursement under the Medicaid program.
4. The committee shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved March 21, 2025

Filed March 24, 2025

CHAPTER 500

HOUSE BILL NO. 1025

(Legislative Management)
(Energy Development and Transmission Committee)

AN ACT to provide for a legislative management study relating to advanced nuclear energy; and to provide an appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ADVANCED NUCLEAR ENERGY.

1. During the 2025-26 interim, the legislative management shall study the feasibility, siting, and deployment of advanced nuclear power plants in the state. The study must include evaluation of:
 - a. Siting locations, including potential greenfield and brownfield sites, the identification and assessment of undeveloped land suitable for construction, developed land suitable for rehabilitation and reuse, geographical locations, environmental impacts, proximity to infrastructure, and community acceptance;
 - b. Electric grid connectivity, including the capacity of the electrical grid and integration of a nuclear power plant to the state, necessary upgrades and expansions to ensure reliability, and recommendations adhering to national and state electric standards and regulations;
 - c. Land use considerations, including long-term sustainability of proposed sites, environmental and social factors, land use patterns and zoning regulations, potential impacts on local land use, and proposed mitigation strategies;
 - d. Economic impacts, including potential tax revenue, job creation during construction and operation of a nuclear facility, economic impacts on local and state economies, and investor appeal;
 - e. Temporary and permanent nuclear waste storage, including in-state and out-of-state siting locations;
 - f. Small modular and micro nuclear reactors, including the feasibility of constructing and operating small modular and micro reactors to generate power in the state; and
 - g. Provisions of the North Dakota Century Code that place restrictions on advanced nuclear energy development, if any.
2. The study must invite participation from an institution of higher education for assistance in evaluating social interests and community acceptance of potential siting locations.

3. The committee must consist of:
 - a. Two members representing the energy industry, appointed by the legislative management;
 - b. One member appointed by the public service commission;
 - c. One member appointed by the industrial commission;
 - d. One member appointed by the director of the department of water resources;
 - e. Three members of the house of representatives selected by the majority leader of the house of representatives, two of whom must represent the majority faction of the house of representatives and one of whom must represent the minority faction of the house of representatives; and
 - f. Three members of the senate selected by the majority leader of the senate, two of whom must represent the majority faction of the senate and one of whom must represent the minority faction of the senate.
4. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.
5.
 - a. A member of the committee who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the legislative council.
 - b. A state employee who is a member of the committee is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency.
 - c. A member of the committee who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the committee. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the committee who is a member of the legislative assembly.

SECTION 2. APPROPRIATION - LEGISLATIVE COUNCIL - ADVANCED NUCLEAR ENERGY STUDY - MATCHING FUNDS - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$300,000, or so much of the sum as may be necessary, and from special funds derived from grants or donations from nonstate sources, the sum of \$300,000, or so much of the sum as may be necessary, to the legislative council for the purpose of contracting for consulting services for the study provided for in section 1 of this Act, for the biennium beginning July 1, 2025, and ending June 30, 2027. The legislative council shall seek matching funds from the private sector to the extent available to assist with the cost of the project. The funding provided in this section is considered a one-time funding item.

Approved April 16, 2025

Filed April 16, 2025

CHAPTER 501

HOUSE BILL NO. 1097

(Representative Frelich)

AN ACT to provide for a legislative management study regarding accessibility of government services for individuals who are deaf, hard of hearing, or have hearing differences.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ACCESSIBILITY OF GOVERNMENT SERVICES FOR INDIVIDUALS WHO ARE DEAF, HARD OF HEARING, OR HAVE HEARING DIFFERENCES.

1. During the 2025-26 interim, the legislative management shall study the accessibility of state and local services for individuals who are deaf, hard of hearing, or have hearing differences. The study must:
 - a. Consider the requirements under the federal Americans with Disabilities Act providing for state and local government entities to communicate effectively with individuals who are deaf, hard of hearing, or have hearing differences.
 - b. Consider challenges or barriers to effective communication for individuals who are deaf, hard of hearing, or have hearing differences when communicating with, including receiving information from and conveying information to, state and local government entities, and identify strategies for improving communication.
 - c. Include input from the department of labor and human rights, department of health and human services, employees of the school for the deaf, individuals who are deaf, hard of hearing, or have hearing differences, information technology professionals, American sign language interpreters, and family members of individuals who are deaf, hard of hearing, or have hearing differences.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 19, 2025

Filed March 20, 2025

CHAPTER 502

HOUSE BILL NO. 1119

(Human Services Committee)

(At the request of the Department of Health and Human Services)

AN ACT to provide for a legislative management study regarding child care provider licensing; to provide for a program evaluation regarding child care services; and to create a child care services licensing advisory committee.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - CHILD CARE PROVIDER LICENSING.

1. During the 2025-26 interim, the legislative management shall study the laws, administrative rules, and policies relating to child care provider licensing.
2. If the legislative council conducts a program evaluation of the department of health and human services child care services, the study must be informed by the program evaluation.
3. The study must include input from:
 - a. The department of health and human services;
 - b. The child care services advisory committee; and
 - c. Child care providers.
4. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

SECTION 2. LEGISLATIVE MANAGEMENT PROGRAM EVALUATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES - CHILD CARE SERVICES.

1. During the 2025-26 interim, the legislative council shall consider conducting a program evaluation of the department of health and human services child care services.
2. The program evaluation must include:
 - a. Review and analysis of state and federal laws, administrative rules, and policies relating to child care.
 - b. Evaluation of the child care services framework, identifying strengths, challenges, and opportunities, including opportunities to streamline the administrative process, to enhance clarity for providers, and to provide services for more children.

- c. Consideration of licensing requirements, the federal and state assistance programs available, education requirements for program operators, training and certification requirements for staff members, the number of children in an early childhood program, child to provider ratios, and square footage requirements.
 - d. Review and analysis of child care funding sources, expenditures, assistance penetration rates, and the distribution of resources to determine whether the program efficiently and effectively uses and distributes resources to support access to affordable and safe child care.
 - e. Review of recently enacted legislation regarding child care services to determine if the policies have been timely implemented and properly administered, including an analysis of measurable goals, performance data, and options to improve enrollment.
3. By August 1, 2026, the legislative council shall report its findings and recommendations to the legislative management.
 4. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

SECTION 3. CHILD CARE SERVICES ADVISORY COMMITTEE - DEPARTMENT OF HEALTH AND HUMAN SERVICES.

1. During the 2025-26 interim, the department of health and human services shall establish a child care services advisory committee to review and provide input on the laws, administrative rules, and the department of health and human services policies relating to child care licensing.
2. The department of health and human services shall provide staffing and administrative services for the child care services advisory committee.
3. The child care services advisory committee shall collaborate with the department of health and human services to conduct a comprehensive revision of administrative rules relating to child care licensing. In coordination with the committee, the department shall facilitate a series of regional meetings and topical focus groups with child care providers from around the state to discuss child care licensing challenges and review proposed revisions to the administrative rules. The committee must have the opportunity to review and provide input on all of the department's proposed administrative rule changes and policy changes relating to child care.
4. The advisory committee shall consist of:
 - a. Two child care center representatives, appointed by the legislative management;
 - b. Two group child care representatives, appointed by the legislative management;
 - c. Two preschool program representatives, appointed by the legislative management;

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- d. Two members of the house of representatives, selected by the majority leader of the house of representatives;
 - e. Two members of the senate, selected by the majority leader of the senate; and
 - f. A child care expert, appointed by the legislative management.
- 5. The child care services advisory committee shall provide periodic status updates in collaboration with the department of human services on proposed licensing rules and a final report to the legislative management by June 30, 2026.
 - 6. The child care services advisory committee shall dissolve after providing the final report to the legislative management.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 503

HOUSE BILL NO. 1151

(Representatives Schatz, Hauck, Holle, Kempenich, Monson, Dressler)
(Senators Boehm, Magrum, Paulson, Wanzek)

AN ACT to provide for a legislative management study regarding the regulation of cell-cultured protein.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - REGULATION OF CELL-CULTURED PROTEIN. During the 2025-26 interim, the legislative management shall consider studying cell-cultured protein and the status of litigation in federal and state courts to prohibit cell-cultured protein. The study must include the outcome of litigation in other states and an analysis of the regulatory landscape, stakeholder impact, and feasibility of adopting a prohibition on cell-cultured protein in the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 23, 2025

Filed April 23, 2025

CHAPTER 504

HOUSE BILL NO. 1197

(Representatives Frelich, Mitskog, Monson, K. Anderson, Schreiber-Beck, Wagner)
(Senators Luick, Myrdal, Davison, Mathern, Meyer, Sorvaag)

AN ACT to provide for a legislative management study of correctional facilities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - CORRECTIONAL FACILITIES. During the 2025-26 interim, the legislative management shall study jails and regional correctional centers, including their current and projected infrastructure needs, the costs and benefits of regional correctional facilities, the impacts of deferred admission, and the prioritization of inmates sentenced to the department of corrections and rehabilitation. The study must include input from representatives of counties with a population of seven thousand five hundred or more, representatives of counties with a population of fewer than seven thousand five hundred, representatives of local law enforcement officials, representatives of the department of corrections and rehabilitation, representatives of the office of management and budget, and representatives of the attorney general. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 16, 2025

Filed April 16, 2025

CHAPTER 505

HOUSE BILL NO. 1311

(Representatives Satrom, Brandenburg, Grueneich, Ostlie)
(Senators Conley, Erbele)

AN ACT to provide for a legislative management study, relating to volunteer emergency responder recruitment and retention.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - VOLUNTEER EMERGENCY RESPONDER RECRUITMENT AND RETENTION. During the 2025-26 interim, the legislative management shall consider studying volunteer emergency responder recruitment and retention. The study must consider recruitment and retention challenges related to volunteer emergency responders, including firefighters, emergency or disaster volunteers, and community emergency response team members, and identify strategies for encouraging volunteerism. The study also must include input from stakeholders, including disaster emergency organizations, nonprofit associations, representatives of law enforcement, emergency medical service providers, and state and local agencies, departments, and institutions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 17, 2025

Filed March 18, 2025

CHAPTER 506

HOUSE BILL NO. 1329

(Representatives O'Brien, Pyle, Schreiber-Beck, Swiontek)
(Senator Axtman)

AN ACT to provide for a legislative management study regarding the establishment of a government spending database.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - GOVERNMENT SPENDING DATABASE.

1. During the 2025-26 interim, the legislative management shall consider studying the feasibility of the establishment of a government spending database. The study must include:
 - a. A review of the training services necessary for school board members, superintendents, principals, and business managers regarding the government spending database, including best practices, personnel management, financial operations, facility planning, and regulatory compliance.
 - b. The feasibility of establishing a database that compiles the following information for each expenditure:
 - (1) The amount paid.
 - (2) The payment date.
 - (3) The recipient name.
 - (4) The paying entity.
 - (5) The employee position, if for a personnel payment.
 - (6) For a school district, with respect to educational materials:
 - (a) A description of curriculum.
 - (b) The publisher and author of a textbook.
 - (c) A description of software specifications and developer identification.
 - (7) A standardized categorization using United States census bureau codes for state and local transactions and nationally recognized standardized codes for school districts and institutions of higher education.
 - c. The feasibility of establishing a database capable of providing:

- (1) Search capabilities.
 - (2) Data aggregation tools.
 - (3) Download options in common formats.
 - (4) Anonymous salary and benefit information.
 - (5) Regular updates of all information.
2. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 507

HOUSE BILL NO. 1371

(Representatives Hauck, Dockter, Heinert, Marschall, Vetter)
(Senator Larson)

AN ACT to provide for a legislative management study relating to providing uniform group insurance program health insurance benefits coverage for retired peace officers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PUBLIC EMPLOYEES RETIREMENT SYSTEM UNIFORM GROUP INSURANCE PROGRAM HEALTH INSURANCE BENEFITS FOR RETIRED PEACE OFFICERS. During the 2025-26 interim, the legislative management shall consider studying the impact of providing uniform group insurance program health insurance benefits for retired peace officers. The study must include a thorough review of benefits provided for peace officers and consideration of health insurance benefit options, premium costs, eligibility requirements for retirement, years of service limitations, eligibility for Medicare, potential costs to the state and political subdivisions, the effect of providing benefits on recruitment and retention, any impact on the state's financial reporting of postemployment benefit-related unfunded liability, and establishing a retired peace officer health insurance pool. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 508

HOUSE BILL NO. 1410

(Representatives Schneider, Dobervich, Hager, Hanson, O'Brien, Satrom, M. Ruby,
Conmy, Davis)
(Senators Clemens, Larson, Lee)

AN ACT to provide for a legislative management study regarding a review of state laws relating to criminal conduct against children.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - CRIMES AGAINST CHILDREN.

1. During the 2025-26 interim, the legislative management shall consider studying state laws relating to criminal conduct against children, child sexual abuse, child physical abuse, child neglect, and human trafficking of children.
2. The study must include a review of:
 - a. The use of the term "child sexually abusive material" or other language deemed appropriate instead of the term "sexual performance" to describe child pornography or sexual conduct of a minor in chapter 12.1-27.2.
 - b. State laws relating to the use of artificial intelligence for crimes relating to sexual performance of a minor or possession of certain prohibited materials.
 - c. Other laws intended to protect children and facilitate the investigation and prosecution of crimes involving child victims of sexual abuse, physical abuse, neglect, and trafficking.
3. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved April 16, 2025

Filed April 16, 2025

CHAPTER 509

HOUSE BILL NO. 1530

(Representatives Schneider, Conmy, Davis, Heinert, Jonas, Kiefert, Schreiber-Beck,
Hager)
(Senators Davison, Hogan, Mathern)

AN ACT to provide for a legislative management study on the circumstances and needs of special education teachers and the related special education teacher shortage.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - RECRUITMENT AND RETENTION OF SPECIAL EDUCATION TEACHERS.

1. During the 2025-26 interim, the legislative management shall consider studying special education teacher shortages, circumstances, and collective needs. The study must include:
 - a. Special education teacher workload, including:
 - (1) Significant and inequitable disparities in caseload numbers and complexities between educators;
 - (2) Addition of students to a special education's workload throughout the year without consideration of impact on students' needs and teachers' workload;
 - (3) Lack of a subjective formula for teaching, workload, and case management assignments;
 - (4) Unsatisfactory policies and formulas adopted without special educator involvement, adequate training, or with general or vague language; and
 - (5) Burdensome workloads threatening compliance with student individual education plans and state and federal law.
 - b. Special education student and staff safety, including:
 - (1) The unmet need for accessible, understandable, and effective emergency and crisis plans, procedures, protocols, and trained personnel available to implement them;
 - (2) Lack of training in de-escalation techniques and preventative strategies and necessary protective equipment;
 - (3) Lack of training in the use of protective equipment and restrictive procedures;

- (4) Uncompensated time for planning and implementing behavior intervention plans separate from teacher preparation time;
 - (5) Lack of adequate space to meet the needs of students demonstrating violent behavior;
 - (6) The unmet need for additional highly qualified paraprofessional support in situations involving students with violent behavior; and
 - (7) The inequitable treatment of injured staff who must use sick leave or unpaid leave due to injuries that occurred at work.
- c. Special education paraprofessional management duties, including:
- (1) Additional expectation that education, training, and professional development of paraprofessionals are an obligation of the special education teacher;
 - (2) Additional requirement that special education teachers schedule and annually evaluate paraprofessionals;
 - (3) Inadequate availability of highly qualified paraprofessionals;
 - (4) Inadequate training in management of paraprofessionals; and
 - (5) Failure to provide additional time and compensation for paraprofessional management duties.
- d. Special education paperwork requirements and supports, including:
- (1) Lack of compensation for extensive federal, state, and disability-related required paperwork;
 - (2) Lack of compensation to attend individual education plan evaluation meetings outside the teacher's workday or during teacher preparation time; and
 - (3) Lack of additional time, training, mentoring, administrative and professional support and assistance necessary to manage mandatory reporting, compliance, and due process issues and requirements.
- e. Additional or broader considerations, pertinent data review, and plans for remediation of inequities, including projected costs and implementation timetables.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 510

HOUSE BILL NO. 1543

(Representatives Meier, K. Anderson, Bolinske, Dobervich, Frelich, Heinert, Holle,
Rohr, Weisz)
(Senators Cleary, Dever, Hogan)

AN ACT to provide for a legislative management study regarding prescription drug pricing and the maximum fair price as determined by the federal government.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PRESCRIPTION DRUG PRICING.

1. During the 2025-26 interim, the legislative management shall consider studying prescription drug pricing and the maximum fair price for a drug as published by the secretary of the United States department of health and human services.
2. The study must include consideration of federal drug price negotiations under the Federal Inflation Reduction Act of 2022 [Pub. L. 117-169; 26 U.S.C. 55 et seq.] and overlap with current drugs paid for by the public employees retirement system to determine usage and potential cost-savings to the state and consumers.
3. The study must include input from:
 - a. The public employees retirement system;
 - b. The insurance commissioner;
 - c. The state board of pharmacy; and
 - d. Other stakeholders.
4. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved March 25, 2025

Filed March 26, 2025

CHAPTER 511

HOUSE BILL NO. 1563

(Representatives Davis, Brown, Finley-DeVill, Foss, Holle, Ista)
(Senators Marcellais, Weston)

AN ACT to provide for a legislative management study relating to tribal land taxation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - TRIBAL LAND TAXATION. During the 2025-26 interim, the legislative management shall consider studying tribal land taxation issues related to taxation of land owned by enrolled tribal members who reside within the boundaries of any tribal reservation in this state. The study may include analysis of federal law, judicial decisions concerning tribal taxation authority, state property tax exemptions related to property of Native Americans, and the interaction between tribal sovereignty and state law. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 17, 2025

Filed March 18, 2025

CHAPTER 512

HOUSE BILL NO. 1566

(Representatives D. Johnston, Christianson, Klemin, J. Olson, Schneider, VanWinkle)

AN ACT to provide for a legislative management study relating to the potential uses of kratom and the implementation of regulations of kratom in the state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - KRATOM USES. During the 2025-26 interim, the legislative management shall consider studying potential uses of kratom and the implementation of regulations related to uses of kratom in the state, including production, manufacturing, distribution, and retail sale of kratom products. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 513

HOUSE BILL NO. 1567

(Representatives Schneider, Brown, Davis, Finley-DeVile, McLeod, Mitskog, Nelson,
Hager)
(Senators Bekkedahl, Hogan)

AN ACT to provide for a legislative management study relating to dental and oral health care status among Medicaid recipients and workforce support to improve access for low-income children, Native American children, and individuals with disabilities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - ACCESS TO DENTAL AND ORAL HEALTH CARE SERVICES FOR LOW-INCOME CHILDREN, NATIVE AMERICAN CHILDREN, AND INDIVIDUALS WITH DISABILITIES.

1. During the 2025-26 interim, the legislative management shall consider studying the unmet dental and oral health care needs of low-income children, Native American children, and individuals with disabilities. The study must include:
 - a. An overview of the dental and oral health care status of Medicaid recipients, including low-income children, Native American children, and individuals with disabilities, both on and off reservations;
 - b. Evaluation of the importance of receiving dental and oral health care services, the impacts and outcomes of not receiving services, general health consequences, complications, and expanded costs of future care;
 - c. Review of state and federal regulations, policies, and procedures limiting or perceived as limiting dentist provider enrollment in Medicaid, including impediments to enrollment, length of credentialing and recredentialing, reasons for provider termination, prior authorizations, attachments, appeals, and timely payments;
 - d. Availability of, and access or barriers to, complex dental services for Medicaid recipients with disabilities or dental conditions which might require anesthesia or critical care;
 - e. Review of Medicaid dental reimbursement rates for a selection of preventative and treatment services in this state compared to other states, private payers, and in comparison to real cost for dental teams to determine potential need to increase reimbursement rates;
 - f. Review of barriers and opportunities relating to expanding education for dentists and dental staff, including consideration of a new dental school in this state, long-term partnership with regional dental schools, and increased dental student residencies located in this state;

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- g. Consideration of the expansion or promotion of programs that offer support and resources to enable on-the-job training and apprenticeships for dental assistants, including the visibility of providing state and federal resources to support providers offering such training;
 - h. Consideration of expansion or creation of volunteer and charitable dental programs and nonprofit services;
 - i. Evaluation of ways to improve accessibility to dental and oral health care services for Medicaid recipients, including low-income children, Native American children, and individuals with disabilities, both on and off reservations;
 - j. Exploration of the feasibility of partnerships between state programs and tribal health organizations to enhance delivery;
 - k. Review of programs designed to recruit and retain dental health providers, such as loan forgiveness or incentives for dentists working in underserved communities, including tribal communities;
 - l. Exploration of the use of telehealth solutions to reach rural areas, including tribal communities;
 - m. Review of dental provider participation with dental insurers, including the percentage of dental providers in-network and out-of-network for the largest dental insurers;
 - n. Review of charges covered by dental benefit plans and out-of-pocket costs for dental care;
 - o. Review of dental program preauthorization and service coverage in adherence to clinical guidelines of the American dental association and the American academy of pediatric dentistry;
 - p. Review of the provider relations program for answering questions from providers and staff, online and in-person education and training to providers and staff to promote efficiency and effectiveness;
 - q. Consideration of program staff credentials for appropriate oversight of clinical care for claim preauthorizations and approvals;
 - r. Consideration of the administrative system addressing grievances and appeals of submitted claims and preauthorizations to assess the system's responsiveness and review the ability to submit additional documentation, such as x-rays and photos using an online portal;
 - s. Review of parity in the submission of claims between private offices, nonprofit dental clinics, and federally qualified health centers;
 - t. Consideration of the potential effects of dental Medicaid expansion and increase in adult Medicaid-eligible enrollees on access to dental care, administrative efficiency, and participation of dentists in the Medicaid program;

- u. Review of dental claims administration including the percentage of preauthorizations and denials;
 - v. Review of call center management including the number of calls, average hold time, and caller satisfaction;
 - w. Review of cases and decisions by a program administration related to audits and claims review to determine what percentage were completed with a peer review committee that includes a licensed dentist and a licensed dentist of a specialty;
 - x. Review the quality improvement system that assists providers in providing clinically appropriate care in accordance with the guidelines of the American dental association and the American academy of pediatric dentistry clinical guidelines;
 - y. Analysis of the information required by centers for Medicare and Medicaid form 416, in compliance with Medicaid early and periodic screening, diagnostic, and treatment, including the percentage of eligible children receiving any dental service, preventative service, or sealants;
 - z. Analysis of provider participation and recredentialing of dental providers with Medicaid, the average benefit paid per user and beneficiary, the geographical distribution of active providers with active recipients in the state, and provider participation surveys; and
 - aa. Review of ambulatory surgery and hospital facility claims for dental rehabilitation procedures that require monitored anesthesia for children to compare with other medical providers providing similar same-day surgical services.
2. The study may include broader considerations of unmet needs for dental services for all Medicaid recipients, data for those recipients, and any current plans for remediation with goals, objectives, projected costs, and implementation timetables.
 3. The study may include a focus on solutions to identified needs including a review of scope of practice and additional providers and provider types.
 4. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 15, 2025

Filed April 17, 2025

CHAPTER 514

HOUSE BILL NO. 1579

(Representatives Novak, Porter, Heinert)
(Senators Kessel, Patten)

AN ACT to provide for a legislative management study relating to the impact of large energy consumers on the state's electrical grid.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - IMPACT OF LARGE ENERGY CONSUMERS ON THE ELECTRICAL GRID.

1. During the 2025-26 interim, the legislative management shall study the impact of large energy consumers, including data centers, on the electrical grid of this state, regulatory structure, and economic development. The study must include an evaluation of the:
 - a. Electrical grid reliability and infrastructure requirements within the state, including the capacity of the electrical grid, necessary upgrades to accommodate large energy consumers, the cost of necessary upgrades to accommodate large energy consumers, how the cost of necessary upgrades to accommodate large energy consumers are allocated, effects of congestion on the electrical grid caused by increased development, and best practices for integrating high-demand users while maintaining reliability for all ratepayers;
 - b. Regulatory consistency throughout the state, including an assessment of the manner in which state and local laws and regulations impact large energy consumers, whether the certificate of public convenience and necessity process is appropriate for private-sector end users, and whether regulatory inconsistencies exist between investor-owned utilities, rural electric cooperatives, municipal power providers, and independent power producers;
 - c. Economic impacts affecting the energy industry of the state, including an assessment of job creation, tax revenue generation, and long-term investment trends tied to data center development and other large energy consumers;
 - d. Market dynamics of the local and national energy industry, including the role of demand-side management, local versus regional energy market participation, and the ability of large consumers to support grid stability through off-peak consumption or other grid-supportive practices;
 - e. Costs and impacts of all regulated and exempted public utilities, including best reporting practices; and
 - f. Regulatory and exemption criteria relating to load size, system integration, application processes, impacts to consumers and access to the regional grid systems, electrical generation sources, the feasibility of colocated backup generators at various facilities, and generation sources, including legacy electric generation units.

2. The study must include input from representatives of:
 - a. Data center operators and other large energy consumers operating or considering investment in the state;
 - b. Investor-owned utilities, rural electric cooperatives, municipal power providers, and independent power producers;
 - c. The public service commission;
 - d. The lignite energy council;
 - e. The North Dakota transmission authority;
 - f. Regional transmission organizations;
 - g. The petroleum council; and
 - h. Any other relevant state or federal agency.
3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 515

HOUSE BILL NO. 1580

(Representatives Vetter, Christianson, Dockter, Meier, Motschenbacher, D. Johnston)
(Senators Cleary, Cory)

AN ACT to provide for a legislative management study relating to state employee compensation levels.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE COMPENSATION.

