

2019 SENATE APPROPRIATIONS

SB 2003

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
1/21/2019
JOB 31086

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Alice Delzer / Florence Mayer
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Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

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| 1. Office of Attorney General Booklet and power point presentation. |
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Chairman Holmberg: Called the Committee to order on SB 2003 at 9:00 am. Roll call was taken. All committee members were present. Becky J. Keller, OMB and Levi Kinnischtzke, Legislative Council were also present. Becky Deichert, OMB came in during the hearing.

Atty. General Wayne Stenehjem: Testified in favor of SB 2003 for the Office of the Attorney General (OAG) and provided Attachment # 1, a booklet which contains a summary of the accomplishments and responsibilities of his office, different departments in his office, the office appropriation requests and budget needs. This was a power point presentation as well as written testimony. He stated he appreciates the opportunity to come before the appropriation committee and appreciates all they have done for his department through his ten years that he has been the attorney general and that he is here to address the budget for his office. He introduced members of his staff and their positions that they hold in his office. He began his testimony stating that the biggest division is the BCI division which is listed on pages 2-4 of Attachment # 1. Also invited the committee/subcommittee to tour the crime lab facilities.

(14:12) Chairman Holmberg: The subcommittee members are: Senator Sorvaag. Chair.; Senator Bekkedahl and Senator Mathern.

Atty. General Wayne Stenehjem: Continued with testimony on page 2 and PowerPoint page 6.

(20:47) Senator Grabinger: We have talked in other committees regarding fingerprinting and background checks for these people trying to work in daycare facilities. One of the complaints I've heard is, by the time they get the background check done the person has gone on and found a different job. Why is there a lag time and what is it? Are we correcting it?

Atty. General Wayne Stenehjem: We are. I met with DHS over a huge issue with that. A number of places are having problems, especially up in Grand Forks. This is a result of the change in federal regulations, that require you can't put someone on staff while you're waiting for the background check to be done. In the meantime, the feds are going to let us continue with the old way. Our turn-around time is the same now as it always has been. We are done in 7-10 days. Part of the problem is getting in locally to have someone to take the fingerprints and get them in to us. My understanding is that the problem has been alleviated.

Chairman Holmberg: Isn't that a waiver that expires at some point? That was confirmed.

Atty. General Wayne Stenehjem: We are certainly available to assist through my office. I don't know how we'd get below 7-10 days. But we will certainly do everything we can. I understand it makes it much more difficult in the daycare situations.

Senator Bekkedahl: My experience with USA Hockey, is we've done a lot of background checks for our volunteers, as have a lot of sports organizations done nationally. We started with just state background checks, now federal. Do you also shepherd those through that system? Do both applications go through you?

Atty. General Wayne Stenehjem: Yes, if you want a state background check, what you get is info about convictions and the record within ND, you don't get the fingerprint base federally. The federal system is far better and is finger print based, so you cannot falsely claim to be someone who you are not, a little more expensive but better.

(24:00) Senator Wanzek: With the new farm bill, it had been approved that producers can grow hemp. I see every grower is going to be background checked. Will that put more stress on the process? I don't know how many growers there might be.

Atty. General Wayne Stenehjem: There are several bills we are tracking. It takes one person for every 2,000 background checks. We will make sure we have adequate staff for that.

He continued with page 3 of testimony, (section on sex offenders). Pages 9-14 of PowerPoint.

(29:58) Heidi Smith, CJIS Manager for the Attorney General's Office: PowerPoint pages 18-21. This is the Assertion Search and Notification mockup. Place where victims can go for everything. In the form of a button that can be put on any agencies website. When they click on it, it will take them to the login page. They will either create an account or create a new one. Gives them an online form of how they can assert their rights. On the flip side victim witness coordinators will be able to log in and see what has been asserted. There's also a mechanism for them to update or edit any of their information.

(32:07) Senator Dever: I got the impression this is for agencies to fill out. So do citizens not fill it out, but can access it?

Atty. General Wayne Stenehjem: This is for citizens to use. That page talking about state agencies, they can put that notification page on their own website if they want to. This is for the victims to assert their own rights, get notifications of their own claims. We are moving along smartly, it takes time and money.

(33:24) Senator Robinson: Can we back up for just a minute. Regarding sexual offenders, what type of rates are we looking at when it comes to recidivism. Are we making progress in that area? A few years ago we were told there's no cure, no hope, and when we look at the map the numbers are significant. What can you tell us about our efforts in that area?

Atty. General Wayne Stenehjem: That's hard for me to say. Maybe the folks at DOCR are better to answer or I can attempt to get that info for you. I don't know what the results are off the top of my head. I know we have about 1,100 people on our sex offender website. That has been fairly consistent. With the recidivism, I am not the one who can answer that question.

Continued with his testimony, page 3-4 with the BCI Case stories.

Passed around vials of how much fentanyl people use versus how much can kill you.

Civil Litigation & Natural Resources: beginning on page 5

(44:21) Senator Bekkedahl: Are you getting any questions from the public about post production deductions? If you are, are you participating in any conversations with state agencies about that? Clarification, royalty deductions for post-production costs for transporting and compressing and moving product.

Atty. General Wayne Stenehjem: The state land board in its lease, says that the taxes to be paid to the state of ND are to be paid without deductions of any other expenses. So it's a gross production tax. Yes, I'm familiar with it, because we've been sued by 2 different companies. It's our job to enforce the lease.

Senator Bekkedahl: Are you getting inquiries from the general public on those deductions as it relates to their leases at this point?

Atty. General Wayne Stenehjem: Their own private leases, no. We haven't because it's largely the state that owns more land and is in a better bargaining position than the average person. I don't think that most leases from private individuals include a clause like that. I'm not aware that that has been an issue.

Senator Bekkedahl: I only ask because we get the inquiries, as local legislators, about the issue. Didn't know if you were getting them as well.

Atty. General Wayne Stenehjem: Not from individual land owners. I assume we will get a resolution to that soon. There might also be legislation introduced to deal with that topic going forward. Any more questions on Waters of the U.S.? We care about our water in ND as much as, if not more, than EPA and Washington D.C.

Continued on testimony page 7-9

(50:15) Senator Mathern: We have a bill before us regarding the facilities at the state hospital. What is your sense of the lawsuit you're dealing with in terms of sexual offenders? Is there merit to the lawsuit, maybe that population will go down considerable, or is that unclear?

Atty. General Wayne Stenehjem: I think we have a valid defense to this litigation. Other states have made similar claims, some have lost. In ND people do go through a treatment program and they have been released. They have due process rights; they have a right to a hearing. We think our claim is pretty good and are confident it will withstand the challenge.

Senator Mathern: I remember the first case we worked on with the Attorney General at that time. You were on Human Services or Judiciary with me. I was just wondering, is that individual still in the treatment program?

Atty. General Wayne Stenehjem: Not sure who you're talking about. I don't know what the status of the individual is. I do recall working on it. It was a tough call because you're putting people into a long term treatment program, not based on only what they did but what you think they might do in the future. One of the most compelling arguments we had was one of the individuals who was about to be committed, said "You should commit me, because I can guarantee you that if you don't, I will offend again."

Senator Grabinger: I just had a conversation with one of our employees in DHS who works with sex offenders. I was told we have sex offenders who are not finding a place to go to, they are now being housed in the state hospital with the mentally ill? There's 6-15 former sex offender patients who are being housed there because they aren't getting out. Is that true?

Atty. General Wayne Stenehjem: I don't know. It is hard once they get out to find a place. Not just in that high intensity program, but sex offenders from the State Penn to find a place to get out. One thing research has shown is you're much better off if you get these folks out, get them a place to live and a job. Eventually they should all be getting out, they would be less likely to reoffend if they have stability in life. Continued with testimony regarding cases they are dealing with page 9-12.

(58:31) Senator Gary Lee: Back to NAWS for a moment. Missouri is awaiting a decision, or is there further litigation that needs to go on with that water project?

Atty. General Wayne Stenehjem: There is further litigation, I can get an update to you.

Senator Bekkedahl: Relative to the open records request, is there a reason that those can be done in anonymity to the local entities? Does that have to do with the whistle blower statute?

Atty. General Wayne Stenehjem: Nothing to do with the whistle blower statute. Just has to do with the way the statute is written. Anyone can ask and not have to tell us who they are or why they want to know. That's not an issue that has been big. We get some anonymous ones, but also ones that ask for massive amounts of information.

Senator Bekkedahl: I understand in the whistle blower status, why it might be important to have that ability. But then there may be cases of local harassment. There's a fine line there, and I don't want to take it away from people. Just want to make sure it's not being used in that way as well.

Atty. General Wayne Stenehjem: That was the reason for the changes last session. If there's a request that is determined to be harassment and it interferes with the actual operation of the government, the request can be denied. We do get some serial complainers. There are legitimate requests, and then there are some who are only trying to harass the local officials.

Senator Robinson: Your office has been in the paper on the issue of "robo calls", where lately it's been crazy. Where are we at with that whole issue and who's jurisdiction is that?

Atty. General Wayne Stenehjem: This is a great question, because I can't go anywhere without someone raising that issue. It is the largest complaint by far. The answer, is much more difficult than you might think. If I had the answer, we would be doing it. Here's what we have done, and what we continue to work on. The Federal Trade Commission and the Federal Communications Commission, took the position that the telephone companies and internet service providers, they're like the post office. If you put a letter in the mail, then you have to deliver it. We sent a memo to the FTC and FCC. We said we thought they weren't reading this right. You are not obligated to put through every phone call when they come from numbers you know are spoofed, numbers that have never been assigned to anybody, or numbers that have been pirated from someone else. They finally agreed that they would interpret the law that way. It is a federal issue. We have spent many, many hours working on this. They almost always come from somewhere we don't have extradition treaties. Like Nigeria or the Bahamas. Technology is part of the answer; the federal government needs to be involved. I am hopeful the federal government would do a better job. People are saying they don't even answer their phones because they assume it will be a "robo call". We need to work with our federal counterparts, because that's where the real answer lies. People think the technology exists to stop them, and I wish it did. These calls would not be made if the people didn't fall for the scams. They would quit doing them if they weren't lucrative. I have so many stories of victims of people in ND who fall for these things.

(1:06:22) Senator Grabinger: I was down at the NCSL Convention back in December. We had a meeting on this. The FTC and FCC were there. It is their belief, because the question came up about how bad this was affecting some of the people. Most is across state lines, if not international lines. The ability for local law enforcement to do anything other than tell people not to fall for it. We have to take the next step. They are talking about a national task force that would bring all the different organizations together to combat this. We need to come together in a serious effort that can cross international borders and collect these guys to end this.

Atty. General Wayne Stenehjem: Couldn't agree more. There is federal legislation coming through, designed to coordinate these things. The biggest problem we have, is finding them. And finding them in a place where we could bring a litigation against them. We could pay for an operation to stop it, if we could only find where they are.

Senator Grabinger: If the Federal Government gets involved and goes after these guys internationally. We can put sanctions on their country, if they don't take action. Of which state and local people don't have the ability to do.

Atty. General Wayne Stenehjem: I think I'd be the most popular guy in ND if I could figure out a way to deal with this problem. People are fed up, and I can see why. Even the phone in my car gets them, and I don't even use it. It has gotten beyond control. We've come a long way in consumer protection. When I started in this area consumer protection dealt with vacuum cleaner sales men and door to door magazine salesmen. Now it's all internet scams. People are losing thousands and thousands of dollars.

(1:09:34) V. Chairman Krebsbach: One of the more interesting calls I've gotten on a "robo call", came from the ND Attorney General Office.

Atty. General Wayne Stenehjem: That is exactly right, of course it was spoofed. It did not come from us. Those are the ones where you get outraged citizens, their own phone numbers have been hijacked by these scammers.

Chairman Holmberg: Back to the budget.

Atty. General Wayne Stenehjem: I want to take a few minutes about the crime lab. Pages 12 – 13. And pages 26-27. One of the asks is an additional DNA Analyst.

(1:18:09) Senator Robinson: A number of your people have specialized training, many are probably in demand in the private sector. What are you experiencing in retention and recruitment?

Atty. General Wayne Stenehjem: These are difficult positions to fill because they are in demand. Which gets me into my final ask, I know you'll be contending with pay raises for all our folks. We like the 4 and 2 and 2 that has come forward. Another thing important to recruitment is fully paid family medical insurance. It is one of the best arrangements we have in this state. Retirement is good, vacation time is pretty decent, but the fully paid family insurance is a big deal. Last session I know we weren't able to give raises to anybody as a result of the budget problem. But you did keep the insurance. I asked staff which they'd rather have, a raise or the insurance. Everyone said insurance.

We regulate the gaming division, page 14. You authorized the use of the electronic pull tab dispensing devices. They are more popular than I ever expected. There are 12,044 of those across the state. As a result of that, we think in the next biennium the amount that is wagered will exceed a billion dollars. That will result in additional money for the charities, but additional work for all of us in the gaming division.

(1:21:07) Senator Sorvaag: On that, I heard some complaints about your book keeping?

Atty. General Wayne Stenehjem: The problem is that we don't have the software and tech to upload all the info we get from those electronic devices. The charities have to do it, but on paper and send it into us. We then assemble all that info, on paper as well. Computer programs exist so we can fix that, that will make the charities and the gaming division happy. The price tag on that is \$400,000. I'm not sure what the timeline is to get that up and running. He referred to someone behind him, that said, if we get the appropriation for the funding that within 6 months to a year, we can have much or all of running. We hear the same complaints. Fire Marshal is here with us, page 15-16.

Medicaid Fraud Control Unit exemption is at an end. With this, it's in the office of the Attorney General. Feds pay 90% initially then 75%. Then you get a take of whatever you collect. If you decide it's time to do that, we would be happy to do so. I don't know where that is in the process.

Chairman Holmberg: It is on the green sheet.

Atty. General Wayne Stenehjem: We are the only state in the country that has been operated with this exemption for many years. Now I understand that's the end of it. We will do what you tell us.

(1:25:28) Senator Sorvaag: The last session, there was more than just putting it in your budget. Are those bills out there to implement it? We were told it's irrelevant to put them in there if we don't do all the other lines.

Atty. General Wayne Stenehjem: That's the false claims act I'm talking about. There's a bill that kind of touches on it. I think it's HB1455, that would need a lot of tweaking if you decided there needs to be a Medicaid Fraud Control Unit in ND. Just setting up the unit without any statute to implement it, won't do any of us any good. We have to have both.

Becky Deichert, OMB: Senator Roers will be putting a bill in in regards to the policy piece of this. Not positive it will cover all the issues, but it is in the works.

Chairman Holmberg: So it would get a hearing in a policy committee before it would come here.

Short break for the Committee

Atty. General Wayne Stenehjem: One other issue, they have a program for SSDI. They invited us to participate. I said we would at least present it for the committee's consideration, so you are aware of it.

(1:28:22) Lonnie Grabowska, Director of Bureau of Criminal Investigation (BCI): Social Security Administration approached us about creating a cooperative disability investigative unit. This unit would take law enforcement from the federal and state level, along with criminal analysts and social security administration disability personnel. The primary goal is the prevention of the fraud of Social Security under title 2 and title 16. Would affect the supplement nutrition assistance program (SNAP), temporary assistance for needy families (TANIF), housing benefits, food stamps, and the WIC program. It looks at the new applicants for those benefits, and those who would have post entitled benefits. 100% federally funded in the state. A ND unit would consist of 8 individuals, 6 would be from ND.

(1:30:25) Senator Sorvaag: When you are saying the federal government, they are funding everything? No cost to the states at all?

Lonnie Grabowska: That is correct. Includes salaries, benefits for the people, vehicles, training, travel, rent, every operational expense comes through the Social Security administration.

Senator Mathern: Does this dovetail with Medicaid fraud unit someway? So we don't duplicate those efforts.

Lonnie Grabowska: I would believe the units would be very similarly, but they are on opposite spectrums and different groups they focus on. But yes, that idea of that federal task force is extremely similar.

Senator Mathern: Seems strange we have it all figure out how to go after these individuals. But we don't have it figured out how to go after the institutions, where the amount of fraud is dramatically higher.

Lonnie Grabowska: That is a great point. Under the Medicaid Fraud Unity, it goes after the provider instead of the benefit. In this case it doubles both. We'd be able to look at those who are assisting in the social security fraud or also those who are currently receiving the benefits. Most units do not look at the post entitlement on the social security, but these units by SSA guidelines have expanded to cover both.

Atty. General Wayne Stenehjem: That concludes what I have. Unless you wish to go through the entire appropriation. Or we can have the subcommittee go through it with Kathy and the rest of my office.

Chairman Holmberg: Are their people in the audience that want to offer more testimony on the budget. Anyone else? Forensic Nurse Examiners program comes at 2pm. 11:00am is human trafficking. Session might be a little longer today. Let us have Kathy give us a 10-minute overview of the budget section.

Kathy Roll, Director, Finance and Administration Division, Atty. General Office: Will go through the yellow booklet:

Page 21-22: status of 2017-2019 biennium 1 time appropriations.

Page 23: 10% general fund reductions required. (5.17M).

Page 24: summary of the executive recommendation.

Page 25-27: adjustments requested to the governor.

(1:38:18) Senator Sorvaag: You're requesting to stay the same, without talking about the Medicaid fraud people. The governor cut you down, but you're requesting the same number of employees as before plus the Medicaid fraud?

Kathy Roll: There are some positions we are not requesting to have restored.

Senator Sorvaag: But you're replacing them with others.

Kathy Roll: Without the Medicaid Fraud Unit our FTE's have gone down. We are also asking for the DNA forensic scientist.

Chairman Holmberg: But 26-27, all those items listed are included in the budget the governor sent us?

Kathy Roll: That is correct.

On page 28: request to restore a forensic scientist to the office budget.

Page 29-30: shows legislative bills having a fiscal impact on the office of Attorney General.

Chairman Holmberg: One of the things for the subcommittee with our new green format, is to make sure nothing that was recommended by the government is not at least part of our discussion. There are things we probably won't accept, but we want to make sure nothing falls through the cracks. I understand the bill Senator Roers is putting in, will be the nucleus for the fraud unit. That will have a policy hearing, which is appropriate. Is there other portions that will have fallen through the cracks.

Kathy Roll: The information we provided has that information. Unless there are other bills introduced.

Chairman Holmberg: Closed the hearing on SB 2003.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
1/22/2019
Job # 31193

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning / Marne Johnson
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Explanation or reason for introduction of bill/resolution:

A bill to provide an appropriation for defraying the expenses of the attorney general; relating to prosecution witness fees, transfers from the lottery operating fund to the multijurisdictional drug task force grant fund, and the salary of the attorney general; to provide an exemption; to provide a statement of legislative intent; and to provide for a report.

Minutes:

No Attachments

Legislative Council: Alex Cronquist
OMB: Larry Martin

The Senate Appropriations Committee met to discuss the agency bills and others that have been presented thus far and wanted to get input from the whole committee on what should be the focus of each sub-committee.

Chairman Holmberg said that we're not going thru salaries at this time.

SB 2001 – Governor (sub-committee: Hogue, Lee, Mathern)

- The 10% movement of moving money between line items. Have a standard response for them.
- Discuss the governor's salary - this reduces salary just short of \$200,000 & what happens to the rest of it. They took their 5% cut. (Language needs to be revisited)
- Council said by putting it in a line item, then it couldn't get spent in other areas.
- Transfer language - limited it to 10% before going to emergency commission

SB 2002 – Secretary of State (sub-committee: Hogue, Oehlke, Grabinger)

- Voting equipment – replacing voting machines (matching requirement by state)
- Emergency clause should be there.
- 10% line item transfers

SB 2003 – Attorney General (sub-committee: Sorvaag, Bekkedahl, Mathern)

- Litigation authority

- Amount of money for Litigation
- Joining in with other states suing the federal government
- New line in OMB to tap into litigation pool
- Human trafficking grants added to AG bill

SB 2004 – State Auditor (sub-committee: Oehlke, Dever, Mathern)

- Looking at number of FTE requests
- FTEs between University system and Auditor's office
- ITD FTEs.

SB 2005 – State Treasurer (sub-committee: Bekkedahl, Dever, Robinson)

- Investments of the Veterans Post War Trust Fund (low interest)
- Treasurer's salary

SB 2006 – Tax Commissioner (sub-committee: Wanzek, Bekkedahl, Mathern)

- Discovery of compliance of businesses with no physical sales tax.
- Concern about staffing – many retirees and loss of senior staff.
- Authority for line item transfers between the Homestead Tax Credit and Disabled Veteran's Credit programs.
- Litigation funds – or funds in litigation pool.

SB 2007 – Labor & Human Rights (sub-committee: Poolman, Sorvaag, Robinson)

- Salary of Commissioner as she will be in charge of Dept of Labor and Human Rights as well as the Dept. of Commerce.

SB 2008 – Public Service Commissioner (sub-committee: Lee, Wanzek, Grabinger)

- Wanting additional staff for indemnity issues
- Additional staff
- \$100,000 increase in budget

JOB # 31232 -

SB 2009 – Agriculture Commissioner (sub-committee: Wanzek, Erbele, Grabinger)

- Want to move APUC and Trade Office to his office.
- 2 less FTEs
- Ag bio-science program – an appropriation bill. Should it be added to the budget or let it a stand-alone bill.

SB 2010 – Insurance Commissioner (sub-committee: Oehlke, Erbele, Grabinger)

- Moving the Fire & Tornado fund over to the ND Insurance Reserve Fund
- Boiler inspection program
- Fire Departments & Sheriff's tax on insurance

SB 2011 – Securities Commission (sub-committee: Krebsbach)

- Money for a FINTECH position
- Section 3 appropriation of any income from federal funds (14:17)

Larry Martin: Like the transfer language, we added a lot of the language to spend additional federal or other funds to the cabinet agencies. Again, some of them receive money from outside sources, so we wanted them to have the ability to pay out. Job Service has similar language currently because they do get additional federal money so they have to be able to spend it out. We added that language to all the cabinet bills.

SB 2012 – Human Services (sub-committee: Dever, Erbele, Mathern)

- Provider rates. Governor 1-1. They want 3-3-3.
- Medicaid – reauthorization of the expansion. Do we reimburse?
- Behavioral Health
- State Hospital – support the move from New England for the women? Justification for the state hospital – a study?
- Policy and how its structured – for whole department. \$182M
- Nursing Homes
- Study the 36 Critical Access Hospitals - Commercial rates vs. traditional rates
- Study resolution of medical care in the future for the state
- 1915(i) needs support.
- Commercial vs. traditional rates

SB 2013 – Public Instruction; Library, Blind & Deaf (sub-committee: Holmberg, Poolman, Robinson)

- Will have some meetings but need to wait for Education Committee to complete policy. Governor's school information is confusing.
- 1 FTE reinstated.
- Adult education.
- FTEs at school at Devils' Lake
- Governor moved pre-school money from Commerce to DPI (where is the money?)
- Transportation grants

SB 2014 – Protection & Advocacy (sub-committee: Sorvaag, Krebsbach, Grabinger)

- Adding of one employee
- Additional operating expenses
- Transferring guardianship programs to P & A.

SB 2015 – Office of Management & Budget (sub-committee: Holmberg, Bekkedahl, Robinson)

- Transferring money – \$1B of oil revenue to general funds.
If we put \$1B in and oil prices go down and we have less money in the general fund, we might have a risk with allotments.
Do we want to expose ourselves more in the general fund by putting \$1B in the general fund from direct oil revenue?
- Fees or dues for several organizations. Last session we reduced dues by 10%.
- WICHE (Western Interstate Commission for Higher Ed) dues were in OMB and Commission was placed under Higher Ed. Did the \$15,000 get transferred?

SB 2016 – Office of Adjutant General (sub-committee: Hogue, Holmberg, Grabinger)

- Land Acquisition - Proposed 6,000 acres of land in south Camp Grafton. Want to ask the adjutant, you have \$15M set aside to acquire 6000 continuous acres and will not exercise the power of eminent domain. How much will they pay an acre?
How did they come up with \$15M?
- \$15M set aside to gain land - long term leases. Be wary of setting precedent for cost/acre.
- Locals are not on board?

SB 2017 – Game & Fish (sub-committee: Oehlke, Wanzek, Grabinger)

- Section 5 on green sheet – additional amounts appropriated to Game & Fish Dept. There is appropriated additional income from the feds from other funds to that agency. Would the federal funds go to their agency first?
- If they're receiving monies from federal, they can spend them out.
- Section 6 - Require them to hang onto \$15M unless we have a budget section meeting and have an exception for some emergency. They have to invest it and its not making money where its being invested. They'd like it to be invested by the state investment board.
- Sportsman's clubs – raise the fishing licenses; boat tax/gas tax.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
1/28/2019
JOB # 31575

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Alice Delzer / Florence Mayer

Explanation or reason for introduction of bill/resolution:

A Subcommittee hearing for the office of the Attorney General

Minutes:

No testimony submitted

Senator Sorvaag: Called the Subcommittee to order on SB 2003 at 11:30 am in the Harvest Room. All committee members were present: Senator Sorvaag, Chair; Senator Bekkedahl and Senator Mathern. Levi Kinnischtzke, Legislative Council and Becky Deichert, OMB were also present.

Some of the other law suits that you decide to be a part of they do cause expenditures from the state. Do you make that determination? What is the procedure and how is it done?

Wayne Stenehjem, ND Attorney General: The statute set forth the cases in which the attorney general needs to be involved, that is to prosecute all actions for the interest of the state of ND. If there is litigation that is considered in the state of ND, that decision is made by me ultimately. No one can bring a lawsuit except the Attorney General or someone appointed by him as an assistant. The cases that work the way up to me are some of the more important cases. I ask questions about what the constitution says, what has the legislature said about their position on litigation, what do our client agencies say we should do. The attorney general is in charge of all litigation brought for the benefit of the state of ND

Senator Sorvaag: And if you don't have enough money in a litigation fund you come for deviancies?

Wayne Stenehjem: A lot of the lawsuits we handle are handled by attorneys already on staff in our office, so there is not an additional expenditure. But we have things like the Waters of the U.S., that was a significant case and we came to ask for money. We typically have a lot of cases on abortion, there's no legal expense for us, but if you lose those cases you also are obligated to pay the legal fees for the other side. That is a situation that causes issues, and we have to come to the legislature to get appropriations.

Senator Sorvaag: That is inflicted by us, that's our own decision.

Wayne Stenehjem: That's your decision, we defend them and if we succeed that is fine. But if we fail and wind up under a federal statute required to pay the attorney's fees for the other side, that's an expense to the state of ND.

Senator Sorvaag: I understand. The question was more directed, like the water thing, where you choose to go in or not.

Wayne Stenehjem: In all those major cases, ultimately it is the decision of the Attorney General to pursue those or not. In every case I can think of I think of the good of multiple parties involved.

(5:29) Senator Bekkedahl: There's no particular line item in your budget that delineates this much money for legal activities, outside of what we've already given you.

Wayne Stenehjem: There's a litigation fund that is established, that provides some of the expenses we occur. Some cases we have specifically appropriated money to defend a state statute. We can get that info for you.

Senator Bekkedahl: There Nelson M. lawsuits we're dealing with, are those fees appropriated out of the Industrial Commission or state land board?

Wayne Stenehjem: That's a complicated case, there are 3 defends. The land lord, the industrial commission, and the governor and I were all sued individually. The governor and I are being represented by the attorneys on staff in my office, we have outside council to represent the other 2 entities. I would have to find out for you where their fees are coming from.

Senator Bekkedahl: Are there agencies that have individual council within their office do deal with some of these issues independent of your office? Or are they all guided by staff in your office?

Wayne Stenehjem: They are usually guided by our staff, very few agencies have their own attorneys and not all of those are authorized to commence litigation. They have to be appointed by the Attorney general to do that.

Senator Bekkedahl: They may be acting in another capacity such as contract law that is independent of litigation?

Wayne Stenehjem: There are a few agencies that have attorneys, but not many

Senator Mathern: Do you have a list of actions that we are involved in? I know some go back many years. Is there supervision of the list? At what point do we have a decision making process?

Wayne Stenehjem: We do that regularly; I can get you a list of the litigation we are involved in.

Senator Mathern: Maybe just a list of those which we have outside council. Is that where we have more expenditures?

Wayne Stenehjerm: That is true. The state of ND, since we lost sovereign immunity, I get a report on those risk management cases every month. Some get settled, some we take to court. We can get that to you.

