

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1623

Introduced by

Legislative Management

(Joint Appropriations Committee)

1 A BILL for an Act to provide an appropriation to the department of health and human services
2 for federal rural health transformation program grant funds; to provide an exemption; to provide
3 for application; to provide a report; and to provide an effective date.

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

5 **SECTION 1. APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES -**

6 **FEDERAL RURAL HEALTH TRANSFORMATION PROGRAM - QUALIFICATIONS.** There is

7 appropriated from other funds derived from federal funds, not otherwise appropriated, the sum
8 of \$397,873,940, or so much of the sum as may be necessary, to the department of health and
9 human services for the federal rural health transformation program, for the period beginning

10 with the effective date of this Act and ending June 30, 2027. For purposes of the appropriation

11 under this section, the department of health and human services shall develop qualification

12 criteria for the initiative to bring high-quality care closer to home to the extent the criteria do not

13 conflict with requirements of the centers for medicare and medicaid services, including:

14 1. To qualify as an eligible North Dakota rural health care facility:

15 a. Care must be provided and administered at a health care facility located more

16 than five miles from Bismarck, Dickinson, Fargo, Grand Forks, Jamestown,

17 Minot, Watford City, and Williston; or

18 b. Care may be a collaborative effort with a health care facility located in Bismarck,

19 Dickinson, Fargo, Grand Forks, Jamestown, Minot, Watford City, or Williston, but

1 must be administered at a facility located more than five miles from the cities
2 identified under this subsection.

3 2. To qualify as an eligible expenditure, an expenditure must enhance treatment available
4 at a health care facility located more than five miles from Bismarck, Dickinson, Fargo,
5 Grand Forks, Jamestown, Minot, Watford City, and Williston.

6 **SECTION 2. EXEMPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04,
7 the director of the office of management and budget shall transfer funds between section 1 of
8 this Act and subdivisions 1, 2, 3, 4, 5, and 6 of section 1 of House Bill No. 1012, as approved by
9 the sixty-ninth legislative assembly, as requested by the department of health and human
10 services. Any transfers from section 1 of this Act to the salaries and wages block grant line item
11 in subdivision 1 of section 1 of House Bill No. 1012, as approved by the sixty-ninth legislative
12 assembly, are not subject to the transfer limitation provisions in section 4 of House Bill
13 No. 1012. The department of health and human services shall notify the legislative council of
14 any transfer made pursuant to this section.

15 **SECTION 3. EXEMPTION - CONTINGENT AUTHORIZATION TO INCREASE**
16 **APPROPRIATION AUTHORITY.** If the department of health and human services awards
17 federal rural health transformation program funds appropriated in section 1 of this Act to another
18 state agency or institution, notwithstanding any other provision of law, the office of management
19 and budget may adjust the state agency or institution's federal funds appropriation authority by
20 the amount of the award during the period beginning with the effective date of this Act and
21 ending June 30, 2027. The office of management and budget shall notify the legislative council
22 of any appropriation adjustments made pursuant to this section.

23 **SECTION 4. APPLICATION - EXEMPTION - FEDERAL RURAL HEALTH**
24 **TRANSFORMATION PROGRAM.**

- 25 1. Section 54-27-12 does not apply to the erection or improvement of any public building
26 or structure or the purchase of real property utilizing funding appropriated in section 1
27 of this Act.
- 28 2. Notwithstanding chapter 54-44.7, an agency or governing body may use the process
29 outlined in section 37-10-03.6 for consultants in the areas of architecture, engineering,
30 construction management, land surveying, and related matters when using the funding

1 appropriated in section 1 of this Act for public improvements to meet the requirements
2 of section 48-01.2-02.

3 3. Equipment or supplies purchased by the state with the funding appropriated in
4 section 1 of this Act may be transferred to other entities or individuals in accordance
5 with the requirements of the federal rural health transformation program.

6 4. Notwithstanding subsection 7 of section 54-44.4-13, cooperative purchasing may be
7 made available to entities eligible to receive funding appropriated in section 1 of this
8 Act in accordance with the requirements of the federal rural health transformation
9 program.

10 5. Section 32-12.2-15 does not apply to any routine or standardized products that contain
11 adhesive contract terms in shrink wrap documents, third-party end user licenses, or
12 click-through agreements that are not consistent with section 32-12.2-15 for purchases
13 using funding appropriated in section 1 of this Act if the purchase involves training,
14 training and testing materials, reference materials, access to online information, online
15 services, memberships, licensure, conferences, or travel, and the purchase or use
16 does not require the disclosure of confidential information or personally identifiable
17 information as defined in chapter 51-30 and does not impact data or system security.
18 For purposes of this section, "routine or standardized products" means products
19 commercially available to the public.

20 **SECTION 5. GRANT RECIPIENT ACKNOWLEDGMENT AND REPORTING.** The funds
21 appropriated in section 1 of this Act are limited duration federal funds allocated to the state
22 through the federal rural health transformation program. The department of health and human
23 services shall require grant recipients to acknowledge in any grant agreement that the funding
24 awarded is from funding that will not continue beyond the duration of the federal rural health
25 transformation program. The department may require grant recipients to submit process and
26 outcome measures to the department for programs and services receiving funds appropriated in
27 section 1 of this Act.

28 **SECTION 6. LEGISLATIVE MANAGEMENT REPORT.** During the remainder of the
29 2025-26 interim, the department of health and human services shall provide periodic reports to
30 the legislative management regarding the status of funding allocations, programs, outcomes,

1 and other requested information associated with the federal rural health transformation program
2 grant.

3 **SECTION 7. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing with
4 the secretary of state.