1. During the 2025-26 interim, the legislative management shall consider studying the classified state employee total rewards compensation system, including a review of the development and determination of pay grade, classifications, and health care benefits. The study must include a review of:
 - a. The history of changes to classification and pay grade levels;
 - b. Comparisons among state employees across all departments and between state employee compensation levels to similar private sector jobs;
 - c. The use of equity funding and bonuses to retain employees;
 - d. The payment of prevailing wages on state projects;
 - e. Wage levels in awarding contracts for state projects;
 - f. The impact of changes to health plan benefits; and
 - g. Premium rate structures for single and family coverage and the impact of any proposed changes.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 516

HOUSE BILL NO. 1582

(Representatives Vetter, Christianson, S. Olson, Schauer, D. Johnston)
(Senators Clemens, Sickler, Castaneda, Cory)

AN ACT to provide for a legislative management study regarding a review of state laws relating to false accusations or false reports of a crime.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - FALSE REPORTING.

During the 2025-26 interim, the legislative management shall consider studying chapter 12.1-11 of the North Dakota Century Code, relating to false accusations or false reports of a crime. The study must include input from the state's attorney's association and defense attorneys. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the seventieth legislative assembly.

Approved April 28, 2025

Filed April 28, 2025

CHAPTER 517

SENATE BILL NO. 2157

(Senators Schaible, Luick, Myrdal)
(Representatives Holle, Kempenich, Beltz)

AN ACT to provide for a legislative management study relating to the creation of a farm safety insurance discount program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - AGRICULTURE SAFETY COURSE TO REDUCE INSURANCE PREMIUMS. During the 2025-26 interim, the legislative management shall study the feasibility and desirability of creating a program that would allow a farmer or rancher to complete a safety course to receive a discount on insurance relating to the individual's farming or ranching operation. The study must include the development of a proposed safety course, the feasible amount of an insurance premium discount, and eligibility requirements for applicants seeking to participate in the discount program. The study must include input from the insurance commissioner, agriculture commissioner, the North Dakota state university extension service, and farm, livestock, and agricultural insurance agencies operating in the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 25, 2025

Filed March 26, 2025

CHAPTER 518

SENATE BILL NO. 2191

(Senators Lee, Dever, Hogan)
(Representatives Stemen, Wagner)

AN ACT to provide for a legislative management study relating to health care services in local correctional facilities.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - HEALTH CARE SERVICES IN LOCAL CORRECTIONAL FACILITIES.

1. During the 2025-26 interim, the legislative management shall consider studying health care services in local correctional facilities. The study must include:
 - a. A review of current state and federal requirements of local correctional facilities regarding health care services;
 - b. A review of health care services funding patterns for local correctional facilities;
 - c. A consideration of the challenges of local health care facilities and providers in serving incarcerated individuals in local correctional facilities;
 - d. An analysis of models of best practices for health care services for incarcerated individuals in local correctional facilities; and
 - e. A consideration of methods to expand local, state, and federal funding for health care services in local correctional facilities.
2. The legislative management shall report its findings and recommendations together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 27, 2025

Filed March 31, 2025

CHAPTER 519

SENATE BILL NO. 2210

(Senators Weber, Dwyer, Luick, Sorvaag)
(Representatives Brandenburg, Schreiber-Beck)

AN ACT to provide for a legislative management study relating to the management of water based on watershed boundaries.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - WATER MANAGEMENT BASED ON WATERSHED BOUNDARIES. During the 2025-26 interim, the legislative management shall study the feasibility and desirability of assigning management authority for the waters of the state to the area located in the naturally occurring watershed, rather than assigning management authority based on political subdivision boundaries. The study must review the approaches used for managing water in surrounding states; the powers, duties, and organizational structure of watershed boards; dispute resolution procedures afforded to individuals residing within the boundaries of a watershed district; the mechanism to initiate, implement, and improve works projects within a watershed district; and the role of the department of water resources in mapping and establishing watershed boundaries. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 17, 2025

Filed April 17, 2025

CHAPTER 520

SENATE BILL NO. 2242

(Senators Myrdal, Paulson, Wobbema)
(Representatives D. Johnston, S. Olson, Motschenbacher)

AN ACT to provide for a legislative management study relating to institutions of higher education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - INSTITUTIONS OF HIGHER EDUCATION.

1. During the 2025-26 interim, the legislative management shall consider studying the institutions of higher education under the control of the state board of higher education. The study must include:
 - a. Methods to promote efficiency and collaboration among state institutions;
 - b. Consideration of statewide dual-credit expansion to develop standard three-year bachelor degree programs;
 - c. An analysis of the cost of tuition and fees for students;
 - d. Consideration of the feasibility and desirability of a system of uniform transcripts and the waiver of fees to transfer credits within the state higher education system;
 - e. Consideration of the feasibility and desirability of consolidating colleges and universities and implementing satellite campuses of universities;
 - f. Research on the competitiveness among state institutions; and
 - g. An analysis of the quality of education provided at each state institution.
2. If selected, the legislative management shall appoint a committee for this study as follows:
 - a. The voting members of the committee, who must be appointed by the legislative management, are:
 - (1) Three members of the senate, two from the party with the largest number of members in the senate and one from the party with the second largest number of members in the senate;
 - (2) Three members of the house of representatives, two from the party with the largest number of members in the house of representatives and one from the party with the second largest number of members in the house of representatives; and

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- (3) One member of the legislative assembly to serve as the committee chairman.
 - b. The nonvoting members of the committee are:
 - (1) The chairman of the state board of higher education;
 - (2) The student representative of the state board of higher education;
 - (3) The chancellor of the North Dakota university system, or the chancellor's designee;
 - (4) One representative of kindergarten through grade twelve education; and
 - (5) One representative each of the manufacturing, health care, agriculture, and energy industries.
 - 3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 20, 2025

Filed March 20, 2025

CHAPTER 521

SENATE BILL NO. 2249

(Senators Barta, Sickler)
(Representatives Bahl, Karls, McLeod)

AN ACT to provide for a legislative management study relating to health care mandates.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - HISTORICAL HEALTH CARE MANDATES.

1. During the 2025-26 interim, the legislative management shall consider studying historical health care mandates. The study must include:
 - a. An analysis of current health care mandates, including when they were enacted, the purpose, effectiveness, and present applicability;
 - b. A history of health care mandates and step therapy protocol; and
 - c. Input from the department of health and human services, the insurance department, the public employees retirement system, insurance providers and other stakeholders.
2. The legislative management shall report its findings and recommendations together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 27, 2025

Filed March 31, 2025

CHAPTER 522

SENATE BILL NO. 2278

(Senators Boehm, Castaneda, Wobbema)
(Representatives Frelich, Henderson, Holle)

AN ACT to provide a legislative management study relating to the retention of library materials.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - RETENTION OF LIBRARY MATERIALS. During the 2025-26 interim, the legislative management shall consider studying the feasibility and desirability of requiring libraries maintained by state agencies, including the state library and libraries at institutions under the control of the state board of higher education, to retain a copy of any book or other written material that contains the material's original text if the publisher of the material publishes a new version to update language that was common when the material was originally published to language that is considered more socially progressive, politically correct, inclusive, or less socially offensive. The study must include an analysis of how artificial intelligence has or will affect the retention of library materials, how library materials are updated or altered using artificial intelligence, and the fiscal and operational impact of collection management. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 28, 2025

Filed March 31, 2025

CHAPTER 523

SENATE BILL NO. 2332

(Senator Boschee)
(Representatives Brandenburg, Mitskog, Nelson)

AN ACT to provide for a legislative management study, relating to grant funding for emergency services and public safety.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - GRANT FUNDING FOR EMERGENCY SERVICES AND PUBLIC SAFETY. During the 2025-26 interim, the legislative management shall consider studying options to provide grant funding for emergency services and public safety. The study must include a review of the amount of grant funding needed, potential funding sources, entities to be eligible to receive a grant, types of expenses to be eligible for reimbursement through a grant program, the appropriate agency to administer a grant program, and options to establish a grant program oversight committee. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved March 18, 2025

Filed March 18, 2025

CHAPTER 524

SENATE BILL NO. 2340

(Senators Kessel, Bekkedahl, Hogue, Patten)
(Representative Porter)

AN ACT to provide for a legislative management study to evaluate the evolving fire service operational and response needs of the state.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - FIRE SERVICE REGIONAL RESPONSE MODEL.

1. During the 2025-26 interim, the legislative management shall study the evolving fire service operational and response needs of the state. The study must include an examination of the:
 - a. Coordination of efforts of existing state resources for improved fire emergency service organization, distribution, mobilization, training, and oversight.
 - b. Creation of fire service regional response teams.
 - c. Establishment of authority for response, standardized training, wildland-urban interface fire prevention codes, emergency response operational initiatives and responsibilities.
 - d. Evaluation of existing staffing abilities to cross-train, provide further services, provide backfill during extended or complex emergencies, minimum training requirements, staff firefighting authorities, firefighting benefits, necessary equipment, and structural needs.
 - e. Identification and implementation of a restructure of fiscal support for state and local fire service in North Dakota, reducing the dependency on local property tax.
 - f. A review of changes necessary to state laws and administrative rules to implement a unified model.
2. The study must include consultation with state fire marshal, the North Dakota firefighter's association, the North Dakota forest service, the department of emergency services, the North Dakota fire chief's association, the department of career and technical education, and other stakeholders. The legislative management may contract with a consultant to carry out this study. The legislative management shall report the findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 22, 2025

Filed April 23, 2025

CHAPTER 525

SENATE BILL NO. 2360

(Senators Hogan, Cory, Patten)

AN ACT to provide for a legislative management study regarding geothermal energy.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - GEOTHERMAL ENERGY.

1. During the 2025-26 interim, the legislative management shall consider studying the feasibility of developing geothermal energy in the state. The study must include an evaluation of:
 - a. The state's geology and the feasibility of resource exploration and production of geothermal energy in the state.
 - b. Support opportunities for startup geothermal companies, including fostering innovation and promoting economic growth within the state's energy sector.
 - c. The application of geothermal energy to nonproductive oil and gas wells to extend the life of the well through the use of a complementary energy extraction method.
 - d. Other opportunities to advance geothermal energy opportunities in the state.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 526

SENATE BILL NO. 2370

(Senators Cleary, Dever, Mathern)
(Representative McLeod)

AN ACT to provide for a legislative management study regarding prescription drug transparency reporting under the federal drug discount program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PRESCRIPTION DRUG TRANSPARENCY REPORTING.

1. During the 2025-26 interim, the legislative management shall study establishing reporting requirements for covered entities in North Dakota which participate in the federal drug discount program under 42 U.S.C. 256b, and how reported data could be used to develop public policy that directly benefits patients in North Dakota.
2. The study must include:
 - a. Consideration of the various entities participating in the federal drug discount program that should be required to report data to this state, including health care facilities, contract pharmacies, federally qualified health centers, drug manufacturers, pharmacy benefits managers, and health insurers.
 - b. Consideration of the specific data elements that each entity should be required to report.
 - c. Exploration of methods of reporting, compiling, and sharing the compiled data which provide the greatest benefit to patients in North Dakota.
 - d. Analysis of issues relating to the confidentiality and disclosure of the data.
 - e. Consideration of reporting enforcement mechanisms, including civil penalties for failing to report.
 - f. Input from and consultation with stakeholders, including:
 - (1) A professional association representing hospitals in North Dakota.
 - (2) A professional association representing pharmacies in North Dakota.
 - (3) A professional association representing federally qualified health centers in North Dakota.
 - (4) A professional association representing rural health in North Dakota.
 - (5) A professional association representing innovative pharmaceutical manufacturers.

- (6) The insurance department.
 - (7) The department of health and human services.
 - (8) The North Dakota board of pharmacy.
 - (9) Hospitals participating in the federal drug discount program.
 - (10) Federally qualified health centers.
 - (11) Pharmacies that have contracts with covered entities participating in the federal drug discount program.
 - (12) Health insurers.
3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the seventieth legislative assembly.

Approved May 2, 2025

Filed May 2, 2025

CHAPTER 527

HOUSE BILL NO. 1209

(Representatives S. Olson, Frelich, Marschall, Osowski, Rohr, Hoverson,
Motschenbacher)
(Senators Enget, Paulson, Weston)

AN ACT to provide for a legislative management report relating to a foreign adversary threat assessment conducted by the department of emergency services.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. DEPARTMENT OF EMERGENCY SERVICES - FOREIGN ADVERSARY THREAT ASSESSMENT - REPORT - LEGISLATIVE MANAGEMENT REPORT.

1. The department of emergency services shall:
 - a. Identify sectors and industries most vulnerable to foreign adversarial influence, including critical infrastructure, technology, agriculture, energy, and academia;
 - b. Assess foreign adversarial influence beyond land acquisition, including strategic investments, partnerships, and other forms of economic, educational, and political influence;
 - c. Evaluate existing investments and activities to determine compliance with federal, state, and local laws;
 - d. Identify sectors in which foreign adversarial influence is often unmonitored or under reported; and
 - e. Propose broad mitigation strategies relating to identified risks and vulnerabilities to enhance the state's ability to manage foreign adversarial influence while supporting economic growth and security.
2. By July 1, 2026, the department of emergency services shall produce a written report outlining its findings and recommendations. The report must:
 - a. Provide a detailed analysis of the foreign adversary threats and vulnerabilities specific to the state;
 - b. Identify critical risks across sectors, including infrastructure, security, academia, and economic investments;
 - c. Provide sector specific mitigation recommendations designed to reduce vulnerabilities in infrastructure, academic institutions, economic investments, and other prominent sectors in the state; and
 - d. Include a proposal providing for the establishment of a state intelligence unit and the structure, roles, and operational procedures required for continuous monitoring of foreign adversary threats by the state intelligence unit.

3. Before September 1, 2026, the department of emergency services shall present the recommendations in the report under subsection 2, and any proposed legislation necessary to implement the recommendations, to the legislative management. The findings in the report must remain in the exclusive possession and under the control of the department of emergency services and is an exempt record under chapter 44-04.

Approved April 23, 2025

Filed April 23, 2025

CHAPTER 528

SENATE BILL NO. 2390

(Senators Wanzek, Myrdal, Thomas)
(Representatives Brandenburg, Beltz, Kempenich)
(Approved by the Delayed Bills Committee)

AN ACT to create and enact three new sections to chapter 54-40.1 of the North Dakota Century Code, relating to a rural catalyst committee, grant program, and fund; to amend and reenact section 54-40.1-02 of the North Dakota Century Code, relating to definitions for regional planning councils; to provide an appropriation; and to provide for a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-40.1-02 of the North Dakota Century Code is amended and reenacted as follows:

54-40.1-02. Definitions.

In this chapter, unless the context or subject matter otherwise requires:

1. "City" means any city incorporated under the laws of this state.
2. "Commissioner" means the commissioner of the department.
3. "Department" means the department of commerce.
4. "Governing body" means the city council or the board of city commissioners or the board of county commissioners.
- ~~3-5.~~ "Industry" includes agriculture and business.
- ~~4-6.~~ "Member-at-large" means a person who represents the general citizenry of the county.
- ~~5.~~ "Minority group" means any identifiable group of people, regardless of numerical size, whose members are denied or limited in employment, education, or training opportunities because of sex, race, creed, color, religion, national origin, or low income.
- ~~6-7.~~ "Organized local development corporation" means any group organized for the purpose of promoting economic development which has filed for incorporation as such with the secretary of state.
- ~~7-8.~~ "Region" means the area delineated by executive order of the governor.
- ~~8-9.~~ "Regional comprehensive plan" means a long-range guide for the economic, physical, and social development of a region which identifies regional goals, objectives, and opportunities and embodies the policies of the regional council.

- ~~9-10.~~ "Regional council" means the council for comprehensive planning and development established in each region pursuant to this chapter.
- ~~40-11.~~ "Units of general local government" means cities, counties, and organized townships.

SECTION 2. A new section to chapter 54-40.1 of the North Dakota Century Code is created and enacted as follows:

Rural catalyst committee - Membership - Meetings.

1. The rural catalyst committee is created to assist communities in the state with quality of life improvement and economic development projects. The committee includes:
 - a. One individual from each regional council, appointed by the executive boards of the regional councils;
 - b. Two members-at-large from communities eligible for grants under this chapter or organizations that primarily serve communities eligible for grants under this chapter, appointed by the governor;
 - c. One member of the legislative assembly, appointed by the chairman of legislative management;
 - d. The governor or a designee appointed by the governor; and
 - e. The commissioner or a designee appointed by the commissioner.
2. The governor and the commissioner are permanent members of the committee. The term of office of the remaining members is four years. Members may be appointed to additional terms. The governor, or the governor's designee, shall serve as chairman of the committee. The chairman of the committee shall select a vice chairman.
3. The committee shall meet at least semiannually to review and approve grant applications. The committee shall prioritize funding projects that support rural prosperity and quality of life enhancements.
4. The committee shall develop guidelines for the rural catalyst grant program, including eligibility criteria and reporting and matching requirements. Grant recipients must provide at least one dollar of matching funds from nonstate sources for every one dollar provided from the rural catalyst fund. The committee may consider matching funds in the form of cash or in-kind contributions.
5. The department shall provide administrative support to the committee as needed.
6. Members of the committee are entitled to be reimbursed for expenses incurred in the performance of their duties, in the same manner as other state officials are reimbursed, according to sections 44-08-04 and 54-06-09, to be paid by the state agency employing the member. A member of the committee who is a member of the legislative assembly is entitled to receive reimbursement for allowable travel expenses and compensation at the rate provided under section 54-35-10 for each day the member performs official

duties of the committee, to be paid by the legislative council. If not otherwise employed by the state of North Dakota, members of the committee are entitled to receive compensation of one hundred thirty-five dollars for each day of attending meetings and performing other duties relating to official business of the committee, to be paid by the department.

SECTION 3. A new section to chapter 54-40.1 of the North Dakota Century Code is created and enacted as follows:

Rural catalyst grant program - Eligibility - Use of funds - Postaward monitoring - Report to legislative management and legislative assembly.

1. The department shall administer the rural catalyst grant program to support quality of life improvement and economic development projects for rural communities in the state.
2. Grant funding may be awarded for projects that will address a critical need in the areas of community and economic development, education, health and wellness, or for the purpose of preserving or reopening rural grocery stores in a rural community with a population of four thousand five hundred or fewer individuals. The maximum grant award under the program is five hundred thousand dollars. At least fifty percent of the grant funds must be allocated to communities with populations of fewer than one thousand five hundred individuals.
3. By September first of each even-numbered year, the department shall submit a report to the legislative management regarding the results of the program, including the number of projects requested and supported through the program, information on projects receiving funding, matching funds raised for each project, and how the project has affected local communities. The department shall provide this report to the appropriations committees of the next legislative assembly.
4. The department shall maintain a database on the department's website regarding data and the status of each approved project.

SECTION 4. A new section to chapter 54-40.1 of the North Dakota Century Code is created and enacted as follows:

Rural catalyst fund.

The rural catalyst fund is a special fund in the state treasury administered by the department. Moneys in the fund must be used for providing grants in accordance with this chapter, subject to legislative appropriations. Interest earned on moneys in the fund must be credited to the fund.

SECTION 5. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO RURAL CATALYST FUND. The office of management and budget shall transfer \$2,500,000 from the strategic investment and improvements fund to the rural catalyst fund during the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 6. APPROPRIATION - DEPARTMENT OF COMMERCE - RURAL CATALYST GRANT PROGRAM - ONE-TIME FUNDING. There is appropriated out of any moneys in the rural catalyst fund in the state treasury, not otherwise appropriated, the sum of \$2,500,000, or so much of the sum as may be necessary, to the

department of commerce for the purpose of the rural catalyst grant program, for the biennium beginning July 1, 2025, and ending June 30, 2027. The appropriation in this section is considered a one-time funding item.

Approved May 2, 2025

Filed May 2, 2025

CHAPTER 529

HOUSE BILL NO. 1487

(Representatives M. Ruby, Fisher, Heinert, Nathe, Stemen, D. Ruby)
(Senators Castaneda, Cleary, Meyer, Paulson, Thomas)

AN ACT to authorize the department of transportation to transfer real property to the office of management and budget; to provide an appropriation; to authorize a line of credit; to provide an exemption; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER OF LAND AUTHORIZED. The state of North Dakota, by and through the department of transportation, shall convey certain real property consisting of approximately one and one-quarter acres [.51 hectare] in the southwest corner of outlot 20 in the south half of the north half of the northwest quarter of section twenty-eight, township one hundred fifty-five north, range eighty-two west, Ward County, North Dakota, to the office of management and budget. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer authorized by this section.

SECTION 2. APPROPRIATION - OFFICE OF MANAGEMENT AND BUDGET - MINOT BUILDING - LINE OF CREDIT - ONE-TIME FUNDING - EXEMPTION. The office of management and budget may borrow up to \$5,600,000 through a line of credit from the Bank of North Dakota during the biennium beginning July 1, 2025, and ending June 30, 2027, the proceeds of which are appropriated to the office of management and budget for the purpose of constructing a facility in Minot to lease to other state agencies. The interest rate on the line of credit may not exceed the prevailing interest rate charged to North Dakota governmental entities. If the office of management and budget accesses the line of credit, the office of management and budget shall request a deficiency appropriation from the seventieth legislative assembly to repay the line of credit. The appropriation in this section is considered a one-time funding item. The appropriation in this section is not subject to section 54-44.1-11 and may be continued into the biennium beginning July 1, 2027, and ending June 30, 2029.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved April 23, 2025

Filed April 23, 2025

CHAPTER 530

HOUSE BILL NO. 1269

(Representative Schreiber-Beck)

AN ACT to amend and reenact sections 54-44.4-02 and 54-44.6-02 of the North Dakota Century Code, relating to procurement exemptions and an exemption from forms management requirements for the North Dakota center for distance education.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²¹⁴ **SECTION 1. AMENDMENT.** Section 54-44.4-02 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-02. Office of management and budget purchasing services.

1. The office of management and budget shall purchase or lease or otherwise arrange for the procurement, for all state agencies and institutions in the executive branch of state government, all materials, furniture, fixtures, printing, insurance, services, and other commodities. The International Peace Garden may participate in the procurement authorized by this section. The following commodities and services, however, are not subject to the procurement requirements of this chapter:
 - 4-a. Land, buildings, space, or the rental thereof.
 - 2-b. Telephone and telegraph service and electrical light and power services.
 - 3-c. Public books, maps, periodicals, resource materials, and technical pamphlets.
 - 4-d. Department of transportation materials, equipment, and supplies in accordance with section 24-02-16.
 - 5-e. Procurements by the industrial commission for energy-related programs under chapters 17-05, 54-17.5, 54-17.6, 54-17.7, 54-63, and 54-63.1 and under those statutes in title 38 authorizing the industrial commission to perform well and hole pluggings, reclamation work, equipment removal, leak prevention, and similar work.
 - 6-f. Services for the maintenance or servicing of equipment by the manufacturer or authorized servicing agent of that equipment when the maintenance or servicing can best be performed by the manufacturer or authorized service agent, or when such a contract would otherwise be advantageous to the state.
 - 7-g. Emergency purchases the office of management and budget or a purchasing agency cannot make within the required time and which

²¹⁴ Section 54-44.4-02 was also amended by section 3 of House Bill No. 1122, chapter 531, and section 2 of Senate Bill No. 2353, chapter 179.

- involve public health or public safety, or when immediate expenditures are necessary for repairs of state property to protect it against further loss or damage, or to prevent or minimize serious disruption in state services.
- ~~a.~~(1) Emergency purchases made under this subsection must treat all bidders fairly and promote competition as is practicable under the circumstances.
- ~~b.~~(2) The procurement file must contain a written determination of:
- ~~(1)~~(a) The basis for the emergency; and
- ~~(2)~~(b) The basis for the selection of the particular contractor.
- ~~c.~~(3) If the emergency circumstances warrant a noncompetitive purchase, the office of management and budget or the purchasing agency shall document within the procurement file a written determination of the basis for the noncompetitive purchase, including the circumstances that justified the noncompetitive purchase.
- ~~d.~~(4) If the emergency purchase is subject to federal funding reimbursement, the office of management and budget or the purchasing agency shall ensure the procurement procedures and documentation are adequate to satisfy requirements for federal reimbursement.
- ~~e.~~(5) If time allows, emergency purchases for commodities under this subsection may require a sample for use in determining whether an offered product meets specifications.
- ~~8.~~h. Commodities and services costing less than a specified amount as determined by written directive by the director of the office of management and budget.
- ~~9.~~i. Specified commodities and services as determined by written directive by the director of the office of management and budget.
- ~~40.~~j. Employee benefit services, trust-related services, and investment management services obtained by an agency with a fiduciary responsibility regarding those services. Nothing in this subsection may be construed to allow an agency to create or renew a contract perpetually and without limitation.
- ~~44.~~k. Services to extract, tow, store, and dispose of abandoned or submerged vehicles as defined in chapter 23.1-15.
- ~~42.~~l. Contracts by the agriculture commissioner for agricultural market news services under cooperative agreements with the United States department of agriculture, ombudsmen for pipeline restoration under section 4.1-01-17, environmental impact mitigation services under section 4.1-01-21.1, ombudsmen for wind property issues under section 4.1-01-23, weed control inspection agents under section 4.1-14-02, and hemp testing under section 4.1-18.1-04.2.

~~13-m.~~ Contracts by the state auditor for audits of computer systems under section 54-10-29.

~~14-n.~~ Contracts by the attorney general with experts under section 10-33-145.

~~15-o.~~ Contracts by the department of health and human services for online virtual mental health and suicide prevention simulation-based training programs under subsection 28 of section 50-06-05.1 and brain injury informal supports under section 50-06.4-07.

p. Contracts by the North Dakota center for distance education for educational content, educational technology tools, and related services for virtual delivery of education to students in kindergarten through grade twelve.