Senator Mathern: On the human trafficking bills, we have a separate bill other than the one in your budget,

Senator Sorvaag: SB 2159, it's not part of the budget, that is the appropriation for human trafficking. I want your feeling on that and 2057. They've gone on 3 sessions with no change, you are going to need that. We want to move them into the budget as amendments, and just kill those bills. It's time to make it part of the budget for every biennium.

Wayne Stenehjerm: That would be fine with me. That is not money that we expend, usually private providers. It would be easier for us rather than another bill and having to testify twice.

(11:55) Senator Mathern: If we were to move that into your department, where would it go? Would you have a separate line item or operations?

Wayne Stenehjerm: Kathy might be better to discuss that.

Kathy Roll, Financial Director for Atty. General: It would be better if it had a special line item. Wouldn't want it to be confused. I'd recommend special line items for sexual assault nurse one and human trafficking bills.

Senator Sorvaag: It's grant money, not really your operations? That was confirmed there is no end in sight, regretfully. There is a lot of support to make it line items. Was there anything else you wanted to address? I don't think much has changed since last Monday with the budget.

Wayne Stenehjerm: We follow all those bills up to the end of the session.

Senator Sorvaag: I do want to talk about the BCI salaries. We did that bump up in '15. Did they get to keep that or did it get removed?

Wayne Stenehjerm: They got the bump, then nothing happened last session. Still current.

Senator Sorvaag: They got to keep the \$10,000? Where are they at on salary now, comparatively?

Wayne Stenehjerm: Local law enforcement agencies are paid more, but in better shape because of 2015. They really are the premier law enforcement and investigative agency of the state of ND. You don't come out of the academy and come to work for BCI. You need 5 years' experience and then a vetting process. The recruitment isn't as robust as we'd like to see. Salary is part of that. Another issue is the insurance. Pay attention to that.

(16:25) Senator Sorvaag: If this end up with 2,3,4% that will keep it competitive.

Wayne Stenehjem: We understand; we are just here to explain the challenges we have.

Senator Bekkedahl: I am guessing; the need is in the northwest corner. We have issues in the city and county fight for employees of that caliber all the time. We've increased our line officers' salaries from 25,000 to the 65,000 start rate. I am guessing that is an issue. The labor market is tightening up again. The DOT and DHS in the existing budgets have been doing regional pay differential. We had that in 2015, that's gone away to some degree. Are you able to do that now, do you see a need, and would it require an appropriation?

Wayne Stenehjem: You are correct that a lot of the pressure was salary ranges in Western ND. We had to compete with that higher pay grade. Its not just in western ND. We did that in the beginning of the oil boom to offer more per month, now that went away. I will check with the folks in our office if there has been a pay comparison discussion.

Senator Bekkedahl: The last one from OMB is 2016. Median house income in Williston is 92,000 where in Fargo it's a little over 50,000 a year. We have some real differences among our cities. I want to be sure you can compete with that market. That the services should remain in the area. Should the state be looking again at agency wide pay issues, and try to fix it in a lump sum like before. Or does it happen on an agency level with everyone asking for more appropriations?

(19:48) Wayne Stenehjem: Let me check if there has been a recent salary survey for local law enforcement. The issue with salary is its system wide. We really do have the best, we are relied on by local law enforcement. A lot of people look at their law enforcement career with BCI as the pinnacle of their career. It's something to be proud of. We lose lawyers to the oil company too, so I understand you compete with private industry all the time. But to compete with other government agencies is a much more philosophical issue.

Senator Mathern: I notice the request to enhance the SAVIN system by \$500,000. What is the life of that system? I'm afraid someday it might crash, are we prepared for that day?

Wayne Stenehjem: We are, that's why we 've been asking for several sessions, not just for SAVIN. We are also continuing on the path with Criminal Justice Information Sharing System, (CJIS) That is a project ongoing for years. You've been approving that year by year. It's a long term process, when complete will have one of the best systems for law enforcement.

Senator Sorvaag: You had \$400,00 for software to handle this electronic gambling?

Wayne Stenehjem: Not in our budget, it's in separate bills. One in the House and one in the Senate. It's as much for the local charities as it is for our office. There is an enormous popularity of those pull tab machines. They have to enter that info by hand.

Senator Sorvaag: It is one of the few complaints from small communities about your office. They say it's a nightmare.

Wayne Stenehjem: It is, not only for the charities but our office too. The funding will do that when the system is up and running. So they just supply the info electronically. It eliminates the paper work on both ends.

Senator Sorvaag: Want to be clear on where the employees are going. You started with 237, you're ending up with 237, but we are adding in the Medicaid task force. You are sustaining BCI of 6, what are you losing?

Wayne Stenehjem: We also asked for the DNA analyst. That's the only addition.

Kathy Roll: We are losing an attorney in civil litigation, losing an attorney in state local government division, losing a criminal records technician, losing a sex offender registry administrative assistant, and an administrative assistant in the civil litigation division.

Senator Sorvaag: Your BCI are the same? That was confirmed.
Then of course the Medicaid. The hearing was this morning. It would be nice to see that pass. Where does the number come from? Based on your judgement, the federal government or anticipated work load?

Kathy Roll: The executive recommendation included 5 positions. We met with the SD fraud control, they recommended 7 positions. 2 attorneys, 2 investigators, 2 auditors and 1 administrative assistant. That is what we would like to see.

Senator Sorvaag: Pretty much modeling SD then.

Wayne Stenehjem: We surveyed states about the same size as ND, and looked at what they were doing.

Senator Bekkedahl: On the bottom of the first page you talk about the 6 FTEs removing, then adding the 5 FTEs for Medicaid Fraud, then adding 1 FTE Fire Marshall administrative assistant, adds funds for 1 previously unfunded. I see 7 instead of 6.

Kathy Roll: The deputy fire marshal, we have the FTE but no funding. That would be from the operating fund.

Wayne Stenehjem: We are available, as you know.

Senator Sorvaag: Not sure when we'll meet again, will let you know.

Senator Bekkedahl: I asked the question about the FTE that's not funded. So you have 237 FTEs now, you'll stay at 237. How many are not occupied now? Or are they all?

Kathy Roll: I believe it's less than 5.

Senator Bekkedahl: That's just normal turn over, retirements, etc. That was confirmed.

Senator Sorvaag: Closed the subcommittee hearing on SB 2003.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
2/5/2019
Job # 32168

☒ Subcommittee
☐ Conference Committee

Committee Clerk Signature Rose Laning

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

2 Attachments

Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Chairman Sorvaag called the sub-committee to order on SB 2003. Senators Bekkedahl and Mathern were also present.

Senator Sorvaag: The bill says 7 FTEs. You want 7 FTEs but the Governor said 5 FTEs. You can't explain the governor's rationale, but I would like to hear yours. Please expand on that.

Wayne Stenehjem, North Dakota State Attorney General

Stenehjem: We had put in a request for 7, but when it came from the governor's office it was 5. I was not privy to that discussion.

Lonnie Grabowska, BCI Deputy Director, Office of Attorney General

Grabowska: As we looked at this Medicaid unit, we were forming a subcommittee as of last session, so those 3 bills for the false claims act, creation of the Medicaid fraud unit and the Medicaid fraud authority were combined into a mandatory study. We did that study with DHS and came back to Human Services subcommittee, at that time chaired by Representative Hogan now Senator Hogan. We testified to them saying that we went to the various states around us that were comparable such as Montana, South Dakota and Wyoming. We asked them how their units were currently made up with the amount of people they had. South Dakota has roughly 7-8 and the lead minimum was in Wyoming with 4. That is the minimum amount of people that Medicaid and Medicare services will support in a unit. We asked them and called other states to see what they would recommend for us. Out of that, we came up with the idea that the best unit to have is 7 individuals if you are going to the non-key tam or the non-whistleblower. If you do not have the whistleblower defense with the unit, then 7.

There would be 1 attorney doing the criminal prosecution and 1 attorney doing the civil recoveries. One of those attorneys will normally act as the coordinator for the unit and make sure we're doing all of the reporting to Medicaid and Medicare services and then pick up a criminal load with the other attorney doing the civil load. There would be 2 investigators so you can run more than one case at a time; this way they can have a caseload of 7-8 each and the ability to spread across that requirement for the cases coming in.

Senator Bekkedahl: You assume that you will be running more than one case at a time? Did you see that workload in the other states around us? Why don't you start with one investigator and see the need first?

Lonnie Grabowksa: As the caseload comes in, as the referrals come from the Medicaid unity under DHS right now with the program integrity unit and the general public and clients coming in, I think our caseload will build quickly. I don't think we're going to ever have a time where we would say that one investigator will be enough. As those caseloads come in, they're going to be time consuming, so the auditors will need to help us get those cases together, and the investigators will have to balance, I would assume, between 5-6 cases each as the unit develops. In the other states, the main recommendation they had for us was to not start with just one attorney, one auditor, one investigator and one admin staff because as soon as those cases come in, or as soon as someone's gone with court, investigations or training, the case is stopped. There isn't anything being done with those cases because that one person with that distinct responsibility is no longer available.

Beyond those 2 attorneys and 2 investigators, there were 2 auditors. Those are the people who are going to leverage cases and help in some non-sworn investigative components. They'll work with Medicaid and Medicare services, getting the information needed for the cases and do some of those auditor oriented duties when the criminal investigator is busy doing other things as far as the interviews and the case prep. Then 1 admin assistant in charge of the daily operations, making sure that the paperwork is being done and everyone is where they're supposed to be. That is the reason for the 7 over the recommended 5 from the Governor's office.

Senator Sorvaag: Let's presume you need this many to stay busy and the workload is higher. I'm guessing it's going to ebb and flow; there's going to be years where you're completely overwhelmed and others where you're not going to be as busy. No one knows, but the same amount of people and the same size units aren't going to commit fraud every year equally. How do you handle that?

Stenehjem: The important thing to note is that these have to be stand-alone units. I think we can bring someone in to assist the unit, but I don't think we can use somebody from this unit to do other work in our office because the law requires a stand-alone unit. We couldn't take one of the lawyers and put them to work on some other case. However, if they get overwhelmed, we could take some of our other staff to supplement the work of the fraudulent.

Senator Sorvaag: We're hoping they don't- that we don't have that much fraud in North Dakota. 7 was the number last year when we amended bills into the budget but of course it didn't make it. Was that 7 FTEs last session as well?

(8:20) Kathy Roll, Financial Administrator, Attorney General's office

Roll: I think it was 6 at that point. That was before the study was done with Human Services and surrounding like states.

Senator Sorvaag: What position was added for this session?

Grabowska: We didn't have the extra auditor last time, but we added it this time.

Senator Mathern: There already are investigations with fraud or questions that the Department of Human Services deals with without this special unit. Would this save any money for the Attorney General's office or the Department of Human Services? Is the addition of 7 staff to a special unit going to relieve some other activities going on in government?

Stenehjem: It wouldn't in our office because we aren't doing this. The feds for the first few years pay 90% of it. there's also a share that we get of what is recovered, so it's theoretically possible. I assume that that is what they're intending- that it more than pays for itself. Then of course you're bringing money back in when you detect that there is fraud going on.

Senator Mathern: Isn't some activity already being investigated?

Grabowska: What happens currently is the DHS Medicaid program integrity unit looks at the recipient fraud. This would be on the provider fraud. If they see something currently that would qualify for this, they used to send it to local law enforcement who just didn't do anything with it; they didn't have that specialty and had many other cases backed up. They now send it to Kansas City to Health and Human Services office of inspector general. They take very limited amount of the cases out of North Dakota because they have much larger ones coming out of other sections of the country; they have very little follow up on the provider fraud. At that point, they just aren't being investigated.

Senator Bekkedahl: This Medicaid fraud unit will deal solely with provider fraud cases and recipients will still go to local law enforcement?

Grabowska: Yes, this is a provider fraud unit, but it could assist the Medicaid program integrity unit with some recipient fraud if they ask for that assistance. The recipient fraud cases are not being forwarded to local law enforcement right now; they're just falling pretty much on DHS's bill.

Senator Sorvaag: The state share is \$181,000 with the 7 and \$128,000 with the governor's recommendation of 5 or something of that nature. Is that correct? That's for the first 3 years that they pay 90%, then it switches to them paying 75% and we pay 25%. Presumably for the first 3 years it would be about \$55-60,000 or more under your projected numbers going 7 over 5 FTEs.

Roll: Correct. That is about right.

Senator Mathern: In light of the match that's higher now than in future years, I think we should go with the 7 and utilize that time at the higher match rate to set up the systems,

protocols, processes and relationships. Hopefully that investment will pay off, and at some future point, we can reduce if need be.

Senator Sorvaag: The goal is to be self-supporting if there's enough fraud. I think we'll wait because we hear the policy bill this afternoon. I presume it will get assigned to us because we have to tie the right employees to it before we can get it back to the floor. We'll have more of that discussion later.

Stenehjem: I think this is good policy, but this has never been a priority of my office. We have other things we worry about, and now it looks like we're losing the federal exemption since we're the only state that had one. That being the case, we'll certainly do what is assigned to us, but we want to do it right too. That means that we need to have the staff that we think we need to do it right. If it gets established, the 90% is for 3 years so we'll have two sessions to observe this and if we need to reduce it, we can look at it then.

Senator Sorvaag: We have the human trafficking bills that we're looking at tying in, but in the budget here it showed a \$125,000 reduction for human trafficking grants.

Roll: The \$125,000 was for this biennium for human trafficking. It's all that we received from the 2017 legislature and it was a one-time appropriation so we'll have to take those out.

Senator Sorvaag: So if we didn't do the 1.5, you'd have 0 under the recommendation?

Roll: Correct.

(15:35) Troy Seibel, Chief Deputy Attorney General

Seibel: The \$125,000 was the general funds that we received, but we also received money from SIIF I believe. We received \$825,000 total, but only \$125,000 was general funds

Roll: Only \$125,000 was in the AG's budget.

Senator Sorvaag: But that \$700,000 was one-time as well? If this was going out, then the only money would be that 1.5 as of now?

Stenehjem: Correct. You asked us for some information last time. The first sheet you have is the beginning salaries for comparable law enforcement agencies (**see attachment #1**). It's an issue just like Senator Bekkedahl was mentioning.

Senator Bekkedahl: When I started on the City Commission 23 years ago, that starting salary for PD was \$22,000 a year.

Stenehjem: Our BCI agents need to have a minimum of a 5-year experience, so they're not fresh out of the academy, so that's what we have to compete with. The other handout is some of our significant litigation (**see attachment #2**). I also did a report on the risk management cases that we do because we lost sovereign immunity. I have all of those cases if you're interested in that. There are hundreds of other cases that are relatively minor.

Senator Sorvaag: We would like a tour of the crime lab sometime in the near future.

Senator Sorvaag ends the discussion on SB 2003.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
2/12/2019
Job # 32617 (54:39)

☒ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning/ Meghan Pegel
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Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

2 Attachments

Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Chairman Sorvaag called the sub-committee to order on SB 2003. Senator Bekkedahl and Senator Grabinger were also present.

Levi Kinnischtzke handed out SB 2003 Base Level Funding Changes (**see attachment #1**)

Senator Sorvaag: We're going to walk through the sheet.

Senator Grabinger: I had a visit with Senator Dever. From the Deficiency funds, we are eliminating that from the Adjutant General budget. We're not going to make the payment in that budget, but there was \$1M set aside for the interest. Since you were going to handle the lawsuit, we talked about taking that million dollars and transferring that over to your budget as well. However, after discussions, there's no need to; we can leave it where it is and get it taken care of.

Senator Sorvaag: We're not going to move on everything, so if there's any disagreement, we'll set that item to the side and take a vote on it later. The first item that comes up is removing 6 FTEs. We're matching the governor's recommendation on that. I'm excluding the fraud unit.

Kathy Roll, Financial Officer for Attorney General

Roll: I wasn't aware that all the other fund changes from the executive recommendation are also being made, that the Senate is accepting those as well. The governor required 10% of their fund reductions.

Senator Sorvaag: This is with what he put back in.

Roll: Of these 6 positions, there are 2 that are special funds that we don't want to lose if we don't have to. It's an attorney and a paralegal.

Senator Sorvaag: In my understanding, there was 12 or 13 and you want 2 more of those?

Roll: Of the 6 that were cut, 2 are of them are from other funds. We would like to keep those because those are part of our legal staff, and we've already taken some cuts there.

Senator Sorvaag: We'll come back to that. Next would be the FTEs for the Medicaid fraud unit. The bill had 7, you wanted 7 and the governor recommended 5. We're sitting with 5 on the sheet. I would like to suggest to the subcommittee that we go to 7 FTEs for the Medicaid fraud unit.

Senator Grabinger: If we went with 5, how would that impact that fraud unit? Is it detrimental that we go to the 7?

Wayne Stenehjem, ND Attorney General

Stenehjem: We think it would be, but it's hard to know because it's a brand new thing for ND. We looked at South Dakota for comparison. The federal government now for the next 3 years pays 90% of it. After that they go down to 75%. It seems like we can look at the staffing level when we actually experience a reduction in what the federal government will pay and what it is we've recouped and been able to keep in the state.

Senator Grabinger: You don't think starting with 5 to get the program off the ground is a good idea?

Stenehjem: We'll probably see things front-end loaded that we might have things that have been not looked into right away. It's probably smarter to start out with more and then as things level off, look at going to a smaller number.

Senator Sorvaag: We'll go by consensus that it's 7. The next item is adding one fire marshal administrative assistant.

Senator Bekkedahl: That's the one position that you're using an unfunded position there, correct?

Roll: Actually that's the next one on the list. There hasn't been any administrative assistant at all; right now we're using a temp. It's the only support staff that division has.

Senator Bekkedahl: So it's the fire marshal that is the unfunded position?

Roll: Correct.

Senator Sorvaag: It's \$756,664 for the lottery narcotics task force. Was there a request for more or was this always the amount?

Roll: This was the amount that we requested in our budget. It's for multi-jurisdictional task forces.

Stenehjem: It is an increase in the contribution from the lottery proceeds from what it has been.

(8:20) Levi Kinnischtzke, Legislative Council

Kinnischtzke: The amount you may be thinking of- if you look at the 2nd page of the long sheet that I handed out, underneath the Senate version section 7, there is a total of \$1.6M.

Senator Sorvaag: Yes, that's where I saw it. Reduced funding for lottery operating expenses- please expand on that. The governor took out \$375,000

Roll: That's part of the 10% other fund reductions that we had to take out of lottery funds

Senator Sorvaag: The human traffic grant program and the forensic nurse examiners are tied to SB 2159. I think there's a consensus that we move this over to ongoing funding. That's the intent of the subcommittee and the senate. It seems like the more appropriate way to handle it in the future.

Stenehjem: We're leveraging a lot of good support and services from private sector entities.

Senator Grabinger: I think they're both great programs. I'm wondering with the SANE program, how have we expanded that? In the western part of the state, we had a difficult time getting to the people that needed this service. Have we been able to expand it? \$250,000 is what we put in there. Is that appropriate to do the job that we're trying to do?

Tisha Sauer, Executive Director of the Central Dakota Forensic Nurse Examiners

Sauer: Well more is always better of course. I have a team hired in Williston, Dickenson, Minot and Bismarck and I'm working on Watford City, so all of western North Dakota is currently covered. We also cover Sidney, Montana; they bring their cases to us as well. We cover 24/7 7 days a week children and adults.

Senator Sorvaag: The only thing that wasn't on your list is the last item "charitable gaming technology system" for \$400,000. I added that. Most of my people running the electronic gaming are not very happy because of the system of record keeping; it's cumbersome and generating a lot of money. There was a bill on our side that set up the fund and it died. There is a bill still alive on the House side, but we don't know how that will go. My intent was we just put the \$400,000 in now. We'll worry about how it ends up being placed or funded later. I wanted it one-time so you can set it up and we can negotiate later.

Senator Grabinger: I'm fine with that. I was going to ask about the \$300,000 in general fund monies for the undercover vehicles. We have a lot of cars in the state that are in fleet. Can you use some of them?

Stenehjem: They have to have their own cars. We've fallen behind on it; there is a schedule for replacing these vehicles. This won't replace them pursuant to what the schedule that the state had of when vehicles should be replaced, but this is enough for 12. We have 50 agents with a car each. We're still going to be off the schedule, but this will help.

Senator Sorvaag: Did we replace any last session? The session before last I think.

Roll: Yes, it's been a regular appropriation even though it's a one-time, but for this biennium, we did not receive any money for vehicle purchase. This will be enough for 12 vehicles because we have trade-ins. Under the one-time funding items, the 5th line down it says, "adds funding for Criminal Justice Information Sharing projects". That really should be an ongoing appropriation rather than a one-time. I accidentally requested it as a one-time, but it should be ongoing.

Senator Sorvaag: I don't have a problem with that, but please justify why.

Roll: We have 3 different parts of systems that have been written that improve the whole criminal justice information sharing system. One of those is portal improvements where we have other state agency systems coming into our system. They make changes on their systems, so we have to make changes on our portal interface in order for us to continue to receive the information from them so that it's shared state-wide. That's an example of one. It's ongoing; it seems like every biennium we have at least a few if not several systems that get changed in some way that interfaces with our system.

Senator Bekkedahl: So you act as the clearing house for that information. It comes into you and goes out. Is that up \$240,000 or is it always a static amount of \$140,000 a biennium expended as needed to make the changes?

Roll: It would be \$140,000 and as I said, that's comprised of 3 different projects. One that's always going to be there with portal improvement and the other two are to maintain the systems that were written this biennium. It would be \$140,000 and if we didn't need to spend that much, we wouldn't.

Senator Sorvaag: I have no problem with that. Any other concerns or suggestions?

(18:45) Stenehjem: I want to expand on the CJIS operation. Once this is fully implemented, it will be a well-organized system of information. For example, a policeman out on a beat sees a car with a license number, he can check in and find out if that owner has a domestic violence protection order. Is there a warrant? Is the person on probation? Has he skipped a court appearance he's supposed to be at? Does he have a concealed weapons license? The whole thing. Likewise the courts and states attorneys will be able to get that same kind of information. It will be state of the art top notch stuff and a long term project. It will really help for public safety. That's why we've invested for years in making sure that we keep marching along to get it all done.

Senator Sorvaag: Section 5 on page 2, that's been done every time.

Roll: Correct. In fact, as you approve the budget, there are a number of different things that come out of the AG refund fund. There are 3 FTEs in BCI that are funded: an organized crime agent and two administrative assistants. It also includes some IT projects that we continue to fund. That's why we need the AG refund fund carryover. It's already included in the budget you have before you; we need to be able to carry it over to make that happen.

Senator Sorvaag: Section 8- do we need that one if we do that one?

Roll: I don't believe we added that section last session, I think it was added somewhere by some other entity. We just need the additional income appropriation section. It was put in the bill last session. The \$250,000 section is the one we need.

Senator Sorvaag: We'll go with section 8 then.

Roll: Section 9 was added last session because what was happening was criminal history record checks were being authorized, but the legislation didn't say who was paying for it. Since our office is pretty bare-bones, it wasn't something that we could just eat the cost of.

Senator Sorvaag: what do you charge now?

Stenehjem: It depends on whether you're asking for a state check or a federal record check. The state check is \$25 and in addition if you do a nation-wide triple I, that costs another \$20. We hire people to do the record checks, but if you ask for federal record checks, you have to pay them as well. Someone has to pay them that additional \$20. That's why that section is there.

Roll: We charge everyone the same rate except for volunteers.

Senator Sorvaag: but there's no cap with a reasonable fee; that's what you decide is a reasonable fee.

Roll: Correct, and the reason for that is if the FBI fee goes up, then we will have to pay more to the FBI to get the fingerprint-based record check. We're not making money there, it all goes to the general fund.

Senator Bekkedahl: When we do that for example with our USA hockey team and they pay the fees, are you subcontracting that service to some other entity or do you have staff in house that are doing that?

Stenehjem: We have staff, and it's a lot of them. It takes one person for every 2,000 background checks that we do. We watch carefully to see how many bills you have entering the session to require more background checks. We'll be fine this year, but we do 47,000 a year through BCI. We have an interconnect with the FBI.

Senator Grabinger: With the fees, do you need language in here so that you can adjust the fees as needed or you're okay with the fees as explained now?

Roll: Right now we set that administratively. We're not asking for it to be set at a certain amount; we just need the ability to charge someone. If it doesn't specify in legislation, who is supposed to pay for the criminal record check?

(27) Senator Sorvaag: The governor recommended this too. I don't have a problem with that; we'll move that over.

Roll: With section 9, when Marsy's law passed, we projected that it was going to be a 3-year project. We budgeted all the money for this biennium, and now we're asking for carry over authority into next biennium to finalize the project.

Senator Grabinger: Is this is the SAVIN? Where are we at with that?

Stenehjem: We're doing quite well with it. We have the juvenile courts, municipal courts and the jails in line with it.

Senator Grabinger: The intent was we were going to save the cities and counties from having to hire the people for Marsy's law. Have we reached that point?

Stenehjem: It's not done, and some of the best features of it are not yet online. However, they are on track from what we've anticipated.

Senator Bekkedahl: You had asked the local entities to provide funding for this as well. That's part of the unexpected special fund appropriation. Is there a funding already included in that and you won't ask for any more from them either?

Stenehjem: The state put in \$500,000 and the counties and cities agreed to put in \$325,000. They have all paid their share; they're all up to date now. It's a matter of completing the software work.

Senator Sorvaag: Section 10 is carryover from the human trafficking grant.

Roll: Correct. I handed out a sheet of the AG budget issues (**see attachment #2**). In that box, we're asking for carryover for the concealed weapon license rewrite. We are not meeting the schedule we've anticipated, so we'd like to carry over money that is in this biennium into next biennium. It would be moving 2017-19 general fund money that was appropriated for this project, into next biennium. It wouldn't be an increase; it would be just transferring that over.

Senator Sorvaag: We've talked about section 11 and section 12. That's 2057 and 2159; that will be the language to make them part of an ongoing appropriations going forward. Section 13 is the \$400,000 for the gaming. That could change as we go along.

(32) Kinnischtzke: Regarding the Medicaid fraud unit- I'm looking at Kathy's spreadsheet and want to clarify. Based on the conversation, the decision sounds like going with 7 FTE as opposed to 5, so I will rely on Kathy's numbers. In the original request in the executive budget, there was a portion that was general fund because of the percentage allocation. Looking in Kathy's spreadsheet, I see the total of \$1.8M all federal funding.

Roll: so it should be 10%.

Senator Sorvaag: and those positions aren't all the same

Roll: There's 2 investigators, 2 attorneys, 2 auditors and 1 administrative assistant.

Senator Sorvaag: You want 2 attorneys that weren't in the governor's budget and 1 DNA forensic scientist. That's what more you're looking for at this point, correct? You never had the DNA scientist did you?

Roll: We did. That was one of the cuts we took last biennium. We found we're having to pay overtime right now because we've gotten so far behind in terms of processing the DNA evidence.

Senator Sorvaag: Is there any way that can be a contracted position?

Robin Quinn, Crime Lab Director

Quinn: Outsourcing is a lot of work for the lab and a lot of extra money because then we're involved. The evidence comes in, we have to ship it out, then it comes back in and we have to do a 100% review of all those cases. In order to keep it in house it's actually quicker. Right now we have 5 DNA analysts working overtime to try to keep up with the amount of cases we're getting.

Stenehjem: It's the biggest suggestion that I hear from sheriffs, prosecutors and cops. It takes so long to get a good DNA match. Sometimes they're waiting to make an arrest. These are people who could be out on the street committing similar crimes and it takes almost 5 or 6 months to get the DNA done. It's getting better, but we're seeing the lag time is getting longer. We asked a number of the scientists to work overtime and they agreed, but it's not sustainable.

Quinn: As far as the technology is concerned, it's amazing right now. We're getting a lot of property crimes, and because of the science and the technology, the analysis and results takes a lot longer because there's huge mixtures. We have two or three people that we have to try to discern from this mixture to determine who actually did the crime. That's where the time is involved.

Senator Sorvaag: The salary is about \$225,000 approximately and that's general funds?

Roll: Correct.

Senator Sorvaag: I'm okay with putting one in. We will add a DNA scientist. Let's go to the 2 agents for the Social Security fraud. Please explain.