2. All purchases made by the office of management and budget or a state agency or institution to which authority to purchase has been delegated by the office of management and budget must be made in accordance with this chapter, rules adopted under this chapter, and written policies of the office of management and budget.

SECTION 2. AMENDMENT. Section 54-44.6-02 of the North Dakota Century Code is amended and reenacted as follows:

54-44.6-02. Definitions.

As used in this chapter, unless the context or subject matter otherwise requires:

1. "Agency" means any department, office, commission, board, or other unit, however designated, of the executive branch of state government. The term does not include the North Dakota center for distance education.
2. "Form" means any document designed to record information and containing blank spaces and which may contain headings, captions, boxes, or other printed or written devices to guide the entry and interpretation of the information.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 531

HOUSE BILL NO. 1122

(Representative Nelson)

AN ACT to create and enact two new sections to chapter 54-44.4 of the North Dakota Century Code, relating to purchases by state officials and employees and multiple award vendor pool contracts; and to amend and reenact subsection 6 of section 44-04-18.4, sections 54-44.4-01, 54-44.4-02, 54-44.4-05, subsection 1 of section 54-44.4-07, subsection 1 of section 54-44.4-09, sections 54-44.4-09.1, 54-44.4-12, 54-44.4-13, and 54-44.4-14 of the North Dakota Century Code, relating to state purchasing practices.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 6 of section 44-04-18.4 of the North Dakota Century Code is amended and reenacted as follows:

6. Unless made confidential under subsection 1 or made exempt under subsection 5:
 - a. Bids received by a public entity in response to an invitation for bids by the public entity are exempt until all of the bids have been received and opened by the public entity.
 - b. Proposals received by a public entity in response to a request for proposals are exempt records until a notice of intent to award is issued.
 - c. ~~Records included with any bid or proposal naming and generally describing the entity submitting the proposal are open.~~

SECTION 2. AMENDMENT. Section 54-44.4-01 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-01. Declaration of policy - Definitions.

It is state policy to provide comprehensive purchasing services based upon sound procurement practices and principles wherein, through full competition with fair and equal opportunity to all qualified persons to sell to the state, each state agency and institution shall obtain its necessary commodities and services at competitive cost, consistent with quality, time, and performance requirements, except as otherwise provided by law. As used in this chapter, unless the context requires otherwise:

1. "Commodities" means all property, including equipment, supplies, materials, printing, insurance, and leases of equipment.
2. "Information technology" has the same meaning as provided in section 54-59-01.
3. "Procurement officer" means an individual duly authorized to enter and administer purchasing contracts and make written determinations with respect thereto and also includes an authorized representative acting within the limits of authority.

- ~~3-4.~~ "Professional services" means those services requiring special knowledge, education, or skills when the qualifications and experience of the individual rendering the services are of primary importance and the individual is required to exercise professional judgment. Professional services providers include appraisers, attorneys, accountants, psychologists, physicians, dentists, planners, analysts, and consultants. The term includes human services under which a person provides direct health or social welfare services to the citizens on behalf of the state. The term does not include services defined in section 54-44.7-01.
- 4-5. "Purchasing agency" means a governmental entity in the executive branch of government other than the office of management and budget which is authorized by this chapter, rules adopted under this chapter, written policy of the office of management and budget, or by way of delegation from the office of management and budget to enter purchasing contracts for commodities and services.
- ~~5-6.~~ "Services" means the furnishing of labor, time, or effort by a contractor, not involving the delivery of a specific end product other than reports that are merely incidental to the required performance. The term includes professional services.

²¹⁵ **SECTION 3. AMENDMENT.** Section 54-44.4-02 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-02. Office of management and budget purchasing services.

The office of management and budget shall purchase or lease or otherwise arrange for the procurement, for all state agencies and institutions in the executive branch of state government, all materials, furniture, fixtures, printing, insurance, services, and other commodities. ~~The International Peace Garden may participate in the procurement authorized by this section. Contracts for use by multiple state agencies and institutions, including purchases under this section, must be established as a state contract by the office of management and budget or as a cooperative purchasing contract under section 54-44.4-13. Information technology procurements, including purchases under this section, are subject to the requirements of chapter 54-59 and policies, standards, and guidelines established pursuant to section 54-59-09.~~ The following commodities and services, ~~however,~~ are not subject to the competitive procurement requirements of this chapter:

1. Land, buildings, space, or the rental thereof, in accordance with sections 54-21-24.1 and 54-44.1-16.
2. Telephone and telegraph service and electrical light and power services.
3. Public books, maps, periodicals, resource materials, and technical pamphlets.
4. Department of transportation materials, equipment, and supplies in accordance with section 24-02-16.
5. ~~Procurements~~ Energy-related procurements by the industrial commission for ~~energy-related~~ programs under chapters 17-05, 54-17.5, 54-17.6, 54-17.7, 54-63, and 54-63.1 and under those statutes in title 38 authorizing the industrial commission to perform well and hole pluggings, reclamation work, equipment removal, leak prevention, and similar work.

²¹⁵ Section 54-44.4-02 was also amended by section 1 of House Bill No. 1269, chapter 530, and section 2 of Senate Bill No. 2353, chapter 179.

6. Services for the maintenance or servicing of equipment by the manufacturer or authorized servicing agent of that equipment when the maintenance or servicing can best be performed by the manufacturer or authorized service agent, or when such a contract would otherwise be advantageous to the state.
7. Emergency purchases the office of management and budget or a purchasing agency cannot make within the required time and which involve public health or public safety, or when immediate expenditures are necessary for repairs of state property to protect it against further loss or damage, or to prevent or minimize serious disruption in state services.
 - a. Emergency purchases made under this subsection must treat all bidders fairly and promote competition as is practicable under the circumstances;
 - b. The procurement file must contain a written determination of:
 - (1) The basis for the emergency; and
 - (2) The basis for the selection of the particular contractor.
 - c. If the emergency circumstances warrant a noncompetitive purchase, the office of management and budget or the purchasing agency shall document within the procurement file a written determination of the basis for the noncompetitive purchase, including the circumstances that justified the noncompetitive purchase.
 - d. If the emergency purchase is subject to federal funding reimbursement, the office of management and budget or the purchasing agency shall ensure the procurement procedures and documentation are adequate to satisfy requirements for federal reimbursement.
 - e. If time allows, emergency purchases for commodities under this subsection may require a sample for use in determining whether an offered product meets specifications.
8. Commodities and services costing less than a specified amount as determined by written directive by the director of the office of management and budget.
9. Specified commodities and services as determined by written directive by the director of the office of management and budget.
10. Employee benefit services, trust-related services, and investment management services obtained by an agency with a fiduciary responsibility regarding those services. Nothing in this subsection may be construed to allow an agency to create or renew a contract perpetually and without limitation.
11. Services to extract, tow, store, and dispose of abandoned or submerged vehicles as defined in chapter 23.1-15.
12. Contracts by the agriculture commissioner for agricultural market news services under cooperative agreements with the United States department of agriculture, ombudsmen for pipeline restoration under section 4.1-01-17, environmental impact mitigation services under section 4.1-01-21.1,

ombudsmen for wind property issues under section 4.1-01-23, weed control inspection agents under section 4.1-14-02, and hemp testing under section 4.1-18.1-04.2.

13. Contracts by the state auditor for audits of computer systems under section 54-10-29.
14. Contracts by the attorney general with experts under section 10-33-145.
15. Contracts by the department of health and human services for ~~online-virtual mental health and suicide prevention simulation-based training programs, under subsection 28 of section 50-06-05.1 and brain injury informal supports, and other under section 50-06.4-07 training and related materials for individuals receiving assistance or services and employees, contractors, or professionals providing assistance or services under programs administered by or under the supervision and direction of the department of health and human services.~~
16. Expenditures by a state agency or institution for direct media placement, including a billboard or signage, with a newspaper or newspaper industry association, magazine or other publication, radio or television station, digital media provider, or venue.

All purchases made by the office of management and budget or a state agency or institution to which authority to purchase has been delegated by the office of management and budget must be made in accordance with this chapter, rules adopted under this chapter, and written policies of the office of management and budget.

SECTION 4. AMENDMENT. Section 54-44.4-05 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-05. Competitive, limited competitive, noncompetitive, and negotiated purchases - Exempt records.

1. Except as otherwise provided in sections 12-48-03.1 and 44-08-01, chapter 25-16.2, and this chapter, purchasing contracts must be awarded through a competitive bidding process to the lowest responsible bidder considering conformity with specifications, and terms of delivery, ~~and quality and serviceability~~, unless it is ~~determined to be~~ advantageous to the state to select a contractor through a request for a competitive proposal process pursuant to section 54-44.4-10 ~~using other or additional criteria~~. Notwithstanding this section, the director of the office of management and budget or the director's designee may determine a different procurement process is in the best interest of the state and shall document the circumstances, procurement process, and basis for contract award in the procurement file.
2. The procurement officer may reject any or all bids or proposals or negotiate for a lower price with a successful bidder or offeror. Each bid or proposal received, with the name of the bidder or offeror, must be recorded. The office of management and budget may enter into term contracts for the acquisition of commodities or services and may make multiple awards for term commodity or service contracts when it deems a multiple award to be in the best interests of the state.

3. All bids and proposals received under this chapter pursuant to a competitive ~~sealed bids~~solicitation are exempt records under subsection 5 of section 44-04-17.1 ~~until the date and time the bids are opened~~except as otherwise provided under subsection 6 of section 44-04-18.4.
4. The office of management and budget shall adopt rules specifying the circumstances under which competition may be waived or limited, when negotiation may be used, and specifying the required justifications and procedures for using those methods of purchasing. The office of management and budget shall adopt rules related to sending notice of intent to make limited competitive, noncompetitive, and negotiated purchases in accordance with this chapter. The notice must describe the needed commodity or service and the intended procurement method and must state that persons are permitted to submit bids or proposals for contracts to be awarded under this section. The circumstances that may permit limited competitive, noncompetitive, or negotiated purchases include:
 - a. The commodity or service is available from only one source.
 - b. The commodity or service is to be purchased for experimentation or trial.
 - c. No acceptable bid or proposal was received pursuant to a competitive bidding or competitive proposal process.
 - d. Commodities are being purchased for over-the-counter resale.
 - e. Acceptable commodities or services ~~are~~ produced or provided by ~~correctional institutions or prison industries under section 12-48-03.1, other government agencies, or a work activity center as defined in section 25-16.2-01.~~
 - f. The anticipated cost of purchasing specified commodities or services is less than an amount determined by the office of management and budget which would justify the expense of a competitive bidding or competitive proposal process.
 - g. A used commodity is advantageous to the state and the commodity is available only on short notice.
 - h. The commodity is a component or replacement part for which there is no commercially available substitute and which can be obtained only from the manufacturer.
 - i. Compatibility with equipment currently owned by the state is essential to the proper functioning of that equipment.
 - j. The agency provides documentation indicating that the services or the circumstances are of such a nature that deviation from the procurement procedure is appropriate.
 - k. Recurring support costs associated with implemented information technology solutions, including licensing, service agreements, maintenance, and subscriptions for software as a service, platform as a service, and infrastructure as a service. This includes recurring costs for software or firmware required for proper functioning of currently owned equipment.

- l. Contracts for specialized equipment, machinery, and materials required for manufacturing, production, and distribution by the North Dakota mill and elevator association under section 54-18-02 or prison industries under section 12-48-03.1.
- m. Purchases of copyrighted printed and electronic books, periodicals, subscriptions to publications, subscriptions to information services, prerecorded audio and video materials, state library materials, and state library online resources, including purchases for libraries operated by state agencies, institutions of higher education, and other public libraries.

SECTION 5. AMENDMENT. Subsection 1 of section 54-44.4-07 of the North Dakota Century Code is amended and reenacted as follows:

1. The office of management and budget, the institutions of higher education, and any other state agency or institution that has authority to purchase products are encouraged to purchase environmentally preferable products.
 - a. When practicable, specifications for purchasing newsprint printing services should specify the use of soybean-based ink. ~~The North Dakota soybean council and the agriculture commissioner shall assist the office of management and budget in locating suppliers of soybean-based inks and in collecting data on the purchase of soybean-based inks.~~
 - b. When practicable, biobased products should be specified.

SECTION 6. AMENDMENT. Subsection 1 of section 54-44.4-09 of the North Dakota Century Code is amended and reenacted as follows:

1. The office of management and budget shall establish and maintain a bidders list of persons that desire to be informed of government procurement opportunities. The office of management and budget or the purchasing agency shall notify those on the list when issuing invitation for bids or request for proposals over the amount established for small purchases, except as otherwise provided in this section. The office of management and budget or the purchasing agency shall notify those on the list when sending notice of intent to make cooperative, limited competitive, noncompetitive, and negotiated purchases. A person may be required to register for the bidders list before the person may submit a response to a solicitation.

SECTION 7. AMENDMENT. Section 54-44.4-09.1 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-09.1. Secretary of state registration.

A person that has a registration requirement with the secretary of state must be registered before the contract ~~award~~execution and the registration must remain active for the duration of the contract period.

SECTION 8. AMENDMENT. Section 54-44.4-12 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-12. Resolution of protested solicitations and awards.

1. An interested party may protest the award of a contract, the notice of intent to award a contract, or a solicitation for commodities or services by the office of management and budget or purchasing agency under this chapter. The

protest must be submitted in writing or electronic mail communication to the procurement officer responsible for the contract or solicitation within seven calendar days after the protestor knows or should have known of the facts giving rise to the protest.

2. If a contract has been awarded, the procurement officer immediately shall give notice of a protest to the contractor. In the case of pending award, a stay of award may be requested. A stay must be granted unless a written determination is made that the award of the contract without delay is necessary to protect the interests of the state.
3. If the protest is resolved by mutual agreement, the procurement officer shall send written notice to the protestor confirming the mutually agreed upon resolution. If the protest is not resolved by mutual agreement, the procurement officer ~~promptly shall, within seven calendar days,~~ send by certified mail to the protestor a written decision containing the basis for the decision and inform the protestor of the protestor's right to appeal under subsection 5 of this section. The procurement officer may extend the protest review period by no more than seven calendar days and shall send written notice to the protestor of the extension.
4. The procurement officer shall promptly provide the office of management and budget with a copy of the protest and the procurement officer's decision.
- ~~4-5.~~ The protestor may file an appeal of the decision rendered by the procurement officer ~~with the director of the office of management and budget or designee.~~ An appeal must be filed in writing within seven calendar days after the protestor receives the decision rendered by the procurement officer of the office of management and budget or the purchasing agency. The appeal must include a copy of the decision being appealed and the basis for the appeal. An appeal of a decision rendered by a procurement officer of a state agency or an institution that is not under the jurisdiction of the state board of higher education, must be filed with the office of management and budget. An appeal of a decision rendered by a procurement officer of an institution under the jurisdiction of the state board of higher education must be filed in accordance with policy established under subsection 5 of section 15-10-17. Within seven calendar days ~~the director of the office of management and budget or the director's designee~~ deciding authority shall send ~~by certified mail~~ written notice of the appeal decision to the protestor. The deciding authority may extend the appeal review period by no more than seven calendar days. Notice of any extension shall be provided in writing to the protestor.
6. Written notices required in this section may be accomplished by certified mail, commercial delivery service with delivery confirmation, or by a delivery confirmation to the electronic mail address used by the protestor to submit the protest.

SECTION 9. AMENDMENT. Section 54-44.4-13 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-13. Cooperative purchasing.

1. The office of management and budget shall purchase commodities or services as requested by agencies and institutions ~~under the jurisdiction of the state board of higher education and the legislative and judicial branches of state government.~~

2. The office of management and budget and the agencies and institutions ~~under the jurisdiction of the state board~~ of higher education shall make joint purchases of like commodities or services of high common usage when the office of management and budget and the state board of higher education determine it is in the best interest of the state.
3. An institution of higher education may establish a cooperative purchasing contract for use limited to other institutions of higher education.
- ~~3-4.~~ The director of the office of management and budget or the director's designee may agree to purchase commodities or services under contracts entered into by the United States general services administration or contracts of other government entities if it is determined to be in the best interest of the state after consideration of price, contractual terms and conditions, and the availability of competition.
- ~~4-5.~~ The director of the office of management and budget or the director's designee may participate in, sponsor, or administer a cooperative purchasing agreement with one or more government entities or a nonprofit organization established on behalf of public entities for the procurement of commodities or services in accordance with an agreement entered into between the participants.
- ~~5-6.~~ The director of the office of management and budget or the director's designee may coordinate with the director of the department of transportation or the director's designee to establish or participate in contracts which may be made available to entities that have been determined by the department of transportation to be transportation providers under chapter 39-04.2 eligible to receive state funds or federal funds for public transportation.
- ~~6-7.~~ Cooperative purchasing may include open-ended contracts that are available to other government entities, nonprofit organizations established on behalf of public entities, tribal agencies, ~~or~~ transportation providers determined to be eligible under this section, or the International Peace Garden established under chapter 55-05.
- ~~7-8.~~ Before entering into a cooperative purchasing agreement under this section, the office of management and budget must determine that the contracts were awarded through full and open competition or source selection methods specified in section 54-44.4-05 and shall send notice to the bidders list of the office's intent to make a cooperative purchase in accordance with this chapter.

SECTION 10. AMENDMENT. Section 54-44.4-14 of the North Dakota Century Code is amended and reenacted as follows:

54-44.4-14. Procurement information - Website.

1. The office of management and budget shall establish and maintain a procurement information website on the internet. This procurement information website must provide current information regarding North Dakota government procurement opportunities in order to inform potential vendors of the commodities and services sought by state agencies and institutions. Notwithstanding section 54-44.4-09, for each purchase of services or commodities over the amount established for small purchases, the office of management and budget and every purchasing agency shall provide procurement information on the website. The time period and manner of

providing procurement information on the website must be in accordance with rules adopted by the office of management and budget. The office of management and budget may contract with a third party to assist in providing or maintaining the procurement information website.

2. ~~AIn addition to other notice requirements provided by law, a state agency or institution may elect to use the~~issue solicitation notices on the procurement information website for the purchase of services and commodities that are not subject to the procurement requirements of this chapter, including:
 - a. Commodities and services exempted under section 54-44.4-02;
 - b. Public improvements under title 48;
 - c. Architect, engineer, construction management, and land surveying services under chapter 54-44.7; and
 - d. Concessions under chapter 48-09.
3. The office of management and budget shall establish and maintain a standardized procedure for the submission of electronic bids and proposals through the procurement information website. The office of management and budget, in consultation with the office of the attorney general, shall develop standardized solicitation documents. The documents must be made available on the procurement information website. When drafting a solicitation, the office of management and budget and purchasing agencies shall use their best efforts to minimize the length of the solicitation by ensuring only those sections from the standardized solicitation documents applicable to the procurement are included.
4. The office of management and budget may make the procurement information website available to government entities, including political subdivisions of the state and public schools, for the purpose of issuance of solicitation notices that are in addition to any other notice requirements provided by law.

SECTION 11. A new section to chapter 54-44.4 of the North Dakota Century Code is created and enacted as follows:

Purchases from state contracts by state officials and employees.

The office of management and budget, in consultation with the office of the attorney general, shall adopt rules related to circumstances under which it is determined to be in the best interest of the state to authorize state officials and employees to make personal purchases from state contracts.

SECTION 12. A new section to chapter 54-44.4 of the North Dakota Century Code is created and enacted as follows:

Multiple award vendor pool contracts - Indefinite-delivery, indefinite-quantity - Multistep competition.

1. The office of management and budget, in coordination with the state board of higher education and the information technology department, shall develop guidelines for establishing multiple award vendor pool contracts, including cooperative purchasing contracts under section 54-44.4-13. Multiple award vendor pool contracts establish indefinite-delivery, indefinite-quantity primary

contracts with service providers including hourly rates for various services, unit prices for deliverable products, and provisions for price adjustments. The guidelines must establish thresholds at which a purchasing agency or institution may purchase directly from a service provider within the vendor pool or must obtain secondary competition by soliciting bids or proposals limited to service providers within the vendor pool. A purchasing agency or institution establishing a multiple award vendor pool contract or making a purchase from a vendor pool contract shall comply with guidelines established under this section.

2. A multiple award vendor pool primary contract term may not exceed a total contract length of five years, including renewals and extensions, unless prior written approval is obtained as set forth in the guidelines. The work performed under an awarded secondary contract must be completed within the contract term of the primary vendor pool contract.
3. The purchasing agency or institution making a purchase from a vendor pool contract shall prepare a statement of work for the entire project describing the needed services to determine the level of competition required. The purchasing agency or institution may not artificially fragment requirements or make serial noncompetitive purchases from service providers within the vendor pool to circumvent competition requirements.

Approved March 21, 2025

Filed March 24, 2025

CHAPTER 532

HOUSE BILL NO. 1234

(Representatives Dockter, Bosch, Schauer, Stemen, Lefor)
(Senators Dever, Roers)

AN ACT to provide a transfer from the strategic investment and improvements fund to the public employees retirement system fund; and to provide for a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO PUBLIC EMPLOYEES RETIREMENT SYSTEM FUND. The office of management and budget shall transfer the sum of \$25,000,000 from the strategic investment and improvements fund to the public employees retirement system fund, for the purpose of reducing the unfunded liability of the public employees retirement system main system defined benefit plan, during the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 2. LEGISLATIVE INTENT - PUBLIC EMPLOYEES RETIREMENT SYSTEM MAIN SYSTEM DEFINED BENEFIT PLAN. It is the intent of the sixty-ninth legislative assembly that the public employees retirement system use the \$25,000,000 transferred in section 1 of this Act and the \$65,000,000 projected to be deposited in the public employees retirement fund during the 2025-27 biennium pursuant to section 57-51.1-07.5 for reducing the unfunded liability of the public employees retirement system main system defined benefit plan. It is further the intent of the sixty-ninth legislative assembly that these transfers are in lieu of the public employees retirement system charging state governmental units the additional actuarially determined rate under section 54-52-06 during the 2025-27 biennium.

Approved April 23, 2025

Filed April 23, 2025

CHAPTER 533

HOUSE BILL NO. 1177

(Representatives Porter, Bosch, Dockter, Heinert, Karls, Nathe, Schauer, Toman)
(Senators Axtman, Cleary, Roers, Schaible)

AN ACT to amend and reenact subsection 3 of section 54-52-01 of the North Dakota Century Code, relating to the definition of correctional officer for purposes of the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²¹⁶ **SECTION 1. AMENDMENT.** Subsection 3 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

3. "Correctional officer" means a participating member who is employed as a correctional officer by a political subdivision. The term includes an individual employed by a correctional facility as defined in section 12-44.1-01, who is enrolled in, but has not yet completed, a correctional officer course approved or certified by the North Dakota department of corrections and rehabilitation.

Approved March 21, 2025

Filed March 24, 2025

²¹⁶ Section 54-52-01 was also amended by section 1 of House Bill No. 1077, chapter 534, section 1 of House Bill No. 1112, chapter 541, section 1 of House Bill No. 1274, chapter 536, section 1 of House Bill No. 1419, chapter 537, and section 1 of Senate Bill No. 2121, chapter 535.

CHAPTER 534

HOUSE BILL NO. 1077

(Government and Veterans Affairs Committee)
(At the request of the Adjutant General)

AN ACT to amend and reenact subsection 11 of section 54-52-01 of the North Dakota Century Code, relating to the definition of national guard security officer and firefighter.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²¹⁷ **SECTION 1. AMENDMENT.** Subsection 11 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

11. "National guard security officer or firefighter" means a participating member who is:
 - a. A security police employee of the North Dakota national guard; ~~or~~
 - b. A security officer employee of the North Dakota national guard; or
 - c. A firefighter employee of the North Dakota national guard.

Approved March 14, 2025

Filed March 14, 2025

²¹⁷ Section 54-52-01 was also amended by section 1 of House Bill No. 1112, chapter 541, section 1 of House Bill No. 1177, chapter 533, section 1 of House Bill No. 1274, chapter 536, section 1 of House Bill No. 1419, chapter 537, and section 1 of Senate Bill No. 2121, chapter 535.

CHAPTER 535

SENATE BILL NO. 2121

(State and Local Government Committee)
(North Dakota Public Employees Retirement System)

AN ACT to amend and reenact subsection 23 of section 54-52-01, section 54-52-17, subsection 2 of section 54-52-28, sections 54-52.1-03.1 and 54-52.2-06, subsection 8 of section 54-52.6-01, and subsection 1 of section 54-52.6-02.2 of the North Dakota Century Code, relating to administering the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

218 SECTION 1. AMENDMENT. Subsection 23 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

23. "Temporary employee" means an employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored ~~pension~~retirement fund, and, if employed by a school district, occupies a noncertified teacher's position.

219 SECTION 2. AMENDMENT. Section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

54-52-17. Formulation of plan. (Retroactive application - See note)

Participating members shall receive benefits according to this section and according to rules adopted by the board, not inconsistent with this chapter. ~~No person~~An individual is not entitled to receive a prior service benefit if the ~~person~~individual was not continuously employed by a governmental unit in North Dakota for a period of not less than two years immediately ~~prior to~~before eligibility for retirement.

1. Participating members shall receive credit for full-time employment or its equivalent from the date they attain eligibility until their normal retirement date, postponed retirement date, or early retirement date, as defined in this section. Part-time employment will be recognized as full-time employment on a prorated basis as the board may prescribe.
2. Retirement benefits are calculated from the participating member's final average salary, which is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred

218 Section 54-52-01 was also amended by section 1 of House Bill No. 1077, chapter 534, section 1 of House Bill No. 1112, chapter 541, section 1 of House Bill No. 1177, chapter 533, section 1 of House Bill No. 1274, chapter 536, and section 1 of House Bill No. 1419, chapter 537.

219 Section 54-52-17 was also amended by section 3 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1274, chapter 536, section 6 of House Bill No. 1419, chapter 537, and section 1 of Senate Bill No. 2119, chapter 542.

twenty months of employment. For members who terminate employment on or after August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred eighty months of employment. For members who terminate employment between July 31, 2005, and August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the period for which the board has appropriate and accurate salary records on the board's electronic database, but that period may not be more than the last one hundred eighty months of employment. For members who terminate employment after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019, or the average salary earned in the three highest periods of twelve consecutive months employed during the last one hundred eighty months of employment. Months without earnings are excluded for the purpose of computing an average. If the participating member has worked for less than thirty-six months at the normal retirement date, the final average salary is the average salary for the total months of employment.

3. Retirement dates are defined as follows:

- a. Normal retirement date, except for a national guard security officer or firefighter, a firefighter employed by a political subdivision, a peace officer employed by the state, or a peace officer or correctional officer employed by a political subdivision, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a firefighter employed by a political subdivision, a peace officer employed by the state, a peace officer or correctional officer employed by a political subdivision, or a supreme court or district court judge, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.
- c. Normal retirement date for a national guard security officer or firefighter is:
 - (1) The first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the national guard security officer or firefighter has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.

- d. Normal retirement date for a peace officer, firefighter, or correctional officer employed by a political subdivision is:
 - (1) The first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the peace officer, firefighter, or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- e. (1) Normal retirement date for a peace officer employed by the bureau of criminal investigation is:
 - (a) [1] For a member employed before August 1, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; and
 - [2] For a member employed after July 31, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least ten eligible years of employment; or
 - (b) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- (2) Normal retirement date for a peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, is:
 - (a) The first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (b) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.
- g. (1) Early retirement date, except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, or a peace officer employed by the state, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment.

- (2) For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment.
- (3) For a peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, or a firefighter, peace officer, or correctional officer employed by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.
- (4) For a peace officer employed by the bureau of criminal investigation, early retirement date is the first day of the month next following the month in which the peace officer attains the age of fifty years and has completed;

(a) If hired before August 1, 2023, at least three years of eligible employment; or

(b) If hired after July 31, 2023, at least ten years of eligible employment.

- h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03.

- (1) A member is eligible to receive disability retirement benefits only if the member became disabled during the period of eligible employment and applies for disability retirement benefits within twelve months of the date the member terminates employment.
- (2) A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services the board deems necessary and these payments are appropriated from the retirement fund for those purposes. A member's receipt of disability benefits under this section is limited to receipt from the fund to which the member was actively contributing at the time the member became disabled.

4. The board shall calculate retirement benefits as follows:

- a. Normal retirement benefits for ~~all retirees~~ a retiree, except ~~a~~ supreme ~~and/or~~ district court ~~judges~~ judge, peace ~~officers~~ officer employed by the bureau of criminal investigation, ~~and/or~~ other peace ~~officers~~ officer employed by the state, reaching normal retirement date ~~equal~~ equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:
- (1) For ~~members~~ a member first enrolled:
 - (a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.
 - (b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.
 - (2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.
- b. Normal retirement benefits for ~~all~~ a supreme ~~and/or~~ district court ~~judges~~ judge under the public employees retirement system reaching normal retirement date ~~equal~~ equals an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:
- (1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.
 - (2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.
- c. Normal retirement benefits for a peace officer employed by the bureau of criminal investigation reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:
- (1) The first twenty years of credited service multiplied by three percent of final average salary.
 - (2) For years in excess of twenty years of credited service multiplied by one and seventy-five hundredths percent of final average salary.
- d. Normal retirement benefits for a peace officer employed by the state, other than by the bureau of criminal investigation, reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:
- (1) For ~~members~~ a member first enrolled:

- (a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.
 - (b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.
- (2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.
- e. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.
- f. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning before the normal retirement date, as determined under subsection 3. Except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, a peace officer employed by the state, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, or a peace officer employed by the bureau of criminal investigation and hired after July 31, 2023, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment. A peace officer employed by the bureau of criminal investigation and hired after July 31, 2023, is eligible for early retirement benefits only after having completed ten years of eligible employment.
- g. Except for ~~a supreme and/or district court judge~~judge, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for ~~a supreme and/or district court judge~~judge are seventy percent of final average salary reduced by ~~the member's primary~~any social security benefits and by any workforce safety and insurance benefits paid to the member. The minimum monthly disability retirement benefit under this section is one hundred dollars.
5. Upon termination of employment after completing three years of eligible employment, except for ~~a supreme and/or district court judge~~judge, who must complete five years of eligible employment, or a peace officer employed by the bureau of criminal investigation and hired after July 31, 2023, who must complete ten years of eligible employment, but before normal retirement date, a member who does not elect to receive early retirement benefits is eligible to receive deferred vested retirement benefits payable commencing on the member's normal retirement date in one of the optional forms provided in subsection 9. Members who have delayed or inadvertently failed to apply for retirement benefits to commence on their normal retirement date may choose to receive either a lump sum payment equal to the amount of missed payments, or an actuarial increase to the form of benefit the member has selected, which increase must reflect the missed payments.

6. If before retiring a member dies after completing three years of eligible employment, except for a supreme and/or district court judge, judge, who must have completed five years of eligible employment, or a peace officer employed by the bureau of criminal investigation and hired after July 31, 2023, who must complete ten years of eligible employment, the board shall pay the member's account balance to the member's designated beneficiary as provided in this subsection. If the member has designated an alternate beneficiary with the surviving spouse's written consent, the board shall pay the member's account balance to the named beneficiary. If the member has named more than one primary beneficiary, the board shall pay the member's account balance to the named primary beneficiaries in the percentages designated by the member or, if the member has not designated a percentage for the beneficiaries, in equal percentages. If one or more of the primary beneficiaries has predeceased the member, the board shall pay the predeceased beneficiary's share to the remaining primary beneficiaries. If any beneficiary survives the member, yet dies before distribution of the beneficiary's share, the beneficiary must be treated as if the beneficiary predeceased the member. If there are no remaining primary beneficiaries, the board shall pay the member's account balance to the contingent beneficiaries in the same manner. If there are no remaining designated beneficiaries, the board shall pay the member's account balance to the member's estate. If the member has not designated an alternate beneficiary or the surviving spouse is the beneficiary, the surviving spouse of the member may select a form of payment as follows:
- a. If the member was a supreme or district court judge, the surviving spouse may select one of the following optional forms of payment:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payments as calculated for the deceased member as if the member was of normal retirement age at the date of death, payable until the spouse dies.
 - b. The surviving spouse of all other members may select one of the following options:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payment of a monthly retirement benefit equal to fifty percent of the deceased member's accrued single life retirement benefits until the spouse dies.
 - (3) If the member dies on or after the member's normal retirement date, the payment of a monthly retirement benefit equal to an amount that would have been paid to the surviving spouse if the member had retired on the day of the member's death and had selected a one hundred percent joint and survivor annuity, payable until the spouse dies. A surviving spouse who received a benefit under this subsection as of July 31, 1995, is entitled to the higher of that person's existing benefit or the equivalent of the accrued benefit available under the one hundred percent joint and survivor provision as if the deceased member were of normal retirement age, with the increase payable beginning August 1, 1995.

7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, the member or the member's designated beneficiary is entitled to the member's account balance at termination. The board automatically shall refund a member's account balance if the member has completed less than three years of eligible employment, has an account balance of less than one thousand dollars, and was not a supreme or district court judge or a peace officer employed by the bureau of criminal investigation and hired after July 31, 2023. If the member was a supreme or district court judge, the board automatically shall refund a member's account balance if the member completed less than five years of eligible employment and has an account balance of less than one thousand dollars. If the member was a peace officer employed by the bureau of criminal investigation and hired after July 31, 2023, the board automatically shall refund a member's account balance if the member completed less than ten years of eligible employment and has an account balance of less than one thousand dollars. A member may waive the refund if the member submits a written statement to the board, within thirty days after termination, requesting that the member's account balance remain in the fund.
8. The surviving spouse of a member receiving retirement benefits must be the member's primary beneficiary unless there is no surviving spouse or the surviving spouse designates an alternate beneficiary in writing. If a member receiving retirement benefits or the member's surviving spouse receiving retirement benefits dies before the total amount of benefits paid to either or both equals the amount of the member's account balance at retirement, the difference must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate. A benefit payment owed to the member, surviving spouse, or alternate beneficiary which was not paid before the death of the member, surviving spouse, or alternate beneficiary must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate.
9. a. The board shall adopt rules providing for the receipt of retirement benefits in the following optional forms:
 - a. (1) Single life.
 - b. (2) An actuarially equivalent joint and survivor option, with fifty percent or one hundred percent options.
 - c. (3) Actuarially equivalent life with ten-year or twenty-year certain options.
 - d. (4) An actuarially equivalent partial lump sum distribution option with a twelve-month maximum lump sum distribution.
 - e. (5) An actuarially equivalent graduated benefit option with either a one percent or two percent increase to be applied the first day of January of each year.
- b. Except for a supreme ~~and/or~~ district court ~~judges~~judge, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a single life benefit. For a supreme ~~and/or~~ district court ~~judges~~judge, unless a member specifically requests that the member

receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a lifetime monthly pension with fifty percent of the benefit continuing for the life of the surviving spouse, if any.

10. The fund may accept rollovers from other eligible plans under rules adopted by the board for the purchase of additional service credit, but only to the extent the transfer is a rollover contribution that meets the requirement of section 408 of the Internal Revenue Code.
11. The board may accept trustee-to-trustee transfers as permitted by Internal Revenue Code section 403(b)(13) and section 457(e)(17) from an Internal Revenue Code section 403(b) annuity or Internal Revenue Code section 457 deferred compensation plan for the purchase of permissive service credit, as defined in Internal Revenue Code section 415(n)(3)(A) or as repayment of a cashout from a governmental plan under Internal Revenue Code section 415(k)(3).
12. The board may establish individual retirement accounts and individual retirement annuities as permitted under section 408(q) of the Internal Revenue Code to allow employees to make voluntary employee contributions. The board may adopt rules to implement and administer the accounts and annuities under this section.

SECTION 3. AMENDMENT. Subsection 2 of section 54-52-28 of the North Dakota Century Code is amended and reenacted as follows:

2. The minimum distribution rules under section 401(a)(9) of the Internal Revenue Code, including the incidental death benefit requirements under section 401(a)(9)(G), and the regulations issued under that provision to the extent applicable to governmental plans, as amended. Accordingly, benefits must be distributed or begin to be distributed no later than a member's required beginning date, and the required minimum distribution rules override any inconsistent provision of this chapter. ~~For a member who attains age seventy and one-half before January 1, 2020, the member's required beginning date is April first of the calendar year following the later of the calendar year in which the member attains age seventy and one-half or terminates employment. For a member who attains age seventy and one-half after December 31, 2019, the member's required beginning date is April first of the calendar year following the later of the calendar year in which the member attains age seventy-two or terminates employment.~~

SECTION 4. AMENDMENT. Section 54-52.1-03.1 of the North Dakota Century Code is amended and reenacted as follows:

54-52.1-03.1. Certain political subdivisions authorized to join uniform group insurance program - Employer contribution.

If eligible under federal law, a political subdivision may extend the benefits of the uniform group insurance program under this chapter to its permanent employees, subject to minimum requirements established by the board and a minimum period of participation of sixty months. If the political subdivision withdraws from participation in the uniform group insurance program, before completing sixty months of participation, unless federal or state laws or rules are modified or interpreted in a way that makes participation by the political subdivision in the uniform group insurance program no longer allowable or appropriate, the political subdivision shall make payment to the

board in an amount equal to any expenses incurred in the uniform group insurance program that exceed income received on behalf of the political subdivision's employees as determined under rules adopted by the board. The Garrison Diversion Conservancy District, and district shall participate in the uniform group insurance program under the same terms and conditions as state agencies. District health units required to participate in the public employees retirement system under section 54-52-02, which were participating in the uniform group insurance program at the time the Affordable Care Act was enacted, shall participate in the uniform group insurance program under the same terms and conditions as state agencies. A retiree who has accepted a retirement allowance from a participating political subdivision's retirement plan may elect to participate in the uniform group under this chapter without meeting minimum requirements at age sixty-five, when the employee's spouse reaches age sixty-five, upon the receipt of a benefit, when the political subdivision joins the uniform group insurance plan if the retiree was a member of the former plan, or when the spouse terminates employment. If a retiree or surviving spouse does not elect to participate at the times specified in this section, the retiree or surviving spouse must meet the minimum requirements established by the board. Each retiree or surviving spouse shall pay directly to the board the premiums in effect for the coverage then being provided. The board may require documentation that the retiree has accepted a retirement allowance from an eligible retirement plan other than the public employees retirement system.

SECTION 5. AMENDMENT. Section 54-52.2-06 of the North Dakota Century Code is amended and reenacted as follows:

54-52.2-06. Deferred compensation program - Benefits - Taxation - Exemption from judicial process - Assignment.

The deferred compensation program established by this chapter shall exist and serve in addition to retirement, pension, or benefit systems established by the state, county, city, town, or other political subdivision, and no deferral of income under the deferred compensation program shall effect a reduction of any retirement, pension, or other benefit provided by law. However, with the exception of Roth contributions, any sum deferred under the deferred compensation program is not subject to taxation until distribution is actually made to the employee. Any unpaid benefits under the deferred compensation program established by this chapter are not subject to execution, garnishment, attachment, the operation of bankruptcy or insolvency laws, or other process of law whatsoever, except as provided by section 54-52.2-03.3. Neither the employee, the employee's beneficiary, nor any designee of the employee or the employee's beneficiary has the right to commute, sell, assign, transfer, or otherwise convey the right to receive payments under this chapter.

220 SECTION 6. AMENDMENT. Subsection 8 of section 54-52.6-01 of the North Dakota Century Code is amended and reenacted as follows:

8. "Wages" and "salaries" means earnings in eligible employment under this chapter reported as salary on a federal income tax withholding statement plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement, incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability insurance premiums or benefits, or salary

220 Section 54-52.6-01 was also amended by section 3 of House Bill No. 1146, chapter 538.

received by a member in lieu of previously employer-provided fringe benefits under an agreement between an employee and a participating employer. Bonuses may be considered as salary under this section if reported ~~and annualized~~ pursuant to rules adopted by the board.

²²¹ **SECTION 7. AMENDMENT.** Subsection 1 of section 54-52.6-02.2 of the North Dakota Century Code is amended and reenacted as follows:

1. As used in this section, "eligible employee" means a permanent state employee who on December 31, 2024, is a participating member of the public employees retirement system main system plan under chapter ~~54-4254-52~~, who has been a participating member under chapter 54-52 for no more than five years, and who is at least eighteen years of age.

Approved March 18, 2025

Filed March 18, 2025

²²¹ Section 54-52.6-02.2 was also amended by section 10 of House Bill No. 1031, chapter 64, and section 4 of House Bill No. 1146, chapter 538.

CHAPTER 536

HOUSE BILL NO. 1274

(Representatives Porter, Dockter, Heinert, Satrom, Schauer, Karls)
(Senators Cleary, Roers, Axtman, Dever)

AN ACT to amend and reenact sections 54-52-01, 54-52-02.15, 54-52-06.4, and 54-52-17 of the North Dakota Century Code, relating to membership of the public employees retirement system public safety retirement plan.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²²² **SECTION 1. AMENDMENT.** Section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

54-52-01. Definition of terms.

As used in this chapter, unless the context otherwise requires:

1. "Account balance" means the total contributions made by the employee, vested employer contributions under section 54-52-11.1, the vested portion of the vesting fund as of June 30, 1977, and interest credited thereon at the rate established by the board.
2. "Beneficiary" means any person in receipt of a benefit provided by this plan or any person designated by a participating member to receive benefits.
3. "Correctional officer" means a participating member who is employed as a correctional officer by a ~~political subdivision~~ governmental unit and, notwithstanding subsection 14, for an individual employed on or after the effective date of this Act, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A correctional officer who is a participating member of the public safety retirement plan created by this chapter who begins employment on or after the effective date of this Act is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system. The term includes an individual employed by a correctional facility as defined in section 12-44.1-01, who is enrolled in, but has not yet completed, a correctional officer course approved or certified by the North Dakota department of corrections and rehabilitation.
4. "Deferred member" means a participating member who is not actively participating in the main plan under this chapter and who has an account intact in the main plan under this chapter.
5. "Eligible employee", except as otherwise provided under section 54-52-02.15, means a permanent employee who meets all of the eligibility requirements set by this chapter and who is eighteen years or more of age. The term includes

²²² Section 54-52-01 was also amended by section 1 of House Bill No. 1077, chapter 534, section 1 of House Bill No. 1112, chapter 541, section 1 of House Bill No. 1177, chapter 533, section 1 of House Bill No. 1419, chapter 537, and section 1 of Senate Bill No. 2121, chapter 535.

appointive and elective officials under sections 54-52-02.5, 54-52-02.11, and 54-52-02.12, and nonteaching employees of the superintendent of public instruction, including the superintendent of public instruction, who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.13, and employees of the state board for career and technical education who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.14. The term does not include nonclassified state employees who elected under section 54-52.6-02 to become members of the retirement plan established under chapter 54-52.6. The term does include employees of the judicial branch and employees of the board of higher education and state institutions under the jurisdiction of the board of higher education.

6. "Employee" means any individual employed by a governmental unit, whose compensation is paid out of the governmental unit's funds, or funds controlled or administered by a governmental unit, or paid by the federal government through any of its executive or administrative officials; licensed employees of a school district means those employees eligible to participate in the teachers' fund for retirement who, except under subsection 2 of section 54-52-17.2, are not eligible employees under this chapter.
7. "Employer" means a governmental unit.
8. "Firefighter" means a participating member who is employed as a firefighter by a political subdivision and, notwithstanding subsection 13, for an individual employed after July 31, 2017, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A firefighter who is a participating member of the ~~law enforcement~~public safety retirement plan created by this chapter who begins employment after July 31, 2017, is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system. The term does not include a firefighter employee of the North Dakota national guard.
9. "Funding agent" or "agents" means an investment firm, trust bank, or other financial institution which the retirement board may select to hold and invest the employees' and members' contributions.
10. "Governmental unit" means the state of North Dakota, except the highway patrol for members of the retirement plan created under chapter 39-03.1, or a participating political subdivision of the state.
11. "National guard security officer or firefighter" means a participating member who is:
 - a. A security police employee of the North Dakota national guard; or
 - b. A firefighter employee of the North Dakota national guard.
12. "Participating member" means an eligible employee who through payment into the plan has established a claim against the plan.
13. "Peace officer" means a participating member who is a peace officer as defined in section 12-63-01 and is employed as a peace officer by the state, except by the highway patrol for members of the retirement plan created under chapter 39-03.1, or is employed by a political subdivision and,

notwithstanding subsection 14, for persons employed after August 1, 2005, is employed thirty-two hours or more per week and at least twenty weeks each year of employment. A peace officer who is a participating member of the ~~law enforcement~~public safety retirement plan created by this chapter who begins employment after August 1, 2005, is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system.

14. "Permanent employee" means an employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit, and is employed twenty hours or more per week and at least twenty weeks each year of employment.
15. "Prior service" means service or employment before July 1, 1966.
16. "Prior service credit" means such credit toward a retirement benefit as the retirement board may determine under the provisions of this chapter.
17. "Public employees retirement system" means the retirement plan and program established by this chapter.
18. "Retirement" means the acceptance of a retirement allowance under this chapter upon either termination of employment or termination of participation in the retirement plan.
19. "Retirement board" or "board" means the governing authority created under section 54-52-03.
20. "Seasonal employee" means a participating member who does not work twelve months a year.
21. "Service" means employment on or after July 1, 1966.
22. "Service benefit" means the credit toward retirement benefits as determined by the retirement board under the provisions of this chapter.
23. "Temporary employee" means an employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored pension fund, and, if employed by a school district, occupies a noncertified teacher's position.
24. "Wages" and "salaries" means the member's earnings in eligible employment under this chapter reported as salary on the member's federal income tax withholding statements plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between the member and participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board.

²²³ **SECTION 2. AMENDMENT.** Section 54-52-02.15 of the North Dakota Century Code is amended and reenacted as follows:

54-52-02.15. Public employees retirement system main plan - Closure to new hires - Multiple plan membership.

1. Under this section "eligible employee" means a permanent employee who:
 - a. Meets all the eligibility requirements set by this chapter;
 - b. Is at least eighteen years of age;
 - c. Becomes a participating member after December 31, 2024; and
 - d. Is not eligible to participate in the ~~law enforcement~~public safety plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.
2. Effective January 1, 2025, the public employees retirement system defined benefit main plan maintained for employees is closed to new eligible employees. However, an employee who becomes a participating or deferred member under this chapter before January 1, 2025, remains in the defined benefit retirement plan under this chapter, regardless of being rehired after December 31, 2024.
3. Except as otherwise provided under this section, effective January 1, 2025, an eligible employee who begins employment with an employer shall participate in the defined contribution retirement plan under chapter 54-52.6 as provided under section 54-52.6-02.1.
4. This section does not impact an employee to the extent the employee is a participating member in one or more of the following enumerated retirement plans: ~~law enforcement~~public safety plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.
 - a. A participating or deferred member in the defined contribution retirement plan under chapter 54-52.6 who becomes eligible to participate in a plan enumerated under this subsection is eligible to participate in the retirement plan enumerated under this subsection.
 - b. A participating member of a retirement plan enumerated under this subsection who becomes an eligible employee is not eligible to participate in the defined benefit retirement plan under this chapter but instead participates in the defined contribution retirement plan under chapter 54-52.6. However, this subdivision does not apply to an individual who before January 1, 2025, is a participating or a deferred member under this chapter, as that individual continues to participate in the defined benefit retirement plan under this chapter.
5. The board shall adopt rules to implement this section.

²²³ Section 54-52-02.15 was also amended by section 3 of House Bill No. 1419, chapter 537, and section 1 of House Bill No. 1602, chapter 539.

²²⁴ **SECTION 3. AMENDMENT.** Section 54-52-06.4 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06.4. Contribution by peace officers and correctional officers employed by the state or security officers employed by the national guard - Employer contribution. (Retroactive application - See note)

1. a. Each peace officer employed by the bureau of criminal investigation who is a member of the public employees retirement system is assessed and shall pay monthly four percent of the employee's monthly salary. Peace officer contributions increase by one percent of the member's monthly salary beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; with an additional increase of one percent, beginning with the reporting period of January 2024; and with an additional increase of one percent, beginning with the reporting period of January 2025.
- b. Each correctional officer and peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, who is a member of the public employees retirement system is assessed and shall pay six percent of the employee's monthly salary.
- c. Effective August 1, 2015, each national guard security officer who is a member of the public employee's retirement system is assessed and monthly shall pay six percent of the employee's monthly salary. National guard security officer contributions decrease by one-half of one percent of the member's monthly salary beginning with the monthly reporting period of January 2016.
- d. The assessment under this subsection must be deducted and retained out of the employee's salary in equal monthly installments.
2. The employer of a correctional officer or peace officer employed by the state or a national guard security officer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. The employer's contribution must be paid from funds appropriated for salary or from any other funds available for such purposes. If the correctional officer's, peace officer's, or security officer's assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required correctional officer's, peace officer's, or security officer's assessment.

²²⁵ **SECTION 4. AMENDMENT.** Section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

54-52-17. Formulation of plan. (Retroactive application - See note)

Participating members shall receive benefits according to this section and according to rules adopted by the board, not inconsistent with this chapter. ~~Ne~~

²²⁴ Section 54-52-06.4 was also amended by section 2 of House Bill No. 1112, chapter 541, and section 5 of House Bill No. 1419, chapter 537.

²²⁵ Section 54-52-17 was also amended by section 3 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1112, chapter 541, section 6 of House Bill No. 1419, chapter 537, section 1 of Senate Bill No. 2119, chapter 542, and section 2 of Senate Bill No. 2121, chapter 535.

~~person~~An individual is not entitled to receive a prior service benefit if the ~~person~~individual was not continuously employed by a governmental unit in North Dakota for a period of not less than two years immediately ~~prior to~~before eligibility for retirement.