Stenehjem: Last fall I had a visit with some of the folks that were doing these investigations on social security fraud in North Dakota. They said that if they come in with a program, they will pay 100% for investigators to partner with the federal investigators. In November they

brought a team who set up shop here and started out with a case. It was a fellow here in North Dakota whose mother died 8 years ago. He continued to collect her social security long after she died. He himself was on SSDI, disability income, though he had a full time job as a truck driver and was defrauding the federal government and the state of ND out of \$80,000 or more. There's several other examples brought forth like that. Then the investigator said he went and visited the social security offices around the state, all of whom said they had a stack of cases of people that we suspect are defrauding the government, but don't have anybody to turn it over to. The program the feds have is that they will come in and will fund 100% of whatever investigators we can contribute to the team. It's a good investment; it costs us nothing. There is a share of some of those funds that are recouped that are North Dakota dollars. We could conceivably get those back. Not only will it not cost us anything, we will probably make money.

(41) Senator Bekkedahl: The share that is North Dakota money- would that be because of Medicaid fraud?

Stenehjem: Not Medicaid because that's provider fraud. It would be WIC or any of the programs like that where we have a match.

Senator Bekkedahl: When somebody dies, how does someone still collect?

Stenehjem: I don't know how it happened either, but he only got caught because he went in to change his mother's address because it was too much trouble for him to open up her mail. Why that happens, I don't know.

Senator Bekkedahl: It's something that needs to be done and it would bring benefit to the public. I just don't understand how anyone gets away with it. Blame the person for doing it, but also blame the system for allowing it to happen in the first place.

Stenehjem: I agree; I don't know what went wrong in that case. There are other examples too that you would expect they catch but they don't. hey just don't catch it. Without these folks here doing the investigation, there's nobody around to prosecute the offense, and these are criminal offenses.

Senator Grabinger: I'm concerned that we get more employees, the government walks away and we have these employees from then on. I want to be careful with that, but I like the idea; we're not out anything.

Stenehjem: I had that same question for the guys who came in. The program has been in existence for almost 3 decades. They've never asked any state to pay anything. It's been several billion dollars that they've if not recouped, at least don't have to pay on an ongoing basis. It's never happened that they pulled the funding because it's for the large part, for their benefit not ours.

Senator Sorvaag: and they don't want the FTEs themselves?

Stenehjem: Right, but they do have FTEs they're putting here.

Senator Bekkedahl: Where is the chain of command for these positions?

Stenehjem: They'll be in our office. Our people will be in my chain of command; the feds don't work for me. The state's and US attorney will prosecute. They have a protocol of the level that you have to get to before it makes it a federal case.

Senator Sorvaag: You said there needs to be a change in North Dakota law.

Stenehjem: I don't think there needs to be. There are statutes that explicitly says that if you make a false statement for the purpose of obtaining government benefits, it's a criminal offense. We don't need to change anything.

Senator Sorvaag: I don't have a problem with it. If they're defrauding the system, they're hurting all of us. This will be a good few years with Medicaid fraud and this one both because the idea is that they pay for themselves; it's not only the federal dollars, but the recover dollars. The only item I have left is the 2 attorneys that I didn't realize you were going to ask for.

Roll: I didn't realize that the Senate intended to take all of the executive recommendation changes. There is an attorney and a paralegal that would be cut. We have already cut one last biennium and another one this biennium. This would be a third position that would be cut. The paralegal is actually more in our civil litigation division, and they are constantly busy with cases. The paralegals do a lot of the research for the attorneys so they can do the higher level work that is needed being in court. The money to pay for the attorney and the paralegal is from what we bill state agencies, so it's not general fund monies. It's other fund monies from our operating fund.

Stenehjem: We weren't sure how to treat that request for pulled reductions that the governor gave to us. We didn't know what position the legislature was taking on then either.

Senator Sorvaag: We try to look at most things in each agency. I'm looking at these numbers. We're doing good in general fund, an increase in last biennium. I don't see that as a problem on an agency your size, but we're going up, before anything we did today by the numbers on this sheet, it's about \$6.7M. With everything we've done today, we're probably increasing your special fund size with changes to base level funding.

Roll: The items that are shown under 2019-21 ongoing funding changes, those are all executive recommendation changes that were made.

Senator Sorvaag: The middle column. These were my suggestions coming into this that we've worked through. We were about \$6.7M and \$880,000 general fund changes to the base level funding. We've been making these changes.

Senator Grabinger: This attorney and paralegal are already on staff right now and they would lose their jobs?

Roll: Correct.

Senator Sorvaag: Did we fund all of your FTEs last time?

Roll: The deputy fire marshal is the one we're requesting this time. In addition to that, in order to meet the general fund cut, one legal division underfunded a position so they won't be able to fill it from 12-14 months.

Senator Sorvaag: What is the cost of these 2 with operating approximately?

Roll: It shows \$272,399, but I need to check on that to be sure.

Kinnischtzke: That \$272,000 is taken from the agencies submitted budget from Kathy's CRO1 reports for those positions. You are looking at the correct line for the removing 6 FTE positions. The amount that Kathy's looking at is in that estimated income other funds line.

Senator Sorvaag: For both positions and their operating costs?

Roll: That's what it shows, but it seems low to me.

Senator Grabinger: It's other funds, it's not general funds. Those two are already in staff. I don't see anything wrong with it.

Stenehjem: We have a lot of major pieces of litigation going on that we're defending from the election law to abortion bills. What happens when we can't handle the work, we have to hire outside counsel. That's more expensive than putting it into our office with our lawyers doing these things and not paying market rate for legal services.

Senator Sorvaag: Part of the feeling is so it can go with the ebb and flow of your work, but you're saying your work flows in one direction.

Senator Bekkedahl: I agree with Senator Grabinger. If they're already on staff and it sounds like the workload is there, I would agree to both positions.

Senator Sorvaag: I'll join and we'll make it a consensus.

Senator Bekkedahl: Motions for changes to base level funding be accepted and drafted up by legislative council staff.

Senator Grabinger: Seconded the motion.

A Roll Call Vote was taken: Yes: 3 No: 0 Absent: 0.

Senator Sorvaag will present to the committee.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
2/13/2019
Job # 32695

☒ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning and Alicia Larsgaard

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Testimony attached # 1 – 2.

Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Senator Sorvaag: Called the committee to order on SB 2003. **Senator Bekkedahl** and **Senator Grabinger** were also present. He handed out amendment 19.0216.01001 – attached # 1.

Levi Kinnischtzke handed out the worksheet Base Level Funding Changes – attached # 2.

(Committee is reading through the worksheet)

Kathy Roll: There are two line items here that relate to the Medicaid fraud control unit. The first one is adding the seven positions. The second adds operating capital expenses. It looks like all the money is there to fund that unit.

Levi Kinnischtzke: It is correct. This should exactly match what the amendment will show.

Senator Sorvaag: That together comes up to the \$1.8 M. I think this is everything we agreed to. Look it over and see if you have any comments.

Levi Kinnischtzke: After our meeting adjourned yesterday, I had a discussion with Kathy. It was brought to my attention that an exemption for the human trafficking victim grants from last biennium were not needed. I have not included that in the amendment. Based on prior subcommittee discussion, the last direction was to include an exemption on that. That Attorney General's office anticipates spending the entire amount that is appropriated for 17-19. They will not have any carry over or the need for an exemption.

Senator Sorvaag: So it's out of the amendment? (answer – Correct.) Keep studying this and we want to finish it today.

(6:45) Senator Sorvaag: Under section 9, the amount is 1.625?

Levi Kinnischtzke: That is correct. There is \$125,000 in the Attorney General's base from the appropriation from the 17-19 biennium. The additional amount that the subcommittee is adding, is \$1.5M for a total of \$1.625.

(8:24) Senator Bekkedahl: What am I missing in the Human trafficking \$1.625 M. I thought when we looked last, it was \$1.5M. There's \$125,000

Senator Sorvaag: I just asked that question. There's \$125,000. He totaled them together.

Kathy Roll: Is the retirement increase shown in with the health insurance increase?

Levi Kinnischtzke: Yes. When Legislative Council calculates the salaries for every FTE, included in the salaries are fringe benefit increase for FICA and retirement. Kathy's question is that retirement calculation is included in the salaried and the health insurance increase in the compensation package. It is. It's separate from the retirement increase proposal that was in the executive budget.

Senator Bekkedahl: Section 12 – Under the concealed weapon re-write project exemption, that was part of this page discussion. We never had a separate section for it but now you have placed it in a separate section correct?

Levi Kinnischtzke: That is correct.

Senator Sorvaag: These numbers that are changes to the base level are correct. We are up General Fund of \$1.2 M and special funds of \$8M for total of \$9M. That is one of the more important lines for us to consider considering we are adding 7 employees. Is there any concern from the Attorney General's Office?

Kathy Roll: I'm not seeing anything at this time.

Senator Sorvaag: We're going to move to approve this.

Senator Grabinger: Moved to accept the changes made in SB 2003.

Senator Bekkedahl: Seconded.

Voice Vote carried.

Senator Grabinger: Moved amendment 19.0216.01001.

Senator Bekkedahl: Seconded.

A Roll Call Vote Was Taken. 3 yeas, 0 nays, 0 absent.

Motion carried.

Senator Sorvaag: Adjourned the committee.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
2/14/2019
Job # 32722

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Rose Laning

Explanation or reason for introduction of bill/resolution:

This is a vote on the Attorney General's budget and was moved Do Pass as Amended.

Minutes:

Amendment 19.0216.01001

Legislative Council: Alex Cronquist & Levi Kinnischtzke
OMB: Becky Keller

Chairman Holmberg: Called the committee to order on SB 2003.

Senator Sorvaag handed out amendment 19.0216.01001 and explained it.

Senator Grabinger: seconded the motion.

Voice Vote carried.

Senator Sorvaag: moved Do Pass on SB 2003 as Amended.

Senator Grabinger: seconded the motion.

A Roll Call Vote was taken: Yes: 14 No: 0 Absent: 0.

Senator Sorvaag: will carry the bill.

SK
10/8

PROPOSED AMENDMENTS TO SENATE BILL NO. 2003

Page 1, line 1, after "general" insert "; to amend and reenact sections 53-12.1-09 and 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund and the salary of the attorney general; to provide an exemption; and to provide for a report"

Page 1, remove lines 8 through 23

Page 2, replace lines 1 and 2 with:

"	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$8,829,760	\$84,172,920
Less estimated income	30,647,320	7,656,426	38,303,746
Total general fund	\$44,695,840	\$1,173,334	\$45,869,174
Full-time equivalent positions	237.00	7.00	244.00"

Page 2, line 3, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY"

Page 2, line 4, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 21 with:

"	One-Time Funding Description	2017-19	2019-21
SAVIN cost-share program		\$315,000	\$0
Uniform crime reporting rewrite		280,000	0
DOS-based deposit system rewrite		100,000	0
Pipeline protest law enforcement support		200,000	0
Court-ordered payments		15,872,000	0
Forensic nurse examiner grants		150,000	0
Additional income		250,000	0
SAVIN program enhancements		500,000	0
Criminal history improvement project		0	400,000
Capital assets		0	1,851,956

Undercover vehicles	0	300,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	<u>0</u>	<u>400,000</u>
Total all funds	\$17,667,000	\$3,267,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. EXEMPTION - ATTORNEY GENERAL REFUND FUND.

Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund which would otherwise be transferred to the general fund on June 30, 2019.

SECTION 4. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;

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- c. Starting July 1, 2007~~2019~~, ~~one~~two hundred ~~five~~ thousand six hundred ~~twenty-five~~ dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
- d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 5. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~one hundred sixty thousand one hundred forty-nine dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine dollars~~one hundred sixty-four thousand nine hundred fifty-four dollars thereafter.

SECTION 6. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 7. CRIMINAL HISTORY RECORD CHECKS - FEES. Any individual or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from the general fund appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,625,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations

committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2019-20 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000

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Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,079,760	\$84,422,920
Less estimated income	30,647,320	7,906,426	38,553,746
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Various FTE Positions ³	Adds Funding for a Social Security Investigation Program ⁴	Adjusts Funding for Salaries ⁵	Adds Funding for a Medicaid Fraud Control Unit Program ⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$1,878,462	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$1,893,361	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,075,818	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

	Adds Funding for the State Fire Marshal Office ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 Licenses ⁹	Removes Funding from the Tobacco Settlement Trust Fund ¹⁰	Adds Funding for the Lottery Narcotics Task Force ¹¹	Adds Funding for the Human Trafficking Victims Grant Program ¹²
Salaries and wages	\$298,640					
Operating expenses	124,888	(\$953,900)	\$168,000	(\$200,000)	\$1,664	
Capital assets		(2,094,872)				
Grants		1,223,440			755,000	
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

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	Adds Funding for a Forensic Nurse Examiners Grant Program ¹	Adds Funding for Criminal Justice Information Sharing Improvements ¹⁴	Adds One- Time Funding for a Criminal History Improvement Project ¹⁵	Adds One- Time Funding for Capital Assets ¹⁶	Adds One- Time Funding for Undercover Vehicles ¹⁷	Adds One- Time Funding for Finger Identification System Replacement ¹⁸
Salaries and wages						
Operating expenses			\$400,000			
Capital assets				\$1,851,956	\$300,000	\$316,000
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding for a Charitable Gaming Technology System ¹²	Adds One- Time Funding for Additional Income from Other Sources ²⁰	Total Senate Changes
Salaries and wages			\$3,902,881
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,079,760
Less estimated income	400,000	250,000	7,906,426
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

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	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	244,500
	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,075,818 from other funds, of which \$163,121 is from federal funds, \$83,537 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund. Including adjustments from base payroll changes, the total reduction from the general fund is \$1,675,051 and the total increase from other funds is \$1,825,259, a net increase of \$150,208.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	0.00	8,480	76,320	84,800
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	0	(375,097)	(375,097)
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.

Date: 2-12-2019Roll Call Vote #: 1

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2003**

Senate Appropriations

Committee

☒ Subcommittee

Amendment LC# or Description:

to approve all changes made by leg. Council
to the base level funding

Recommendation:

☒ Adopt Amendment☐ Do Pass☐ Do Not Pass☐ Without Committee Recommendation☐ As Amended☐ Rerefer to Appropriations☐ Place on Consent Calendar

Other Actions:

☐ Reconsider☐

Motion Made By

Bekkedahl

Seconded By

Grabinger

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger	X	
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl	X				
Senator G. Lee					
Senator Dever					
Senator Sorvaag	X				
Senator Oehlke					
Senator Hogue					

Total (Yes) 3 No 0Absent 0

Floor Assignment

Sorvaag will present

If the vote is on an amendment, briefly indicate intent:

to the full Committee.

Date: 2-13-2019

Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2003

Senate Appropriations

Committee

☒ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☐ Reconsider

☒ to accept the changes to
SB 2003

Motion Made By Grabinger Seconded By Bekkedahl

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

*Voice Vote
Carried.*

Date: 2-13-2019Roll Call Vote #: 2

**2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2003**

Senate Appropriations Committee☒ SubcommitteeAmendment LC# or Description: 19.0216.01001Recommendation: ☒ Adopt Amendment☐ Do Pass☐ Do Not Pass☐ Without Committee Recommendation☐ As Amended☐ Rerefer to Appropriations☐ Place on Consent Calendar

Other Actions:

☐ Reconsider☐Motion Made By Grabinger Seconded By Bekkedahl

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger	X	
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl	X				
Senator G. Lee					
Senator Dever					
Senator Sorvaag	X				
Senator Oehlke					
Senator Hogue					

Total (Yes) 3 No 0Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-14-19
Roll Call Vote #: 1

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2003

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 19.0216.01001

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐

Motion Made By Sorvaag Seconded By Grabinger

Senators	Yes	No	Senators	Yes	No
Senator Holmberg			Senator Mathern		
Senator Krebsbach			Senator Grabinger		
Senator Wanzek			Senator Robinson		
Senator Erbele					
Senator Poolman					
Senator Bekkedahl					
Senator G. Lee					
Senator Dever					
Senator Sorvaag					
Senator Oehlke					
Senator Hogue					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

*Voice Vote
it carried*

Date: 2-14-19
Roll Call Vote #: 2

2019 SENATE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. 2003

Senate Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Sorvaag Seconded By Grabinger

Senators	Yes	No	Senators	Yes	No
Senator Holmberg	✓		Senator Mathern	✓	
Senator Krebsbach	✓		Senator Grabinger	✓	
Senator Wanzek	✓		Senator Robinson	✓	
Senator Erbele	✓				
Senator Poolman	✓				
Senator Bekkedahl	✓				
Senator G. Lee	✓				
Senator Dever	✓				
Senator Sorvaag	✓				
Senator Oehlke	✓				
Senator Hogue	✓				

Total (Yes) 14 No 0

Absent 0

Floor Assignment Sorvaag

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

SB 2003: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2003 was placed on the Sixth order on the calendar.

Page 1, line 1, after "general" insert "; to amend and reenact sections 53-12.1-09 and 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund and the salary of the attorney general; to provide an exemption; and to provide for a report"

Page 1, remove lines 8 through 23

Page 2, replace lines 1 and 2 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$8,829,760	\$84,172,920
Less estimated income	<u>30,647,320</u>	<u>7,656,426</u>	<u>38,303,746</u>
Total general fund	\$44,695,840	\$1,173,334	\$45,869,174
Full-time equivalent positions	237.00	7.00	244.00"

Page 2, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY**"

Page 2, line 4, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 21 with:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	300,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,267,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. EXEMPTION - ATTORNEY GENERAL REFUND FUND.

Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund which would otherwise be transferred to the general fund on June 30, 2019.

SECTION 4. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
 - c. Starting July 1, 20072019, ~~one~~two hundred ~~five~~ thousand ~~six~~ hundred ~~twenty-five~~ dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
 - d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 5. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~ one hundred sixty thousand one hundred forty-nine dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine dollars~~ one hundred sixty-four thousand nine hundred fifty-four dollars thereafter.

SECTION 6. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 7. CRIMINAL HISTORY RECORD CHECKS - FEES. Any individual or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from the general fund appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,625,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2019-20 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the number of nurses trained, the number and location of

nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000
Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,079,760	\$84,422,920
Less estimated income	30,647,320	7,906,426	38,553,746
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Various FTE Positions ³	Adds Funding for a Social Security Investigation Program ⁴	Adjusts Funding for Salaries ⁵	Adds Funding for a Medicaid Fraud Control Unit Program ⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$1,878,462	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$1,893,361	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,075,818	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

	Adds Funding for the State Fire Marshal Office ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 Licenses ⁹	Removes Funding from the Tobacco Settlement Trust Fund ¹⁰	Adds Funding for the Lottery Narcotics Task Force ¹¹	Adds Funding for the Human Trafficking Victims Grant Program ¹²
Salaries and wages	\$298,640					
Operating expenses	124,888	(\$953,900)	\$168,000	(\$200,000)	\$1,664	
Capital assets		(2,094,872)				
Grants		1,223,440			755,000	
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for a Forensic Nurse Examiners Grant Program ¹³	Adds Funding for Criminal Justice Information Sharing Improvements ¹⁴	Adds One-Time Funding for a Criminal History Improvement Project ¹⁵	Adds One-Time Funding for Capital Assets ¹⁶	Adds One-Time Funding for Undercover Vehicles ¹⁷	Adds One-Time Funding for Finger Identification System Replacement ¹⁸
Salaries and wages			\$400,000			
Operating expenses				\$1,851,956	\$300,000	\$316,000
Capital assets						
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for a Charitable Gaming Technology System ¹⁹	Adds One-Time Funding for Additional Income from Other Sources ²⁰	Total Senate Changes
Salaries and wages			\$3,902,881
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,079,760
Less estimated income	400,000	250,000	7,906,426
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	244,500
	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,075,818 from other funds, of which \$163,121 is from federal funds, \$83,537 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund. Including adjustments from base payroll changes, the total reduction from the general fund is \$1,675,051 and the total increase from other funds is \$1,825,259, a net increase of \$150,208.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	0.00	8,480	76,320	84,800
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	0	(375,097)	(375,097)
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology

system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.

- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.

2019 HOUSE APPROPRIATIONS

SB 2003

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2003
3/12/2019
Recording Job# 33601

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Attachments A and B

Chairman Vigesaa: Opened the hearing on SB2003.

Wayne Stenehjelm, Attorney General, ND Office of Attorney General: See testimony attachment A.

Steve Harstad, Forensic Scientist, Bureau of Criminal Investigation, ND Office of Attorney General: See testimony attachment A.

Chairman Vigesaa: Are these devices you've confiscated during investigations?

Steve Harstad: Yes.

Steve Harstad continued with his testimony.

Representative Kempenich: Can't you get a warrant to get through that?

Steve Harstad: Sometimes. Apple has some data if I serve them with a warrant, that they can send to me. Getting into that device may be the only access I have to that data.

Steve Harstad continued with his testimony.

Representative Kempenich: They have that kind of control over people that are thousands of miles away?

Steve Harstad: Eller was obviously a willing participant. Because they have similar interests in child pornography, a lot of time they'll brag about having access to this girl or that girl. That's how that gets started.

Vice Chairman Brandenburg: As far as prosecution and the statute of limitations, how does this tie in with it? There's a lot of time you have sexual abuse and you have no evidence; so you can't do anything. Are you having success? Are they getting put away?

Steve Harstad: We frequently take a major case like this to federal court. I think Bjornstad has a really good chance at life. We've had one other life sentence in Bismarck; I believe he has a really good change at getting life also. We do well in federal court; those guys go away for a very long time. State court sometimes depends on the jurisdiction of the judge.

Vice Chairman Brandenburg: Why is it in federal court, there's more success in the state of North Dakota?

Steve Harstad: I would prefer it to be the other way around. I would prefer to put them all away for a very long time.

Chairman Vigesaa: Is all these forensics done at the state crime lab?

Steve Harstad: We're at the BCI not at the crime lab. We have six forensic agents; two that are housed in Fargo, two in Bismarck, one in Minot and one in Williston.

Representative Kempenich: Is this increasing from year to year?

Steve Harstad: I believe it's increasing. We've gotten better at what we do; we've gotten better at finding them. Maybe we're pulling more cases that way also.

Wayne Stenehjerm continued with his testimony.

Vice Chairman Brandenburg: Until I got involved with my wife's issue I didn't know how bad the state was. Until there's a mindset change from the legislature to pursue this, it's going to stay that way.

Wayne Stenehjerm: We like to think that it's these people that are coming in from out of state who are committing these offenses. Most of the victims of human trafficking in North Dakota and the perpetrators doing this are from North Dakota.

Wayne Stenehjerm continued with this testimony.

Steve Gilpin, Bureau of Criminal Investigation, ND Office of Attorney General: See testimony attachment A.

Chairman Vigesaa: In past sessions, we were quite successful in limiting the manufacturing of meth in North Dakota. Our pharmacists and drug stores were watching the purchase of the elements you needed to make it. What's the reason for the increase?

Steve Gilpin: In the late 1990's and early 2000's they were producing small amounts because it took so many pills to produce methamphetamine. Currently, the super labs are working the western seaboard, Texas and into Mexico; they're producing thousands of pounds. The entire country is being inundated by methamphetamine.

Chairman Vigesaa: It's being imported now instead of being manufactured?

Steve Gilpin: Right. I believe we did five meth labs last year; and they were just small labs where they were producing about a gram at a time.

Vice Chairman Brandenburg: Can't we bust the FedEx truck or the UPS truck?

Steve Gilpin: We're probably seeing more of it coming through the USPS. To get through the USPS, we have to have a federal search warrant to open those packages. FedEx, UPS and those other delivery companies have it in their policy that if they believe there's an illegal substance in there, they can just open the package and turn it over to us.

Representative Bellew: Is the meth today different than it was 10 or 12 years ago? Is it a different product or is it pretty much the same?

Steve Gilpin: There are many different ways of producing meth. In the super labs they're not using anhydrous ammonia and lithium. It's still the same, they're losing their teeth, it's aging them. The meth is a much purer form today than it was 10 years ago.

Steve Gilpin continued with his testimony.

Representative Bellew: Can dogs smell this?

Steve Gilpin: They probably could be trained on it; but, we don't want to put a dog's health in danger because it is airborne and can kill you immediately.

Steve Gilpin continued with his testimony.

Representative Bellew: Can we take his phone away from him?

Steve Gilpin: He wasn't supposed to have a cell phone.

Wayne Stenehjem continued with his testimony.

Representative Beadle: When your office is going down the rabbit hole on investigations, does your office receive any revenue back or any payment back from any of these partner agencies that you work with on these cases? Is that ever reflected back in special funds?

Wayne Stenehjem: No. We do have funding that comes from our designation as a high intensity drug trafficking area; that covers just some of the counties in North Dakota.

Representative Beadle: That's federal funding?

Wayne Stenehjem: Yes, the HIDA funding is federal funding. Cass, Grand Forks and Williams counties get HIDA funding. They also fund prosecutors; we have two prosecutors in our office who are HIDA funded.

Representative Beadle: It was mentioned before with all of the three letter federal agencies, that there might be a cybercrime that's a big deal here but it's a drop in the bucket federally; so they'll transfer it over to our BCI to do some of the investigative work. Is there any revenue that comes that way to handle those cases?

Wayne Stenehjem: Just the HIDA money. There are federal grants that we've applied for and we get; but not specifically.

Wayne Stenehjem continued with his testimony.

Representative Kempenich: Why is it complicated to have an address?

Wayne Stenehjem: They'll come in and they have already with studies saying that that kind of requirement is discriminatory; it prevents people from exercising their right to vote.

Wayne Stenehjem continued with his testimony.

Representative Kempenich: Do we give them updated law books?

Wayne Stenehjem: No.

Wayne Stenehjem continued with his testimony.

Vice Chairman Brandenburg: If we're 170 days behind and you have victims that have been assaulted, and we can't get the DNA done, the victims are fearful for their lives. What do have to do to get this done?

Wayne Stenehjem: We've asked for an additional DNA analyst.

Wayne Stenehjem continued with his testimony.

Representative Beadle: Would the one DNA analyst be enough to satisfy the back log or do you also have any bottlenecking do to machinery to do the test?

Wayne Stenehjem: We're trying to be realistic; we know what the budget situation is.

Representative Beadle: What about from a hardware perspective? Do you have the equipment to process things? Is that equipment being fully utilized right now?

Robin Quinn, Director, ND Crime Lab: Most of our equipment is funded by federal funds. It takes about a month to validate once we do get the new instrumentation. We are way ahead of the game for modern technology.

Representative Beadle: With the federal funds, does that come in by caseload? With the federal funds do you have workload capacity within the equipment that you currently have or will you need additional federal funds in order to process the additional cases that you would be able to do with another analyst?

Robin Quinn: The issue with the federal funds is we have the equipment and instrumentation, but it's the kits that we also use; they are \$15,000.00 per kit. We can do 500 samples per kit; that's where we use a lot of our federal funding.

Wayne Stenehjem continued with his testimony.

Chairman Vigesaa: You can have family members, co-workers and everyone try to tell these people that this is not real; and they won't believe them. It's amazing how long this can go on after someone has tried to tell them that this is a scam.

Wayne Stenehjem: This is unbelievable. We had a woman that was a potential victim of the grandparent scam and she was insistent that it was true.

Wayne Stenehjem continued with his testimony.

Representative Beadle: What sort of steps did your office take to try to do awareness campaigns and get the word out there to try and fix gullibility or stupidity?

Wayne Stenehjem: We do public service announcements, press releases, and we do public presentations.

Representative Beadle: Do you ever get any buy in or partnership with groups that might work closely with some of the targeted individuals for the senior case or the grandma case; working with AARP?

Wayne Stenehjem: We do presentations with AARP all the time.

Wayne Stenehjem continued with his testimony.

Representative Kempenich: Would you say 100% of the communities in this state have an issue?

Wayne Stenehjem: I don't know if I would say 100%. It affects communities large and small, rural and urban, east and west. I would bet that the people in this room don't know somebody in their family or a close friend or associate who isn't suffering from an addiction of one sort or another.

Representative Kempenich: Where is the money come for all of this?

Wayne Stenehjem: Where a lot of the money comes from for a lot of these drugs can be seen in the burglaries and other crimes that we're seeing. It also blossoms into the child abuse and neglect and domestic violence that come about as a result of that.

Wayne Stenehjem continued with his testimony.

Chairman Vigesaa: If they've had that program since the 90's, why did it take until 2019 to come to North Dakota and ask for an office?

Jason Piercy, Resident Agent in Charge, Social Security Administration, Office of the Inspector General: Testified in support of SB2003.

Chairman Vigesaa: So it was the legislation in 2015 that really precipitated the movement into our state?