1. Participating members shall receive credit for full-time employment or its equivalent from the date they attain eligibility until their normal retirement date, postponed retirement date, or early retirement date, as defined in this section. Part-time employment will be recognized as full-time employment on a prorated basis as the board may prescribe.
2. Retirement benefits are calculated from the participating member's final average salary, which is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred twenty months of employment. For members who terminate employment on or after August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred eighty months of employment. For members who terminate employment between July 31, 2005, and August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the period for which the board has appropriate and accurate salary records on the board's electronic database, but that period may not be more than the last one hundred eighty months of employment. For members who terminate employment after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019, or the average salary earned in the three highest periods of twelve consecutive months employed during the last one hundred eighty months of employment. Months without earnings are excluded for the purpose of computing an average. If the participating member has worked for less than thirty-six months at the normal retirement date, the final average salary is the average salary for the total months of employment.
3. Retirement dates are defined as follows:
 - a. Normal retirement date, except for a national guard security officer or firefighter, a ~~firefighter employed by a political subdivision, a correctional officer or~~ peace officer employed by the state, or a ~~firefighter, peace officer, or correctional officer employed by a political subdivision, is:~~
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a ~~firefighter employed by a political subdivision, a correctional officer or~~ peace officer employed by the state, a ~~firefighter, peace officer, or correctional officer employed by a political subdivision, or a supreme court or district court judge, is:~~
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

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- (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.
- c. Normal retirement date for a national guard security officer or firefighter is:
 - (1) The first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the national guard security officer or firefighter has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - d. Normal retirement date for a peace officer, firefighter, or correctional officer employed by a political subdivision is:
 - (1) The first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the peace officer, firefighter, or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - e. (1) Normal retirement date for a peace officer employed by the bureau of criminal investigation is:
 - (a) [1] For a member employed before August 1, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; and
 - [2] For a member employed after July 31, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least ten eligible years of employment; or
 - (b) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - (2) Normal retirement date for a correctional officer or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, is:
 - (a) The first day of the month next following the month in which the correctional officer or peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; or

- (b) When the correctional officer or peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.
- g. (1) Early retirement date, except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, or a correctional officer or peace officer employed by the state, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment.
- (2) For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment.
- (3) For a correctional officer or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, or a firefighter, peace officer, or correctional officer employed by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.
- (4) For a peace officer employed by the bureau of criminal investigation, early retirement date is the first day of the month next following the month in which the peace officer attains the age of fifty years and has completed at least three years of eligible employment.
- h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03.
- (1) A member is eligible to receive disability retirement benefits only if the member became disabled during the period of eligible employment and applies for disability retirement benefits within twelve months of the date the member terminates employment.
- (2) A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may

pay the cost of any medical testing or rehabilitation services the board deems necessary and these payments are appropriated from the retirement fund for those purposes. A member's receipt of disability benefits under this section is limited to receipt from the fund to which the member was actively contributing at the time the member became disabled.

4. The board shall calculate retirement benefits as follows:

- a. Normal retirement benefits for all retirees, except supreme and district court judges; and peace officers employed by the bureau of criminal investigation; ~~and other peace officers employed by the state~~, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) For members first enrolled:

- (a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.
- (b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

- b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

- c. Normal retirement benefits for a peace officer employed by the bureau of criminal investigation reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:

(1) The first twenty years of credited service multiplied by three percent of final average salary.

- (2) For years in excess of twenty years of credited service multiplied by one and seventy-five hundredths percent of final average salary.
- d. ~~Normal retirement benefits for a peace officer employed by the state, other than by the bureau of criminal investigation, reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:~~
 - (1) ~~For members first enrolled:~~
 - (a) ~~Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.~~
 - (b) ~~After December 31, 2010, service benefit equals one and seventy five hundredths percent of final average salary multiplied by the number of years of service employment.~~
 - (2) ~~Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.~~
- e. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.
- ~~f.e.~~ Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning before the normal retirement date, as determined under subsection 3. Except for a national guard security officer or firefighter, a firefighter, ~~peace officer, or correctional officer~~ employed by a political subdivision, a peace officer or correctional officer employed by the state governmental unit, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.
- ~~g.f.~~ Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.
- 5. Upon termination of employment after completing three years of eligible employment, except for supreme and district court judges, who must complete five years of eligible employment, but before normal retirement date, a member who does not elect to receive early retirement benefits is eligible to receive deferred vested retirement benefits payable commencing on the member's normal retirement date in one of the optional forms provided in

subsection 9. Members who have delayed or inadvertently failed to apply for retirement benefits to commence on their normal retirement date may choose to receive either a lump sum payment equal to the amount of missed payments, or an actuarial increase to the form of benefit the member has selected, which increase must reflect the missed payments.

6. If before retiring a member dies after completing three years of eligible employment, except for supreme and district court judges, who must have completed five years of eligible employment, the board shall pay the member's account balance to the member's designated beneficiary as provided in this subsection. If the member has designated an alternate beneficiary with the surviving spouse's written consent, the board shall pay the member's account balance to the named beneficiary. If the member has named more than one primary beneficiary, the board shall pay the member's account balance to the named primary beneficiaries in the percentages designated by the member or, if the member has not designated a percentage for the beneficiaries, in equal percentages. If one or more of the primary beneficiaries has predeceased the member, the board shall pay the predeceased beneficiary's share to the remaining primary beneficiaries. If any beneficiary survives the member, yet dies before distribution of the beneficiary's share, the beneficiary must be treated as if the beneficiary predeceased the member. If there are no remaining primary beneficiaries, the board shall pay the member's account balance to the contingent beneficiaries in the same manner. If there are no remaining designated beneficiaries, the board shall pay the member's account balance to the member's estate. If the member has not designated an alternate beneficiary or the surviving spouse is the beneficiary, the surviving spouse of the member may select a form of payment as follows:
 - a. If the member was a supreme or district court judge, the surviving spouse may select one of the following optional forms of payment:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payments as calculated for the deceased member as if the member was of normal retirement age at the date of death, payable until the spouse dies.
 - b. The surviving spouse of all other members may select one of the following options:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payment of a monthly retirement benefit equal to fifty percent of the deceased member's accrued single life retirement benefits until the spouse dies.
 - (3) If the member dies on or after the member's normal retirement date, the payment of a monthly retirement benefit equal to an amount that would have been paid to the surviving spouse if the member had retired on the day of the member's death and had selected a one hundred percent joint and survivor annuity, payable until the spouse dies. A surviving spouse who received a benefit under this subsection as of July 31, 1995, is entitled to the higher of that person's existing

benefit or the equivalent of the accrued benefit available under the one hundred percent joint and survivor provision as if the deceased member were of normal retirement age, with the increase payable beginning August 1, 1995.

7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, the member or the member's designated beneficiary is entitled to the member's account balance at termination. The board automatically shall refund a member's account balance if the member has completed less than three years of eligible employment, has an account balance of less than one thousand dollars, and was not a supreme or district court judge. If the member was a supreme or district court judge, the board automatically shall refund a member's account balance if the member completed less than five years of eligible employment. A member may waive the refund if the member submits a written statement to the board, within thirty days after termination, requesting that the member's account balance remain in the fund.
8. The surviving spouse of a member receiving retirement benefits must be the member's primary beneficiary unless there is no surviving spouse or the surviving spouse designates an alternate beneficiary in writing. If a member receiving retirement benefits or the member's surviving spouse receiving retirement benefits dies before the total amount of benefits paid to either or both equals the amount of the member's account balance at retirement, the difference must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate. A benefit payment owed to the member, surviving spouse, or alternate beneficiary which was not paid before the death of the member, surviving spouse, or alternate beneficiary must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate.
9. The board shall adopt rules providing for the receipt of retirement benefits in the following optional forms:
 - a. Single life.
 - b. An actuarially equivalent joint and survivor option, with fifty percent or one hundred percent options.
 - c. Actuarially equivalent life with ten-year or twenty-year certain options.
 - d. An actuarially equivalent partial lump sum distribution option with a twelve-month maximum lump sum distribution.
 - e. An actuarially equivalent graduated benefit option with either a one percent or two percent increase to be applied the first day of January of each year.

Except for supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a single life benefit. For supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a lifetime monthly pension with fifty percent of the benefit continuing for the life of the surviving spouse, if any.

10. The fund may accept rollovers from other eligible plans under rules adopted by the board for the purchase of additional service credit, but only to the extent the transfer is a rollover contribution that meets the requirement of section 408 of the Internal Revenue Code.
11. The board may accept trustee-to-trustee transfers as permitted by Internal Revenue Code section 403(b)(13) and section 457(e)(17) from an Internal Revenue Code section 403(b) annuity or Internal Revenue Code section 457 deferred compensation plan for the purchase of permissive service credit, as defined in Internal Revenue Code section 415(n)(3)(A) or as repayment of a cashout from a governmental plan under Internal Revenue Code section 415(k)(3).
12. The board may establish individual retirement accounts and individual retirement annuities as permitted under section 408(q) of the Internal Revenue Code to allow employees to make voluntary employee contributions. The board may adopt rules to implement and administer the accounts and annuities under this section.

Approved April 15, 2025

Filed April 17, 2025

CHAPTER 537

HOUSE BILL NO. 1419

(Representatives Porter, Dockter, Heinert, O'Brien, M. Ruby, Satrom, Schauer)
(Senators Axtman, Cleary, Lee, Meyer, Roers)

AN ACT to amend and reenact sections 54-52-01, 54-52-02.1, 54-52-02.15, 54-52-06.3, 54-52-06.4, and 54-52-17 of the North Dakota Century Code, relating to the public employees retirement system public safety retirement plan.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²²⁶ **SECTION 1. AMENDMENT.** Section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

54-52-01. Definition of terms.

As used in this chapter, unless the context otherwise requires:

1. "Account balance" means the total contributions made by the employee, vested employer contributions under section 54-52-11.1, the vested portion of the vesting fund as of June 30, 1977, and interest credited thereon at the rate established by the board.
2. "Beneficiary" means any person in receipt of a benefit provided by this plan or any person designated by a participating member to receive benefits.
3. "Correctional officer" means a participating member who is employed as a correctional officer by a ~~political subdivision~~ governmental unit and, notwithstanding subsection 16, for an individual employed on or after the effective date of this Act, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A correctional officer who is a participating member of the public safety retirement plan created by this chapter who begins employment on or after the effective date of this Act is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system. The term includes an individual employed by a correctional facility as defined in section 12-44.1-01, who is enrolled in, but has not yet completed, a correctional officer course approved or certified by the North Dakota department of corrections and rehabilitation.
4. "Deferred member" means a participating member who is not actively participating in the main plan under this chapter and who has an account intact in the main plan under this chapter.
5. "Dispatcher" means a participating member who is employed as a state radio dispatcher by the state or is employed as a public safety answering point dispatcher by a political subdivision and, notwithstanding subsection 16, for an

²²⁶ Section 54-52-01 was also amended by section 1 of House Bill No. 1077, chapter 534, section 1 of House Bill No. 1112, chapter 541, section 1 of House Bill No. 1177, chapter 533, section 1 of House Bill No. 1274, chapter 536, and section 1 of Senate Bill No. 2121, chapter 535.

individual employed on or after the effective date of this Act, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A dispatcher who is a participating member of the public safety retirement plan created by this chapter who begins employment on or after the effective date of this Act is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system.

6. "Eligible employee", except as otherwise provided under section 54-52-02.15, means a permanent employee who meets all of the eligibility requirements set by this chapter and who is eighteen years or more of age. The term includes appointive and elective officials under sections 54-52-02.5, 54-52-02.11, and 54-52-02.12, and nonteaching employees of the superintendent of public instruction, including the superintendent of public instruction, who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.13, and employees of the state board for career and technical education who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.14. The term does not include nonclassified state employees who elected under section 54-52.6-02 to become members of the retirement plan established under chapter 54-52.6. The term does include employees of the judicial branch and employees of the board of higher education and state institutions under the jurisdiction of the board of higher education.

6-7. "Emergency medical services personnel" means a participating member employed by a political subdivision as an emergency medical services personnel, as defined under section 23-27-02 and, notwithstanding subsection 16, for an individual employed on or after the effective date of this Act, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. An emergency medical services personnel who is a participating member of the public safety retirement plan created by this chapter who begins employment on or after the effective date of this Act is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system.

8. "Employee" means any individual employed by a governmental unit, whose compensation is paid out of the governmental unit's funds, or funds controlled or administered by a governmental unit, or paid by the federal government through any of its executive or administrative officials; licensed employees of a school district means those employees eligible to participate in the teachers' fund for retirement who, except under subsection 2 of section 54-52-17.2, are not eligible employees under this chapter.

7-9. "Employer" means a governmental unit.

8-10. "Firefighter" means a participating member who is employed as a firefighter by a political subdivision and, notwithstanding subsection 13, for an individual employed after July 31, 2017, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A firefighter who is a participating member of the ~~law enforcement~~ public safety retirement plan created by this chapter who begins employment after July 31, 2017, is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system. The term does not include a firefighter employee of the North Dakota national guard.

- ~~9-11.~~ "Funding agent" or "agents" means an investment firm, trust bank, or other financial institution which the retirement board may select to hold and invest the employers' and members' contributions.
- ~~40-12.~~ "Governmental unit" means the state of North Dakota, except the highway patrol for members of the retirement plan created under chapter 39-03.1, or a participating political subdivision of the state.
- ~~44-13.~~ "National guard security officer or firefighter" means a participating member who is:
- A security police employee of the North Dakota national guard; or
 - A firefighter employee of the North Dakota national guard.
- ~~42-14.~~ "Participating member" means an eligible employee who through payment into the plan has established a claim against the plan.
- ~~43-15.~~ "Peace officer" means a participating member who is a peace officer as defined in section 12-63-01 and is employed as a peace officer by the state, except by the highway patrol for members of the retirement plan created under chapter 39-03.1, or is employed by a political subdivision and, notwithstanding subsection 14, for persons employed after August 1, 2005, is employed thirty-two hours or more per week and at least twenty weeks each year of employment. A peace officer who is a participating member of the ~~law enforcement~~ public safety retirement plan created by this chapter who begins employment after August 1, 2005, is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system.
- ~~44-16.~~ "Permanent employee" means an employee whose services are not limited in duration and who is filling an approved and regularly funded position in an eligible governmental unit, and is employed twenty hours or more per week and at least twenty weeks each year of employment.
- ~~45-17.~~ "Prior service" means service or employment before July 1, 1966.
- ~~46-18.~~ "Prior service credit" means such credit toward a retirement benefit as the retirement board may determine under the provisions of this chapter.
- ~~47-19.~~ "Public employees retirement system" means the retirement plan and program established by this chapter.
- ~~48-20.~~ "Retirement" means the acceptance of a retirement allowance under this chapter upon either termination of employment or termination of participation in the retirement plan.
- ~~49-21.~~ "Retirement board" or "board" means the governing authority created under section 54-52-03.
- ~~20-22.~~ "Seasonal employee" means a participating member who does not work twelve months a year.
- ~~24-23.~~ "Service" means employment on or after July 1, 1966.

~~22-24.~~ "Service benefit" means the credit toward retirement benefits as determined by the retirement board under the provisions of this chapter.

~~23-25.~~ "Temporary employee" means an employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored pension fund, and, if employed by a school district, occupies a noncertified teacher's position.

~~24-26.~~ "Wages" and "salaries" means the member's earnings in eligible employment under this chapter reported as salary on the member's federal income tax withholding statements plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between the member and participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board.

²²⁷ **SECTION 2. AMENDMENT.** Section 54-52-02.1 of the North Dakota Century Code is amended and reenacted as follows:

54-52-02.1. Political subdivisions authorized to join public employees retirement system.

1. A political subdivision may, on behalf of its permanent employees, on behalf of its peace officers, firefighters, dispatchers, emergency medical services personnel, and correctional officers separately from its other employees, and permanent noncertified employees only in the case of school districts, enter agreements with the retirement board for the purpose of extending the benefits of the public employees retirement system, as provided in this chapter, to those employees. The agreement may, in accordance with this chapter, contain provisions relating to benefits, contributions, effective date, modification, administration, and other appropriate provisions as the retirement board and the political subdivision agree upon, but the agreement must provide:
 - a. The political subdivision will contribute on behalf of each eligible employee an amount equal to that provided in section 54-52-06 or 54-52-06.3 for peace officers, firefighters, dispatchers, emergency medical services personnel, and correctional officers participating separately from other political subdivision employees.
 - b. A portion of the moneys paid by the political subdivision may be used to pay administrative expenses of the retirement board.
2. Notwithstanding any other provision of law, a political subdivision having an existing police, dispatcher, emergency medical services personnel, or firefighter pension plan may merge that plan into the public employees retirement system under rules adopted by and in a manner determined by the board.

²²⁷ Section 54-52-02.1 was also amended by section 1 of House Bill No. 1146, chapter 538.

3. Notwithstanding any other provision of this chapter, a political subdivision of this state not currently participating in the public employees retirement system may not become a participant in the retirement system until an actuarial study is performed under the direction of the board to calculate the required employer contribution for any past service liability and the required employer contribution must be an amount determined sufficient to amortize and fund any past service liability over a period not to exceed thirty years as determined by the board. Any fees incurred in performing the actuarial study must be paid for by the political subdivision in a manner determined by the board.

²²⁸ **SECTION 3. AMENDMENT.** Section 54-52-02.15 of the North Dakota Century Code is amended and reenacted as follows:

54-52-02.15. Public employees retirement system main plan - Closure to new hires - Multiple plan membership.

1. Under this section "eligible employee" means a permanent employee who:
 - a. Meets all the eligibility requirements set by this chapter;
 - b. Is at least eighteen years of age;
 - c. Becomes a participating member after December 31, 2024; and
 - d. Is not eligible to participate in the ~~law enforcement~~public safety plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.
2. Effective January 1, 2025, the public employees retirement system defined benefit main plan maintained for employees is closed to new eligible employees. However, an employee who becomes a participating or deferred member under this chapter before January 1, 2025, remains in the defined benefit retirement plan under this chapter, regardless of being rehired after December 31, 2024.
3. Except as otherwise provided under this section, effective January 1, 2025, an eligible employee who begins employment with an employer shall participate in the defined contribution retirement plan under chapter 54-52.6 as provided under section 54-52.6-02.1.
4. This section does not impact an employee to the extent the employee is a participating member in one or more of the following enumerated retirement plans: ~~law enforcement~~public safety plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.
 - a. A participating or deferred member in the defined contribution retirement plan under chapter 54-52.6 who becomes eligible to participate in a plan enumerated under this subsection is eligible to participate in the retirement plan enumerated under this subsection.

²²⁸ Section 54-52-02.15 was also amended by section 2 of House Bill No. 1274, chapter 536, and section 1 of House Bill No. 1602, chapter 539.

- b. A participating member of a retirement plan enumerated under this subsection who becomes an eligible employee is not eligible to participate in the defined benefit retirement plan under this chapter but instead participates in the defined contribution retirement plan under chapter 54-52.6. However, this subdivision does not apply to an individual who before January 1, 2025, is a participating or a deferred member under this chapter, as that individual continues to participate in the defined benefit retirement plan under this chapter.

5. The board shall adopt rules to implement this section.

SECTION 4. AMENDMENT. Section 54-52-06.3 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06.3. Contribution by peace officers, firefighters, dispatchers, emergency medical services personnel, and correctional officers employed by political subdivisions - Employer contribution.

1. Each peace officer, firefighter, dispatcher, emergency medical services personnel, or correctional officer employed by a political subdivision that enters an agreement with the retirement board on behalf of its peace officers, firefighters, dispatchers, emergency medical services personnel, and correctional officers separately from its other employees and who is a member of the public employees retirement system is assessed and shall pay monthly four percent of the employee's monthly salary. Peace officer, firefighter, dispatcher, emergency medical services personnel, or correctional officer contributions increase by one-half of one percent of the member's monthly salary beginning with the monthly reporting period of January 2012, and with an additional increase of one-half of one percent, beginning with the monthly reporting period of January 2013, and with an additional increase of one-half of one percent, beginning with the monthly reporting period of January 2014. The assessment must be deducted and retained out of the employee's salary in equal monthly installments.
2. The peace officer's, firefighter's, dispatcher's, emergency medical services personnel's, or correctional officer's employer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. If the peace officer's, firefighter's, dispatcher's, emergency medical services personnel's, or correctional officer's assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required peace officer's, firefighter's, dispatcher's, emergency medical services personnel's, or correctional officer's assessment.

²²⁹ **SECTION 5. AMENDMENT.** Section 54-52-06.4 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06.4. Contribution by peace officers and dispatchers employed by the state or security officers employed by the national guard - Employer contribution. (Retroactive application - See note)

1. a. Each peace officer employed by the bureau of criminal investigation who is a member of the public employees retirement system is assessed and

²²⁹ Section 54-52-06.4 was also amended by section 2 of House Bill No. 1112, chapter 541, and section 3 of House Bill No. 1274, chapter 536.

shall pay monthly four percent of the employee's monthly salary. Peace officer contributions increase by one percent of the member's monthly salary beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; with an additional increase of one percent, beginning with the reporting period of January 2024; and with an additional increase of one percent, beginning with the reporting period of January 2025.

- b. Each dispatcher and peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, who is a member of the public employees retirement system is assessed and shall pay six percent of the employee's monthly salary.
 - c. Effective August 1, 2015, each national guard security officer who is a member of the public employee's retirement system is assessed and monthly shall pay six percent of the employee's monthly salary. National guard security officer contributions decrease by one-half of one percent of the member's monthly salary beginning with the monthly reporting period of January 2016.
 - d. The assessment under this subsection must be deducted and retained out of the employee's salary in equal monthly installments.
2. The employer of a dispatcher or peace officer employed by the state or national guard security officer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. The employer's contribution must be paid from funds appropriated for salary or from any other funds available for such purposes. If the dispatcher's, peace officer's, or security officer's assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required dispatcher's, peace officer's, or security officer's assessment.

²³⁰ **SECTION 6. AMENDMENT.** Section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

54-52-17. Formulation of plan. (Retroactive application - See note)

Participating members shall receive benefits according to this section and according to rules adopted by the board, not inconsistent with this chapter. ~~No person~~An individual is not entitled to receive a prior service benefit if the ~~person~~individual was not continuously employed by a governmental unit in North Dakota for a period of not less than two years immediately ~~prior to~~before eligibility for retirement.

1. Participating members shall receive credit for full-time employment or its equivalent from the date they attain eligibility until their normal retirement date, postponed retirement date, or early retirement date, as defined in this section. Part-time employment will be recognized as full-time employment on a prorated basis as the board may prescribe.

²³⁰ Section 54-52-17 was also amended by section 3 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1274, chapter 536, section 1 of Senate Bill No. 2119, chapter 542, and section 2 of Senate Bill No. 2121, chapter 535.

2. Retirement benefits are calculated from the participating member's final average salary, which is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred twenty months of employment. For members who terminate employment on or after August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the last one hundred eighty months of employment. For members who terminate employment between July 31, 2005, and August 1, 2010, final average salary is the average of the highest salary received by the member for any thirty-six months employed during the period for which the board has appropriate and accurate salary records on the board's electronic database, but that period may not be more than the last one hundred eighty months of employment. For members who terminate employment after December 31, 2019, final average salary is the higher of the final average salary calculated on December 31, 2019, or the average salary earned in the three highest periods of twelve consecutive months employed during the last one hundred eighty months of employment. Months without earnings are excluded for the purpose of computing an average. If the participating member has worked for less than thirty-six months at the normal retirement date, the final average salary is the average salary for the total months of employment.
3. Retirement dates are defined as follows:
 - a. Normal retirement date, except for a national guard security officer or firefighter, a ~~firefighter employed by a political subdivision, a dispatcher or~~ peace officer employed by the state, or a firefighter, dispatcher, emergency medical services personnel, peace officer, or correctional officer employed by a political subdivision, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a ~~firefighter employed by a political subdivision, a dispatcher or~~ peace officer employed by the state, a firefighter, dispatcher, emergency medical services personnel, peace officer, or correctional officer employed by a political subdivision, or a supreme court or district court judge, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.
 - c. Normal retirement date for a national guard security officer or firefighter is:
 - (1) The first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment; or

- (2) When the national guard security officer or firefighter has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- d. Normal retirement date for a dispatcher, emergency medical services personnel, peace officer, firefighter, or correctional officer employed by a political subdivision is:
 - (1) The first day of the month next following the month in which the dispatcher, emergency medical services personnel, peace officer, firefighter, or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the dispatcher, emergency medical services personnel, peace officer, firefighter, or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- e. (1) Normal retirement date for a peace officer employed by the bureau of criminal investigation is:
 - (a) [1] For a member employed before August 1, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; and
 - [2] For a member employed after July 31, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least ten eligible years of employment; or
 - (b) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- (2) Normal retirement date for a dispatcher or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, is:
 - (a) The first day of the month next following the month in which the dispatcher or peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (b) When the dispatcher or peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.
- g. (1) Early retirement date, except for a national guard security officer or firefighter, a dispatcher, emergency medical services personnel, firefighter, peace officer, or correctional officer employed by a political

subdivision, or a dispatcher or peace officer employed by the state, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment.

- (2) For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment.
 - (3) For a dispatcher or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, or a dispatcher, emergency medical services personnel, firefighter, peace officer, or correctional officer employed by a political subdivision, early retirement date is the first day of the month next following the month in which the dispatcher, emergency medical services personnel, peace officer, firefighter, or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.
 - (4) For a peace officer employed by the bureau of criminal investigation, early retirement date is the first day of the month next following the month in which the peace officer attains the age of fifty years and has completed at least three years of eligible employment.
- h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03.
- (1) A member is eligible to receive disability retirement benefits only if the member became disabled during the period of eligible employment and applies for disability retirement benefits within twelve months of the date the member terminates employment.
 - (2) A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services the board deems necessary and these payments are appropriated from the retirement fund for those purposes. A member's receipt of disability benefits under this section is limited to receipt from the fund to which the member was actively contributing at the time the member became disabled.

4. The board shall calculate retirement benefits as follows:

- a. Normal retirement benefits for all retirees, except supreme and district court judges; and peace officers employed by the bureau of criminal investigation, ~~and other peace officers employed by the state~~, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) For members first enrolled:

(a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

- b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

- c. Normal retirement benefits for a peace officer employed by the bureau of criminal investigation reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:

(1) The first twenty years of credited service multiplied by three percent of final average salary.

(2) For years in excess of twenty years of credited service multiplied by one and seventy-five hundredths percent of final average salary.

- d. ~~Normal retirement benefits for a peace officer employed by the state, other than by the bureau of criminal investigation, reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:~~

~~(1) For members first enrolled:~~

- ~~(a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.~~
 - ~~(b) After December 31, 2019, service benefit equals one and seventy five hundredths percent of final average salary multiplied by the number of years of service employment.~~
 - ~~(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.~~
- e. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.
- f.e. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning before the normal retirement date, as determined under subsection 3. Except for a national guard security officer or firefighter, a dispatcher, emergency medical services personnel, firefighter, peace officer, or correctional officer employed by a political subdivision, a dispatcher or peace officer employed by the state, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.
- g.f. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.
- 5. Upon termination of employment after completing three years of eligible employment, except for supreme and district court judges, who must complete five years of eligible employment, but before normal retirement date, a member who does not elect to receive early retirement benefits is eligible to receive deferred vested retirement benefits payable commencing on the member's normal retirement date in one of the optional forms provided in subsection 9. Members who have delayed or inadvertently failed to apply for retirement benefits to commence on their normal retirement date may choose to receive either a lump sum payment equal to the amount of missed payments, or an actuarial increase to the form of benefit the member has selected, which increase must reflect the missed payments.
- 6. If before retiring a member dies after completing three years of eligible employment, except for supreme and district court judges, who must have completed five years of eligible employment, the board shall pay the member's account balance to the member's designated beneficiary as provided in this

subsection. If the member has designated an alternate beneficiary with the surviving spouse's written consent, the board shall pay the member's account balance to the named beneficiary. If the member has named more than one primary beneficiary, the board shall pay the member's account balance to the named primary beneficiaries in the percentages designated by the member or, if the member has not designated a percentage for the beneficiaries, in equal percentages. If one or more of the primary beneficiaries has predeceased the member, the board shall pay the predeceased beneficiary's share to the remaining primary beneficiaries. If any beneficiary survives the member, yet dies before distribution of the beneficiary's share, the beneficiary must be treated as if the beneficiary predeceased the member. If there are no remaining primary beneficiaries, the board shall pay the member's account balance to the contingent beneficiaries in the same manner. If there are no remaining designated beneficiaries, the board shall pay the member's account balance to the member's estate. If the member has not designated an alternate beneficiary or the surviving spouse is the beneficiary, the surviving spouse of the member may select a form of payment as follows:

- a. If the member was a supreme or district court judge, the surviving spouse may select one of the following optional forms of payment:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payments as calculated for the deceased member as if the member was of normal retirement age at the date of death, payable until the spouse dies.
- b. The surviving spouse of all other members may select one of the following options:
 - (1) A lump sum payment of the member's retirement account as of the date of death.
 - (2) Payment of a monthly retirement benefit equal to fifty percent of the deceased member's accrued single life retirement benefits until the spouse dies.
 - (3) If the member dies on or after the member's normal retirement date, the payment of a monthly retirement benefit equal to an amount that would have been paid to the surviving spouse if the member had retired on the day of the member's death and had selected a one hundred percent joint and survivor annuity, payable until the spouse dies. A surviving spouse who received a benefit under this subsection as of July 31, 1995, is entitled to the higher of that person's existing benefit or the equivalent of the accrued benefit available under the one hundred percent joint and survivor provision as if the deceased member were of normal retirement age, with the increase payable beginning August 1, 1995.
7. If a member not coming under the provisions of subsection 6 terminates employment because of death, permanent and total disability, or any voluntary or involuntary reason prior to retirement, the member or the member's designated beneficiary is entitled to the member's account balance at termination. The board automatically shall refund a member's account balance

if the member has completed less than three years of eligible employment, has an account balance of less than one thousand dollars, and was not a supreme or district court judge. If the member was a supreme or district court judge, the board automatically shall refund a member's account balance if the member completed less than five years of eligible employment. A member may waive the refund if the member submits a written statement to the board, within thirty days after termination, requesting that the member's account balance remain in the fund.

8. The surviving spouse of a member receiving retirement benefits must be the member's primary beneficiary unless there is no surviving spouse or the surviving spouse designates an alternate beneficiary in writing. If a member receiving retirement benefits or the member's surviving spouse receiving retirement benefits dies before the total amount of benefits paid to either or both equals the amount of the member's account balance at retirement, the difference must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate. A benefit payment owed to the member, surviving spouse, or alternate beneficiary which was not paid before the death of the member, surviving spouse, or alternate beneficiary must be paid to the named beneficiary of the recipient or, if there is no named beneficiary, to the recipient's estate.
9. The board shall adopt rules providing for the receipt of retirement benefits in the following optional forms:
 - a. Single life.
 - b. An actuarially equivalent joint and survivor option, with fifty percent or one hundred percent options.
 - c. Actuarially equivalent life with ten-year or twenty-year certain options.
 - d. An actuarially equivalent partial lump sum distribution option with a twelve-month maximum lump sum distribution.
 - e. An actuarially equivalent graduated benefit option with either a one percent or two percent increase to be applied the first day of January of each year.

Except for supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a single life benefit. For supreme and district court judges, unless a member specifically requests that the member receive benefits according to one of these options at the time of applying for retirement, all retirement benefits must be in the form of a lifetime monthly pension with fifty percent of the benefit continuing for the life of the surviving spouse, if any.

10. The fund may accept rollovers from other eligible plans under rules adopted by the board for the purchase of additional service credit, but only to the extent the transfer is a rollover contribution that meets the requirement of section 408 of the Internal Revenue Code.
11. The board may accept trustee-to-trustee transfers as permitted by Internal Revenue Code section 403(b)(13) and section 457(e)(17) from an Internal

Revenue Code section 403(b) annuity or Internal Revenue Code section 457 deferred compensation plan for the purchase of permissive service credit, as defined in Internal Revenue Code section 415(n)(3)(A) or as repayment of a cashout from a governmental plan under Internal Revenue Code section 415(k)(3).

12. The board may establish individual retirement accounts and individual retirement annuities as permitted under section 408(q) of the Internal Revenue Code to allow employees to make voluntary employee contributions. The board may adopt rules to implement and administer the accounts and annuities under this section.

Approved April 15, 2025

Filed April 17, 2025

CHAPTER 538

HOUSE BILL NO. 1146

(Representatives Lefor, Dockter, Schauer, Stemen, M. Ruby)
(Senators Davison, Dever, Hogue)

AN ACT to amend and reenact sections 54-52-02.1, 54-52-06, 54-52.6-01, 54-52.6-02.2, 54-52.6-05, and 54-52.6-09.5 of the North Dakota Century Code, relating to employer eligibility to participate in the public employees retirement system defined contribution retirement plan, employer contribution requirements for the defined benefit and defined contribution retirement plans, and employee eligibility to elect to transfer to the defined contribution retirement plan; to provide for retroactive application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²³¹ **SECTION 1. AMENDMENT.** Section 54-52-02.1 of the North Dakota Century Code is amended and reenacted as follows:

54-52-02.1. Political subdivisions authorized to join public employees retirement system.

1. A political subdivision may, on behalf of its permanent employees, on behalf of its peace officers, firefighters, and correctional officers separately from its other employees, and permanent noncertified employees only in the case of school districts, enter agreements with the retirement board for the purpose of extending the benefits of the public employees retirement system, as provided in this chapter or chapter 54-52.6, to those employees. The agreement may, in accordance with this chapter and chapter 54-52.6, contain provisions relating to benefits, contributions, effective date, modification, administration, and other appropriate provisions as the retirement board and the political subdivision agree upon, but the agreement must provide:
 - a. The political subdivision will contribute on behalf of each eligible employee an amount equal to that provided in section 54-52-06 or 54-52-06.3 for peace officers, firefighters, and correctional officers participating separately from other political subdivision employees.
 - b. A portion of the moneys paid by the political subdivision may be used to pay administrative expenses of the retirement board.
2. Notwithstanding any other provision of law, a political subdivision having an existing police or firefighter pension plan may merge that plan into the public employees retirement system under rules adopted by and in a manner determined by the board.
3. Notwithstanding any other provision of this chapter, a political subdivision of this state not currently participating in the public employees retirement system may not become a participant in the retirement system until an actuarial study

²³¹ Section 54-52-02.1 was also amended by section 2 of House Bill No. 1419, chapter 537.

is performed under the direction of the board to calculate the required employer contribution for any past service liability and the required employer contribution must be an amount determined sufficient to amortize and fund any past service liability over a period not to exceed thirty years as determined by the board. Any fees incurred in performing the actuarial study must be paid for by the political subdivision in a manner determined by the board.

SECTION 2. AMENDMENT. Section 54-52-06 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06. Employer's contribution to retirement plan - Report to the employee benefits programs committee. (Effective through December 31, 2025)

1. Each governmental unit shall contribute an amount equal to four and twelve-hundredths percent of the monthly salary or wage of a participating member. Governmental unit contributions increase by one percent of the monthly salary or wage of a participating member beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; with an additional increase of one percent, beginning with the monthly reporting period of January 2014; and with an additional increase of one percent, beginning with the monthly reporting period of January 2024. For a participating member who first enrolls after December 31, 2019, the governmental unit shall contribute an additional amount equal to one and fourteen-hundredths percent of the monthly salary or wage of the participating member.
2. For those members who elect to exercise their rights under section 54-52-17.14, the employing governmental unit, or in the case of a member not presently under covered employment the most recent employing governmental unit, shall pay the associated employer contribution. If the employee's contribution is paid by the governmental unit under subsection 3 of section 54-52-05, the employer unit shall contribute, in addition, an amount equal to the required employee's contribution. Each governmental unit shall pay the contribution monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, into the retirement fund from the governmental unit's funds appropriated for payroll and salary or any other funds available for these purposes. Any governmental unit failing to pay the contributions monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, or failing to otherwise comply with the board's established wage reporting or payroll reporting process requirements, is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due. In lieu of assessing a civil penalty or one percent per month, or both, interest at the actuarial rate of return may be assessed for each month the contributions are delinquent. If contributions are paid within ninety days of the date the contributions became due, penalty and interest to be paid on delinquent contributions may be waived.
3. An employer is required to submit contributions for any past eligible employee who was employed after July 1, 1977, for which contributions were not made if the employee would have been eligible to become vested had the employee participated and if the employee elects to join the public employees retirement system. Employer contributions may not be assessed for eligible service that an employee has waived pursuant to subsection 1 of section 54-52-05.

4. Annually, the board shall report to the employee benefits programs committee the contributions necessary, as determined by the actuarial study, to maintain the fund's actuarial soundness.

Employer's contribution to retirement plan - Report to the employee benefits programs committee. (Effective after December 31, 2025)

1. a. As determined by actuarial valuations, each state governmental unit that receives budgetary approval from the legislative assembly shall contribute to the defined benefit plan an amount on a level percent of compensation basis for all main system defined benefit retirement plan employees and all defined contribution retirement plan employees sufficient under the actuarial valuation to meet both the normal cost plus the actuarially determined amount required to amortize the unfunded accrued liability of the main plan over a closed period of thirty and one-half years, beginning January 1, 2026, and continuing through June 30, 2056. By November fifteenth of each even-numbered year the board shall publish the contribution rate required under this subsection. The board shall calculate this rate based on the July first actuarial report of that year. In lieu of each state governmental unit that receives budgetary approval from the legislative assembly contributing the additional actuarially determined rate, the legislative assembly may authorize a transfer to the public employees retirement system fund in an amount equal to or greater than the actuarially determined amount as most recently published by the board for the succeeding biennium.
- b. Each participating political subdivision and state governmental unit that does not receive budgetary approval from the legislative assembly shall contribute an amount equal to eight and twelve-hundredths percent of the monthly salary or wage of a participating member.
- c. For a participating member who first enrolls after December 31, 2019, a participating political subdivision shall contribute an additional amount equal to one and fourteen-hundredths percent of the monthly salary or wage of the participating member.
2. For those members who elect to exercise their rights under section 54-52-17.14, the employing governmental unit, or in the case of a member not presently under covered employment the most recent employing governmental unit, shall pay the associated employer contribution. If the employee's contribution is paid by the governmental unit under subsection 3 of section 54-52-05, the employer unit shall contribute, in addition, an amount equal to the required employee's contribution. Each governmental unit shall pay the contribution monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, into the retirement fund from the governmental unit's funds appropriated for payroll and salary or any other funds available for these purposes. Any governmental unit failing to pay the contributions monthly, or in the case of an election made pursuant to section 54-52-17.14 a lump sum, or failing to otherwise comply with the board's established wage reporting or payroll reporting process requirements, is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due. In lieu of assessing a civil penalty or one percent per month, or both, interest at the actuarial rate of return may be assessed for each month the contributions are delinquent. If contributions are paid within ninety days of the date the contributions became due, penalty and interest to be paid on delinquent contributions may be waived.

3. An employer is required to submit contributions for any past eligible employee who was employed after July 1, 1977, for which contributions were not made if the employee would have been eligible to become vested had the employee participated and if the employee elects to join the public employees retirement system. Employer contributions may not be assessed for eligible service that an employee has waived pursuant to subsection 1 of section 54-52-05.
4. Annually, the board shall report to the employee benefits programs committee the contributions necessary, as determined by the actuarial study, to maintain the fund's actuarial soundness.

²³² **SECTION 3. AMENDMENT.** Section 54-52.6-01 of the North Dakota Century Code is amended and reenacted as follows:

54-52.6-01. Definition of terms.

As used in this chapter, unless the context otherwise requires:

1. "Board" means the public employees retirement system board.
2. "Deferred member" means ~~a person~~ an individual who elected to receive deferred vested retirement benefits under chapter 54-52.
3. "Eligible employee", for employees who become participating members after December 31, 2024, has the same meaning as provided under section 54-52-02.15. For employees who elected to join the defined contribution retirement plan under this chapter before January 1, 2025, the term includes a permanent state employee, except an employee of the judicial branch or an employee of the board of higher education and state institutions under the jurisdiction of the board of higher education, who is at least eighteen years of age and who is in a position not classified by the North Dakota human resource management services.
4. "Employee" means ~~any person~~ an individual employed by the state, whose compensation is paid out of state funds, or funds controlled or administered by the state or paid by the federal government through any of its executive or administrative officials.
5. "Employer" means the state of North Dakota, except the highway patrol for members of the retirement plan created under chapter 39-03.1, or a participating political subdivision of the state.
6. "Participating member" means an eligible employee who elects to participate in the defined contribution retirement plan established under this chapter.
7. "Permanent employee" means a state employee whose services are not limited in duration and who is filling an approved and regularly funded position and is employed twenty hours or more per week and at least five months each year.
8. "Wages" and "salaries" means earnings in eligible employment under this chapter reported as salary on a federal income tax withholding statement plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k),

²³² Section 54-52.6-01 was also amended by section 6 of Senate Bill No. 2121, chapter 535.

403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement, incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between an employee and a participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board.

²³³ **SECTION 4. AMENDMENT.** Section 54-52.6-02.2 of the North Dakota Century Code is amended and reenacted as follows:

54-52.6-02.2. Election after December 31, 2024 - Additional employer contribution.

1. As used in this section, "eligible employee" means a permanent ~~state~~ employee of a state entity that as of January 1, 2025, receives budgetary approval from the legislative assembly, who on December 31, 2024, is a participating member of the public employees retirement system main system plan under chapter ~~54-42~~54-52, who has been a participating member under chapter 54-52 for no more than five years, and who is at least eighteen years of age.
2. The board shall provide a three-month election period, from January 1, 2025, through March 31, 2025, for an eligible employee to transfer to the defined contribution plan under this chapter pursuant to the rules and policies adopted by the board.
 - a. An election under this section made by a member of the public employees retirement system under chapter 54-52 to transfer to the defined contribution retirement plan under this chapter is irrevocable.
 - b. For an eligible employee who elects to transfer from the public employees retirement system under chapter 54-52 to the defined contribution retirement plan under this chapter, the board shall transfer a lump sum amount from the public employees retirement system fund to the member's account in the defined contribution retirement plan under this chapter. However, if the eligible employee terminates employment before receiving the lump sum transfer under this section, the election made is ineffective and the eligible employee remains a member of the public employees retirement system under chapter 54-52 and retains all the rights and privileges under that chapter.
 - c. The board shall calculate the lump sum amount to be transferred based on the actuarial present value of the eligible employee's accumulated benefit obligation under the public employees retirement system based on the assumption the eligible employee will retire under the earlier applicable normal retirement age, plus interest from January 1, 2025, to the date of transfer, at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election.
 - d. This section does not affect an eligible individual's right to health benefits under chapter 54-52.1.

²³³ Section 54-52.6-02.2 was also amended by section 10 of House Bill No. 1031, chapter 64, and section 7 of Senate Bill No. 2121, chapter 535.

3. The state employer of an eligible employee who elects under this section to participate in the defined contribution retirement plan under this chapter shall pay an additional annual contribution of three thousand three hundred and thirty-three dollars for up to three years. Under this subsection, the employer shall pay the additional contribution each year the eligible employee continues permanent employment with the state, beginning January 2026, and extending no further than January 2028.
4. If the board receives notification from the internal revenue service that this section or any portion of this section will cause the public employees retirement system or the retirement plan established under this chapter to be disqualified for tax purposes under the Internal Revenue Code, that portion that will cause the disqualification does not apply.

SECTION 5. AMENDMENT. Section 54-52.6-05 of the North Dakota Century Code is amended and reenacted as follows:

54-52.6-05. Direction of investments.

1. Each participating member shall direct the investment of the individual's accumulated employer and employee contributions and earnings to one or more investment choices within available categories of investment provided by the board.
2. The board shall provide an investment menu of investment options. In establishing the investment options, the board shall:
 - a. Include predetermined investment portfolio options constructed to reflect different risk profiles that automatically reallocate and rebalance contributions as a participating member ages.
 - b. Allow a participating member to construct an investment portfolio using some or all of the investment options.
3. The board shall provide a diversified menu of ~~mutual funds investment solutions and in-plan~~ lifetime annuity options that may include in-plan and out-of-plan options, either fixed, variable, or a combination of both. In selecting an annuity provider the board shall comply with section 54-52.6-05.1.

SECTION 6. AMENDMENT. Section 54-52.6-09.5 of the North Dakota Century Code is amended and reenacted as follows:

54-52.6-09.5. Employer contribution for defined benefit plan. (Effective after December 31, 2025)

In addition to the employer contribution under section 54-52.6-09, a state employer that receives budgetary approval from the legislative assembly shall contribute to the defined benefit retirement plan under chapter 54-52, an amount equal to the contribution rate calculated under section 54-52-06 less the amount of the required employer contribution under sections 54-52.2-09 and 54-52.6-09. If a state employer uses federal funds to pay any or all of an employee's wages, the employer shall use state funds to pay this additional contribution.

SECTION 7. RETROACTIVE APPLICATION. Section 4 of this Act applies retroactively to January 1, 2025.

SECTION 8. EMERGENCY. Section 4 of this Act is declared to be an emergency measure.

Approved April 10, 2025

Filed April 11, 2025

CHAPTER 539

HOUSE BILL NO. 1602

(Representatives Kasper, J. Johnson, Kempenich, Koppelman, Motschenbacher,
D. Ruby, Steiner)
(Senators Cleary, Paulson, Hogue, Klein)

AN ACT to amend and reenact section 54-52-02.15 of the North Dakota Century Code, relating to political subdivision participation in the public employees retirement system defined contribution retirement plan.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²³⁴ **SECTION 1. AMENDMENT.** Section 54-52-02.15 of the North Dakota Century Code is amended and reenacted as follows:

54-52-02.15. Public employees retirement system main plan - Closure to new hires - Multiple plan membership.

1. Under this section "eligible employee" means a permanent employee who:
 - a. Meets all the eligibility requirements set by this chapter;
 - b. Is at least eighteen years of age;
 - c. Becomes a participating member after December 31, 2024; and
 - d. Is not eligible to participate in the law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.
2. Effective January 1, 2025, the public employees retirement system defined benefit main plan maintained for employees is closed to new eligible employees. However, an employee who becomes a participating or deferred member under this chapter before January 1, 2025, remains in the defined benefit retirement plan under this chapter, regardless of being rehired after December 31, 2024.
3. Except as otherwise provided under this section, effective January 1, 2025, an eligible employee who begins employment with ana participating employer shall participate in the defined contribution retirement plan under chapter 54-52.6 as provided under section 54-52.6-02.1.
4. This section does not impact an employee to the extent the employee is a participating member in one or more of the following enumerated plans: law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.

²³⁴ Section 54-52-02.15 was also amended by section 2 of House Bill No. 1274, chapter 536, and section 3 of House Bill No. 1419, chapter 537.

- a. A participating or deferred member in the defined contribution retirement plan under chapter 54-52.6 who becomes eligible to participate in a plan enumerated under this subsection is eligible to participate in the retirement plan enumerated under this subsection.
 - b. A participating member of a retirement plan enumerated under this subsection who becomes an eligible employee is not eligible to participate in the defined benefit retirement plan under this chapter but instead participates in the defined contribution retirement plan under chapter 54-52.6. However, this subdivision does not apply to an individual who before January 1, 2025, is a participating or a deferred member under this chapter, as that individual continues to participate in the defined benefit retirement plan under this chapter.
5. The board shall adopt rules to implement this section.
 6. This section may not be construed to require a political subdivision to participate in the defined contribution retirement plan under chapter 54-52.6, even if the political subdivision has participated or continues to participate in the defined benefit retirement plan under this chapter. Political subdivision participation in the public employees retirement system, including the defined contribution retirement plan under chapter 54-52.6, is optional.
 7. Notwithstanding sections 54-52-02.1 and 54-52-04, the board may not assess any fees or costs against a political subdivision for withdrawing from the defined contribution retirement plan under chapter 54-52.6.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 540

SENATE BILL NO. 2227

(Senators Bekkedahl, Boschee, Roers)
(Representatives Fegley, Lefor, Schauer)

AN ACT to amend and reenact subsection 1 of section 54-52-05 of the North Dakota Century Code, relating to employee participation in the public employees retirement system; to provide for retroactive application; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 54-52-05 of the North Dakota Century Code is amended and reenacted as follows:

1. a. Every eligible participating political subdivision employee, at the time the political subdivision joins the plan ~~must~~ shall so state in writing if the employee concurs in the plan and all future eligible employees of the participating political subdivision are participating members in the plan and must be enrolled in the plan within the first month of employment.
- b. Except as otherwise provided by law, every other eligible governmental unit employee of a participating governmental unit is a participating member in the plan and must be enrolled in the plan within the first month of employment. An employee who was not enrolled in the retirement system when eligible to participate must be enrolled immediately upon notice of the employee's eligibility, unless the employee waives in writing the employee's right to participate for the previous time of eligibility, to avoid contributing to the fund for past service.
- c. An employee ~~who is~~ eligible for normal retirement who accepts a retirement benefit under this chapter and ~~who~~ subsequently becomes employed with a participating employer other than the employer ~~with which~~ the employee was employed with at the time the employee retired under this chapter may, before being re-enrolled in the retirement plan within the first month of employment, elect to permanently waive future participation in the retirement plan and the retiree health program and maintain that employee's retirement status. An employee making this election is not required to make any future employee contributions to the public employees retirement system nor is the employee's employer required to make any further contributions on behalf of that employee.
- d. An employee eligible for normal retirement who accepts a retirement benefit under this chapter and subsequently becomes employed with the same participating employer the employee was employed with at the time the employee retired under this chapter may not participate in the retirement plan or the retiree health program and may maintain that employee's retirement status if the employee is appointed by an elected state official to an unclassified state position for the duration of the elected official's term until a successor is appointed.

SECTION 2. RETROACTIVE APPLICATION. This Act applies retroactively to December 14, 2024.

SECTION 3. EMERGENCY. This Act is declared to be an emergency measure.

Approved March 18, 2025

Filed March 18, 2025

CHAPTER 541

HOUSE BILL NO. 1112

(Government and Veterans Affairs Committee)
(North Dakota State Forester)

AN ACT to amend and reenact subsection 8 of section 54-52-01, section 54-52-06.4, subsection 3 of section 54-52-17, and subsection 4 of section 54-52-17 of the North Dakota Century Code, relating to membership of the public employees retirement system.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²³⁵ **SECTION 1. AMENDMENT.** Subsection 8 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

8. "Firefighter" means a participating member who is employed as a firefighter by the state or a political subdivision and, notwithstanding subsection ~~4314~~, for an individual employed after July 31, 2017, is employed at least thirty-two hours per week and at least twenty weeks each year of employment. A firefighter who is a participating member of the law enforcement retirement plan created by this chapter who begins employment after July 31, 2017, is ineligible to participate concurrently in any other retirement plan administered by the public employees retirement system. The term does not include a firefighter employee of the North Dakota national guard.

²³⁶ **SECTION 2. AMENDMENT.** Section 54-52-06.4 of the North Dakota Century Code is amended and reenacted as follows:

54-52-06.4. Contribution by firefighters or peace officers employed by the state or security officers employed by the national guard - Employer contribution. (Retroactive application - See note)

1. a. Each peace officer employed by the bureau of criminal investigation who is a member of the public employees retirement system is assessed and shall pay monthly four percent of the employee's monthly salary. Peace officer contributions increase by one percent of the member's monthly salary beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; with an additional increase of one percent, beginning with the reporting period of January 2024; and with an additional increase of one percent, beginning with the reporting period of January 2025.

²³⁵ Section 54-52-01 was also amended by section 1 of House Bill No. 1077, chapter 534, section 1 of House Bill No. 1177, chapter 533, section 1 of House Bill No. 1274, chapter 536, section 1 of House Bill No. 1419, chapter 537, and section 1 of Senate Bill No. 2121, chapter 535.

²³⁶ Section 54-52-06.4 was also amended by section 3 of House Bill No. 1274, chapter 536, and section 5 of House Bill No. 1419, chapter 537.

- b. Each firefighter or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, who is a member of the public employees retirement system is assessed and shall pay six percent of the employee's monthly salary.
 - c. Effective August 1, 2015, each national guard security officer who is a member of the public employee's retirement system is assessed and monthly shall pay six percent of the employee's monthly salary. National guard security officer contributions decrease by one-half of one percent of the member's monthly salary beginning with the monthly reporting period of January 2016.
 - d. The assessment under this subsection must be deducted and retained out of the employee's salary in equal monthly installments.
2. The employer of a firefighter or peace officer employed by the state or national guard security officer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. The employer's contribution must be paid from funds appropriated for salary or from any other funds available for such purposes. If the firefighter's, peace officer's, or security officer's assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required firefighter's, peace officer's, or security officer's assessment.