Jason Piercy: Yes. North Dakota and Montana were selected for FY 2019; with Wyoming coming on in 2020. Once Wyoming is on board all states within the Denver field division will have an active CDI; all those units are tied together. The agents that come on board from BCI are sworn deputy United States marshals and they're given full federal authority. Their investigative scope will be focused in South Dakota; but it allows them to conduct cases on reservations as well as across borders.

Wayne Stenehjem continued with his testimony.

Chairman Vigesaa: Is the \$250,000.00 a similar amount that we've appropriated?

Wayne Stenehjem: Last time it was \$150,000.00; but that's almost gone.

Christina Sambor, Youth Works: Testified in support of SB2003.

Chairman Vigesaa: You have done some public information announcement concerning people that work in hotels and how to recognize that this might be going on. Has that been successful yet or is it pretty new?

Christina Sambor: I think it has been successful. I think that one of the things we've done to local education is multi-disciplinary teams.

Christina Sambor continued with her testimony.

Chairman Vigesaa: You mentioned the emergency room, my oldest son is an ER physician at Sanford in Fargo. Do they receive any kind of training? They're given the protocol to follow?

Christina Sambor: One of the things that are key to working on human trafficking in North Dakota is the navigator program. We currently have four navigators that are tasked with that coordination piece and supporting cases. We've received a grant to increase the hospital partnership. Almost 90% of trafficking victims encounter the healthcare system while they're being trafficked.

Chairman Vigesaa: The \$1.5 million is in this budget?

Christina Sambor: Yes.

Chairman Vigesaa: How does that compare to the funding from previous biennium?

Christina Sambor: In 2015 there was \$1.25 million appropriated. In 2017 it was \$825,000.00; \$125,000.00 came from general funds and the attorney general worked with

us to help us find some other funding. This year we're looking at \$1.5 million. The non-profits that have received the state funding have secured federal funding at almost a 2:1 ratio.

Vice Chairman Brandenburg: Is that HB1507? There's a bill here in human trafficking to for education programs.

Christina Sambor: Those are some other education bills; those do not include any fiscal notes or appropriations.

Chairman Vigesaa: Is the \$1.5 million all general fund?

Christina Sambor: Yes.

Tisha Scheuer, Nurse Practitioner, Central Dakota Forensic Nurse Examiners: Testified in support of SB2003.

Chairman Vigesaa: Last time there was a separate bill? This time it's just incorporated into the budget or was there a separate bill that didn't have the funding?

Tisha Scheuer: There was a separate bill and it was integrated.

Chairman Vigesaa: Was that bill defeated in the Senate and just put in here?

Tisha Scheuer: Yes.

Wayne Stenehjem continued with his testimony.

Attachment B was handed out but not discussed.

Chairman Vigesaa: Closed the hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2003
3/15/2019
Recording Job# 33787

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Attachments A and B

Chairman Vigesaa: Opened the hearing on SB2003.

Roll Call taken.

Kathy Roll, Financial Administrator, ND Office of Attorney General: See testimony attachment A.

Representative Bellew: Let's go to restores one attorney general and one paralegal and that's other funds.

Kathy Roll: We bill for legal services, those are from legal service billings that fund those positions and that's in our operating fund. We bill all special fund/federal fund agencies and we bill the department of human services and the health department.

Chairman Vigesaa: Is that only if they utilize your services or is there a standard fee that you just assess those departments?

Kathy Roll: We bill by requested services; so for each portion of an hour they request, we bill.

Kathy Roll continued with her testimony.

Representative Bellew: If we do that the funds in there, will state radio reduce their budget by that? Is that a net zero gain?

Kathy Roll: That's correct.

Kathy Roll continued with her testimony.

Chairman Vigesaa: This is just a summary of everything that the executive restored, optional requests and then what the Senate added from your request and what they added?

Kathy Roll: That's correct.

Kathy Roll: Went through the green sheet.

Chairman Vigesaa: The six FTE's that were originally removed, were they vacant positions that could be eliminated?

Kathy Roll: I think there might have been one vacant, the rest were people actually in the positions.

Chairman Vigesaa: What positions were they?

Kathy Roll: A criminal records identification technician. There is an administrative assistant in the legal services area.

Kathy Roll continued with the green sheet.

Representative Bellew: For three years it's 90/10 and then after that it's 75/25?

Kathy Roll: That's correct.

Representative Bellew: It's going to remain 75/25 after that?

Kathy Roll: That has been the history of the Medicaid fraud control unit. We are the last state to have a unit.

Chairman Vigesaa: When did that program begin?

Kathy Roll: It started in 1977 and they've been slowly having agencies added in. For many years we had a waiver for the Medicaid fraud control unit; that waiver is no longer in place.

Chairman Vigesaa: Did that just end?

Kathy Roll: The waiver process is done. The centers for Medicaid and medicare let us know that they will not grant another waiver.

Chairman Vigesaa: If the waiver ends and we didn't put a unit in place, what happens?

Kathy Roll: I've heard that we're going to lose some Medicaid money that the state receives through the department of human services. The federal government's way of penalizing is to take away money.

Chairman Vigesaa: How long has South Dakota had their unit?

Kathy Roll: I'll get that to you.

Representative Bellew: Should not this Medicaid fraud unit be self-funded with the recoveries that you get or do you have to turn the money back in to the feds? How does that work?

Kathy Roll: We can retain 50% of the restitution that we receive. I would think that that would more than fund it.

Chairman Vigesaa: Could you provide some statistics for other states?

Kathy Roll: I can get that.

Kathy Roll continued with the green sheet,

Representative Bellew: I know that in Minot our fire department does a lot of the inspections. Are they different from you folks? Does it carry the same weight?

Kathy Roll: For those entities that have a full-time fire department they do handle the investigations and inspections. We handle them for all of the others.

Chairman Vigesaa: That division has never had an administrative assistant or did they at one point?

Kathy Roll: It had one prior to this biennium.

Kathy Roll continued with the green sheet.

Chairman Vigesaa: I see that the Senate did not move over that \$250,000.00?

Kathy Roll: They didn't think it was necessary; it's already it's already in a separate section.

Kathy Roll continued with the green sheet.

Chairman Vigesaa: That would have been part of your 90% budget?

Kathy Roll: That's correct.

Kathy Roll continued with the green sheet.

Representative Bellew: On the sheet you gave us it says you're going to replace 12. Can you do 12 for \$300,000.00?

Kathy Roll: We trade in our current vehicles and we have really good negotiators who make sure we get top value.

Representative Howe: You said this is something that's been a one-time funding almost every biennium. Has it always been \$400,000.00 or does it fluctuate every biennium?

Kathy Roll: It's fluctuated. The first biennium we received about \$400,000.00; that was for planning of rewriting the system. Another biennium we received \$1 million because we were doing more of the project at that time.

Kathy Roll continued with the green sheet.

Chairman Vigesaa: When that comes from other funds, who's paying for that?

Kathy Roll: That is from the AG refund fund.

Kathy Roll continued with her testimony.

Representative Bellew: In your deficiency appropriation you had an amount for prosecution witness fees. Do you pay witnesses?

Kathy Roll: By statute the office of attorney general pays for prosecution witness fees; so those are \$25.00 per day. We also pay for juvenile court witness fees. We also pay for expert witness fees when the judge requires it by order.

Chairman Vigesaa: Was there just more need for that this biennium because it was a deficiency?

Kathy Roll: I believe every biennium we've had to ask for a deficiency appropriation or go to the emergency commission for approval for additional money for prosecution witness fees.

Chairman Vigesaa: Where do those reside in your budget?

Kathy Roll: They're in operating. We track them separately.

Wayne Stenehjem, Attorney General, ND Office of the Attorney General: Gave background for prosecution witness fees.

Representative Mock: How are the rates set for the witness fees?

Kathy Roll: They're set by statute.

Chairman Vigesaa: The funding for capital assets; the \$1.9 million. Those must be for specific pieces of equipment?

Kathy Roll: Yes. In our budget request you can see there's a schedule that lists all of the capital equipment that's requested; that's all federal funds.

Kathy Roll continued with the green sheet.

Chairman Vigesaa: That's a traditional section in your budget?

Kathy Roll: That's correct.

Kathy Roll continued with the green sheet.

Representative Bellew: In that section it says reasonable fee. What does that mean?

Kathy Roll: We do have some different rates for volunteers. Those range from \$15.00 to \$45.00; depending on whether it's just a state record check, a state federal record check or a federal and FBI fingerprint based.

Chairman Vigesaa: How is it trending this session as far as policy bills that are asking for more background checks?

Kathy Roll: There aren't very many; probably less than 500.

Chairman Vigesaa: You don't anticipate that there's going to be an increase?

Kathy Roll: That's correct.

Kathy Roll continued with the green sheet.

Chairman Vigesaa: What do expect that there's left as far as expenses for that one?

Kathy Roll: I can get that information for you.

Chairman Vigesaa: How far along in the project are you?

Kathy Roll: I don't expect it to be completed this biennium, I expect it will be completed next biennium.

Chairman Vigesaa: Section 8 also provided that any unexpended general fund appropriations with regard to the automated victim information notification program?

Kathy Roll: That's other funds.

Chairman Vigesaa: It says general funds in the section.

Levi Kinnischtzke, Fiscal Analyst, ND Legislative Council: That was an error in the amendment and that's something that will be fixed when we do the amendment for the House.

Representative Bellew: Maybe we should have that amount also?

Kathy Roll: Yes.

Chairman Vigesaa: What was the general fund increase?

Kathy Roll: Coming out of the executive recommendation, we had taken a 10% general fund reduction. With the additions of the human trafficking grant, the SAME grant and the Medicaid fraud control unit, we're still down 5% in terms of general fund.

Representative Bellew: The way I calculated what the Senate did, you're up 2.6%.

Kathy Roll: We're looking from the 2017-2019 biennium appropriation.

Chairman Vigesaa: The appropriation is higher than it was on the base level.

Kathy Roll: That's correct. But it's also lower than the 2017-2019 general fund appropriation.

Levi Kinnitschke: The 2017-2019 biennium appropriation included one-time funding as well.

Attachment B was submitted but not discussed.

Chairman Vigesaa: Closed the hearing.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB 2003
3/18/2019
33888

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Risa Bergquist

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general; to amend and reenact sections 53-12.1-09 and 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund and the salary of the attorney general; to provide an exemption; and to provide for a report.

Minutes:

Attachment 1

Chairman Vigesaa: Called the meeting to order for SB 2003. The attorney General is here along with Kathy Roll from his office to answer some of our questions. The governor's recommendation was to remove 6 FTEs and they restored 2, was there a specific two that they restored?

Kathy Roll, Financial Administrator, Attorney General Office: The two that were restored were an assistant attorney general and a paralegal. Those were funded from other funds and we really do need those positions so we requested that they be restored. See attachment 1.

Representative Kempenich: So that's the 661 thousand?

Mrs. Roll: It's 273.4 thousand.

Chairman Vigesaa: The general fund reduction still remains, was that a position that was open or was it an additional position added?

Mrs. Roll: Those are both filled positions.

Chairman Vigesaa: Forensic scientist I have a note that was because of your large DNA back log? 232 cases waiting. Two positions for social security, anything that they recover, we get 100% of that?

Mrs. Roll: It's a percent, we get 100% of the state share.

3:50 Representative Bellew: What is the state share?

Mrs. Roll: We don't know that at this point because we don't have a unit at this point. We will be finding that out.

Wayne Stenehjem, Attorney General: There's a state match for SNAP and all those things, we will get 100% of whatever our state match was.

Representative Kempenich: When you put this together, the senate has 7, the executive had 5 what is a minimum number? Or how did you come up with 7 FTEs?

Mrs. Roll: There was a study last session for the Medicaid Fraud Control Unit and it required that the department of Human Services and our office work together to determine what would be the recommended staffing level. We got some information from South Dakota, they stressed that it would be important to have 7; 2 investigators, 2 attorneys, 2 auditors and an administrative assistant. Federal funding is 90% for 3 years then it goes to 75%, so the time to have extra staffing would be while the feds are paying 90% of it. If we find that they aren't necessary, we can always make those changes.

Chairman Vigesaa: Do the feds mandate a certain number of employees for any of these units?

Mrs. Roll: They mandate a minimum of 4.

Chairman Vigesaa: The adjusting funding for salaries in net total was a little over 2 million additional, can you explain that again please.

Mrs. Roll: As part of our 10% general fund reduction we ended up funding all of the consumer protection staff from the AG refund fund. I believe that was about 1.7 million.

Chairman Vigesaa: The other funds that are listed there of 2.3 million, is that from the refund fund going forward or is that general funds?

Mrs. Roll: The bulk of it is from the refund fund.

Chairman Vigesaa: What is the balance in the refund fund?

Representative Bellew: Where does the money come from for that fund?

Mrs. Roll: Our office is involved in a number of restitution cases and also multi state actions where states group together and go after something for example the Volks Wagon issue most recently. You should have that information.

Representative Bellew: 610 thousand is the balance.

13:40 Chairman Vigesaa: What was the funding for the Human trafficking? 125 thousand last biennia?

Mrs. Roll: At that time it was considered a onetime funding so we needed to remove that from our budget request. The 125 is the correct amount for the 2017/2019 biennium.

Chairman Vigesaa: So neither executive or the department put it into the budget at any figure?

Mrs. Roll: It's been handled as a separate bill up to this point. It has not yet been rolled into our budget.

Chairman Vigesaa: Are there any other bills specifically for that this session?

Mrs. Roll: This session that was killed because the Senate rolled that money into our appropriation bill, it was 1.5 million.

15:00 Representative Brandenburg: What did we do with that money last session for the human trafficking?

Mrs. Roll: There was a report given to you Friday, it showed what the money was spent on, it was spent fairly rapidly. There was also 700 thousand provided from the land department.

Chairman Vigesaa: SANE program, last time it was 150 and this time it is 250 this time?

Mrs. Roll: This biennium it was from SIIF funding this is now proposed to be from the general fund. It started off as its own bill and was killed and rolled into this budget.

Representative Kempenich: Social Security, is that housed in your office?

Mrs. Roll: There is already one federal social security person working here, they (Cooperative Disability Investigations) plan to hire one more person and they would be housed with them. Still be under the direction of BCI.

Representative Kempenich: The fraud unit would be in the human services?

Mrs. Roll: The Medicaid fraud unit would be in this office.

Representative Kempenich: What kind of experience would be in that position?

Mrs. Roll: We would look at someone with at least 3-5 years' experience so they could hit the ground running.

19:30 Chairman Vigesaa: Section 3 is the refund fund, section 4 is a standard section.

Mrs. Roll: That is an increase to provide money for the regional task forces in this state. It's been 105 thousand and it's moving to 200 thousand.

Chairman Vigesaa: Section 5 salary, section 6 is the 250 thousand, that's a standard section?

Chairman Vigesaa: We talked about section 7 last time, reasonable fee, 15-45 dollars' charge. Section 8 there was a request to change, was the how it was in the bill?

Levi Kinnischtzke, Legislative Council: The sheet is correct that is the way the bill is but the bill is incorrect. We will make that correction in the houses amendment.

Mrs. Roll: 2017 House bill 1003, there was money provided to upgrade the statewide automated victim identification network as a response to the passing of Marcy's Law. Those monies where all other funds.

24:15 Rep. Brandenburg: We had the Adjutant General's budget in and they are transferring those two FTEs, does that show up in your budget?

Mrs. Roll: We transferred the exact amount as what they requested. It came up after the senate was already done without budget.

Representative Kempenich: You discussed the undercover vehicles?

Chairman Vigesaa: What kind of vehicles do you use?

Mrs. Roll: We used all kinds as vehicles, we trade them depending on the miles and also change them out with different cities so they are harder to identify.

Chairman Vigesaa: Are they equip with any special equipment?

Mrs. Roll: There is a radio and then there is also all the stuff we would have in the truck, there is also undercover lights and sirens.

Representative Kempenich: Do you have to go through state fleet to get that stuff?

Mrs. Roll: We have an exemption so that nobody in the state fleet would know our vehicles either.

29:45 Chairman Vigesaa: Going through the packet (**attachment 1**)

Mrs. Roll: Memo on top is just telling you what is in the packet. Second page is the Medicaid fraud control unit from South Dakota, Montana and Wyoming, it shows the recoveries and the Medicaid expenditure for those years.

Representative Kempenich: Is that what is looks like? When they start it up there's bigger numbers and then it slows down?

Mrs. Roll: It appears to be true, I had some older information and there was one year that South Dakota recovered like 9 million.

Representative Kempenich: Is this more data mining or is it more observation?

Lonnie Grabowska, Director of the state Bureau of Criminal Investigation: It's a balance of both, that's why the auditor and the investigator are so important. I would come to us through various sources such as local here or from an anonymous source that calls it in. Ground work is done by the agent and once those records come from Medicaid services that's when your auditor is going to get involved.

Chairman Vigesaa: When this is recovered what happens to the funds? Do they go to the general fund?

Mrs. Roll: I would think they will back into where they came from? It would go into the general fund which is where our portion of the Medicaid funding comes from.

Representative Kempenich: They have heard that bill in policy, is that going to be heard in appropriations?

Mr. Stenehjem, AG: The bill was heard in committee and they are now considering it.

Mrs. Roll: You can see even without an until we were able to recover 204 thousand dollars. When human services know about them, they work with the locals to work on the recovery part of it, they just don't have the staff to spend on it. We do think that once we get investigators hired we will see more of these cases.

37:30 Mr. Stenehjem, AG: And the supreme court says is that the recovery has to be proportionate to the offense. I think we are doing that anyway.

38:10 Mrs. Roll: (Page 3 of attachment 1) Shows what we estimate to be the carryover amounts into the next biennium for the concealed weapon rewrite would be general funds and the SAVIN enhancements would be other funds.

Chairman Vigesaa: Other funds, can you elaborate on that?

Mrs. Roll: We will double check on that, 315 thousand dollars of the 815 that was provided was local share. Counties have paid in to be part of the project since they will benefit as well. Next thing is the equipment listings you asked for. **Pages 4-7 of attachment 1.** Next sheet lists the 2019 bills that are impacting the office of the Attorney General.

Chairman Vigesaa: have you heard anything on HB 1254? How is that going in the Senate?

Mrs. Roll: I have heard that it isn't going very well. Last pages reflect the general fund changes for the 2017/2019 biennium and the requested changes of the senate and then what the senate actually did.

Chairman Vigesaa: How does the activity related to what it was like at the height of the oil boom?

Mr. Stenehjem: What we are hearing is the drugs are increasing across the state and the complexity is increasing. The cyber issues are increasing, that isn't because of our change in population, our population is going up and that means more drugs, more crime.

Chairman Vigesaa: Has the gang activity lessened at all?

Mr. Grabowska, Director of BCI: The amounts of drug, the cartel, has increased in their ability to bring the drugs into North Dakota, it's transported through over the road trucks and the postal service. As far as the outlaw motorcycle gangs go, anytime you have an area with a large amount of income it is going to bring the motorcycle gangs up. It's staying pretty steady.

Rep. Brandenburg: How do we stop this growth in human trafficking?

Mr. Grabowska: I think people are just now getting the idea that we have a very strong presence here in North Dakota. We see dozens of pimps running the girls up to North Dakota, usually on a two-week cycle. Biggest problem is once we identify human trafficking victim, it's hard in the short amount of time to identify them and get them the help they need. As far as North Dakota we are doing a good job.

Chairman Vigesaa: Looking at this map, sometimes it's in a very rural area so how is that found? Local tips?

Mr. Grabowska: It's the local authorities that are getting us those leads. It could be labor of sex trafficking.

Chairman Vigesaa: If there is nothing more we will close this meeting on SB 2003.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division
Medora Room, State Capitol

SB2003
3/19/2019
Recording Job# 33919

☐ Subcommittee
☐ Conference Committee

Committee Clerk: Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Chairman Vigesaa: Opened the discussion on SB2003 and discussed the green sheet.

Chairman Vigesaa: That Medicaid fraud unit, should we cut them back from seven FTE's?

Representative Kempenich: Inaudible.

Becky Deichert, Budget Analyst, ND Office of Management and Budget: That bill doesn't have any funding attached to it. It's just setting up the unit.

Representative Kempenich: Inaudible.

Chairman Vigesaa: It's a 90% federal cost for three years.

Representative Kempenich: Inaudible.

Chairman Vigesaa: Four FTE's is the minimum required.

Representative Kempenich: In the past they talked about getting it started

Representative Howe: Inaudible.

Chairman Vigesaa: What about the administrative assistant for the fire marshal?

Representative Kempenich: I think they're looking for someone to keep track of the books.

Chairman Vigesaa: They had about \$825,000.00 for human trafficking last time. The governor's recommendation removed the \$125,000.00. Now they're asking for \$1.5 million.

Vice Chairman Brandenburg: It's something that we have to address.

Chairman Vigesaa: They had \$825,000.00 last time and they had spent over half of it by now. I thought it could be \$1 million instead of \$1.5 million; it's an increase of over what they had.

Chairman Vigesaa continued with the green sheet.

Representative Bellew: Inaudible.

Representative Kempenich: The problem is that the feds are starting to put pressure on them and there are audit findings.

Representative Bellew: The two original f-words are federal funding.

Representative Kempenich: You're correct. The federal government never gave anything for free.

Chairman Vigesaa: How do you say no to fighting heroin?

Representative Bellew: Where are the results?

Chairman Vigesaa continued with the worksheet.

Representative Howe: I think they can arrange their vehicles to different cities.

Chairman Vigesaa: I agree that they can reduce that.

Chairman Vigesaa continued with the worksheet.

Representative Kempenich: Should we put in \$1 million or \$2 million for these compression issues?

Chairman Vigesaa: One thing that might help that was in the OMB budget was for the performance bonus.

Representative Kempenich: With some of these professional agencies it gets hard to manage.

Vice Chairman Brandenburg: If you take that \$2.1 million and divide it by 237 FTE's, that's \$9,138.00 for each one.

Chairman Vigesaa: We need some clarification on that.

Vice Chairman Brandenburg: Is that for classified or non-classified FTE's?

Chairman Vigesaa: It just states a regularly funded non-temporary position.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2003
3/28/2019
Recording Job# 34348

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Attachments A and B

Chairman Vigesaa: Opened the discussion on SB2003.

Chairman Vigesaa: Discussed the green sheet.

Representative Kempenich: I think we could go to \$1 million.

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: They had \$150,000.00 last time from SIIF. Is that correct?

Levi Kinnischtzke, Fiscal Analyst, ND Legal Council: The \$150,000.00 last session was from SIIF.

Representative Kempenich: Should we add another \$50,000.00?

Chairman Vigesaa: I'm ok leaving it with \$250,000.00.

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: Is that identified specifically in their budget for prosecution witnesses?

Becky Deichert, Budget Analyst, ND Office of Management and Budget: No, it's in their operating.

Chairman Vigesaa: Would council or OMB have what they've spent on it in the last couple of bienniums?

Levi Kinnischtzke: My understanding is that the attorney general has spent everything that have been appropriated the last few bienniums. The prosecution witness fees are an item that's included in their operating expenses line item. For 2017-2019 biennium and the 2019-2021 biennium they budgeted \$95,056.00. They have asked for deficiency appropriations in the 2013-2015 biennium and 2017-2019 biennium which is being considered in SB2024.

Chairman Vigesaa: Every biennium they are underestimating what they're going to spend.

Representative Kempenich: We looked into changing how this works; but it doesn't work. How come they have to ask for it within their budget, don't they just have two line items? Why do they need permission from the emergency section to move within their operating?

Levi Kinnischtzke: They don't need additional approval to move money within a line item. In the 2015-2017 biennium they asked for approval to move money between line items.

Representative Kempenich: I think that they could find \$50,000.00 in their operating.

Levi Kinnischtzke: See amendment 19.0216.03004. Attachment B.

Chairman Vigesaa: Does that have anything to do with the fact that we received that large settlement? We're continuing to get tobacco payments aren't we?

Levi Kinnischtzke: It's my understanding that the \$34 million was the final payment.

Chairman Vigesaa: We're kind of through with that phase of receiving tobacco settlement dollars?

Levi Kinnischtzke: Correct.

Chairman Vigesaa: The remaining funds would be related to health care initiatives going forward?

Levi Kinnischtzke: Yes.

Vice Chairman Brandenburg: Made a motion to move amendment 19.0216.03004.

Representative Beadle: Seconded the motion.

Chairman Vigesaa: Where did that \$34 million go?

Levi Kinnischtzke: That was received in April 2018. It was already deposited into the tobacco settlement trust fund.

Vice Chairman Brandenburg: How much is in that tobacco settlement trust fund?

Levi Kinnischtzke: Revenues collected as of December 2018 was \$53.1 million. I believe that includes the \$34 million that we just discussed. The total estimated available revenue for the 2017-2019 biennium is about \$71.2 million; of that all of it's been allocated to the funds

we've already discussed. There's \$36 million of projected tobacco settlement revenues for the 2019-2021 biennium which would then be allocated per this amendment.

Vice Chairman Brandenburg: There's \$53 million in there?

Levi Kinnischtzke: That's some of the revenues that were received in the 2017-2019 biennium.

Representative Kempenich: The original estimate was \$58.59 million; \$36 million is the revised amount. In 2021-2023 they're showing \$52.5 million for each of the next two biennium.

Representative Mock: Has the formula been in place since the beginning of the settlement?

Levi Kinnischtzke: I think it has.

Representative Mock: How much does the common schools trust fund and the water development trust fund receive each biennium through that specific payment?

Levi Kinnischtzke: It does vary depending on the revenue coming in to the tobacco settlement trust fund. The estimated amounts based off of the \$36 million estimated revenue for 2019-2021 would be \$3.6 million to community health and common schools trust fund would be \$16.3 million and the water development would be \$16.2 million. Under the 2017-2019 allocation there was zero percent to common schools, 55% to community health and water development was at 45%. The estimate as of February 2019 for total 2017-2019 biennium was about \$39 million to community health and \$32 million to water development.

Voice Vote made.

Motion Carried.

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: The funding from gaming taxes for the technology system, was that tied in somehow with those electronic pull tabs? Is that something we can potentially remove now?

Attachment A was handed out but not discussed.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee – Government Operations Division Medora Room, State Capitol

SB2003
4/4/2019
Recording Job# 34531

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Sheri Lewis

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

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Chairman Vigesaa: Opened the discussion on SB2003.

Representative Kempenich: Made a motion to reconsider their actions.

Vice Chairman Brandenburg: Seconded the motion.

Voice Vote made.

Motion Carried.

Chairman Vigesaa: Discussed the green sheet.

Levi Kininischtzke, Fiscal Analyst, ND Legislative Council: Discussed the changes that have already been adopted.

Chairman Vigesaa continued with the green sheet.

Levi Kinnischtzke continued with his explanation.

Chairman Vigesaa: There's \$2.3 million in other funds.

Levi Kinnischtzke: That number as a result of several different FTE changes that the agency made; that was included in the executive budget and by the Senate as well, is one portion of some FTE's that were reduced, some were added and some with funding source changes. You can take that number and net it with a lot of the base payroll changes; which are in total a negative \$1.7 million.

Chairman Vigesaa: It's basically adjusting funding sources?

Levi Kinnischtzke: Primarily.

Chairman Vigesaa: The six FTE's that were removed by the governor's recommendation; there were two that were restored by Senate and are part of special funds. That's part of the increase?

Levi Kinnischtzke: That's correct.

Chairman Vigesaa continued with the green sheet.

Chairman Vigesaa: They currently don't have a fire marshal? Is there a deputy fire marshal?

Levi Kinnischtzke: My understanding is no. The FTE authorization is there but they don't have the funding for it.

Vice Chairman Brandenburg: Why do they have it? Shouldn't the fire marshal be in the insurance department?

Chairman Vigesaa: There's a division within the attorney general's office for a fire marshal.

Representative Bellew: For the vacant FTE's they have two deputy fire marshals that are vacant; one is for four months and the other one has been vacant for 25 months.

Levi Kinnischtzke: The one that's been vacant for 25 months is the one we're discussing right now.

Vice Chairman Brandenburg: Made a motion to remove \$169,924.00 for funding for the deputy fire marshal.

Representative Howe: Seconded the motion.

Representative Howe: Removed his second.

Vice Chairman Brandenburg: Removed his motion.

Representative Bellew: Made a motion to remove the deputy fire marshal position and associated funding.

Representative Howe: Seconded the motion.

Voice Vote made.

Motion Carried.

Representative Bellew: Number 13 on the green sheet concerns me. Can you explain that?

Levi Kinnischtzke: It amends code to increase the quarterly transfers from lottery operating fund.

Representative Bellew: Why does it reduce general fund revenue?

Levi Kinnischtzke: It increases the quarterly transfer to the multi-jurisdictional drug task force grant. If that doesn't increase that amount that's deposited, the amounts that go through the lottery would end up being deposited in the general fund. By increasing this transfer, it diverts it from the general fund into the multi-jurisdictional drug task force fund.

Representative Bellew: It would be acceptable to me if we have some sort of reporting.

Chairman Vigesaa: They're increasing the quarterly transfer by \$95,000.00.

Chairman Vigesaa continued with the green sheet.

Representative Bellew: The forensic nurse examiners grant program.

Chairman Vigesaa: Last time they received \$150,000.00 and this time the governor did not put it in his budget. They asked for an increase because the program has been effective and they're out of money now; that's why the \$250,000.00.

Representative Bellew: Is the \$250,000.00 necessary? Would \$200,000.00 do? I'd like to have a report on effectiveness of this. Are we convicting people because of this?

Vice Chairman Brandenburg: They came in and gave a report to the committee and they're doing good work.

Chairman Vigesaa: I don't want us to look like we're going to be inexpensive on human trafficking and sexual misconduct.

Levi Kinnischtzke: Section 11 that relates to this funding does require that the attorney general provides a report to the appropriation committee next session. There's also similar language on the human trafficking grants section.

Levi Kinnischtzke: Continued with his explanation of the changes.

Chairman Vigesaa: On section 8 of the Senate bill, that should have been other fund?

Levi Kinnischtzke: You're correct. That will be a change as well.

Representative Howe: Made a motion to adopt the changes.

Representative Beadle: Seconded the motion.

Voice Vote made.

Motion Carried.

Representative Beadle: Made a motion for a “Do Pass as Amended”.

Representative Kempenich: Seconded the motion.

Roll Call taken: 6 Yeas 0 Nays 1 Absent

Motion Carried.

Chairman Vigesaa: Closed the discussion.

2019 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

SB 2003
4/8/2019
34615

- ☐ Subcommittee
☐ Conference Committee

Committee Clerk: Risa Bergquist by Donna Whetham
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Explanation or reason for introduction of bill/resolution:

Relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund and the salary of the attorney general; to provide an exemption; and to provide for a report.

Minutes:

Chairman Delzer: Opened the hearing on SB 2003. We have the amendment 19.0216.03002.

Representative Kempenich: I will move to amend SB 2003 with 19.0216.03002.

Representative Vigesaa: Seconded.

Chairman Delzer: Any discussion?

Representative Kempenich: This is the bill for attorney general's budget, there is 12 divisions their office. This budget is pretty simple this time around. What we changed on Page 3 is the salary adjustment and then there was a new initiative and what we decided to do is fund 4 FTE's in that. One attorney, two investigators and one auditor we reduced that. The Senate had put 7 in there. Then there was a transfer in emergency services that was put into the attorney general's budget and then we removed a Deputy fire marshal so there is a net of 5 FTE's. We reduced the human trafficking from \$1.62 million to \$1 million. This is a decrease from what the Senate had in there. We felt there was enough information and activity in this area so we increased it. That's just a decrease from what the senate has in there. The undercover vehicles we figured they could buy 12 of them for \$100,000 a piece instead of \$200,000 apiece. We cut it in half.

Chairman Delzer: Should we worry about where they are buying them at?

Representative Kempenich: We had a long discussion about the different makes and models. They are new vehicles. We reduced \$250 thousand from other sources, tobacco money and stuff from the past session. This budget was held down to about a 1% increase.

Chairman Delzer: What is the increase estimated income?

Representative Kempenich: It is the two social security, most of it is federal funds. Where they have the refund to the fund which has a balance about \$6.2 million for this current biennium it is estimated a balance \$610,000 for the 19-21. The rest of it is the fraud unit is mostly federal funds and the social security fraud investigators. They have the gaming division and some initiatives in there. A lot of it is federal funds that have just moved around.

Chairman Delzer: In the first half, I don't know what the Senate did with it but there was a \$400,000 fiscal note for new gaming and is that in this budget?

Representative Kempenich: Yes. I don't know where that bill is at it might be in conference.

Chairman Delzer: That bill I think is in conference. If this goes to conference you will need to keep an eye on that because I think that may have come out of that bill. I see you have a section 12.

Representative Kempenich: It is about their prosecution witness fees. They have to send expert witnesses to different courts around the state. We have a deficiency appropriation so the intent is to have that funded out of here.

Chairman Delzer: Not only did we have a deficiency appropriation we also had one or two requests from the emergency commission for contingency money. They always leave this one low and come later that they have to do this. It should be in the budget. Brady will you look up HB 1533.

Brady Larson, Legislative Council: The senate changed it to only a study so it took all the money out of it. That is going to conference committee right now.

Chairman Delzer: You will have to watch for that Rep. Kempenich.

Representative Vigesaa: And this is because of the new electronic pull tab gaming. They just didn't have the technology and they have lost some people in their department. So they are going to develop some new software program to work with that electronic gaming.

Chairman Delzer: There is no funding source for this now other than out of the lottery. HB 1533 is the one that was supposed to fund this and that is not going forward.

Representative Brandenburg: Going back to where states attorneys that is requiring these people to come and so much time is tied up in travel time. There is a problem where they are tying up these people in court and in this day they should be able to face time or do it electronically somehow to avoid the travel costs.

Representative Kempenich: There was a forensic nurse examiner grant and it was another area that had \$150,000 this biennium. The money was used up and was showing increases so we increased that a little too.

Chairman Delzer: We also had a bill that dealt with that also?

Representative Kempenich: I don't think there was any money in that. A lot of these were funded through the attorney's general budget.

Chairman Delzer: Any questions?

Representative Meier: I have some concern over the human trafficking, we increased it because we wanted to do some prevention work this session and I don't understand why we reduced it so much.

Representative Kempenich: We increased by \$875,000 from what it was from this biennium. It's just a reduction from the senate side. We left it higher because there was compelling testimony and we can see where we are at with \$1million in there.

Chairman Delzer: It is still a big increase just not as big as the senate had in. The real question is the activity as high as it was back in 2014-2015 when we first dealing with this. There are a lot less people in the oil patch now. The \$1 million might well be enough.

Representative Vigesaa: In the executive recommendation he removed the \$125,000 that was in the attorney generals budget last time and there was also \$700,000 in the land department last time. I believe they had a total of \$825,000 last biennium so it is an increase with it now being \$1 million. In the attorney generals budget last time it was \$125,000 and it is a \$1 million now.

Representative Sanford: I noticed the Intellectual property attorney position in there and how many other higher education positions would there be?

Representative Kempenich: Some of them weren't filled in the Higher Ed there are attorney positions but what is filled I am not sure. There were 4 of them that came over and 3 that were gone.

Chairman Delzer: We will need to go through the bill. Any further discussion? Seeing none. We will take a voice vote on the motion to amend SB 2003 with 19.0216.03002.

Voice vote: Motion carries.

Chairman Delzer: As we go through the one-time costs of the bill I see there is \$400,000 for criminal history improvement project. What is that?

Representative Kempenich: One-time funding basically for this time is Criminal history improvement project and the capital assets, vehicles and explained the bill under section 2 one-time funding.

Representative Vigesaa: The capital assets are a lot of smaller items, there is some equipment that is over \$5000 and some under.

Chairman Delzer: You didn't make any adjustments from the senate on this?

Representative Vigesaa: No. There's three pages of smaller pieces of equipment they needed.

Chairman Delzer: It looks like you did double the undercover vehicles on this?

Representative Vigesaa: No we cut it in half and \$316,000 for the finger identification system replacement project.

Chairman Delzer: You still have the \$400,000 in there for the charitable gaming but we don't know where that money is going to come from.

Representative Vigesaa: In my recollection that \$400 thousand is going to come from gaming taxes.

Chairman Delzer: I don't think there is any language that does that if HB 1533 was turned into a study.

Levi Kinnischtzke, Legislative Council: Section 11 of that engrossed SB 2003 that does identify \$400 thousand from the charitable gaming taxes.

Chairman Delzer: **So that would decrease our charitable gaming by \$400,000 even if there wasn't anything to increase the amount of taxes that come to us.**

Levi Kinnischtzke: It would be a decrease in the dollar amount of the gaming taxes that would be deposited in the general fund. That section would allow the attorney general to retain \$400,000 in their operating fund.

Chairman Delzer: Is there any further amendments to SB 2003?

Representative J. Nelson: Was there any discussion regarding some of the Bureau of Criminal Investigation (BCI) agents across the state?

Representative Kempenich: We talked a little about where the cuts had come from in the past but we didn't have a good discussion on increasing BCI agents.

Chairman Delzer: They had been cut to some degree with the short fall two years ago.

Representative J. Nelson: How many agents do we have across the state?

Chairman Delzer: Levi or Becky do you know that?

Levi Kinnischtzke: The executive recommendation for 19-21 was 92.25 FTE's for the BCI for their entire department.

Chairman Delzer: That would be the lab and everything.

Representative Beadle: In OMB's detailed report says there are 51 sworn law enforcement officers.

Chairman Delzer: Any other discussion?

Representative Kempenich: I make a motion for a Do Pass as Amended on SB 2003.

Representative Howe: Seconded.

Chairman Delzer: Any further discussion? Seeing none.

A Roll Call vote was taken: Yea: 20 Nay: 0 Absent: 1.

Representative Kempenich: Will carry the bill.

Chairman Delzer: Hearing closed.

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

Page 1, line 2, replace the second "and" with a comma

Page 1, line 2, after "54-12-11" insert ", and 54-27-25"

Page 1, line 4, replace the first "and" with a comma

Page 1, line 4, after "general" insert ", and tobacco settlement fund allocations"

Page 4, after line 13, insert:

"SECTION 6. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses. (Effective through June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal fifty-five percent of total annual transfers from the tobacco settlement trust fund. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.

3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

Tobacco settlement trust fund - Interest on fund - Uses. (Effective after June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. ~~Transfers~~Moneys in the fund must be transferred within thirty days of receipt by the state to a community health trust fund to be administered by the state department of health. The state department of health may use funds asMoneys in the fund may be appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund.
 - b. ~~Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.~~
 - c. ~~Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.~~
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.
3. ~~Transfers to the funds under this section must be made within thirty days of receipt by the state."~~

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section amending Section 54-27-25 to allocate money in the tobacco settlement trust fund only to the community health trust fund rather than the community health trust fund, the common schools trust fund, and the water development trust fund.

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PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent related to prosecution witness fees;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$3,422,237	\$44,601,280
Operating expenses	15,977,281	325,321	16,302,602
Capital assets	2,742,372	331,204	3,073,576
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	626,733	4,013,378
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	875,000	1,000,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$7,759,428	\$83,102,588
Less estimated income	30,647,320	7,150,803	37,798,123
Total general fund	\$44,695,840	\$608,625	\$45,304,465
Full-time equivalent positions	237.00	5.00	242.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	150,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,117,956
Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$150,000"

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

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Page 4, line 12, replace the first "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, remove lines 14 through 20

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,000,000"

Page 6, after line 9, insert:

"SECTION 12. PROSECUTION WITNESS FEES - LEGISLATIVE INTENT - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The operating expenses line item in section 1 of this Act includes \$150,000 from the general fund for prosecution witness fees. It is the intent of the sixty-sixth legislative assembly that if the funding provided for prosecution witness fees is insufficient, the attorney general reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$41,179,043	\$45,354,323	(\$753,043)	\$44,601,280
Operating expenses	15,977,281	16,453,262	(150,660)	16,302,602
Capital assets	2,742,372	3,272,336	(198,760)	3,073,576
Grants	2,440,000	4,418,440		4,418,440
Litigation fees	150,000	150,000		150,000
Intellectual property attorney	426,924	444,761	(2,676)	442,085
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454
Arrest and return of fugitives	10,000	10,000		10,000
Gaming commission	7,490	7,489		7,489
Criminal justice information sharing	3,386,645	3,631,014	382,364	4,013,378
Law enforcement	2,901,608	2,979,744	2,540	2,982,284
Human trafficking victims grants	125,000	1,625,000	(625,000)	1,000,000
Additional expenses		250,000	(250,000)	
Forensic nurse examiners grants		250,000		250,000
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00

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Department 125 - Attorney General - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Removes 1 FTE Deputy Fire Marshal Position ⁴	Reduces Funding for the Human Trafficking Victims Grant Program ⁵	Reduces One- Time Funding for Undercover Vehicles ⁶
Salaries and wages	(\$12,015)	(\$571,104)		(\$169,924)		
Operating expenses		(150,660)				
Capital assets		(48,760)				(\$150,000)
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	421		\$381,943			
Law enforcement	2,540					
Human trafficking victims grants					(\$625,000)	
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$9,226)	(\$770,524)	\$381,943	(\$169,924)	(\$625,000)	(\$150,000)
Less estimated income	(26,393)	(693,471)	111,766	(169,924)	0	0
General fund	\$17,167	(\$77,053)	\$270,177	\$0	(\$625,000)	(\$150,000)
FTE	0.00	(3.00)	2.00	(1.00)	0.00	0.00

	Removes One- Time Funding for Additional Income from Other Sources ⁷	Total House Changes
Salaries and wages		(\$753,043)
Operating expenses		(150,660)
Capital assets		(198,760)
Grants		
Litigation fees		
Intellectual property attorney		(2,676)
Medical examinations		
North Dakota lottery		2,504
Arrest and return of fugitives		
Gaming commission		
Criminal justice information sharing		382,364
Law enforcement		2,540
Human trafficking victims grants		(625,000)
Additional expenses	(\$250,000)	(250,000)
Forensic nurse examiners grants		
Total all funds	(\$250,000)	(\$1,592,731)
Less estimated income	(250,000)	(1,028,022)
General fund	\$0	(\$564,709)
FTE	0.00	(2.00)

¹ Funding of \$8,622 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,415,465, of which \$1,052,155 is from the general fund and \$363,310 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

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This amendment also reduces funding of \$17,848, of which \$1,338 is from the general fund and \$16,510 is from other funds, for health insurance premiums related to the House removing 3 FTE Medicaid Fraud Control Unit positions and 1 FTE Deputy Fire Marshal position previously authorized by the Senate.

² Funding of \$770,524, of which \$77,053 is from the general fund and \$693,471 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,046,802 for the program, of which \$104,680 is from the general fund and \$942,122 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The reduction includes the removal of 3 FTE positions, including 1 attorney, 1 auditor, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions.

⁴ Funding of \$169,924 from the Attorney General's operating fund is removed for 1 FTE Deputy Fire Marshal position. The Senate authorized funding of \$169,924 for the position. The position was unfunded during the 2017-19 biennium.

⁵ Funding of \$625,000 from the general fund is reduced for the human trafficking victims grant program, to provide a total of \$1 million from the general fund for the program. The Senate approved a total of \$1,625,000 from the general fund for the program.

⁶ One-time funding from the general fund is reduced by \$150,000 for the replacement of Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$150,000 from the general fund. The Senate approved total one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles.

⁷ One-time funding of \$250,000 included in the Senate version is removed by the House for additional federal or other funds received during the 2019-21 biennium. This amount was appropriated by the Senate in a separate section of the bill. This amendment removes that section.

This amendment also:

- Amends a section related to the Attorney General's salary for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program to provide a total appropriation of \$1 million from the general fund for the program compared to the Senate version of \$1,625,000 for the program.
- Adds a section identifying \$150,000 in the operating expenses line item for prosecution witness fees, which includes a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and to decrease other operating expenses by \$55,000. The section provides legislative intent that if the funding provided for prosecution witness fees is insufficient, the Attorney General further reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the 2019-21 biennium. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the use of this funding.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2003**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: 19.0216.03004

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Vice Chairman Brandenburg Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Motion Carried

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2003**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar

Other Actions: ☒ Reconsider ☐ _____

Motion Made By Representative Kempenich Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Motion Carried

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2003**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Bellew Seconded By Representative Howe

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigasaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Motion to remove deputy fire marshal and associated funding.
Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2003**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Howe Seconded By Representative Beadle

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa			Representative Mock		
Vice Chairman Brandenburg					
Representative Beadle					
Representative Bellew					
Representative Howe					
Representative Kempenich					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Motion to adopt all the changes.
Motion Carried.

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB2003**

House Appropriations - Government Operations Division Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Beadle Seconded By Representative Kempenich

Representatives	Yes	No	Representatives	Yes	No
Chairman Vigesaa	X		Representative Mock		
Vice Chairman Brandenburg	X				
Representative Beadle	X				
Representative Bellew	X				
Representative Howe	X				
Representative Kempenich	X				

Total (Yes) 6 No 0

Absent 1

Floor Assignment Representative Kempenich

If the vote is on an amendment, briefly indicate intent:
Motion Carried.

Date: 4/8/2019
Roll Call Vote #: 1

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2003**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: 19.0216.03002

Recommendation: ☒ Adopt Amendment
☐ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☐ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Kempenich Seconded By Representative Vigesaa

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer					
Representative Kempenich					
Representative Anderson			Representative Schobinger		
Representative Beadle			Representative Vigesaa		
Representative Bellew					
Representative Brandenburg					
Representative Howe			Representative Boe		
Representative Kreidt			Representative Holman		
Representative Martinson			Representative Mock		
Representative Meier					
Representative Monson					
Representative Nathe					
Representative J. Nelson					
Representative Sanford					
Representative Schatz					
Representative Schmidt					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

Voice Vote/Motion Carries

Date: 4/8/2019
Roll Call Vote #: 2

**2019 HOUSE STANDING COMMITTEE
ROLL CALL VOTES
BILL/RESOLUTION NO. SB 2003**

House Appropriations Committee

☐ Subcommittee

Amendment LC# or Description: _____

Recommendation: ☐ Adopt Amendment
☒ Do Pass ☐ Do Not Pass ☐ Without Committee Recommendation
☒ As Amended ☐ Rerefer to Appropriations
☐ Place on Consent Calendar
Other Actions: ☐ Reconsider ☐ _____

Motion Made By Representative Kempenich Seconded By Representative Howe

Representatives	Yes	No	Representatives	Yes	No
Chairman Delzer	X				
Representative Kempenich	X				
Representative Anderson	X		Representative Schobinger	X	
Representative Beadle	X		Representative Vigesaa	X	
Representative Bellew	X				
Representative Brandenburg	X				
Representative Howe	X		Representative Boe	X	
Representative Kreidt	X		Representative Holman	X	
Representative Martinson	X		Representative Mock	A	
Representative Meier	X				
Representative Monson	X				
Representative Nathe	X				
Representative J. Nelson	X				
Representative Sanford	X				
Representative Schatz	X				
Representative Schmidt	X				

Total (Yes) 20 No 0

Absent 1

Floor Assignment Representative Kempenich

Motion Carries

REPORT OF STANDING COMMITTEE

SB 2003, as reengrossed: Appropriations Committee (Rep. Delzer, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).
Reengrossed SB 2003 was placed on the Sixth order on the calendar.

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent related to prosecution witness fees;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$3,422,237	\$44,601,280
Operating expenses	15,977,281	325,321	16,302,602
Capital assets	2,742,372	331,204	3,073,576
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	626,733	4,013,378
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	875,000	1,000,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$7,759,428	\$83,102,588
Less estimated income	30,647,320	7,150,803	37,798,123
Total general fund	\$44,695,840	\$608,625	\$45,304,465
Full-time equivalent positions	237.00	5.00	242.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	150,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,117,956
Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$150,000"

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

Page 4, line 12, replace the first "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, remove lines 14 through 20

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,000,000"

Page 6, after line 9, insert:

"SECTION 12. PROSECUTION WITNESS FEES - LEGISLATIVE INTENT - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The operating expenses line item in section 1 of this Act includes \$150,000 from the general fund for prosecution witness fees. It is the intent of the sixty-sixth legislative assembly that if the funding provided for prosecution witness fees is insufficient, the attorney general reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$41,179,043	\$45,354,323	(\$753,043)	\$44,601,280
Operating expenses	15,977,281	16,453,262	(150,660)	16,302,602
Capital assets	2,742,372	3,272,336	(198,760)	3,073,576
Grants	2,440,000	4,418,440		4,418,440
Litigation fees	150,000	150,000		150,000
Intellectual property attorney	426,924	444,761	(2,676)	442,085
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454
Arrest and return of fugitives	10,000	10,000		10,000
Gaming commission	7,490	7,489		7,489
Criminal justice information sharing	3,386,645	3,631,014	382,364	4,013,378
Law enforcement	2,901,608	2,979,744	2,540	2,982,284
Human trafficking victims grants	125,000	1,625,000	(625,000)	1,000,000
Additional expenses		250,000	(250,000)	
Forensic nurse examiners grants		250,000		250,000
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00

Department 125 - Attorney General - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Removes 1 FTE Deputy Fire Marshal Position ⁴	Reduces Funding for the Human Trafficking Victims Grant Program ⁵	Reduces One- Time Funding for Undercover Vehicles ⁶
Salaries and wages	(\$12,015)	(\$571,104)		(\$169,924)		
Operating expenses		(150,660)				
Capital assets		(48,760)				(\$150,000)
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	421		\$381,943			
Law enforcement	2,540					
Human trafficking victims grants					(\$625,000)	
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$9,226)	(\$770,524)	\$381,943	(\$169,924)	(\$625,000)	(\$150,000)
Less estimated income	(26,393)	(693,471)	111,766	(169,924)	0	0
General fund	\$17,167	(\$77,053)	\$270,177	\$0	(\$625,000)	(\$150,000)
FTE	0.00	(3.00)	2.00	(1.00)	0.00	0.00

	Removes One-Time Funding for Additional Income from Other Sources ⁷	Total House Changes
Salaries and wages		(\$753,043)
Operating expenses		(150,660)
Capital assets		(198,760)
Grants		
Litigation fees		
Intellectual property attorney		(2,676)
Medical examinations		
North Dakota lottery		2,504
Arrest and return of fugitives		
Gaming commission		
Criminal justice information sharing		382,364
Law enforcement		2,540
Human trafficking victims grants		(625,000)
Additional expenses	(\$250,000)	(250,000)
Forensic nurse examiners grants		
Total all funds	(\$250,000)	(\$1,592,731)
Less estimated income	(250,000)	(1,028,022)
General fund	\$0	(\$564,709)
FTE	0.00	(2.00)

¹ Funding of \$8,622 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,415,465, of which \$1,052,155 is from the general fund and \$363,310 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding of \$17,848, of which \$1,338 is from the general fund and \$16,510 is from other funds, for health insurance premiums related to the House removing 3 FTE Medicaid Fraud Control Unit positions and 1 FTE Deputy Fire Marshal position previously authorized by the Senate.

² Funding of \$770,524, of which \$77,053 is from the general fund and \$693,471 is from

federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,046,802 for the program, of which \$104,680 is from the general fund and \$942,122 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The reduction includes the removal of 3 FTE positions, including 1 attorney, 1 auditor, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions.

⁴ Funding of \$169,924 from the Attorney General's operating fund is removed for 1 FTE Deputy Fire Marshal position. The Senate authorized funding of \$169,924 for the position. The position was unfunded during the 2017-19 biennium.

⁵ Funding of \$625,000 from the general fund is reduced for the human trafficking victims grant program, to provide a total of \$1 million from the general fund for the program. The Senate approved a total of \$1,625,000 from the general fund for the program.

⁶ One-time funding from the general fund is reduced by \$150,000 for the replacement of Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$150,000 from the general fund. The Senate approved total one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles.

⁷ One-time funding of \$250,000 included in the Senate version is removed by the House for additional federal or other funds received during the 2019-21 biennium. This amount was appropriated by the Senate in a separate section of the bill. This amendment removes that section.

This amendment also:

- Amends a section related to the Attorney General's salary for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program to provide a total appropriation of \$1 million from the general fund for the program compared to the Senate version of \$1,625,000 for the program.
- Adds a section identifying \$150,000 in the operating expenses line item for prosecution witness fees, which includes a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and to decrease other operating expenses by \$55,000. The section provides legislative intent that if the funding provided for prosecution witness fees is insufficient, the Attorney General further reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the 2019-21 biennium. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the use of this funding.

2019 CONFERENCE COMMITTEE

SB 2003

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
4/17/2019
Job # 34824

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Rose Laning / Justin Velez

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

Testimony # 1 - 2

Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Conferees:

Senator Sorvaag, Senator Bekkedahl, Senator Grabinger
Representative Kempenich, Representative Howe, Representative Mock

Levi Kinnischtzke handed out;
Base Level Funding Changes - **Attached # 1.**
Statement of Purpose of Amendment - **Attached # 2.**

Senator Wanzek: This bill changed a little bit after it left the Senate so if someone from the House would just walk through the changes that were made by the House committee action.

Representative Kempenich: (00:59-03:49) Speaking off **Attachment # 2.** Basically, the human trafficking is down, the fire marshal, and three positions in the Medicaid fraud unit is what we basically changed.

Senator Sorvaag: Why did you make the changes? We will start with the Medicaid fraud unit; we went with seven on a recommendation so I would like to hear the rationale behind cutting three out.

Representative Kempenich: We got information on South Dakota and what their experience has been. It came down to where four was the minimum so that is basically what we thought we would start with and see what kind of activity is out there. That is what I think was the rationale behind the Medicaid fraud unit. The majority of it is federal funds. We have rejected it in the past for more but it looks like we are going to have to move forward on this so we thought we would start with the minimum number and see where this winds up. That was the rationale behind it.

Senator Bekkedahl: I think part of our discussion on the Senate side was; are we still the only state in the nation that has a waiver by not having a Medicaid fraud unit and, that has been going on for several biennia's. The other point that we took into consideration on the Senate was; 90% of these salaries are paid through federal grants. So it is a ten percent cost to the state.

Representative Howe: The four was the minimum that we were told that it would take to get it up and going in regards to the waiver. We heard that waiver will not exist in the biennium and that is why we have to have this in here. Four FTE's for this is what we heard was the minimum to get this off the ground and the House took a pretty strong position of; let's get this up and running at the minimum and see what we need to add if need be in the next biennium.

Senator Sorvaag: We've had this discussion for several sessions, is it needed. I think there is more of a consensus that it is needed. I don't remember what we had, 5 or 6 we put in last time but it really became irrelevant because the whole bill died. We will have more discussions on that. The other let's go to is the emergency services which is just a transfer of positions but removing the deputy marshal position. That position was unfunded last biennium but it has been there. I guess, we felt it should be funded but even if we are not funding it, my understanding of what you have done is you want to remove the position from existing. Is that correct?

Representative Kempenich: That is what the amendment does, yes.

Senator Sorvaag: Why?

Representative Kempenich: It's been open for over three years now, but you have to wonder about administrative positions. We go through these vacant FTE positions regularly and if its open for more than a biennium you really start questioning the validity of having it. Granted it was \$185,000 on the vacant FTE count is what that was and it is funded out of the Fire and Tornado fund. We funded it at \$745,000 so, that's where it comes out of. That was the rationale behind it.

Senator Sorvaag: Human trafficking reduction. I think it was pretty obvious what we did that there was that and the nurses. They were separate bills which we amended into the budget in that case. You did nothing with the nursing part of it but you did a substantial cut on the amount for the human trafficking grant program. What was the justification for that cut?

Representative Kempenich: I guess; it was an increase over this current biennium. A little bit of reduction, doing some history and getting educated on that but we started it out at 1.25 here two biennia's ago. This last session it was basically \$800,000 or something. What we funded, general fund, and then added it so it would equal a million bucks and basically that is where we ended up at.

Senator Sorvaag: We did cut a lot of things substantially because of the different money situation last session.

Representative Kempenich: It was an increase from what we did but it was less than what the Senate put over here.

Senator Sorvaag: And the undercover vehicles, if I remember right, we didn't fund any undercover vehicles last biennium. We requested \$300,000 which is think are 12 vehicles and you reduced to 6. What was the reason behind cutting that amount?

Representative Kempenich: It was coming out of onetime funding. We're still 50 million apart on SIIF. The session before we funded some undercover vehicles. No real science behind that conversation.

Senator Sorvaag: With the \$250 of federal funds?