²³⁷ **SECTION 3. AMENDMENT.** Subsection 3 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

3. Retirement dates are defined as follows:
- a. Normal retirement date, except for a national guard security officer or firefighter, a firefighter employed by a political subdivision, a firefighter or peace officer employed by the state, or a peace officer or correctional officer employed by a political subdivision, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or
 - (2) When the member has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
 - b. Normal retirement date for members first enrolled after December 31, 2015, except for a national guard security officer or firefighter, a firefighter employed by a political subdivision, a firefighter or peace officer employed by the state, a peace officer or correctional officer employed by a political subdivision, or a supreme court or district court judge, is:
 - (1) The first day of the month next following the month in which the member attains the age of sixty-five years; or

²³⁷ Section 54-52-17 was also amended by section 4 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1274, chapter 536, section 6 of House Bill No. 1419, chapter 537, section 1 of Senate Bill No. 2119, chapter 542, and section 2 of Senate Bill No. 2121, chapter 535.

- (2) When the member has a combined total of years of service credit and years of age equal to ninety and the member attains a minimum age of sixty and has not received a retirement benefit under this chapter.
- c. Normal retirement date for a national guard security officer or firefighter is:
 - (1) The first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the national guard security officer or firefighter has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- d. Normal retirement date for a peace officer, firefighter, or correctional officer employed by a political subdivision is:
 - (1) The first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty-five years and has completed at least three eligible years of employment; or
 - (2) When the peace officer, firefighter, or correctional officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- e. (1) Normal retirement date for a peace officer employed by the bureau of criminal investigation is:
 - (a) [1] For a member employed before August 1, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; and
 - [2] For a member employed after July 31, 2023, the first day of the month next following the month in which the peace officer attains the age of fifty-five years and has completed at least ten eligible years of employment; or
 - (b) When the peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- (2) Normal retirement date for a firefighter or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, is:
 - (a) The first day of the month next following the month in which the firefighter or peace officer attains the age of fifty-five years and has completed at least three eligible years of employment; or

- (b) When the firefighter or peace officer has a combined total of years of service credit and years of age equal to eighty-five and has not received a retirement benefit under this chapter.
- f. Postponed retirement date is the first day of the month next following the month in which the member, on or after July 1, 1977, actually severs or has severed the member's employment after reaching the normal retirement date.
- g. (1) Early retirement date, except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, or a firefighter or peace officer employed by the state, is the first day of the month next following the month in which the member attains the age of fifty-five years and has completed three years of eligible employment.
- (2) For a national guard security officer or firefighter, early retirement date is the first day of the month next following the month in which the national guard security officer or firefighter attains the age of fifty years and has completed at least three years of eligible employment.
- (3) For a firefighter or peace officer employed by the state, other than a peace officer employed by the bureau of criminal investigation, or a firefighter, peace officer, or correctional officer employed by a political subdivision, early retirement date is the first day of the month next following the month in which the peace officer, firefighter, or correctional officer attains the age of fifty years and has completed at least three years of eligible employment.
- (4) For a peace officer employed by the bureau of criminal investigation, early retirement date is the first day of the month next following the month in which the peace officer attains the age of fifty years and has completed at least three years of eligible employment.
- h. Disability retirement date is the first day of the month after a member becomes permanently and totally disabled, according to medical evidence called for under the rules of the board, and has completed at least one hundred eighty days of eligible employment. For supreme and district court judges, permanent and total disability is based solely on a judge's inability to perform judicial duties arising out of physical or mental impairment, as determined pursuant to rules adopted by the board or as provided by subdivision a of subsection 3 of section 27-23-03.
- (1) A member is eligible to receive disability retirement benefits only if the member became disabled during the period of eligible employment and applies for disability retirement benefits within twelve months of the date the member terminates employment.
- (2) A member is eligible to continue to receive disability benefits as long as the permanent and total disability continues and the member submits the necessary documentation and undergoes medical testing required by the board, or for as long as the member participates in a rehabilitation program required by the board, or both. If the board determines a member no longer meets the eligibility definition, the board may discontinue the disability retirement benefit. The board may pay the cost of any medical testing or rehabilitation services the board

deems necessary and these payments are appropriated from the retirement fund for those purposes. A member's receipt of disability benefits under this section is limited to receipt from the fund to which the member was actively contributing at the time the member became disabled.

²³⁸ **SECTION 4. AMENDMENT.** Subsection 4 of section 54-52-17 of the North Dakota Century Code is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

- a. Normal retirement benefits for all retirees, except supreme and district court judges, and peace officers employed by the bureau of criminal investigation, ~~and other peace officers employed by the state~~, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

(1) For members first enrolled:

(a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

- b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

- c. Normal retirement benefits for a peace officer employed by the bureau of criminal investigation reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:

²³⁸ Section 54-52-17 was also amended by section 3 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1274, chapter 536, section 6 of House Bill No. 1419, chapter 537, section 1 of Senate Bill No. 2119, chapter 542, and section 2 of Senate Bill No. 2121, chapter 535.

- (1) The first twenty years of credited service multiplied by three percent of final average salary.
 - (2) For years in excess of twenty years of credited service multiplied by one and seventy-five hundredths percent of final average salary.
- d. ~~Normal retirement benefits for a peace officer employed by the state, other than by the bureau of criminal investigation, reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:~~
- (1) ~~For members first enrolled:~~
 - (a) ~~Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.~~
 - (b) ~~After December 31, 2019, service benefit equals one and seventy five hundredths percent of final average salary multiplied by the number of years of service employment.~~
 - (2) ~~Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.~~
- e. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.
- f.e. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning before the normal retirement date, as determined under subsection 3. Except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, a firefighter or peace officer employed by the state, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by a fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.
- g.f. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.

Approved March 21, 2025

Filed March 24, 2025

CHAPTER 542

SENATE BILL NO. 2119

(State and Local Government Committee)
(North Dakota Public Employees Retirement System)

AN ACT to create and enact a new paragraph to subdivision h of subsection 3 of section 54-52-17 of the North Dakota Century Code, relating to disability retirement benefit eligibility.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²³⁹ **SECTION 1.** A new paragraph to subdivision h of subsection 3 of section 54-52-17 of the North Dakota Century Code is created and enacted as follows:

A member who has reached normal retirement age or normal retirement date and is eligible for unreduced retirement benefits may not apply for a disability retirement benefit.

Approved March 18, 2025

Filed March 18, 2025

²³⁹ Section 54-52-17 was also amended by section 3 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1112, chapter 541, section 4 of House Bill No. 1274, chapter 536, section 6 of House Bill No. 1419, chapter 537, and section 2 of Senate Bill No. 2121, chapter 535.

CHAPTER 543

HOUSE BILL NO. 1113

(Government and Veterans Affairs Committee)
(North Dakota Public Employees Retirement System)

AN ACT to create and enact a new section to chapter 54-52.2 of the North Dakota Century Code, relating to payment of administrative expenses for the public employees retirement system deferred compensation plan; and to provide a continuing appropriation.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-52.2 of the North Dakota Century Code is created and enacted as follows:

Administrative expenses - Continuing appropriation.

1. A participating member shall pay the administrative expenses of the plan in a manner determined by the board. The board:
 - a. Or a vendor retained by the board, may charge reasonable administrative expenses and deduct those expenses from a participating member's account in the deferred compensation plan established under this chapter.
 - b. May pay the administrative expenses of the plan from fines and fees collected from a vendor in a manner determined by the board.
 - c. Shall deposit vendor fines and fees and any money deducted from a participating member's account in an administrative expenses account with the state treasurer.
 - d. May use funds from the payroll clearing account established under section 54-52.3-03 and the administrative expenses account to pay for consulting expenses.
2. All money in the payroll clearing account and the administrative expenses account are appropriated to the board on a continuing basis for the purpose of retaining a consultant as required for the administration of this chapter.

Approved April 2, 2025

Filed April 3, 2025

CHAPTER 544

HOUSE BILL NO. 1175

(Representative Klemin)
(Senator Hogue)

AN ACT to amend and reenact sections 54-55-01, 54-55-03, 54-55-04, and 54-55-05 of the North Dakota Century Code, relating to the North Dakota commission on uniform state laws.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-55-01 of the North Dakota Century Code is amended and reenacted as follows:

54-55-01. Commission on uniform state laws - Membership.

1. The commission on uniform state laws consists of ~~an~~:
 - a. ~~An~~ individual engaged in the practice of law in this state, ~~the~~;
 - b. ~~The~~ dean or a full-time member of the faculty of the law school of the university of North Dakota, ~~a~~;
 - c. ~~A~~ law-trained judge of a court of record in this state, ~~a~~;
 - d. ~~A~~ member of the house of representatives ~~and a~~;
 - e. ~~A~~ member of the senate ~~of the legislative assembly~~; and a
 - f. ~~A~~ member of the legislative council.
2. The attorney general may appoint a member of the commission. The commission also consists of any residents of this state who, because of long service in the cause of uniformity of state legislation, have been elected life members of the national conference of commissioners on uniform state laws, also known as the national uniform laws commission, and may also consist of any residents of this state who have been previously appointed to at least five years of service on the commission.
3. Except for the ~~member~~ members appointed by the attorney general, the members of the legislative assembly, the member of the legislative council, any members appointed under subsection 9, and life members, commissioners must be appointed by the governor for terms of four years each, ~~commencing on the first day of September following each presidential election~~, and shall serve until their respective successors are appointed. ~~Commissioners first appointed after July 21, 2011, must be residents of the state.~~
4. The members of the legislative assembly on the commission must be appointed by the legislative management for a term not to exceed ~~four~~ two years as prescribed by the legislative management, and the member of the legislative council must be appointed by the chairman of the legislative management.

5. The term of a commissioner commences on the first day of September.
6. The term of the member appointed by the attorney general may not extend beyond the term of that attorney general.
7. All commissioners must be residents of the state, except for the commissioners who have been elected life members of the national conference of commissioners on uniform state laws.
8. To be eligible for appointment, an individual must be a licensed attorney and in good standing with the state bar association of North Dakota at the time of first appointment.
9. If a member of the house of representatives or the senate is not eligible to serve as a commissioner under this chapter, the legislative management may appoint an individual who is eligible.

SECTION 2. AMENDMENT. Section 54-55-03 of the North Dakota Century Code is amended and reenacted as follows:

54-55-03. Meeting and organization.

The commissioners shall meet at least once each two-year period and shall ~~organize by electing one of their number as~~ select a chairman, vice chairman, and another as a secretary. The chairman and secretary officers elected under this section shall hold their respective offices for a term of two years and until their successors are elected.

SECTION 3. AMENDMENT. Section 54-55-04 of the North Dakota Century Code is amended and reenacted as follows:

54-55-04. Duties of commissioners and commission.

1. Each commissioner shall attend the annual meeting of the national conference of commissioners on uniform state laws, also known as the national uniform law commission, and shall promote uniformity in state laws on those subjects where uniformity may be deemed desirable and practicable. The commission shall also promote as far as practicable the uniform judicial application and construction of all uniform state laws.
2. During the interim between legislative sessions, the commission may submit its recommendations for enactment of uniform and model laws to the legislative management for its review and recommendation. Commissioners shall provide ~~such~~ the assistance to the legislative management as the legislative management requests with respect to its review of uniform and model laws.
3. During each biennial legislative session, and at any other time as the commission may deem proper, the commission shall report to the legislative assembly an account of its transactions and its advice and recommendations for legislation. The report must include the recommendations of the legislative management with respect to uniform and model laws recommended by the commission.

SECTION 4. AMENDMENT. Section 54-55-05 of the North Dakota Century Code is amended and reenacted as follows:

54-55-05. No compensation for commissioners - Commissioners entitled to reimbursement.

The

1. Except as provided for members of the legislative assembly under section 54-03-20, the commissioners shall serve without compensation for services as commissioners.
2. The commissioners who are appointed to the commission and the commissioners who have been elected life members of the national conference of commissioners on uniform state laws also known as the national uniform law commission, ~~except those who are appointed by virtue of having served five years on the commission but who have not served at least twenty years in the legislative assembly,~~ are entitled to be reimbursed, from moneys appropriated for that purpose, for necessary expenses incurred in performing their duties at the rates provided in sections 44-08-04 and 54-06-09.
3. Warrant-checks for expense reimbursement must be prepared by the office of management and budget upon vouchers submitted by the commissioners.

Approved March 21, 2025

Filed March 24, 2025

CHAPTER 545

SENATE BILL NO. 2048

(State and Local Government Committee)
(At the request of the Information Technology Department)

AN ACT to amend and reenact section 54-59-11 of the North Dakota Century Code, relating to information technology plans.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-59-11 of the North Dakota Century Code is amended and reenacted as follows:

54-59-11. Information technology plans.

Each executive branch state agency or institution, excluding the institutions under the control of the board of higher education, unless the chief information officer grants an exemption, shall participate in the information technology planning process based on guidelines developed by the department. ~~The plan must be submitted to the department by August fifteenth of each even numbered year unless the chief information officer grants an extension. The department shall review each entity's plan for compliance with statewide information technology policies and standards and may require an entity to change its plan to comply with statewide policies or standards or to resolve conflicting directions among plans. Agencies of the judicial and legislative branches shall file their information technology plans with the department by August fifteenth of each even numbered year. Based on the plans, the department shall prepare a statewide information technology plan and distribute copies of that plan to members of the legislative assembly as requested by the legislative council. The statewide information technology plan must be developed with emphasis on long-term~~ agency strategic goals, business objectives, and accomplishments alignment to statewide information technology initiatives.

Approved March 28, 2025

Filed March 31, 2025

CHAPTER 546

HOUSE BILL NO. 1524

(Representatives Monson, Brandenburg, Kempenich, O'Brien, Ostlie, Pyle)
(Senators Kessel, Meyer, Myrdal, Barta, Lemm)

AN ACT to create and enact a new section to chapter 54-60 of the North Dakota Century Code, relating to regional planning council grants from the department of commerce.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

Regional planning council grants - Purpose.

The department may award grants to regional planning councils under chapter 54-40.1 to support local and regional implementation of state-authorized programs and initiatives, including housing, regional workforce, rural catalyst, local food and grocery, and other state-authorized programs, subject to legislative appropriations. The department may approve grants to support program implementation, resource development, and efforts to attract and leverage public or private investment in local and regional areas of the state.

Approved May 1, 2025

Filed May 2, 2025

CHAPTER 547

SENATE BILL NO. 2226

(Senators Sickler, Barta, Larson, Myrdal)
(Representatives Klemin, Satrom)

AN ACT to amend and reenact subsection 1 of section 54-61-01 of the North Dakota Century Code, relating to the commission on legal counsel for indigents; to provide an appropriation; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 54-61-01 of the North Dakota Century Code is amended and reenacted as follows:

1. The commission on legal counsel for indigents is established for the purpose of developing and monitoring a process for the delivery of state-funded legal counsel services for indigents which are required under the Constitution of North Dakota and the United States Constitution and any applicable statute or court rule. The commission shall provide indigent defense services for indigent individuals determined by the court to be eligible for and in need of those services pursuant to the standards and policies of the commission governing eligibility for such services. For purposes of establishing release conditions at an initial appearance, an incarcerated individual is presumed indigent.

SECTION 2. APPROPRIATION - COMMISSION ON LEGAL COUNSEL FOR INDIGENTS - LEGAL COUNSEL SERVICES AT INITIAL APPEARANCES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$463,644 or so much of the sum as may be necessary, to the commission on legal counsel for indigents for the purpose of providing legal counsel services for incarcerated individuals at initial appearances, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 3. EFFECTIVE DATE. Section 1 of this Act becomes effective on January 1, 2026.

Approved April 22, 2025

Filed April 23, 2025

CHAPTER 548

SENATE BILL NO. 2188

(Senators Patten, Kessel, Sickler)
(Representatives Bosch, Novak, Porter)

AN ACT to amend and reenact sections 54-63.1-03 and 54-63.1-07 of the North Dakota Century Code, relating to the membership of the clean sustainable energy authority and the clean sustainable energy fund line of credit; and to provide for a transfer.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 54-63.1-03 of the North Dakota Century Code is amended and reenacted as follows:

54-63.1-03. Clean sustainable energy authority - Membership - Meetings.

1. The clean sustainable energy authority consists of ~~seventeen~~eighteen members, including nine voting members and ~~eight~~nine nonvoting technical advisors.
2. The nine voting members consist of:
 - a. Two members, one from the senate and one from the house of representatives, appointed by the legislative management to serve as co-chairmen;
 - b. Two members appointed by the lignite research council;
 - c. Two members appointed by the oil and gas research council;
 - d. Two members appointed by the renewable energy council; and
 - e. One member appointed by the western Dakota energy association.
3. The ~~eight~~nine nonvoting technical advisors consist of:
 - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
 - b. The commissioner of commerce or the commissioner's designee;
 - c. The director of the department of environmental quality or the director's designee;
 - d. The director of the department of water resources or the director's designee;
 - e. The director of mineral resources or the director's designee;

- e-f. The director of the North Dakota pipeline authority or the director's designee;
 - f-g. The director of the North Dakota transmission authority or the director's designee;
 - g-h. The director of the state energy research center or the director's designee; and
 - h-i. The president of the Bank of North Dakota or the president's designee.
4. The term of office for each co-chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first. The initial terms for the voting members of the authority must be staggered following a method determined by the authority.
 5. The authority shall meet at least semiannually. The co-chairmen shall call a meeting upon written request from three voting members of the authority. Five voting members is a quorum at any meeting.
 6. The authority may not forward a recommendation to the commission unless the recommendation fulfills the purposes of this chapter and is approved by a majority of the voting members of the authority.

SECTION 2. AMENDMENT. Section 54-63.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-63.1-07. Clean sustainable energy fund - Continuing appropriation - Line of credit - Loans - Repayments.

1. There is created in the state treasury the clean sustainable energy fund. The fund consists of all moneys transferred to the fund by the legislative assembly; loan proceeds; interest upon moneys in the fund; principal and interest payments to the fund; and donations, grants, and other contributions received by the commission for deposit in the fund. All moneys in the fund are appropriated to the commission on a continuing basis to provide grants, loans, and other financial assistance and for administrative and operating costs of the authority and program pursuant to the provisions under this chapter.
2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees. The Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs, not to exceed one-half of one percent of the amount of the interest payment. The fund must be audited annually pursuant to section 6-09-29, and the cost of the audit must be paid from the fund.
3. The Bank of North Dakota shall extend a line of credit to the industrial commission to support loans or loan guarantees issued from the clean sustainable energy fund. The line of credit may not exceed three hundred ninety million dollars, and the interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota governmental entities. The industrial commission shall repay the line of credit from moneys available in the clean sustainable energy fund derived from payments

received on loans issued under this chapter or other sources. If the moneys available from the clean sustainable energy fund on June 30, ~~2025~~2029, are not sufficient to repay the line of credit, the industrial commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit or the industrial commission may repay the line of credit from other funds, as appropriated by the legislative assembly.

4. The industrial commission may access the line of credit to the extent needed through June 30, ~~2025~~2029, to provide funding as authorized by the legislative assembly to support loans or loan guarantees issued from the clean sustainable energy fund. Any moneys borrowed from the Bank of North Dakota pursuant to this section must be transferred to the clean sustainable energy fund to support loans or loan guarantees.

SECTION 3. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - CLEAN SUSTAINABLE ENERGY GRANTS AND LOANS. During the biennium beginning July 1, 2025, and ending June 30, 2027, the office of management and budget shall transfer the sum of \$50,000,000 from the strategic investment and improvements fund to the clean sustainable energy fund, as follows:

1. \$10,000,000 for grants; and
2. \$40,000,000 to repay a line of credit and to provide funding for loans.

Approved May 12, 2025

Filed May 12, 2025

CHAPTER 549

SENATE BILL NO. 2098

(Senator Larson)
(Representative Heinert)

AN ACT to create and enact a new chapter to title 54 of the North Dakota Century Code, relating to a state alert notice system; and to repeal sections 39-03-13.2 and 54-12-32 of the North Dakota Century Code, relating to the state's silver and blue alert notice systems.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁴⁰ **SECTION 1.** A new chapter to title 54 of the North Dakota Century Code is created and enacted as follows:

Definitions.

As used in this chapter:

1. "Amber alert notice" means an urgent bulletin using the emergency alert system to air a description of a child who has been abducted.
2. "Blue alert notice" means an urgent bulletin using the emergency alert system to air a description of an individual or an individual's vehicle to aid in the apprehension of an individual who has threatened a law enforcement officer with a deadly weapon, used a deadly weapon against a law enforcement officer, caused a law enforcement officer to suffer serious bodily injury or death, abducted a law enforcement officer, or caused a law enforcement officer to go missing while on duty, and the individual has left the scene of the offense.
3. "Missing endangered individual" means:
 - a. A disabled adult or elderly vulnerable adult as defined in section 50-25.2-01 who has disappeared and whose disappearance has been reported to law enforcement;
 - b. An individual who has a developmental disability as defined in section 25-01.2-01 who has disappeared and whose disappearance has been reported to law enforcement; or
 - c. An elderly adult who has disappeared, whose disappearance has been reported to law enforcement and the disappearance:
 - (1) Indicates the individual is believed to be in grave danger of serious bodily harm or death, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on

²⁴⁰ Section 54-67-01 was amended by section 2 of House Bill No. 1535, chapter 497. Section 54-67-02 was amended by section 2 of House Bill No. 1535, chapter 497. Section 54-67-04 was amended by section 2 of House Bill No. 1535, chapter 497.

a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence of the imminent risk;

- (2) Warrants a silver alert notice activation due to the particular circumstances, as determined by a law enforcement agency and either the highway patrol or bureau of criminal investigation, based on a report received from the missing adult's family member or an individual who has significant frequent contact with the missing adult, which contains sufficient evidence that the particular circumstances warrant a silver alert notice activation.

4. "Silver alert notice" means an urgent bulletin using the emergency alert system to air a description of a missing individual to aid in the location of that individual.

Alert notice system activation.

1. A law enforcement agency may request the bureau of criminal investigation or the superintendent of the highway patrol to activate an amber alert notice, a blue alert notice, or a silver alert notice.
2. The bureau of criminal investigation, in cooperation with the highway patrol, shall prepare an operational plan to prepare for and respond to requests for activation of an amber alert notice, a blue alert notice, or a silver alert notice. The plan must include the role and requirements of the division of state radio of the department of emergency services in broadcasting an alert to the public.

Minimum requirements for activating an amber or blue alert notice.

1. An amber alert notice may not be activated unless:
- a. The abduction involves a child seventeen years of age or younger;
 - b. The law enforcement agency investigating the abduction has confirmed the child is believed to be in grave danger of serious bodily harm or death; and
 - c. The bureau of criminal investigation or the superintendent of the highway patrol determines sufficient descriptive information has been provided about the child, the abductor, or the abductor's motor vehicle to:
 - (1) Assist with the safe recovery of the child;
 - (2) Assist with the apprehension of the abductor; and
 - (3) Believe an immediate broadcast alert will assist in the search for and safe return of the child.
2. A blue alert notice may not be activated unless:
- a. An individual who is a suspect in an offense has threatened a law enforcement officer with a deadly weapon, used a deadly weapon against a law enforcement officer, caused a law enforcement officer to suffer serious bodily injury or death, abducted a law enforcement officer, or caused a law enforcement officer to go missing while on duty;

- b. The individual has fled the scene of the offense and a description of the individual or the individual's vehicle is available for broadcast;
- c. The law enforcement agency investigating the offense has determined the individual poses a threat to the public or other law enforcement personnel; and
- d. Dissemination of available information to the public may help avert further harm or assist in the apprehension of the suspect.

²⁴¹ **SECTION 2. REPEAL.** Sections 39-03-13.2 and 54-12-32 of the North Dakota Century Code are repealed.

Approved March 20, 2025

Filed March 20, 2025

²⁴¹ Section 39-03-13.2 was amended by section 21 of House Bill No. 1079, chapter 339; section 54-12-32 was amended by section 23 of House Bill No. 1079, chapter 339.

CHAPTER 550

SENATE BILL NO. 2029

(Legislative Management)
(Government Finance Committee)

AN ACT to create and enact a new subsection to section 30.1-28-07 and chapter 54-68 of the North Dakota Century Code, relating to an office of guardianship and conservatorship and the removal of a guardian; to amend and reenact section 30.1-29-15 and subsection 1 of section 50-24.1-07 of the North Dakota Century Code, relating to the removal of a conservator and the recovery of medical assistance expenses; to repeal chapter 27-27 and section 54-68-02.1 of the North Dakota Century Code, relating to the task force on guardianship monitoring and transition requirements; to provide a penalty; to provide for a report; to provide an appropriation; to provide a continuing appropriation; to provide for a transfer; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

²⁴² **SECTION 1.** A new subsection to section 30.1-28-07 of the North Dakota Century Code is created and enacted as follows:

The court may order a guardian to be listed on a registry if the court removed the guardian for good cause. A guardian listed on the registry is disqualified from acting as a guardian in any guardianship proceeding. The court shall send a copy of the order to the state court administrator, who shall maintain and administer the registry. This subsection does not apply to a licensed guardian. For purposes of this subsection, a licensed guardian includes a guardian whose license has been suspended but excludes a guardian whose license is revoked.

SECTION 2. AMENDMENT. Section 30.1-29-15 of the North Dakota Century Code is amended and reenacted as follows:

30.1-29-15. (5-415) Death, resignation, or removal of conservator.