(12:18) Kathy Roll, Financial Administrator for the Office of Attorney General: Last session, a section was added to allow us to receive up to \$250,000 of federal or other funds. There was a requirement to report to Legislative Council and maybe OMB if we did receive those monies. That section was just continued and that is why. You had it in a Senate version and it was taken out in the House version. It is just a continuation.

Senator Sorvaag: Is there a reason the House objected to that or removed that? Well, we can discuss that later.

Representative Kempenich: I think that other issue that probably changed was the Legislative intent on section 12 which was the prosecution witness fee. There was a deficiency appropriation this current biennium and so, we put in some intent language. This was to manage within their budget but that was probably another conversation that we had.

Senator Bekkedahl: What you have done there then is removed the ability for the agency to seek a deficiency appropriation, is that what I see? You have reduced it and also removed the ability to ask for the deficiency because, I think either this current biennium or last biennium, they had about \$230,000-\$240,000 in that expenditure.

Representative Kempenich: I don't think that we reduced anything in the budget. We were just kind of intending that the office doesn't go for the deficiency appropriation.

Senator Bekkedahl: So, they are prohibited from going to a deficiency appropriation because I understand that those monies go back to the local entities as a re-imbursement for witness fees correct?

Representative Kempenich: What we have been told in the past is that the local states attorney within the county jurisdiction that they call the crime lab or somebody and that is their witness. The states attorney is basically the one or the prosecution is the one that are calling those expert witnesses. Somebody has got to either pay for it or eat it. I know in the past we have had this conversation with this expert witness because a lot of times it has been indicated that they can sit for two or three days without ever testifying. I guess, that is where you kind of start trying to figure out how to make this work. We didn't cut anything in the budget but there has been, the last two deficiencies, that there has been a request for these fees.

Senator Sorvaag: Do you remember the amount?

Representative Kempenich: I think it was \$150,000. I think that is where we were coming up with that number.

Kathy Roll: We have sought either a deficiency appropriation or an emergency commission action since about 2007-2009. The way this started was; there was a big case in a small county and they couldn't afford to pay for the prosecution witness fees and expenses so, in 1981, it was decided that the state would take part of that over and that was through the courts. In the 1989 session it was transferred to this office and we received a \$50,000 appropriation which, has never been enough. I think the chief justice at that time said that it wasn't right for them to do it because they could basically limit what they request. We have no control over what they request, unless it is not appropriately reimbursed we need to reimburse. Those monies are just pass through's from us to the counties.

Senator Sorvaag: Do you know how much has passed through per year or per biennium?

Kathy Roll: The last three biennia's averaged about \$230,000.

Senator Sorvaag: So, you would have a shortfall of \$150,000?

Kathy Roll: We would have a shortfall at \$95,000 because that is all that is in the budget right now.

Senator Sorvaag: Are there any more comments by the committee at this time?

Representative Kempenich: This isn't the first that we are aware of this. We should either appropriate or do something, instead of a deficiency appropriation, I guess that was the conversation.

Senator Sorvaag: Any questions?

Senator Sorvaag adjourns the conference committee on SB 2003.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
4/22/2019
Job # 34880

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Rose Laning /Pam Dever

Explanation or reason for introduction of bill/resolution:

A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general.

Minutes:

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Legislative Council: Levi Kinnischtzke
OMB: Becky Deichert

Conferees:

Senator Sorvaag, Senator Bekkedahl, Senator Grabinger
Representative Kempenich, Representative Howe, Representative Mock

Senator Sorvaag: Please take attendance. Last time went through the changes the House had made to the Senate version of the bill. We will walk through the changes and see where the Senate stands. The first one is the fire marshal. That position, the FTE, has been there awhile but not funded. The House removed the funding but removed the FTE position. The Senate wants to keep that position in there. We'd like to keep the fire marshal allowed and funded.

Representative Kempenich: \$185,000 for that FTE position, but it was not general funds. Is that right?

Senator Sorvaag: It is out of general funds.

Kathy Roll, Chief Financial Officer, Office of the Attorney General: Special funds. Levi Kinnischtzke confirmed.

Senator Sorvaag: Next item is the Medicaid fraud unit. The Senate came through with 7 and the House removed it to four. There was talk of specific positions. You removed an attorney, auditor, and administrative assistant. You left two attorneys, two auditors, two investigators, and one administrative assistant. We need to make sure and leave two criminal investigators. We are OK with that. The administrative assistant was left alone but you took an auditor and an attorney. I would like the Attorney General to answer a question on that, if it OK with the committee. Between the auditor and attorney, which would you prefer?

Wayne Stenehjem, North Dakota Attorney General: That is hard to say. We could agree to six. You need a civil and a criminal attorney, and they are not interchangeable. The two auditors and two investigators, and one administrative assistant. If you would approve the funding and the six and let us work out the math and see who there are. There is a caseload waiting to be investigated, so they'll hit the ground running.

Senator Sorvaag: How would you do the salary line if we did that; if we just did 6 and how would you write that?

Levi Kinnischtzke: The conference committee would have to decide on a level of funding and decide how much salary and how much operating money and from there give the AG discretion of choosing, of the amount appropriated, which positions they feel they can hire and fund. It would be authorized 6 undesignated FTE position.

Senator Sorvaag: Do we move to an amount? Before we discuss it any longer, is that something the House would be interested in or would you prefer we define positions?

Representative Howe: I would prefer we define the position. The House wanted a bare minimum of four and then reevaluate going forward. We were told on our hearing that 4 was the minimum needed. If we have six and not define them because we are not sure of what we need. Why not go with four minimum of what we know we need and come back next session and see how things worked out.

Senator Sorvaag: The position of the House is to not give them blank dollars and figure out what employees?

Representative Kempenich: We needed the investigators, that much we knew. We did not get into the detail of what kind of attorneys. Right now we will stick with this.

Senator Sorvaag: We'll only move in specific numbers. We won't spend any more time discussing. Let's discuss undercover vehicles. The Senate had \$300,000 and the House reduced it to \$150,000. That is enough for six vehicles. The Senate's position was 12 new vehicles. We did not fund last biennium. How many did we fund the biennium before?

Kathy Roll, Financial Administrative Office, AG: I believe we funded 12. I think it was about the same dollar amount.

Senator Sorvaag: Has there been any reconsideration on that position at this time?

Rep. Howe: No.

Senator Sorvaag: I am just clarifying back after you presented. Removing the \$250,000 authorization to spend federal funds as they come in. I think the Senate will stand firm on that authority.

Representative Kempenich: We had a discussion asking that. Do they need that authority? I brought up the tobacco fund. I asked Kathy if they needed the authority. We had conversation about federal funding on tobacco settlements. No one can remember talking

about \$250,000. Probably got into a bigger conversation and got mentioned and forgotten at same time.

Kathy Roll: That money was added last session. It is federal or other funds so that allows us when we receive money, we can accept it and spend it rather than going to the emergency commission and potentially the budget section to meet. With small grants, if we can go and spend those instead of going to emergency commission and it easier for us.

Representative Kempenich: We won't fall on our sword on this issue. We can check that one off.

Senator Sorvaag: We'll agree to that one then. The human trafficking grant is next. It came in at \$1.625 million. The House came back at \$1 million. We can give a little but we will not go down to a million.

Representative Howe: The House would be ok with going up to \$1.4M. That is adding \$400,000.

Senator Grabinger: I'd be ok with that. That's a substantial increase and benefit the efforts.

Senator Sorvaag: I am going it by consensus. If there is not objecting member on either side. Is there consensus that we go back to \$1.4 million? The witness fees before that was open-ended. The AG came in for deficiency appropriation and that is pass through from counties. The House put a cap of \$150,000. The AG would have to eat the rest of it and would not be able to come back the way it was written. This came as a suggestion. I visited with the AG on it. Instead of capping it at couple hundred thousand, but the idea of capping a county \$1000 per county. They go over that, they will have to absorb it. They'd have to put discipline in there. At most the AG would have to take from any county would be \$25,000. It is an idea to think about. AG really has no control over this the way the system is set up now. They county sends through whatever and the AG has to cover it. We want to control it and not leave it open-ended. We'll be more than open.

Representative Kempenich: Do you want to follow this up in writing? This is not something new. 2-3 biennium ago we talked about the cost of expert witnesses and didn't come up with anything new then. We looked back and there's been an increased deficiency in last few biennia's. If we cover some of it and have counties responsible for some of it, that is good. So they aren't sitting open ended.

Senator Bekkedahl: I remember there was a county in the SW that had a double murder case and they had lots of witness fees. Part of the issue, is when you bring those people in, you bring them in with anticipated court dates, and if the case moves slowly, they are held there and you're paying witness fees. If we do that, now you're costing us money in the process. Maybe if we do something in capping the locals, maybe the AG can bring a recommendation with conversation from those outlying areas. If we can do this inhouse, it will be easier than us mandating any kind of study. I don't think we want to spring this on them without letting them know.

Representative Kempenich: This has been an issue for a while. The last few months, is figuring how to do something. When the prosecution calls for an expert witness; the court should be cognizant too. There is time and funds involved. In the more complicated cases, the defense attorney plays games, too. It could be a busy 24 months or they don't use it at all. There hasn't been anything done because it's hard to put a number on it. .

Senator Sorvaag: Set aside a fund, is a good suggestion. I don't want to dictate their money on how to run their court.

Representative Kempenich: That's where the frustration shows up. So maybe set up fund instead of deficiency appropriation.

Senator Bekkedahl: Is the \$25,000 a cap per county per biennium? Or cap per case?

Senator Sorvaag: Just a rough idea. Not a lot of thought yet. That would be part of our discussion.

Representative Kempenich: I like the idea that you cap it out at a number. I don't know how fast we can put that together by the end of the week.

Senator Bekkedahl: Is there ever any funds receded back from witness fees? Do the courts award costs in terms of witness fees?

Wayne Stenehjem: No. They would not award costs for witnesses in a criminal case. If it's a BCI agent, this is our expense. Or if someone from the crime lab has to go testify, we pay that. I do have the list of what counties are billed after the last four years. Bowman county never submits, maybe a hundred dollars a year, but their bill was \$28,000 for the double homicide case. I don't think the \$25,000 cap would impact too many counties.

Senator Sorvaag: What was the top county last biennium?

Wayne Stenehjem: One of the big ones was Bowman County. Ward county is typically high sometimes higher than Cass County which is much bigger.

Senator Sorvaag: What was the total deficiency?

Wayne Stenehjem: \$257,000.

Senator Sorvaag: The only item left is the AG lawsuit money and using it to supplement the salaries of his attorneys. It was \$1.2M received and he requested looking at using that to add additional income to his attorneys. Would the \$1.2 M be for one biennium or do we want to spread it out over three biennia's which would be \$400,000? Don't know what kind of support there is for that. At some point it will be a cost to continue. There isn't always going to be the law suit money. We need top notch lawyer and he is losing them. Any thoughts?

Representative Kempenich: We've been made aware of that. We're willing to work at that in the House and let the AG come up with a plan on how they'd like to see this work. Our

intent to spread this out over a few biennia's. In the past, when we got into things, we let the AG make his office work. We don't want to just put a \$1.2M equity package out there.

Senator Sorvaag: Any items that I've missed? These were the main items. We agreed on human trafficking at \$1.4M and the \$250,000. I'll schedule again.

Levi Kinnischtzke: If everyone has looked at the Statement of Purpose of amendment, the House transferred 2 FTE's from state radio. If the conference committee approves that transfer, there will have to be a technical correction in a movement of the dollars. The money was in CJIS line item. The most appropriate spot would be to move those dollars into the salaries and wages line item in operating line item so then those dollars can be allocated to BCI as opposed to CJIS. No funding change, addition or subtraction, just merely a line item transfer as a technical correction.

Senator Sorvaag: It doesn't change money, just putting it in the budget differently. Levi can go forward with that. We are adjourned.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
4/23/2019
JOB #34954

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Alice Delzer and Alicia Larsgaard
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Explanation or reason for introduction of bill/resolution:

A conference committee hearing for the attorney general.

Minutes:

- | |
|--|
| 1. Prosecution Witness Fees for the 2017-19 biennium,
Prosecution Witness Fees for the 2015-17 biennium,
Prosecution Witness Fees for the 2013-15 biennium.
2. Items for Re-Engrossed SB 2003 |
|--|

SENATORS – Ron Sorvaag, Brad Bekkedahl, John Grabinger
REPRESENTATIVE – Keith Kempenich, Michael Howe, Corey Mock

Levi Kinnischtzke – Legislative Council
Becky Deichert – OMB

Senator Sorvaag: Called the Conference Committee to order on SB 2003 at 3:30 pm in the Harvest Room. Roll call was taken. All committee members were present.

Senator Sorvaag: I am going to walk through some of the items we have discussed and what we agreed to for a quick review. We will then go to the items we had not agreed to. We agreed that we would do \$1.4M for human trafficking. We agreed to the \$250,000 authority of federal funds. Are there any different feelings? The Senate would like to keep the fire marshal involved in that position that was in our bill. Is there any change in the feeling by the House?

Representative Kemenich: It is other funds. Yeah, we'll go along with that.

Senator Sorvaag: So, that is a yes on that. We are doing everything by consensus so there is a yes on that. Undercover vehicles; the Senate had \$300,000 request of the Attorney General. The House came back at \$150,000. It is approximately \$25,000 per vehicle that is good for 6 vehicles. I am going to throw a number out and I would look for conversation from both sides. Could there be an agreement for \$200,000? It is not half ways but that gives 8 undercover vehicles to the Attorney General. Would there be any interest or discussion on that from the committee.

Representative Howe: The House would go along with that.

Senator Sorvaag: We will go with that as a yes. Let's go to the county witness fees. I handed out that sheet. This was done by the Attorney General's office. See **Attachment #1. Prosecution Witness Fees**, which is a list of the counties in ND and the entity totals. These are not meant to be amendments. They are just addressing some of the ideas we talked about. We talked about your bill that was to cap it at \$150,000. They could not to the deficiency. We talked of capping it at 200,000, 250,000, 25,000. The suggestion with that is the second paragraph of **Attachment # 2. Items for Re-Engrossed SB 2003** which I passed out to the committee. That would be that we cap \$20,000 per county and then we would put no other dollar amounts. Any amounts they'd have to go through the deficiency like they always have with the Attorney General. We would cap the amount by the county. I am looking for discussion on that. These are just ideas.

Representative Kempenich: This isn't the first run at this over the last few years. I think this is a good start. It gives the counties a little bit of a heads up that this isn't free. I think this would start down that path. We are still going to wind up picking up but when you look at this list, it isn't going to be a big dollar amount. That is the problem. It varies from year to year. You had \$100,000 more in the previous biennium.

Senator Sorvaag: The only option would be to go to \$25,000 if you look on that list. It would cover about everyone but a few.

Representative Kempenich: It is kind of a property tax. I think \$20,000 would be a good number to use.

Senator Grabinger: We are responsible to cover these costs regardless. They would have to come before the budget section and ask for funding. I am looking at this. Are these 4 separate requests? Using the last biennium, we would have 4 one year and 2 the other requests for the budget section. Is that necessary? We are talking about the same amount of money. We have to give it to them anyway. It sounds like all we are trying to do is make a statement to the counties that this is not free. I don't know if it's being abused in the first place.

Senator Sorvaag: It is a message to them. I don't know. It was an alternative to picking a cap and then saying you cannot come to the deficiency and you have to get it out of your budget. It is open to discussion.

Senator Bekkedahl: I would prefer the \$25,000 number. There are a couple counties in here, mine included, who always seem to be there higher and I don't see any downturn in activity in my community. I see it increasing. I will hear from my folks. I am sure the people in Minot will be talking with the Ward County folks as well.

Senator Sorvaag: The other option is to do nothing and do what we have always been doing. We need to come to a consensus.

(0.07.04) Representative Kempenich: Committee, are you understanding? You look at the current biennium. Williams County is \$15,000. Granted, that is only through March. You look at Williams on the other side (Attachment # 1, page 2) \$29,000 so the county would have to

handle \$20,000. This is not paying out. This is what we would pay. The state would cover the \$9,000 on Williams County like in the past biennium. Our problem is that we are covering all or a good chunk of this. I do not know what we paid in 15-17. Was that the \$250,000? We paid \$150,000 so far. That is what the deficiency appropriation was for this current or what we had to make up so far in this biennium. The thing that the House has is the \$150,000. That is where this \$20,000 would come in. You would have \$1M. The counties would have to stand \$1M cost as a whole. That is why I dropped it down. This last year, Bowman would have had to cover \$8,000, Burleigh would have to cover \$4,000 and Cass would be \$11,000. Ramsey is \$800+. Ward would be \$16,800. That would be it for what is currently happening in 17-19. What frustrates me is that local political subdivisions if they don't have any cost, they get easy to do stuff. That is where these expert witnesses might be a tool. There might be certain lawyers in the counties that want to use that as some type of a tool. That is where this comes into play. This is not the Attorney General's experts coming in. This is outside of that.

(0.9:54) Senator Grabinger: I understand. I agree with you if that was the case and we had evidence that showed it was being abused. We had testimony from the Attorney General about the incident in Bowman, that double murder, and the cost of that one case. That is bigger than all but one in that year. When you look at that, all the other cases pale in comparison to that one case. It doesn't appear that its being abused at all, the way it looks to me.

Senator Sorvaag: You have one county that is \$64,000, the next biennium is \$72,000. So far for this biennium, it is \$36,000. That is Ward County. That is constantly much higher than any other county. You are looking at aberrations of certain counties. We have one county that is consistently higher.

Senator Bekkedahl: Looking at that, agreeing with you, the cap of \$25,000 would still send a message to the counties that they are way above the cap. I think the \$25,000 keeps more of the counties protected at that level. I think if you're going to do \$20,000 you are going to bring more into this is my saying.

Senator Sorvaag: We'll move on. We've got to think about this.

Representative Kempenich: Senator Bekkedahl, I think you are looking at this wrong. Look at the total down below like on page 1. The deficiency we covered here was \$150,000. I am guessing the Attorney General's Office ate the 6. The lower you make the cap the more the state pays in this. The higher you go, the more the county pays.

Senator Bekkedahl: Then I don't understand. I thought the cap was a \$20,000 cap meant the state paid \$20,000 max and the county covered the rest.

Representative Kempenich: That is not how I am looking at it.

Senator Sorvaag: That's how we're looking at it.

Representative Kempenich: We're looking at then a \$1M appropriation if you went that way.

Senator Sorvaag: Ward county would now have used \$16,000 of their own money.

Representative Kempenich: That's what I'm looking at it.

Senator Bekkedahl: We are three months to the end of the biennium if this is through March 2019. They have used \$157,000. Where does the \$1M come from?

Representative Kempenich: If you are turning it around where we would cover the first \$20,000, the state, you'd have to have for every county, you would have to have \$20,000 per county.

Senator Bekkedahl: The history doesn't show that they are using it that way.

Senator Sorvaag: We are going to stop there. We are going to the next item above it on the list. I think there might be some agreement there. That is the \$2M settlement from the Consumer Protection to the Attorney General. We had talked of letting them split that over 3 biennia to enhance the salaries of their attorneys. They had asked to have language that would allow that the investment earnings be part of that too. That paragraph isn't probably the proper wording. The idea is, they would invest this with the State Investment Board and the investments and the \$400,000 would be divided up. That would come out that they would earn \$50,000 - \$60,000. \$60,000 to \$80,000 - The investment board thought they would earn that during those 3 biennia. This would allow them the \$400,000 plus the earnings. That would probably be somewhere in that \$420,000 - \$425,000 per biennium. Is the committee in agreement of just going ahead and doing that? Is there any objections? Obviously that language has to be re-written. It is the concept we are talking about today. Are there any objections on that?

Representative Kempenich: I don't think so. I know in the past, whenever we had to do something, I'm not sure, but we usually had to get some enabling language to do that. I was thinking of the patrol. We borrowed money and we had them invest in a truck permitting fund. I don't think the Attorney General has an account with SIB. We would have to get some language to get that.

Senator Sorvaag: If we are in agreement to do that, we can legislative council work on that. We put 11:30 AM in because we are going to have to talk again. These amendments will have a lot of changes. Is that a consensus then? (Yes) Levi, you understand what we are trying to accomplish. the only other one I have that we haven't resolved is the Medicaid Fraud Unit. The Senate came in at 7 which was the full request: 2 attorneys, 2 auditors, 2 investigators, and 1 administrative assistant. The house came in at 4. That was 1 auditor, 1 attorney, and 2 investigators and no administrative assistant. I'll just put a position. I think the Senate would concur on is, we go to 6; we go 2 auditors, 2 investigators, 1 administrative assistant, and 1 attorney. We eliminate the one attorney which is the highest paid of those three that you took out.

(0.16.29) I had discussions with the Attorney General. That would probably be the easiest one to go without. In the beginning they will have to audit and investigate. They need the

support staff. One attorney can do that work. They have a lot of attorneys in the AG office That probably could assist if necessary. We can look at this next session and review the amount of work. Would there be discussion or interest from the House of looking at eliminating the one attorney, which is one of the two highest paid in the whole picture.

Representative Kempenich: We talked about it. That is not the idea we had on the House side. We might as well try to make it work.

Senator Sorvaag: Senate, would you be ok? (Yes) As long as there is no objections, We will go with 6; 2 auditors, 2 investigators, and 1 administrative assistant (and 1 attorney). So, now unless the House sees different items, the only item I see left is the witness fee. I think we have concurred on all that I had on my list that we had discussions on.

Senator Bekkedahl: I had on my notes from the last meeting, the \$250,000 of federal funds where other to spend as receded. The Senate had kept that language in. I thought that the House had agreed to remove that.

Senator Sorvaag: I thought we agreed to do that? Didn't we agree on the federal funds. That was confirmed. I am looking for suggestions. We've had debate, we've had discussions. Is there any other discussion on the \$20,000?

Senator Bekkedahl: If it moves things forward and you are comfortable with it, I am comfortable with the \$20,000 if we can make that work.

Representative Kempenich: We are at 0 right now. It is something that does move it a little bit. Obviously, every county isn't come in with a \$20,000 bill but you never know.

Senator Sorvaag: Since we are going to have to meet again, let's have the language written for \$20,000. We can adjust that if we need. At least Levi can start drafting the amendments. We can talk at our meeting tomorrow if we want to adjust that number. We will put it in as a filler for now. Is there agreement to that? (Yes) Hopefully we can meet tomorrow at 11:30 and finalize it so it can be moved out quickly. Are there any other issues? (No) We will go forward on agreement on all of those except that county. We will have the language and we will discuss it and finalize it at the meeting at 11:30 tomorrow. We will have opportunity to review the total amendments at that time. We will hopefully have Christmas Tree versions as well. With that, we will adjourn for the day. Thank-you.

2019 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

SB 2003
4/24/2019
JOB # 34979 (05:50)

☐ Subcommittee
☒ Conference Committee

Committee Clerk: Alice Delzer/ Meghan Pegel

Explanation or reason for introduction of bill/resolution:

A Conference Committee for the office of the attorney general.

Minutes:

1.Christmas Tree version of SB 2003 #19.0216.03005 2.Proposed Amendment #19.0216.03005

SENATORS: Ron Sorvaag, Brad Bekkedahl, John Grabinger
REPRESENTATIVES: Keith Kempenich, Michael Howe, Corey Mock

Levi Kinnischtzke, Legislative Council
Becky Deichert, OMB

Senator Sorvaag: called the Conference Committee to order on SB 2003 at 11:30 am in the Harvest Room. Roll call was taken. All committee members were present.

Senator Sorvaag: Submitted Attachment # 1, Christmas Tree version of Re-engrossed SB 2003. I think we covered everything pretty good. When we left here, we had left the counties at a maximum of \$20,000 per biennium on this witness deal. I visited with Representative Kempenich and what he thought, and I put it at 25,000 in this amendment. That can be opened for discussion because that was not agreed to by the full committee, but I had Levi draft it with \$25,000 per biennium. It's in the amendment, but it hasn't been agreed to by the committee yet. So I think let's go to the Christmas tree version # 19.0216.03005 of the bill. I did run up to the attorney general's office so they could review it and make sure we were covering everything. I'm not going to go into any of the numbered stuff because I think that all carried over pretty well. This amendment is built off the Senate bill, so it would be receding. If we go to the bottom of page 3, the one-time funding, the ones to note is line 27, the undercover vehicles. We agreed to \$200,000, and that's what it's shows. I think everything else was identical as it comes to the House. Page 4 is the part about witness fees compensation to the counties. It took out the language so the attorney general will have to come to the deficiency to get his money like he's always done. It added the line on line 19 that it says each county per biennium cannot exceed \$25,000. I think the salaries are the same. We went to the 1.4 in human trafficking which we all agreed to. Then there is the blue section at the end which deals with the extra additional dollars from the lawsuit for the

attorney general to compensate. The \$425,000 is the 1.2 plus the earnings from investing, and the two sections talk about investing with the state board. It's anticipated that it will be 1.215, so it allows them to use \$425,000 per biennium for three biennia. Those are the major points. In the language it covers the 6 for the Medicaid fraud unit, 2 auditors, 2 investigators, 1 administrative assistant and one attorney. I think everything is in there.

(see attachment #2)

**Senator Bekkedahl: Motions to adopt Amendment #19.0216.03005.
Representative Kempenich: Seconds.**

Senator Sorvaag: The motion would be that the House recede from House amendments and amend as follows. It's on the amendment, so it's all taken care of.

A Roll Call vote was taken. Yea: 6; Nay: 0; Absent:0. Amendment is adopted.

Senator Sorvaag and Representative Kempenich will carry the bill.

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

That the House recede from its amendments as printed on pages 1479-1482 of the Senate Journal and pages 1670-1674 of the House Journal and that Reengrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after "sections" insert "31-01-16,"

Page 1, line 2, after "53-12.1-09" insert a comma

Page 1, line 3, after the first "to" insert "prosecution witness fees,"

Page 1, line 4, after "fund" insert a comma

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$4,775,938	\$45,954,981
Operating expenses	15,977,281	411,365	16,388,646
Capital assets	2,742,372	429,964	3,172,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,476	3,631,121
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	1,275,000	1,400,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$9,315,676	\$84,658,836
Less estimated income	30,647,320	8,206,920	38,854,240
Total general fund	\$44,695,840	\$1,108,756	\$45,804,596
Full-time equivalent positions	237.00	8.00	245.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	200,000

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Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,167,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$200,000"

Page 3, after line 3, insert:

"SECTION 4. AMENDMENT. Section 31-01-16 of the North Dakota Century Code is amended and reenacted as follows:

31-01-16. Compensation and mileage and travel expense of witness.

A witness in a civil or criminal case is entitled to receive:

1. A sum of twenty-five dollars for each day necessarily in attendance before the district court or before any other board or tribunal, except municipal court.
2. A sum for mileage and travel expense reimbursement equal to the reimbursement rates provided for state employees in sections 44-08-04 and 54-06-09.

In all criminal cases in district court, the attorney general shall pay prosecution witness fees and expenses, in an amount not to exceed twenty-five thousand dollars per county per biennium, and the commission on legal counsel for indigents shall pay witness fees and expenses for witnesses in those cases in which counsel has been provided by the commission. Prisoners may not be compensated as witnesses under this section."

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

Page 4, line 12, replace "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,400,000"

Page 6, after line 9, insert:

"SECTION 14. LEGISLATIVE INTENT - ATTORNEY SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND. It is the intent of the sixty-sixth legislative assembly that the attorney general use up to \$425,000 from moneys deposited in the attorney general refund fund relating to an April 2019 lawsuit settlement of \$1,215,561 and investment earnings on the settlement amount for providing salary equity increases to attorney positions in the attorney general's office for the biennium beginning July 1, 2019, and ending June 30, 2021. It is further the intent of the legislative assembly that the remaining settlement proceeds and investment earnings on the remaining proceeds be retained in the attorney general refund fund and be used for the cost to continue the salary equity increases provided

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during the 2019-21 biennium during the 2021-23 and 2023-25 bienniums, subject to legislative appropriations.

SECTION 15. ATTORNEY GENERAL - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$1,215,561 of lawsuit settlement proceeds received by the attorney general and deposited in the attorney general refund fund during the biennium beginning July 1, 2017, and ending June 30, 2019, under the supervision of the state investment board for the period beginning July 1, 2019, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$41,179,043	\$45,354,323	\$600,658	\$45,954,981	\$44,601,280	\$1,353,701
Operating expenses	15,977,281	16,453,262	(64,616)	16,388,646	16,302,602	86,044
Capital assets	2,742,372	3,272,336	(100,000)	3,172,336	3,073,576	98,760
Grants	2,440,000	4,418,440		4,418,440	4,418,440	
Litigation fees	150,000	150,000		150,000	150,000	
Intellectual property attorney	426,924	444,761	(2,676)	442,085	442,085	
Medical examinations	660,000	660,000		660,000	660,000	
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454	5,191,454	
Arrest and return of fugitives	10,000	10,000		10,000	10,000	
Gaming commission	7,490	7,489		7,489	7,489	
Criminal justice information sharing	3,386,645	3,631,014	107	3,631,121	4,013,378	(382,257)
Law enforcement	2,901,608	2,979,744	2,540	2,982,284	2,982,284	
Human trafficking victims grants	125,000	1,625,000	(225,000)	1,400,000	1,000,000	400,000
Additional expenses		250,000		250,000		250,000
Forensic nurse examiners grants		250,000		250,000	250,000	
Total all funds	\$75,343,160	\$84,695,319	\$213,517	\$84,908,836	\$83,102,588	\$1,806,248
Less estimated income	30,647,320	38,826,145	278,095	39,104,240	37,798,123	1,306,117
General fund	\$44,695,840	\$45,869,174	(\$64,578)	\$45,804,596	\$45,304,465	\$500,131
FTE	237.00	244.00	1.00	245.00	242.00	3.00

Department 125 - Attorney General - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Reduces Funding for the Human Trafficking Victims Grant Program ⁴	Reduces One- Time Funding for Undercover Vehicles ⁵	Adds Funding for Attorney Salary Increases ⁶
Salaries and wages	\$17,805	(\$214,702)	\$372,555			\$425,000
Operating expenses		(74,004)	9,388			
Capital assets					(\$100,000)	
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	107					
Law enforcement	2,540					
Human trafficking victims grants				(\$225,000)		
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$20,280	(\$288,706)	\$381,943	(\$225,000)	(\$100,000)	\$425,000
Less estimated income	1,165	(259,836)	111,766	0	0	425,000
General fund	\$19,115	(\$28,870)	\$270,177	(\$225,000)	(\$100,000)	\$0
FTE	0.00	(1.00)	2.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	\$600,658
Operating expenses	(64,616)
Capital assets	(100,000)
Grants	
Litigation fees	
Intellectual property attorney	(2,676)
Medical examinations	
North Dakota lottery	2,504
Arrest and return of fugitives	
Gaming commission	
Criminal justice information sharing	107
Law enforcement	2,540
Human trafficking victims grants	(225,000)
Additional expenses	
Forensic nurse examiners grants	
Total all funds	\$213,517
Less estimated income	278,095
General fund	(\$64,578)
FTE	1.00

¹ Funding of \$24,742 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,431,585, of which \$1,053,211 is from the general fund and \$378,374 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding by \$4,462, of which \$446 is from the general fund and \$4,016 is from other funds, for health insurance premiums related to the Conference Committee removing 1 FTE Medicaid Fraud Control

Unit attorney position.

² Funding of \$288,706, of which \$28,870 is from the general fund and \$259,836 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,528,620 for the program, of which \$152,863 is from the general fund and \$1,375,757 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The House approved a total of \$1,046,802, of which \$104,680 was from the general fund and \$942,122 was from federal funds.

The reduction includes the removal of 1 FTE attorney position to provide for 6 FTE positions, including 1 attorney, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The House approved 4 FTE positions, including 1 attorney, 1 auditor, and 2 criminal investigators.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions. The House also provided for this transfer.

⁴ Funding for the human trafficking victims grant program is reduced by \$225,000 from the general fund, to provide a total of \$1,400,000 from the general fund for the program. The Senate approved \$1,625,000 and the House approved \$1,000,000 from the general fund for the program.

⁵ One-time funding from the general fund is reduced by \$100,000 for the replacement of 8 Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$200,000 from the general fund. The Senate approved one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles. The House approved one-time funding of \$150,000 from the general fund for the replacement of 6 undercover vehicles.

⁶ One-time funding of \$425,000 is added from the Attorney General refund fund to provide salary equity increases for attorneys during the 2019-21 biennium. Of this amount, \$400,000 relates to a lawsuit settlement received by the Consumer Protection Division of the Attorney General's office and \$25,000 relates to anticipated interest and earnings on the settlement amount.

The House removed \$169,924 from the Attorney General's operating fund for 1 FTE Deputy Fire Marshal position. The Conference Committee did not remove funding for the position, the same as the Senate.

The House removed \$250,000 for additional federal or other funds received during the 2019-21 biennium. The Conference Committee did not remove this funding, the same as the Senate.

This amendment also:

- Amends the section providing for the Attorney General's salary increase for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program.
- Adds a section of legislative intent regarding salary equity increases for attorneys in the Attorney General's office for the 2019-21 biennium.
- Adds a section authorizing the Attorney General to invest certain lawsuit settlement proceeds deposited in the refund fund under the supervision of the State Investment Board.
- Adds statutory sections to limit the amount of prosecution witness fees the Attorney General can reimburse to each county to \$25,000 in a biennium. The House added a section regarding prosecution witness fees that identified \$150,000 in the operating expenses line item for prosecution witness fees, which included a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and decreased other operating expenses by \$55,000. The Conference Committee did not include the House's section related to prosecution witness fees.

Date: 4/17/2019

Roll Call Vote #:

**2019 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2003 as (re) engrossed

Senate Appropriations Committee

- Action Taken** ☐ **SENATE accede to House Amendments**
☐ **SENATE accede to House Amendments and further amend**
☐ **HOUSE recede from House amendments**
☐ **HOUSE recede from House amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: _____ Seconded by: _____

Senators	4/17	4/22	4/23	Yes	No		Representatives	4/17	4/22	4/23	Yes	No
Senator Sorvaag	x	x	x				Representative Kempenich	x	x	x		
Senator Bekkedahl	x	x	x				Representative Howe	x	x	x		
Senator Grabinger	x	x	x				Representative Mock	x	x	x		
Total Senate Vote							Total Rep. Vote					

Vote Count Yes: _____ No: _____ Absent: _____

Senate Carrier _____ House Carrier _____

LC Number _____ of amendment

LC Number _____ of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

**2019 SENATE CONFERENCE COMMITTEE
ROLL CALL VOTES**

BILL/RESOLUTION NO. 2003 as (re) engrossed

Senate Appropriations Committee

- Action Taken** ☐ **SENATE accede to House Amendments**
☐ **SENATE accede to House Amendments and further amend**
☐ **HOUSE recede from House amendments**
☒ **HOUSE recede from House amendments and amend as follows**
- ☐ **Unable to agree**, recommends that the committee be discharged and a new committee be appointed

Motion Made by: Senator Bekkedahl Seconded by: Representative Kempenich

Senators	4/24		Yes	No		Representatives	4/24		Yes	No
Senator Sorvaag	x		X			Representative Kempenich	x		X	
Senator Bekkedahl	x		X			Representative Howe	x		X	
Senator Grabinger	x		X			Representative Mock	x		X	
Total Senate Vote			3	0		Total Rep. Vote			3	0

Vote Count Yes: 6 No: 0 Absent: 0

Senate Carrier Senator Sorvaag House Carrier Representative Kempenich

LC Number 19.0216 . 03005 of amendment

LC Number 19.0216 . 05000 of engrossment

Emergency clause added or deleted

Statement of purpose of amendment

Insert LC: 19.0216.03005
Senate Carrier: Sorvaag
House Carrier: Kempenich

REPORT OF CONFERENCE COMMITTEE

SB 2003, as reengrossed: Your conference committee (Sens. Sorvaag, Bekkedahl, Grabinger and Reps. Kempenich, Howe, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1479-1482, adopt amendments as follows, and place SB 2003 on the Seventh order:

That the House recede from its amendments as printed on pages 1479-1482 of the Senate Journal and pages 1670-1674 of the House Journal and that Reengrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after "sections" insert "31-01-16,"

Page 1, line 2, after "53-12.1-09" insert a comma

Page 1, line 3, after the first "to" insert "prosecution witness fees,"

Page 1, line 4, after "fund" insert a comma

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$4,775,938	\$45,954,981
Operating expenses	15,977,281	411,365	16,388,646
Capital assets	2,742,372	429,964	3,172,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,476	3,631,121
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	1,275,000	1,400,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$9,315,676	\$84,658,836
Less estimated income	30,647,320	8,206,920	38,854,240
Total general fund	\$44,695,840	\$1,108,756	\$45,804,596
Full-time equivalent positions	237.00	8.00	245.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	200,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,167,956

Insert LC: 19.0216.03005
Senate Carrier: Sorvaag
House Carrier: Kempenich

Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$200,000"

Page 3, after line 3, insert:

"SECTION 4. AMENDMENT. Section 31-01-16 of the North Dakota Century Code is amended and reenacted as follows:

31-01-16. Compensation and mileage and travel expense of witness.

A witness in a civil or criminal case is entitled to receive:

1. A sum of twenty-five dollars for each day necessarily in attendance before the district court or before any other board or tribunal, except municipal court.
2. A sum for mileage and travel expense reimbursement equal to the reimbursement rates provided for state employees in sections 44-08-04 and 54-06-09.

In all criminal cases in district court, the attorney general shall pay prosecution witness fees and expenses, in an amount not to exceed twenty-five thousand dollars per county per biennium, and the commission on legal counsel for indigents shall pay witness fees and expenses for witnesses in those cases in which counsel has been provided by the commission. Prisoners may not be compensated as witnesses under this section."

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

Page 4, line 12, replace "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,400,000"

Page 6, after line 9, insert:

"SECTION 14. LEGISLATIVE INTENT - ATTORNEY SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND. It is the intent of the sixty-sixth legislative assembly that the attorney general use up to \$425,000 from moneys deposited in the attorney general refund fund relating to an April 2019 lawsuit settlement of \$1,215,561 and investment earnings on the settlement amount for providing salary equity increases to attorney positions in the attorney general's office for the biennium beginning July 1, 2019, and ending June 30, 2021. It is further the intent of the legislative assembly that the remaining settlement proceeds and investment earnings on the remaining proceeds be retained in the attorney general refund fund and be used for the cost to continue the salary equity increases provided during the 2019-21 biennium during the 2021-23 and 2023-25 bienniums, subject to legislative appropriations.

SECTION 15. ATTORNEY GENERAL - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$1,215,561 of lawsuit settlement proceeds received by the attorney

Insert LC: 19.0216.03005
Senate Carrier: Sorvaag
House Carrier: Kempenich

general and deposited in the attorney general refund fund during the biennium beginning July 1, 2017, and ending June 30, 2019, under the supervision of the state investment board for the period beginning July 1, 2019, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$41,179,043	\$45,354,323	\$600,658	\$45,954,981	\$44,601,280	\$1,353,701
Operating expenses	15,977,281	16,453,262	(64,616)	16,388,646	16,302,602	86,044
Capital assets	2,742,372	3,272,336	(100,000)	3,172,336	3,073,576	98,760
Grants	2,440,000	4,418,440		4,418,440	4,418,440	
Litigation fees	150,000	150,000		150,000	150,000	
Intellectual property attorney	426,924	444,761	(2,676)	442,085	442,085	
Medical examinations	660,000	660,000		660,000	660,000	
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454	5,191,454	
Arrest and return of fugitives	10,000	10,000		10,000	10,000	
Gaming commission	7,490	7,489		7,489	7,489	
Criminal justice information sharing	3,386,645	3,631,014	107	3,631,121	4,013,378	(382,257)
Law enforcement	2,901,608	2,979,744	2,540	2,982,284	2,982,284	
Human trafficking victims grants	125,000	1,625,000	(225,000)	1,400,000	1,000,000	400,000
Additional expenses		250,000		250,000		250,000
Forensic nurse examiners grants		250,000		250,000	250,000	
Total all funds	\$75,343,160	\$84,695,319	\$213,517	\$84,908,836	\$83,102,588	\$1,806,248
Less estimated income	30,647,320	38,826,145	278,095	39,104,240	37,798,123	1,306,117
General fund	\$44,695,840	\$45,869,174	(\$64,578)	\$45,804,596	\$45,304,465	\$500,131
FTE	237.00	244.00	1.00	245.00	242.00	3.00

Department 125 - Attorney General - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Reduces Funding for the Human Trafficking Victims Grant Program ⁴	Reduces One- Time Funding for Undercover Vehicles ⁵	Adds Funding for Attorney Salary Increases ⁶
Salaries and wages	\$17,805	(\$214,702)	\$372,555			\$425,000
Operating expenses		(74,004)	9,388			
Capital assets					(\$100,000)	
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	107					
Law enforcement	2,540					
Human trafficking victims grants				(\$225,000)		
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$20,280	(\$288,706)	\$381,943	(\$225,000)	(\$100,000)	\$425,000
Less estimated income	1,165	(259,836)	111,766	0	0	425,000
General fund	\$19,115	(\$28,870)	\$270,177	(\$225,000)	(\$100,000)	\$0
FTE	0.00	(1.00)	2.00	0.00	0.00	0.00

Insert LC: 19.0216.03005
Senate Carrier: Sorvaag
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Salaries and wages
Operating expenses
Capital assets
Grants
Litigation fees
Intellectual property attorney
Medical examinations
North Dakota lottery
Arrest and return of fugitives
Gaming commission
Criminal justice information sharing
Law enforcement
Human trafficking victims grants
Additional expenses
Forensic nurse examiners grants

Total all funds
Less estimated income
General fund

FTE

Total Conference Committee Changes	
	\$600,658
	(64,616)
	(100,000)
	(2,676)
	2,504
	107
	2,540
	(225,000)
	\$213,517
	278,095
	(\$64,578)
	1.00

¹ Funding of \$24,742 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,431,585, of which \$1,053,211 is from the general fund and \$378,374 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding by \$4,462, of which \$446 is from the general fund and \$4,016 is from other funds, for health insurance premiums related to the Conference Committee removing 1 FTE Medicaid Fraud Control Unit attorney position.

² Funding of \$288,706, of which \$28,870 is from the general fund and \$259,836 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,528,620 for the program, of which \$152,863 is from the general fund and \$1,375,757 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The House approved a total of \$1,046,802, of which \$104,680 was from the general fund and \$942,122 was from federal funds.

The reduction includes the removal of 1 FTE attorney position to provide for 6 FTE positions, including 1 attorney, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The House approved 4 FTE positions, including 1 attorney, 1 auditor, and 2 criminal investigators.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions. The House also provided for this transfer.

⁴ Funding for the human trafficking victims grant program is reduced by \$225,000 from the general fund, to provide a total of \$1,400,000 from the general fund for the program. The Senate approved \$1,625,000 and the House approved \$1,000,000 from the general fund for the program.

⁵ One-time funding from the general fund is reduced by \$100,000 for the replacement of 8 Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$200,000 from the general fund. The Senate approved one-time funding of \$300,000 from

Insert LC: 19.0216.03005
Senate Carrier: Sorvaag
House Carrier: Kempenich

the general fund for the replacement of 12 undercover vehicles. The House approved one-time funding of \$150,000 from the general fund for the replacement of 6 undercover vehicles.

⁶ One-time funding of \$425,000 is added from the Attorney General refund fund to provide salary equity increases for attorneys during the 2019-21 biennium. Of this amount, \$400,000 relates to a lawsuit settlement received by the Consumer Protection Division of the Attorney General's office and \$25,000 relates to anticipated interest and earnings on the settlement amount.

The House removed \$169,924 from the Attorney General's operating fund for 1 FTE Deputy Fire Marshal position. The Conference Committee did not remove funding for the position, the same as the Senate.

The House removed \$250,000 for additional federal or other funds received during the 2019-21 biennium. The Conference Committee did not remove this funding, the same as the Senate.

This amendment also:

- Amends the section providing for the Attorney General's salary increase for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program.
- Adds a section of legislative intent regarding salary equity increases for attorneys in the Attorney General's office for the 2019-21 biennium.
- Adds a section authorizing the Attorney General to invest certain lawsuit settlement proceeds deposited in the refund fund under the supervision of the State Investment Board.
- Adds statutory sections to limit the amount of prosecution witness fees the Attorney General can reimburse to each county to \$25,000 in a biennium. The House added a section regarding prosecution witness fees that identified \$150,000 in the operating expenses line item for prosecution witness fees, which included a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and decreased other operating expenses by \$55,000. The Conference Committee did not include the House's section related to prosecution witness fees.

Reengrossed SB 2003 was placed on the Seventh order of business on the calendar.

2019 TESTIMONY

SB 2003

Department 125 - Attorney General
Senate Bill No. 2003

Executive Budget Comparison to Prior Biennium Appropriations

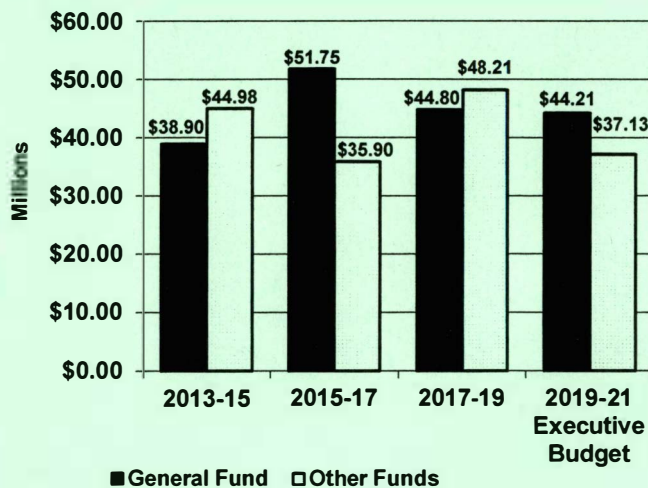
	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	237.00	\$44,210,826	\$37,125,241	\$81,336,067
2017-19 Legislative Appropriations ¹	237.00	44,795,840	48,214,320	93,010,160
Increase (Decrease)	0.00	(\$585,014)	(\$11,089,079)	(\$11,674,093)

¹The 2017-19 biennium agency appropriation amounts have not been adjusted for additional special funds authority of \$60,000 resulting from Emergency Commission action during the 2017-19 biennium.

Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$43,910,826	\$300,000	\$44,210,826
2017-19 Legislative Appropriations	44,695,840	100,000	44,795,840
Increase (Decrease)	(\$785,014)	\$200,000	(\$585,014)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$44,210,826	\$37,125,241	\$81,336,067
2019-21 Base Level	44,695,840	30,647,320	75,343,160
Increase (Decrease)	(\$485,014)	\$6,477,921	\$5,992,907

Attached as an appendix is a detailed comparison of the executive budget to the agency's base level appropriations.

Executive Budget Highlights

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$2,021,804 is for salary increases, \$908,852 is for health insurance increases, and \$186,058 is for retirement contribution increases	\$2,336,857	\$779,857	\$3,116,714
2. Removes 6 FTE positions, including 1 criminal records analyst position, 2 assistant Attorney General positions, and 3 undesignated positions	(\$641,089)	(\$272,399)	(\$913,488)
3. Adjusts funding for salaries	(\$182,457)	\$2,348,217	\$2,165,760
4. Adds 5 FTE Medicaid Fraud Control Unit positions	\$92,986	\$836,880	\$929,866

5. Adds funding for Medicaid Fraud Control Unit operating expenses, primarily related to travel, professional development, and operating fees and services	\$35,649	\$320,840	\$356,489
6. Adds 1 FTE Fire Marshal administrative assistant position from the Attorney General operating fund	\$0	\$128,716	\$128,716
7. Adds funding for 1 previously unfunded FTE Deputy Fire Marshal position from the Attorney General operating fund	\$0	\$169,924	\$169,924
8. Adds funding for Fire Marshal operating expenses, of which \$83,848 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity and firefighter protection act enforcement fund	\$0	\$124,888	\$124,888
9. Adds funding for Microsoft Office 365 license expenses	\$168,000	\$0	\$168,000
10. Reduces funding for operating expenses, primarily related to information technology services and repairs, operating fees and services, and professional service fees	(\$775,404)	(\$1,043,728)	(\$1,819,132)
11. Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) information technology operating expenses	\$0	\$650,000	\$650,000
12. Includes \$200,000 from the tobacco settlement fund for operating expenses, the same as the 2017-19 biennium	\$0	\$0	\$0
13. Adds federal funding for the Project Safe Neighborhood program	\$0	\$291,232	\$291,232
14. Adds funding for the narcotics task force, increasing the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000, providing total transfers of \$1.6 million each biennium, resulting in a general fund revenue decrease of \$755,000	\$0	\$756,664	\$756,664
15. Reduces funding for capital assets, including equipment over \$5,000 (\$1,583,910), crime laboratory motor vehicles (\$130,000), and IT equipment and software over \$5,000 (\$262,450)	(\$83,450)	(\$1,892,910)	(\$1,976,360)
16. Adds federal funding for community oriented policing grants	\$0	\$1,021,237	\$1,021,237
17. Reduces funding for North Dakota lottery operating expenses	\$0	(\$375,097)	(\$375,097)
18. Adds one-time funding for a criminal history improvement project from the Attorney General refund fund	\$0	\$400,000	\$400,000
19. Adds one-time funding from federal funds for capital assets, including equipment over \$5,000 (\$1,522,956), crime laboratory motor vehicles (\$130,000), and IT equipment and software over \$5,000 (\$199,000)	\$0	\$1,851,956	\$1,851,956
20. Adds one-time funding for undercover vehicles	\$300,000	\$0	\$300,000
21. Adds one-time funding for an automated finger identification system replacement project, of which \$158,000 is from federal funds and \$158,000 is from the Attorney General refund fund	\$0	\$316,000	\$316,000
22. Adds one-time funding for Criminal Justice Information Sharing projects from the Attorney General refund fund	\$0	\$140,000	\$140,000

Other Sections Recommended to be Added in the Executive Budget (As Detailed in the Attached Appendix)

Exemption - Attorney General refund fund - Section 5 would allow the Attorney General to retain the balance in the Attorney General refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.

Attorney General salary - Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.

Lottery operating fund transfer - Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.

Appropriation - Additional federal funds or other funds - Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.

Criminal history record checks - Fees - Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.

Continuing Appropriations

Assets forfeiture fund - Section 54-12-14 - To pay costs related to law enforcement activities of the Attorney General's office.

Lottery operating fund - Section 53-12.1-09 - To pay costs of operating the lottery.

Refund fund - Section 54-12-18 - To pay costs of the Consumer Protection and Antitrust Division and the Gaming Division.

Special operations team reimbursement fund - Section 54-12-23 - To reimburse city and county governments that provide special operations team services to rural areas.

24/7 sobriety program fund - Section 54-12-29 - To pay costs of administering and operating the 24/7 sobriety program.

Multijurisdictional drug task force fund - Section 54-12-26 - To provide support for the narcotics enforcement efforts of the state.

Deficiency Appropriation

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1262 - Requires the Attorney General to establish and administer a statewide program for receiving reports and other information related to school and student safety, including potential self-harm and potential harm or criminal acts directed at students, school employees, or schools. The Attorney General may accept gifts, grants, and donations from any source for this program and are appropriated to the Attorney General on a continuing basis.

House Bill No. 1306 - Amends membership of the Board of University and School Lands to include the Tax Commissioner instead of the Attorney General. This bill is contingent on the passing on House Concurred Resolution No. 3012.

House Bill No. 1313 - Requires the Attorney General's criminal justice data information sharing system to include data related to missing and murdered indigenous people.

House Bill No. 1507 - Requires the Attorney General's Human Trafficking Commission to establish an educational training program related to identification and reporting of suspected human trafficking.

Senate Bill No. 2057 - Appropriates \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community based or hospital-based sexual assault examiner programs. Any organization receiving a grant for this program must report to the Attorney General and the appropriations committee of the 2021 Legislative Assembly on the use of funds received and outcomes of the program. The Attorney General is required to report to the appropriations committees of the 2021 Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims between nurses, hospitals and clinics, law enforcement, and state attorneys.

Senate Bill No. 2159 - Appropriates \$1.5 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. Any organization receiving a grant for this program must report to the Attorney General and the appropriations committee of the 2021 Legislative Assembly on the use of funds received and outcomes of the program. The Attorney General is required to report to the Legislative Management during the 2019-20 interim regarding the status and results of the grant program.

Senate Bill No. 2301 - Establishes a charitable gaming technology fund and provides the Attorney General a continuing appropriation for the purpose of contracting for and purchasing equipment and software for a charitable gaming technology system, training employees to operate the system, and maintaining and updating the system. The Attorney General is required to deposit \$400,000 of gaming tax collections in the charitable gaming technology fund rather than the general fund during fiscal year 2020. The bill increases the following annual fees remitted to the Attorney General:

- The charitable gaming license fee from \$150 to \$175, requiring the Attorney General to deposit \$25 of the fee into the charitable gaming technology fund;
- The charitable gaming manufacturer fee from \$4,000 to \$5,500, requiring the Attorney General to deposit \$500 of the fee into the charitable gaming technology fund; and
- The charitable gaming distributor fee from \$1,500 to \$2,000, requiring the Attorney General to deposit \$500 of the fee into the charitable gaming technology fund.

House Concurrent Resolution No. 3012 - Amends membership of the Board of University and School Lands to include the Tax Commissioner instead of the Attorney General.

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160
2019-21 Ongoing Funding Changes				
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)
Salary increase		1,518,505	503,299	2,021,804
Health insurance increase		681,165	227,687	908,852
Retirement contribution increase		137,187	48,871	186,058
Removes 6 FTE positions	(6.00)	(641,089)	(272,399)	(913,488)
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760
Add 5 FTE Medicaid Fraud Control Unit positions	5.00	92,986	836,880	929,866
Add funding for Medicaid Fraud Control Unit operating expenses		35,649	320,840	356,489
Add 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716
Add funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924
Add funding for Fire Marshal operating expenses			124,888	124,888
Add funding for additional income from other sources			250,000	250,000
Add funding for Microsoft Office 365 license expenses		168,000		168,000
Reduce funding for operating expenses from the general fund		(775,404)		(775,404)
Reduce funding for operating expenses from special funds			(1,563,506)	(1,563,506)
Add funding for operating expenses from various federal funds			519,778	519,778
Add federal funding for SMART operating expenses			650,000	650,000
Add federal funding for the Project Safe Neighborhood program			291,232	291,232
Add funding for the lottery narcotics task force			756,664	756,664
Reduce funding for crime laboratory bond payments		(118,512)		(118,512)
Reduce funding for capital assets		(83,450)	(1,892,910)	(1,976,360)
Add federal funding for community oriented policing grants			1,021,237	1,021,237
Reduce funding for other federal grants			(73,797)	(73,797)
Reduce funding for human trafficking grants		(125,000)		(125,000)
Reduce funding for North Dakota lottery operating expenses			(375,097)	(375,097)
Total ongoing funding changes	0.00	(\$785,014)	\$3,769,965	\$2,984,951
One-time funding items				
Add funding for a criminal history improvement project			\$400,000	\$400,000
Add funding for capital assets			1,851,956	1,851,956
Add funding for undercover vehicles		\$300,000		300,000
Add funding for an automated finger identification system replacement			316,000	316,000
Add funding for Criminal Justice Information Sharing projects			140,000	140,000
Total one-time funding changes	0.00	\$300,000	\$2,707,956	\$3,007,956
Total Changes to Base Level Funding	0.00	(\$485,014)	\$6,477,921	\$5,992,907
2019-21 Total Funding	237.00	\$44,210,826	\$37,125,241	\$81,336,067

Other Sections for Attorney General - Budget No. 125

Exemption - Attorney General refund fund

Executive Budget Recommendation
 Section 5 would allow the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.

Attorney General salary

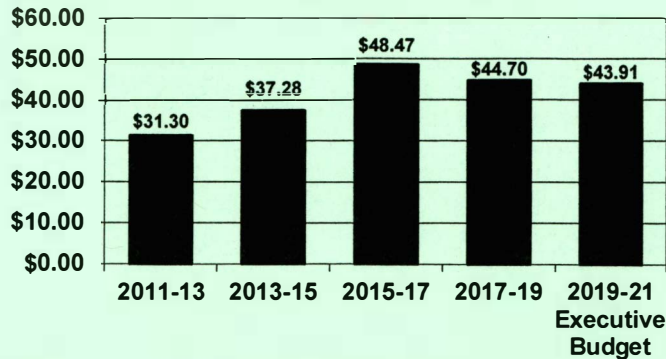
Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.