1. The court may remove a conservator for good cause, upon notice and hearing, or accept the resignation of a conservator. After a conservator's death, resignation, or removal, the court may appoint another conservator. A conservator so appointed succeeds to the title and powers of the predecessor.
2. The court may order a conservator to be listed on a registry if the court removed the conservator for good cause. A conservator listed on the registry is disqualified from acting as a conservator in any conservatorship proceeding. The court shall send a copy of the order to the state court administrator, who shall maintain and administer the registry. This subsection does not apply to a licensed conservator. For purposes of this subsection, a licensed conservator includes a conservator whose license has been suspended but excludes a conservator whose license is revoked.

²⁴² Section 30.1-28-07 was also amended by section 9 of Senate Bill No. 2291, chapter 318.

SECTION 3. AMENDMENT. Subsection 1 of section 50-24.1-07 of the North Dakota Century Code is amended and reenacted as follows:

1. On the death of any recipient of medical assistance who was a resident of a nursing facility, intermediate care facility for individuals with intellectual disabilities, or other medical institution and with respect to whom the department determined that resident reasonably was not expected to be discharged from the medical institution and to return home, or who was fifty-five years of age or older when the recipient received the assistance, and on the death of the spouse of the deceased recipient, the total amount of medical assistance paid on behalf of the recipient following the institutionalization of the recipient who cannot reasonably be expected to be discharged from the medical institution, or following the recipient's fifty-fifth birthday, as the case may be, must be allowed as a preferred claim against the decedent's estate after payment, in the following order, of:
 - a. Recipient liability expense applicable to the month of death for nursing home or basic care services;
 - b. Funeral expenses not in excess of three thousand five hundred dollars;
 - c. Expenses of the last illness, other than those incurred by medical assistance;
 - d. Expenses of administering the estate, including attorney's fees approved by the court;
 - e. Claims made under chapter 50-01;
 - f. Claims made under chapter 50-24.5;
 - g. Claims made under chapter 50-06.3 and on behalf of the state hospital;
and
 - h. Claims made under chapter 54-68; and
 - i. Claims made under subsection 4.

²⁴³ **SECTION 4.** Chapter 54-68 of the North Dakota Century Code is created and enacted as follows:

54-68-01. Definitions.

As used in this chapter:

1. "Agency permit" means temporary authorization given by the office to an employee of a professional guardianship or professional conservatorship entity which allows the permitholder to provide guardianship or conservatorship services as an agent of the entity.
2. "Identifiable information" means an individual's personal details, including the individual's name, address, telephone number, facsimile number, social security number, electronic mail address, program identification number.

²⁴³ Section 54-68-02.1 was repealed by section 6 of Senate Bill No. 2029, chapter 550.

employer identification number, or any other unique identifying number, characteristic, or code and any demographic information collected about the individual.

3. "Investigation counsel" means the guardianship and conservatorship counsel.
4. "Licensed conservator" means a person licensed by the office to provide conservatorship services.
5. "Licensed guardian" means a person licensed by the office to provide guardianship services.
6. "Office" means the office of guardianship and conservatorship.
7. "Operations committee" means the guardianship and conservatorship operations committee established under section 54-68-03.
8. "Public conservator" means a conservator under contract with the office to provide conservatorship services for an individual eligible for public services.
9. "Public guardian" means a guardian under contract with the office to provide guardianship services for an individual eligible for public services.
10. "Public services" means state or federally funded programs administered by the office available to eligible individuals.
11. "Review board" means the guardianship and conservatorship review board established under section 54-68-05.
12. "Unlicensed conservator" means a person providing conservatorship services without a conservator license.
13. "Unlicensed guardian" means a person providing guardianship services without a guardian license.

54-68-02. Office of guardianship and conservatorship - Purpose - Powers and duties - Report - Audit.

1. The office of guardianship and conservatorship is established, consisting of the operations committee, office staff, and review board.
2. The office, in its capacity of supervising and directing guardianship and conservatorship, shall operate independently of any state agency that provides services to individuals under guardianship or conservatorship. The office shall administer programs assigned by state law. The office may adopt rules to administer and enforce this chapter.
3. The office shall:
 - a. Develop policies and procedures, including eligibility criteria for:
 - (1) Receiving public services;
 - (2) A public guardian or a public conservator;
 - (3) A licensed guardian or a licensed conservator; and

-
- (4) Distribution of funding for direct payments and expense reimbursements for public services.
 - b. Develop ethical standards for:
 - (1) A licensed guardian or a licensed conservator; and
 - (2) An unlicensed guardian or an unlicensed conservator.
 - c. Monitor guardianship and conservatorship services.
 - d. Develop policies and procedures for proceedings if a guardian or a conservator is unable to fulfill the duties of a guardian or a conservator.
 - e. Keep accurate records of all financial transactions performed under this chapter in the manner required by the office of management and budget.
 - f. Provide a report each biennium to the legislative management regarding the operations of the office, including the cost of public guardians and public conservators, and any other information requested by the legislative management.
4. The office may:
- a. Recommend rules applicable to a licensed guardian or a licensed conservator.
 - b. Grant licenses to a guardian or conservator and agency permits, including revoking or suspending an agency permit.
 - c. Require insurance or bond coverage for a licensed guardian or a licensed conservator as a condition for licensure.
 - d. Establish mandatory disclosure and reporting requirements for a licensed guardian or a licensed conservator, including a process to disclose information or submit reports to the office.
 - e. Provide training for guardians and conservators.
 - f. Provide annual reports to the governor.
 - g. Distribute funding for direct payments, expense reimbursements, or other public services, including funding for public administrators.
 - h. Establish and collect fees to support guardianship and conservatorship services and the duties of the office, which must be deposited in the guardianship and conservatorship support fund.
 - i. Seek and apply for private, federal, or other funds to help support guardians and conservators and to safeguard the rights of individuals who receive public services.
 - j. Accept private funds for deposit in the guardianship and conservatorship support fund.

5. The office may not authorize payment for services for any public guardian or public conservator that provides services for more individuals than allowed through statute, regulation, or administrative rule.
6. The office, its officers, or its employees may not act as a public guardian or a public conservator or act in any other representative capacity for any individual. This subsection does not prohibit an officer or employee from acting as a guardian or conservator in a personal capacity apart from any duties as an officer or employee.
7. The office is subject to audits by the state auditor under chapter 54-10.
8. The director of the office of management and budget shall allocate office space in the state capitol for the office of guardianship and conservatorship, or, if office space in the capitol is unavailable, shall negotiate for, contract for, and obtain office space for the office in the city of Bismarck or in the Bismarck area. The office of guardianship and conservatorship's office space may not be located in the office space of the department of health and human services or the judicial branch and must provide sufficient privacy and security for the office to conduct its business. The director of the office of management and budget shall charge the office of guardianship and conservatorship an amount equal to the fair value of the office space and related services the office of management and budget renders to the office of guardianship and conservatorship.

54-68-02.1. Transition - Requirements.

1. By August 1, 2025, each appointing authority shall make the initial appointments to the operations committee in accordance with section 54-68-03.
2. By August 31, 2025, the operations committee shall appoint an executive director and investigation counsel.
3. By January 1, 2026, each appointing authority shall make the initial appointments to the review board in accordance with section 54-68-05.
4. By March 31, 2026, the office shall:
 - a. Develop by rule initial policies, procedures, and eligibility criteria for:
 - (1) Receiving public services;
 - (2) A public guardian or a public conservator;
 - (3) A licensed guardian or a licensed conservator; and
 - (4) Distribution of funding for direct payments and expense reimbursements for public services.
 - b. Develop by rule ethical standards for:
 - (1) A licensed guardian or a licensed conservator; and
 - (2) An unlicensed guardian or an unlicensed conservator.

- c. Develop by rule policies and procedures for proceedings if a guardian or a conservator is unable to fulfill the duties of a guardian or a conservator.
 - d. Set by rule daily rates for fees and a reimbursement mechanism protocol.
 - e. Establish initial fees to support guardianship and conservatorship services and the duties of the office.
- 5. The office may adopt rules necessary to facilitate the creation of the office and assume the administration of guardianship programs.

54-68-03. Operations committee.

- 1. A guardianship and conservatorship operations committee is created to oversee the operation of the office. The operations committee shall:
 - a. Appoint an office director and investigation counsel who serve at the will of the operations committee.
 - b. Oversee and provide consent to the office for the adoption of administrative rules.
 - c. Oversee the administration of programs and personnel under the office.
 - d. Provide input and approval of the office budget.
- 2. The operations committee shall consist of:
 - a. Two members of the legislative assembly, one from each chamber, appointed by the chairman of the legislative management;
 - b. Two members appointed by the chief justice of the supreme court;
 - c. Two members appointed by the governor; and
 - d. One member appointed by the state bar association of North Dakota.
- 3. Initially, members of the operations committee shall serve staggered terms as follows:
 - a. Two members shall serve a term of one year;
 - b. Two members shall serve a term of two years; and
 - c. Three members shall serve a term of three years.
- 4. After the expiration of initial terms, all appointments must be for a term of three years. A member may not serve more than two consecutive terms of three years.
- 5. A member of the operations committee serves at the will of the appointing authority, and may be removed for good cause. A vacancy must be filled in the same manner as the original appointment for the unexpired portion of the term.
- 6. A member of the operations committee is entitled to:

- a. Per diem compensation in accordance with section 54-35-10; and
- b. Payment for mileage and travel expenses incurred in the conduct of committee business as provided under sections 44-08-04 and 54-06-09.

54-68-04. Director - Investigation counsel - Powers and duties.

1. The powers and duties of the director of the office of guardianship and conservatorship include:
 - a. Within the limits of legislative appropriations, to employ the necessary staff to provide services in accordance with this chapter.
 - b. To contract with guardians to administer services.
 - c. To grant guardian and conservator licenses.
 - d. To develop, maintain, and revise a comprehensive master plan for guardianship and conservatorship in this state, including the needs and resources.
 - e. To recommend rules to the operations committee regarding the administration of the office.
 - f. To develop and submit budgets for the office.
 - g. To present an annual report to the operations committee on the status of the office.
2. The powers and duties of the investigation counsel of the office of guardianship and conservatorship include:
 - a. To oversee the complaint process.
 - b. To recommend rules to the operations committee regarding operation of the complaint and appeals process.
 - c. To investigate noncompliance under this chapter reported after April 1, 2026, by conducting interviews, accessing records, issuing subpoenas, and ordering depositions.
 - d. To issue formal disciplinary complaints.
 - e. To attend disciplinary hearings.

54-68-05. Review board.

1. A guardianship and conservatorship review board is created to conduct disciplinary proceedings and issue sanctions for a guardian or conservator. The guardianship and conservatorship review board shall consist of:
 - a. One member representing guardians, appointed by the guardianship association of North Dakota;
 - b. One member representing family guardians, appointed by the chief justice of the supreme court;

- c. One member representing the protection and advocacy project, appointed by the committee on protection and advocacy;
 - d. Two members appointed by the state bar association of North Dakota, consisting of:
 - (1) One lawyer licensed to practice law in the state who is not an active judge or employee of a judge; and
 - (2) One retired judge, judicial referee, or surrogate judge; and
 - e. Two members of the public, appointed by the governor.
2. Initially, members of the review board shall serve staggered terms as follows:
- a. Two members shall serve a term of one year;
 - b. Two members shall serve a term of two years; and
 - c. Three members shall serve a term of three years.
3. After the expiration of initial terms, all appointments must be for a term of three years. A member may not serve more than two consecutive terms of three years.
4. A member of the review board serves at the will of the appointing authority, and may be removed for good cause. A vacancy must be filled in the same manner as the original appointment for the unexpired portion of the term.
5. A member of the review board may not receive compensation for their service but is entitled to payment for mileage and travel expenses incurred in the conduct of committee business as provided under sections 44-08-04 and 54-06-09.
6. Office staff, under the oversight of the operations committee, shall develop by rule complaint protocols, hearing procedures, ethics rules, disciplinary measures, and sanctions. Office staff, under the oversight of the operations committee, may develop other rules necessary for the review board.
7. Review board meetings are closed meetings under chapter 44-04.

54-68-06. Guardianship and conservatorship support fund - Continuing appropriation.

There is created in the state treasury the guardianship and conservatorship support fund. The fund consists of all moneys transferred to the fund by the legislative assembly, interest upon moneys in the fund, fee collections, donations, grants, and other contributions received for deposit in the fund. All moneys in the fund are appropriated on a continuing basis to the office to defray the expenses of supporting guardianship and conservatorship services, including guardianship and conservatorship training and monitoring.

54-68-07. Records - Confidentiality - Disclosure - Penalty.

1. For purposes of this chapter, confidential records as defined under section 44-04-17.1 include:

- a. Identifiable information that may reasonably be used to identify a guardian, conservator, complainant, or an individual applying for or receiving services; and
 - b. A report concerning an applicant, provider, or recipient of public services.
2. Confidential information may be disclosed only:
 - a. In the administration of a program under the supervision or administration of the office; or
 - b. When authorized or required by administrative rule, court rule, or law.
3. The office may disclose information uncovered during a disciplinary investigation to the attorney general or bureau of criminal investigation related to a criminal investigation when the investigation counsel suspects the subject of the investigation has committed a crime.
4. A person that discloses, authorizes, or knowingly allows, participates in, or acquiesces in the disclosure of confidential information in violation of this section is guilty of a class C felony.

54-68-08. Guardianship and conservatorship limitations - Representation to the public - Exemption.

1. A person may not serve as a guardian or a conservator for three or more adult individuals at the same time unless that person is a licensed guardian or a licensed conservator or has an agency permit. This subsection does not apply to an individual appointed as a guardian or conservator for a family member.
2. A public guardian or a public conservator may not provide services to a minor unless authorized by a proceeding under section 30.1-28-03.3.
3. A person must be a licensed guardian or a licensed conservator to offer guardianship or conservatorship services to the public.
4. This section does not apply to:
 - a. A federal or state agency.
 - b. A financial institution under section 6-08.1-01 when appointed as a conservator.
 - c. Human service zones, including human service zone directors or human service zone team members, as defined in section 50-01.1-01.
5. A person who violates this section after August 1, 2026, is guilty of a class B misdemeanor.

54-68-09. Immunity.

1. A person who in good faith provides information or testimony regarding a guardian's or conservator's misconduct or lack of professionalism is not subject to civil liability.

2. An employee of the office, a member of the review board, or an agent of the review board acting in good faith is not subject to civil liability.

54-68-10. Authority - Appeals - Applicability.

1. The office may revoke or suspend a guardian or a conservator license.
2. Upon receipt of any report or complaint, the office shall assess the need for an investigation of the report or complaint. For the purpose of investigating a report or complaint:
 - a. The office or operations committee shall:
 - (1) Establish confidentiality and disclosure standards for investigating a report or complaint and subsequent disciplinary proceedings.
 - (2) Adopt rules to effectuate the powers and duties under this chapter.
 - b. Office staff may:
 - (1) Interview an alleged victim, witness, or any other individual with knowledge of the situation.
 - (2) Access any record or information on an applicant, provider, or recipient of public services.
 - (3) Issue subpoenas for the attendance of witnesses and the production of designated documents, electronically stored information, or tangible things in accordance with the North Dakota Rules of Civil Procedure.
 - (4) Order the deposition of a person residing within or outside the state to be taken in accordance with the North Dakota Rules of Civil Procedure.
 - (5) Coordinate with other agencies and departments, including the attorney general and bureau of criminal investigation.
3. Appeals under this chapter must be conducted in accordance with chapter 28-32.
4. A guardian or conservator subject to the jurisdiction of a court of this state shall follow the rules of the office if the guardian or the conservator serves an adult ward, adult protected person, or incapacitated person, as defined in title 30.1.

54-68-11. Attorney general - Counsel - Bureau of criminal investigation - Primary authority for investigations.

1. The attorney general may act as legal counsel in any particular investigation or proceeding under section 54-12-02. The attorney general shall appear and defend any officer or employee of the office and any member of the review board in any action founded on an act or omission arising out of performance of an official duty.

2. In accordance with chapter 54-12, the attorney general and bureau of criminal investigation have primary authority to investigate criminal cases related to a guardianship or conservatorship.

54-68-12. Duty to disclose and cooperate.

1. A state or local governmental entity and its officers and employees, and the officials, officers, and employees of the courts of this state shall disclose records and information requested by the review board or investigation counsel or any authorized representative of the review board or investigation counsel and shall cooperate with and give reasonable assistance to the review board or investigation counsel and any authorized representative of the review board or counsel unless prohibited by federal regulation or law.
2. A sheriff or police officer shall serve process and execute all lawful orders upon request of the office, its authorized representative, the review board, or the investigation counsel. The service of process extends to all parts of the state in any investigation or disciplinary proceeding under this chapter.

54-68-13. Duties of witnesses - Penalty.

1. An individual is obliged to attend as a witness in any investigation or disciplinary proceeding commenced under this chapter.
2. If an individual refuses to attend, testify, or produce any writings or things required by subpoena, the office, review board, or investigation counsel that issued the subpoena may petition the district court of the district in which the attendance or production is required for an order compelling the individual to attend and testify or produce the writings or things required by the subpoena. The court shall order the individual to appear before the court at a specified time and place to show cause why the individual has not attended, testified, or produced the writings or things as required. A copy of the order must be served on the individual. If the court determines the subpoena was regularly issued, the court shall order the individual to appear at the time and place fixed in the order and testify or produce the required writings or things.
3. An individual who fails to obey an order under this section is guilty of a class A misdemeanor.

54-68-14. Preferred claim.

1. The office has a preferred claim against the estate of an individual or an individual's spouse for recovery of funds expended under this chapter for the care of that individual or the individual's spouse. All funds recovered under this chapter must be deposited in the general fund.
2. A claim may not be required to be paid and interest may not begin to accrue during the lifetime of the decedent's surviving spouse, if any.
3. A statute of limitation or similar statute or the doctrine of laches may not bar a claim under this chapter.

54-68-15. Supreme court power.

A court of this state may refer cases to the office. The court may adopt court rules as necessary to facilitate case management with the district courts, the office, and the review board.

SECTION 5. REPEAL. Chapter 27-27 of the North Dakota Century Code is repealed.

²⁴⁴ **SECTION 6. REPEAL.** Section 54-68-02.1 of the North Dakota Century Code, as created in Section 4 of this Act, is repealed.

SECTION 7. APPROPRIATION - OFFICE OF GUARDIANSHIP AND CONSERVATORSHIP - FULL-TIME EQUIVALENT POSITION AUTHORIZATION. 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, to the office of guardianship and conservatorship for the purpose of defraying the expenses of the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

Office of guardianship and conservatorship	<u>\$1,200,000</u>
Total general fund	<u>\$1,200,000</u>
Full-time equivalent positions	4.00

SECTION 8. TRANSFER. The office of management and budget shall transfer the full-time equivalent attorney position authorized for the office of guardianship and conservatorship line item in Senate Bill No. 2002 to the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and ending June 30, 2027. The remaining full-time equivalent positions authorized for the office of guardianship and conservatorship line item in Senate Bill No. 2002 shall transfer as caseload permits but no later than April 1, 2026.

SECTION 9. TRANSFER. The office of management and budget shall transfer any unspent appropriation authority authorized for the office of guardianship and conservatorship line item in Senate Bill No. 2002 to the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 10. TRANSFER. The office of management and budget shall transfer any unspent appropriation authority for guardianship related services and grants from the department of health and human services in House Bill No. 1012 to the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 11. TRANSFER. The office of management and budget shall transfer any unspent appropriation authority from the guardianship grants line item in Section 1 of House Bill No. 1015 to the office of guardianship and conservatorship, for the biennium beginning July 1, 2025, and ending June 30, 2027.

SECTION 12. ATTORNEY GENERAL - EMERGENCY COMMISSION REQUEST. During the 2025-26 interim, the attorney general may submit a request to the emergency commission in accordance with chapter 54-16 to request authorization and related funding for one full-time equivalent position for the bureau of criminal investigation related to guardianship and conservatorship case investigations. Prior to submitting a request, the office of guardianship and conservatorship must be

²⁴⁴ Section 54-68-02.1 was created by section 4 of Senate Bill No. 2029, chapter 550.

operational and the attorney general must identify an increase in workload related to guardianship and conservatorship case investigations which necessitates the addition of one full-time equivalent position.

SECTION 13. EFFECTIVE DATE.

1. Sections 54-68-08, 54-68-10, and 54-68-11, as created in Section 4 of this Act, become effective on April 1, 2026.
2. Sections 6, 9, 10 and 11 of this Act become effective on April 1, 2026.

Approved May 2, 2025

Filed May 2, 2025

CHAPTER 551

HOUSE BILL NO. 1448

(Representatives Christy, Bahl, Hagert, Ista, Nathe, O'Brien, Toman, Warrey, Dockter)
(Senators Boschae, Meyer, Davison)

AN ACT to create and enact a new chapter to title 54 of the North Dakota Century Code, relating to the advanced technology review committee, advanced technology grant program, and advanced technology grant fund.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new chapter to title 54 of the North Dakota Century Code is created and enacted as follows:

Definitions.

In this chapter, unless the context otherwise requires:

1. "Chief information officer" means the chief information officer of the information technology department.
2. "Commissioner" means the commissioner of the department of commerce.
3. "Committee" means the advanced technology review committee.
4. "Department" means the department of commerce.
5. "Vice chancellor for information technology" means the chief information officer and vice chancellor for information technology of the North Dakota university system.

Advanced technology review committee - Membership - Meetings.

1. The advanced technology review committee consists of:
 - a. The chief information officer or a designee within the information technology department;
 - b. The vice chancellor for information technology or a designee within the North Dakota university system;
 - c. One individual from the private sector with significant information and advanced technology knowledge, appointed by the governor;
 - d. One individual from the private sector with significant information and advanced technology knowledge, appointed by the majority leader of the house of representatives;
 - e. One individual from the private sector with significant information and advanced technology knowledge, appointed by the majority leader of the senate; and

- f. The commissioner, or a designee within the department of commerce, who shall serve as a nonvoting member of the committee and provide recommendations to the committee regarding grant awards.
2. By July first of each odd-numbered year, the chief information officer and vice chancellor for information technology shall compile a list of individuals with significant private sector information and advanced technology knowledge working within the state to be forwarded to the governor and the majority leaders of the house of representatives and senate. The governor and the majority leaders of the house of representatives and senate must consider the listed individuals for committee membership appointments.
3. The chief information officer, vice chancellor for information technology, and commissioner are permanent members of the committee. The term of office of the members of the committee appointed from the private sector is four years except the initial term of office of the individual appointed by the majority leader of the senate is three years and the initial term of office of the individual appointed by the governor is two years. Each term of office commences on August first. Members serve at the pleasure of the appointing entity and may be reappointed for additional terms. By August first of each year, the chairman of the legislative management shall select one of the appointed members to serve as the chairman of the committee. The chairman of the committee shall select a vice chair. If a committee member ceases to qualify as a member of the appointing entity, that individual's membership on the committee ceases immediately and the appointing entity shall appoint a new member to the committee for the remainder of the term.
4. A committee member representing the private sector is entitled to receive compensation in an amount not exceeding one hundred thirty-five dollars per day and travel and expense reimbursement as provided by law for state officers for attending meetings of the committee, to be paid by the department within the limits of legislative appropriations.
5. The committee shall meet as necessary at the call of the committee chairman to review and approve grant applications from entrepreneurs, startup companies, and small businesses that are in the initial phases of advanced technology product research, development, and innovation and are unable to access financial resources for prototype product development.

Advanced technology grant program - Eligibility - Use of funds.

1. The department shall administer the advanced technology grant program to provide grants for activities identified in this chapter. The department shall provide administrative support for the program, including the drafting of application forms, receiving applications, reviewing applications for completeness and compliance with committee policy, and forwarding complete applications to the committee in accordance with the guidelines established by the committee.
2. The committee shall establish guidelines for entities to qualify for an advanced technology grant under this section. Program guidelines relating to ownership of intellectual property, inventions, patents, and discoveries must address activities and issues unique to technologies, patents, and companies created as a result of an advanced technology grant.

3. In determining whether to approve an application for grant funding, the committee shall consider the extent to which the applicant's proposal will support early stage research and development of advance technologies, promote economic development, and advance the workforce in the state. The committee shall give priority to applications promoting the advancement of artificial intelligence, machine learning, quantum computing, and similar research and development and product innovation proposals. The committee shall consider and process applications in a timely manner to allow applicants an opportunity to leverage other funds.
4. Grant recipients shall use funding awarded under this section to enhance advance technology product research, development, and innovation, and to the extent possible, leverage state, federal, and private sources of funding. An entity receiving a grant under this section may not use the funds for capital or building investments or other activities not identified in this chapter. The funds may not be used for administrative costs or to supplant funding for regular operations of the entity. If an entity awarded a grant no longer conducts its activities in the state, the entity must repay the awarded grant funding to the department.

Advanced technology grant fund.

The advanced technology grant fund is a special fund in the state treasury administered by the department. Moneys in the fund must be used for providing grants and for the payment of committee and department administrative expenses incurred related to the requirements of this chapter, subject to legislative appropriations. Interest earned on moneys in the fund must be credited to the fund.

Advanced technology grant program - Postaward monitoring.

Upon completion of work performed from funding provided by an advanced technology grant, the department shall conduct an independent review of the results. Evaluation criteria may include how the work performed has:

1. Contributed to development of an advanced technology product or process and enhanced the ability of a company to make investments in the state, or otherwise enticed a company to invest in or move to the state;
2. Promoted economic development of the public or private sectors in the state;
3. Led to a patent or research that is commercially viable; or
4. Positively affected workforce in the state.

Approved May 1, 2025

Filed May 2, 2025