Department 125 - Attorney General

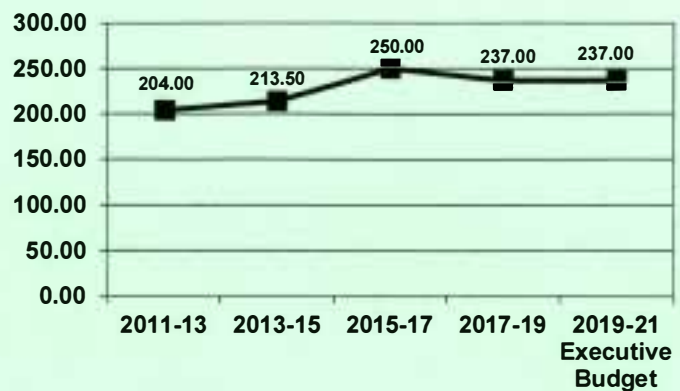
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$31,229,845	\$37,275,528	\$48,466,861	\$44,695,840	\$43,910,826
Increase (decrease) from previous biennium	N/A	\$6,045,683	\$11,191,333	(\$3,771,021)	(\$785,014)
Percentage increase (decrease) from previous biennium	N/A	19.4%	30.0%	(7.8%)	(1.8%)
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	19.4%	55.2%	43.1%	40.6%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

- | | |
|---|-------------|
| 1. Added funding for salary equity increases for forensic scientists | \$171,000 |
| 2. Changed funding source from federal fiscal stimulus funds to general funds for 7 FTE positions | \$1,037,590 |
| 3. Added funding for 1 FTE synthetic drugs forensic scientist position | \$146,039 |
| 4. Added funding for potential litigation fees relating to abortion-related legislation approved by the Legislative Assembly | \$400,000 |
| 5. Added funding for operating expenses for the 24/7 sobriety program, criminal history record checks for concealed weapons licenses, fingerprint record checks for appraisal management companies and employees, and fingerprint record checks for insurance producers | \$121,390 |

2015-17 Biennium

- | | |
|--|-------------|
| 1. Added law enforcement-related funding for 8 FTE criminal investigator positions, 3 FTE intelligence analyst positions, 2 FTE assistant Attorney General positions, 1 FTE administrative position, 1 FTE grants administrator position, 1 FTE forensic scientist position, and 0.5 FTE attorney position | \$3,724,698 |
| 2. Added 2 FTE criminal history identification technician positions | \$310,536 |
| 3. Added 1 FTE gaming auditor position | \$82,907 |
| 4. Added funding for transfer of the criminal justice information sharing system, including 3 FTE positions transferred and 1 FTE new business analyst position and related operating expenses | \$3,270,219 |
| 5. Restored 1 FTE programmer analyst position identified as one-time funding for the 2013-15 biennium | \$142,278 |
| 6. Added funding and 9 FTE positions for providing legal services to the North Dakota University System | \$3,079,724 |

2017-19 Biennium

- | | |
|--|-------------|
| 1. Removed 13 FTE undesignated positions | (\$130,782) |
| 2. Reduced salaries and wages in anticipation of savings from vacant positions and employee turnover | (\$929,297) |

Other Sections for Attorney General - Budget No. 125

Lottery operating fund transfer

Appropriation - Additional federal funds or other funds

Criminal history record checks - Fees

Executive Budget Recommendation

Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.

Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.

Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.

SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Grants for domestic violence and rape crisis	150,000	0
DAPL-salaries	200,000	0
Court-ordered payments to bankruptcy estate	15,872,000	0
Enhancement to SAVIN	500,000	0
Undercover vehicle replacement	-	300,000
Criminal history improvement project	-	400,000
CJIS portal improvement	-	50,000
CJIS broker implementation	-	50,000
AFIS replacement	-	316,000
CJIS common statute table	-	40,000
Total all funds	\$17,417,000	\$1,156,000
Total special funds	17,317,000	856,000
Total general fund	\$100,000	\$300,000

SECTION 5. ATTORNEY GENERAL REFUND TRANSFER TO THE GENERAL FUND - EXEMPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

SECTION 6. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~ one hundred sixty-three thousand two hundred eighty-nine dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine dollars~~ one hundred sixty-six thousand five hundred fifty-five dollars thereafter.

SECTION 7. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the

legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the compulsive gambling prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
 - c. Starting July 1, ~~2007~~2019, ~~one hundred five thousand six hundred twenty-five dollars~~ two hundred thousand dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
 - d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 8. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 9. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

**GOVERNOR'S RECOMMENDATION FOR THE
ATTORNEY GENERAL AS SUBMITTED
BY THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$40,979,043	\$3,544,799	\$44,523,842
Operating Expenses	15,477,281	647,141	16,124,422
Capital Assets	2,742,372	373,084	3,115,456
Grants	2,290,000	2,128,440	4,418,440
Litigation Fees	150,000	-	150,000
Intellectual Property Attorney	426,924	25,512	452,436
Abortion Litigation Fees	-	-	-
Medical Examinations	660,000	-	660,000
North Dakota Lottery	5,336,797	(119,541)	5,217,256
Arrest and Return of Fugitives	10,000	-	10,000
Gaming Commission	7,490	(1)	7,489
Criminal Justice Information Sharing	3,386,645	258,248	3,644,893
Law Enforcement	2,901,608	110,225	3,011,833
SAVIN Cost-Share Program	-	-	-
Total all funds	\$74,368,160	\$6,967,907	\$81,336,067
Less estimated income	29,797,320	7,327,921	37,125,241
Total general fund	\$44,570,840	(\$360,014)	\$44,210,826
Full-time equivalent positions	237.00	0.00	237.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium:

One-Time Funding Description	2017-19	2019-21
------------------------------	---------	---------

- | | |
|--|---------------|
| 3. Changed funding source for 8 FTE positions from the general fund to federal and other funds | (\$1,120,322) |
| 4. Reduced funding for criminal justice information sharing to provide total funding of \$3,391,562 | (\$188,741) |
| 5. Reduced funding for law enforcement programs | (\$219,348) |
| 6. Added funding to provide grants to organizations involved in providing prevention and treatment services related to human trafficking victims | \$125,000 |

2019-21 Biennium (Executive Budget Recommendation)

- | | |
|--|-------------|
| 1. Removes 6 FTE positions, including 1 criminal records analyst position, 2 assistant Attorney General positions, and 3 undesignated positions, of which \$641,089 is from the general fund and \$272,399 is from other funds | (\$641,089) |
| 2. Reduces funding for operating expenses, primarily related to operating fees and services, travel, and repairs | (\$775,404) |

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2019 - 2021 BUDGET

Office of Attorney General
State of North Dakota

Wayne Stenehjem
Attorney General

For the Senate Appropriations
Committee

AA

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2019 SENATE BILL NO. 2003

Office of Attorney General

The Office of Attorney General (OAG) represents and defends the interests of the citizens of North Dakota by executing the responsibilities charged to the North Dakota Attorney General by the North Dakota Constitution, state statutes and administrative rules, North Dakota and federal case law, and common law. The Attorney General is the chief legal counsel and advisor to state government providing legal representation to all facets of state government, including the Governor, all departments of state government, local government and all state agencies, boards, and commissions.

The Attorney General has primary authority to act on behalf of the state of North Dakota in other areas, including criminal investigations; full arrest and law enforcement authority; sex offender risk assessment and registration; evidence examination and testimony; consumer protection and antitrust; administration, regulation, and enforcement of charitable gaming and lottery activity; and fire inspections, investigations, and mitigation of hazardous materials incidents. Attorney General staff members provided a significant amount of training to North Dakota citizens and others, including law enforcement and the fire services.

The office consists of 12 divisions:

- Administration
- Bureau of Criminal Investigation (BCI)
- Civil Litigation and Natural Resources & Indian Affairs
- Consumer Protection and Antitrust (CPAT)
- Criminal and Regulatory
- Criminal Justice Information Sharing (CJIS) and Information Technology (IT)
- Crime Laboratory (Crime Lab)
- Finance
- Fire Marshal
- Gaming
- Lottery
- State and Local Government

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SUMMARY OF OFFICE OF ATTORNEY GENERAL MAJOR ACCOMPLISHMENTS

BUREAU OF CRIMINAL INVESTIGATION

- Teamed with local law enforcement partners in establishing task forces which are having a significant impact on major drug trafficking organizations
- Processed approximately 53,000 requests for criminal history record information in 2018.
- Provided National Forensic Academy-trained criminal investigators to respond to crime scenes
- Teamed with federal and tribal partners in establishing the North Dakota Human Trafficking Task Force
- Supplied local law enforcement with automated Sex Offender Registry kiosks

Cybercrime Unit

From January 2017 through December 2018, the Cybercrime Unit initiated or assisted with approximately 580 cases involving digital forensics on over 4,000 digital media devices. The total capacity of those devices were in excess of 700 terabytes.

24/7 Sobriety Program

The 24/7 sobriety program is designed to remove intoxicated drivers from the road, improve their ability to succeed in their treatment choices, and provide a safer driving environment for the traveling public. Offenders participate in twice-per-day breath tests or electronic alcohol monitoring, seven days per week, for as long as the court order mandates. Participants are also required to pay a fee for the monitoring, which in turn is used to pay for breath alcohol devices, electronic monitoring devices, and other program costs.

Here is some 24/7 Sobriety program information:

- Total participants since the inception of the program in 1/01/2008 (includes pilot counties): 22,463
- Total participants that graduated from the program: 14,594
- Total participants that failed the program requirements: 4,813

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- Total participants that have reoffended (temporary status, have not failed or graduated): 872
- Participants currently active on the program: 2,184
- Total breath tests administered since the inception of program: 1,466,221
- Pass rate of breath tests taken: 94.85% (1,390,728)

The program has been supported by law enforcement, the courts, and the participants, and it is proving to be a successful alternative to incarceration.

Concealed Weapon Licenses

As of December 31, 2018, 44,721 individuals held North Dakota concealed weapon licenses compared to a total of 14,350 active licenses at the end of 2013, and 3,557 active licenses at the end of 2008. The BCI issued 11,258 concealed weapon licenses in 2017 and 7,266 concealed weapon licenses in 2018. Of the total active concealed weapon licenses about 15,990 are slated to be renewed in the 2019-21 biennium.

Criminal History Record Information Requests

BCI processed 53,422 criminal history record information requests in 2018, a 7.27% increase over 2017. Of those, 30,707 were requests for data from the state database and 22,715 were requests for federal record checks.

Sex Offender and Offenders Against Children Registry

Sex offenders and offenders against children are required to be registered. The Office of Attorney General maintains a sex offender website and an online registry of offenders against children. For calendar year 2018 the office has 111 offenders against children, of which 34 are currently incarcerated. As of December 31, 2018, there were 1,452 sex offenders of which 409 are currently incarcerated.

Significant 2017-18 BCI Cases

Operation Denial

Operation Denial was an investigation of fentanyl distribution encompassing multi-jurisdictions to include the United States, Canada, and China. This investigation originated in Grand Forks with two fentanyl overdose deaths. The main suspect utilized two smart phones from a prison cell while in custody in Canada and later in Panama. While in custody in each facility, the main suspect arranged the purchase of fentanyl from China. Initially the fentanyl was being distributed out of Portland, Oregon. The investigation led to other individuals in other states who were utilizing pill presses to press the fentanyl into counterfeit prescription pills. The District of North Dakota and the District of Oregon federally indicted thirty-two individuals from the United States,

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Canada, and China. The case agents from the BCI and Homeland Security Investigations (HSI) worked with the Chinese and Canadian governments over the course of the investigation.

Nicholas Johnson Case

In August 2016, Nicholas Johnson met Chase Swanson and Madison West at a bar. After agreeing to go to a hotel together, Swanson and West gruesomely sexually assaulted and strangled Johnson. In February 2018, Chase Swanson was found guilty of theft of property, felon in possession of a firearm, and conspiracy to commit murder. Madison West was found guilty of being in possession of stolen property and conspiracy to commit murder.

Savanna Greywind Case

Savanna Greywind was reported missing on August 19, 2017. The Fargo Police Department conducted numerous searches of Brooke Crews and William Hoehn's residence but discovered no evidence of foul play. BCI assisted the Fargo Police Department with canvassing the neighborhood and grid searches. The Fargo Police Department obtained a search warrant for a Fargo apartment and a vehicle. BCI assisted with processing the nighttime crime scene and utilized the crime scene vehicle, total station equipment which helped to quickly and precisely reconstruct the crime scene, and Panoscan equipment which captures highly detailed panoramic images of the crime scene. Brooke Crews and William Hoehn were both charged with conspiracy to commit murder, kidnapping, and providing false information to law enforcement. They were both sentenced to life in prison without parole.

Brett Daigle Case

In November 2015, a 12-year-old female disclosed that her stepfather, Brent Daigle, had been sexually abusing her for years and recording it. When Daigle found out that the abuse had been reported to law enforcement, he fled to Shreveport, Louisiana. Law enforcement waited in Shreveport, but Daigle had made contact with family members who picked him up prior to him arriving in Shreveport. Daigle was eventually located and arrested for gross sexual imposition. After Daigle was returned to North Dakota, BCI conducted a forensic examination of a cell phone found on him at the time of his arrest. BCI examined the phone with the usual forensic software but did not recover the sexual abuse videos. In December 2015, BCI staff received training for a different forensic software. Utilizing this software, they recovered the deleted videos of the sexual abuse of the child including videos that covered multiple dates. The United States Attorney's Office charged Daigle with multiple counts of production and possession of child pornography. On July 19, 2018, Brent Daigle was sentenced to 70 years in federal prison.

Civil Litigation & Natural Resources

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SIGNIFICANT ACCOMPLISHMENTS AND CASES

Oil & Gas Development and Enforcement

The Division presided over almost 2,400 oil & gas administrative hearings during the 2015-17 biennium and 2018. The Division pursued 16 civil administrative cases for the Division of Mineral Resources for violations of the Commission's rules, orders, and regulations for the 2015-17 biennium and three civil administrative cases for violation of the Commission's rules, orders, and regulations from July 1, 2017, to date.¹ As of the end of the 2015-17 biennium, 6 cases were pending; the Division is obtaining judgments in another three cases for unpaid penalties.² Seven civil administrative cases were pending at the end of 2018.

Environmental Protection

The Division assisted the Health Department with its regulatory work involving air pollution control, asbestos removal, water pollution control, and solid waste and hazardous waste management. During the biennium, the Division initiated 79 enforcement actions, collecting more than \$2.67 million in penalties for violations, including negotiating a settlement with Tesoro High Plains Pipeline Company requiring remediation and payment of \$454,000 in penalties for a 2013 pipeline spill of approximately 840,000 gallons of crude oil near Tioga.

Clean Power Plan

In October 2015, the Attorney General filed a lawsuit against the US Environmental Protection Agency, challenging its new Clean Power Plan rule. The rule would have required North Dakota to reduce CO2 emissions by almost 45% - more than almost every other state and four times more than the EPA had originally proposed. When the federal court refused to issue a stay preventing the rule from taking effect while the lawsuit was ongoing, the Attorney General's office appealed to the Supreme Court of the United States. The Supreme Court issued a stay in February 2016, which remains in effect. The case is currently being held in abeyance while the Trump administration reviews the rule. The Court issued an order on December 21, 2018 that the case would remain in abeyance for at least 60 days. The EPA is in the process of adopting a replacement rule. It is reviewing comments on the proposed rule and has stated it plans to issue a final rule in spring 2019.

¹ In the 2015-17 biennium \$351,250 was collected (it may not have all been from those 16 cases) and from July 1, 2017 to date \$2,486,948.62 has been collected.

² From January 1, 2015 – December 26, 2018 – judgments for unpaid penalties in the amount of \$2,515,154 were obtained.

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Hydraulic Fracturing (Fracking)

North Dakota and other states challenged the Department of the Interior (DOI) and Bureau of Land Management's (BLM) March 2015 "Fracking Rule" which sought to undermine the state's regulation and management of fracking. In June 2016, a federal judge struck down the BLM's fracking rule on the ground that the BLM's effort to regulate fracking through the rule exceeded its statutory authority. In December 2017, the BLM finalized a rule to rescind the 2015 rule. As predicted, the rescission has been challenged by California/Non-governmental organizations (NGO's). Wyoming, the Independent Petroleum Association of America, American Petroleum Institute, and Western Energy Alliance have already intervened on the side of BLM, defending the rescission. In June 2018, the 10th Circuit Court of Appeals denied North Dakota's motion to dismiss. The scheduling order has California/NGOs' motions for summary judgment due on February 6, 2019, with BLM's response due April 8, 2019, and defendant-interveners' response due April 29, 2019.

Stream Protection Rule

North Dakota filed a federal lawsuit against the US Department of Interior (DOI) over its "Stream Protection Rule." The State alleged the rule infringed on the state's authority to regulate surface mining and reclamation activities, and unlawfully expanded the federal government's authority. The State sought to have the rule vacated and the DOI enjoined from enforcing it. In February 2017, the rule was repealed by Congress under the Congressional Review Act.

Venting and Flaring Rule

In November 2016, North Dakota, Wyoming, and Montana filed suit against the US DOI and the BLM seeking to vacate the federal government's "venting and flaring" rule. The rule imposes detailed air quality regulations on venting and flaring of natural gas and applies to both federal lands and non-federal lands pooled with federal lands.

The challenges to BLM's Venting and Flaring (VF) Rule are now in front of the 10th Circuit Court of Appeals (CCA). The issue appealed (by California and New Mexico/multiple NGO's) was the district court's decision to stay the "phase-in" portions of the VF Rule, as well as the merits briefing, while awaiting BLM's final revised VF Rule. BLM filed a motion to dismiss the appeal as moot, in light of its publication of the final revised VF Rule on September 18, 2018. That motion was referred to the CCA panel which may also decide the underlying issues on appeal. While the new VF Rule defers to the States on the technical regulatory issues, BLM did not yield at all on its claim to full jurisdiction over state/private property/mineral rights in the split estate context, which was the primary reason North Dakota challenged the Obama-era rule.

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Waters of the United States

In June 2015, North Dakota challenged the Environmental Protection Agency (EPA) and Army Corps of Engineers' proposed rule known as the Waters of the United States (WOTUS) Rule. The rule sought to redefine "waters of the United States" for purposes of the Clean Water Act and would have greatly expanded federal regulations across the state. Federal regulation of waters such as prairie potholes would restrict the use of broad swaths of land from North Dakota's farmers and ranchers. North Dakota successfully prevented the rule from taking effect by obtaining an injunction against the rule. In February 2017, President Trump directed the EPA and Corps to review WOTUS, and in June 2017, the EPA took the first step toward withdrawing the rule. In late January 2018, the U.S. Supreme Court unanimously upheld North Dakota's position on the jurisdictional issue, holding that challenges to the WOTUS Rule must be brought in federal district courts, and not in federal courts of appeals. Despite the Supreme Court's unanimous decision, the United States asked the District Court in North Dakota to stay the case and not allow the state's challenge to go forward. Magistrate Judge Senechal rejected that request and granted North Dakota's right to continue with its challenge. On March 23, 2018, Magistrate Judge Senechal granted North Dakota's motion to lift stay and denied the federal agencies' motion for further stay. The federal agencies appealed to Judge Hovland, which he denied on May 1, 2018. Merits briefing took place in summer 2018. The States' merits brief was submitted on June 1, 2018, and the States' reply brief was submitted on July 30, 2018. On August 22, 2018, the Court held a status conference where the parties discussed plaintiffs' request for a hearing. The office is waiting to hear back from the Court on the hearing request.

Dakota Access, Limited Liability Corporation (LLC)

In September 2016, the Division reviewed a land purchase by Dakota Access, LLC, which had asserted that civil disturbances at and near its pipeline construction areas made the purchase of land in Morton County temporarily necessary to provide a safer environment for its workers and contractors. In November 2016, the office approved a temporary business purposes exception and allowed Dakota Access, LLC, one year within which to divest the property. By April 2017, the public safety situation had resolved. In November of 2017, Dakota Access, LLC, requested, and received, an extension on the tolling agreement to June 30, 2018, with a requirement to provide quarterly updates to this office of the progress of the divestment proceedings. At the expiration of the tolling agreement extension, Dakota Access, LLC, still owned the property. On July 3, 2018, this office filed a Complaint in state court to compel Dakota Access, LLC, to divest the land. Dakota Access, LLC, filed an answer claiming that their ownership of the land is within the business purposes exception and that the Corporate Farming law is unconstitutional. Discovery must be completed by March 2019, and a five-day trial is scheduled for December 2019.

Farm Bureau, et al: Corporate Farming Challenge

The Division is defending the state's corporate farming law in federal court from a constitutional challenge made by six plaintiffs, including two out-of-state LLCs and a non-profit corporation. In September 2018, the United States District Court resolved Plaintiffs' dormant Commerce Clause claim. The Farm Bureau had claimed the corporate farming law "family farm" exception discriminated against out-of-state family farm corporations. There are two remaining constitutional claims: Plaintiffs' Equal Protection Clause and Privileges & Immunities Clause claims. An eight-day trial is scheduled in April 2019.

Farm Equipment Dealership Network Law (2017 Senate Bill No. 2289)

The Division is defending 2017 Senate Bill No. 2289 that is an incremental extension of prior existing law. This law provides further protection to the state's farmers, rural communities, agricultural economy/industry, and farm equipment dealership network. Before the law became effective, the Association of Equipment Manufacturers and four major farm equipment manufacturers challenged the law under numerous constitutional and federal preemption legal theories, asserting that the law violates the Contract Clause, dormant Commerce Clause, Takings Clause, Federal Arbitration Act, Lanham Act, and Robinson-Patman Act. In December 2017, the federal district court issued a preliminary injunction enjoining the state from enforcing the law during litigation. Discovery is complete, numerous expert witnesses have been retained by both sides, and the pre-trial motion phase of the case will be completed on January 31, 2019. A nine-day trial is scheduled for mid-May 2019.

Sexually Dangerous Individuals

The state is currently defending a challenge to civil commitment laws for individuals who have been assessed as "sexually dangerous" and involuntarily committed to the State Hospital for treatment. Several classes have been certified but not all requested classes were certified. The plaintiffs are arguing that the Department of Human Services/State Hospital are violating certain alleged constitutional rights by, among other things, the classification methods of sexually dangerous individuals, the methods and timing of certain treatments and privileges, as well as alleged violations of religious freedoms. They are also arguing that the Department of Corrections and Rehabilitation is violating alleged constitutional rights by failing to provide certain notifications to the individuals while incarcerated. A partial motion for summary judgment is pending regarding many of the certified classes. All deadlines have been suspended until the partial motion has been ruled upon. It is unclear at this time how the case will progress as the parties are awaiting a ruling on the motion.

Tobacco Enforcement

The office defended tobacco companies' allegations that North Dakota did not "diligently enforce" its qualifying statute during 2004 (a requirement of the 1998 Master Settlement

Agreement). In March 2018, Attorney General Wayne Stenehjem announced a settlement agreement that will release over \$34 million belonging to North Dakota that had been held in an escrow account during the decade-long dispute between the state and the major tobacco companies. The settlement required tobacco companies to release 100% of the disputed payments held in escrow. In addition, North Dakota will continue to receive the annual payments due under the Master Settlement Agreement. At this time, the Attorney General is not currently required to arbitrate any diligent enforcement disputes related to the tobacco Master Settlement Agreement.

Minnesota's Next Generation Energy Act

North Dakota and others sued Minnesota over its Next Generation Energy Act (NGEA), alleging that the NGEA violated the Commerce Clause and the Supremacy Clause of the United States Constitution. In April 2014, a Minnesota federal district court ruled the Minnesota law unconstitutional. Minnesota appealed, and in June 2016, the 8th Circuit Court of Appeals affirmed the federal district court's decision. North Dakota was awarded \$1.3 million in attorneys' fees but Minnesota appealed the award. The hearing on the award of attorneys' fees was held in October 2017, and the 8th Circuit affirmed the fee award.

Northwest Area Water Supply (NAWS) Pipeline

The court battle over the NAWS pipeline, which would bring much-needed water from the Missouri River to Minot and surrounding counties, continues. In August 2017, the District Court in Washington, DC concluded that the environmental impact statement for the NAWS project met the requirements of the National Environmental Protection Act (NEPA); however, both Manitoba and Missouri appealed that decision. A settlement agreement was reached with Manitoba. Oral argument on Missouri's appeal was held at the DC Circuit Court on November 8, 2018, and a decision is pending.

ONGOING STATUTORY CHALLENGES

Brakebill v. Jaeger (2016) – On January 20, 2016, seven individual Native Americans (the "Plaintiffs") filed suit against the Secretary of State (SOS) in United States District Court, alleging certain aspects of North Dakota's voter identification (ID) laws violated their Equal Protection and Due Process rights under Section 2 of the Voting Rights Act. On June 20, 2016, the Plaintiffs sought a preliminary injunction, which was granted on August 1, 2016.

During the 2017 legislative session, the Legislature passed House Bill No. 1369 (relating to North Dakota's voter identification law), and the Plaintiffs amended their complaint. On January 16, 2018, the SOS moved to dissolve the 2016 preliminary injunction. The plaintiffs opposed the SOS motion to dissolve and moved for a second preliminary injunction on February 16, 2018. On April 3, 2018, the Court entered an order dissolving the first preliminary injunction and partially granting the second preliminary injunction. The SOS appealed the order to the Eighth Circuit Court of Appeals (8th Circuit) on April 4,

2018, and on April 10, 2018, filed a motion with the district court to stay that court's order. The motion to stay was denied on April 30, 2018.

On May 2, 2018, the SOS filed an additional motion to stay with the 8th Circuit Court of Appeals, which was denied on June 8, 2018. The SOS subsequently filed a renewed motion for stay on August 26, 2018.

Oral arguments on the appeal were heard on September 10, 2018. On September 24, 2018, the 8th Circuit entered an order that stayed that part of the second preliminary injunction that would have required the state to accept proof of a P.O. Box in North Dakota as establishing eligibility to vote in North Dakota elections. On September 28, 2018, Plaintiffs filed application to vacate the stay of the preliminary injunction to the United States Supreme Court, which was denied on October 9, 2018. The overall appeal of the second preliminary injunction remains pending before the 8th Circuit.

Spirit Lake v. Jaeger (2018)

In this case six individual Plaintiffs and the Spirit Lake Tribe filed a complaint in federal court against the SOS seven days before the November 6, 2018, general election. The complaint generally alleged that Spirit Lake, its members, other Indian tribes in North Dakota, and the individual Plaintiffs, had been harmed by the SOS's implementation of a portion of North Dakota law, N.D.C.C. § 16.1-01-04.1(2)(b), 3(b), that requires a voter to verify their residential street address before being allowed to vote. The plaintiffs' motion for a temporary restraining order before the November 6 election was denied.

Sophia Wilansky v. Morton County, et al. (2018)

On November 19, 2018, Plaintiff Sofia Wilansky filed an action in federal district court against several defendants, including a state employee. The Plaintiff claims the Defendants are responsible for an explosion that occurred during the Dakota Access Pipeline (DAPL) protest, which caused Wilansky to receive serious injuries to her arm. Specifically regarding North Dakota, the claim against the employee is a state law defamation claim. Wilansky alleges she was defamed because the employee issued verbal and written statements to local and national news media, indicating Wilansky caused her own injuries by carrying an improvised explosive device.

Cissy Thunderhawk; Waste'win Young, and Reverend John Floberg v. County of Morton, et al. (2018)

The Plaintiffs allege that the Defendants violated their constitutional right to free speech when Highway 6 was partially closed during the DAPL protest. The complaint was filed in October 2018. The state's motion to dismiss was filed January 11, 2019, and is pending before the court.

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North Dakota v. United States Army Corp of Engineers (FTCA) (2018)

The State has filed a Federal Tort Claim with the United States Army Corps of Engineers (USACE), concerning the DAPL protest. The USACE's six-month response deadline is January 23, 2018.

Breanna Berndsen, et al. v. The North Dakota University System (2018)

Former members of the University of North Dakota (UND) women's hockey program have filed a class action lawsuit against the University System, alleging that UND violated Title IX by eliminating the program. UND's motion to dismiss the Plaintiffs' claims is pending with the federal district court. UND has moved to dismiss the Plaintiffs' claims.

Guardian Flight LLC v. Jon Godfread (2018)

The Plaintiffs are challenging the Legislature's 2017 enactment of Senate Bill No. 2231, which provides that payment by an insurer to a provider for air ambulance services is full and final payment with no option for the provider to seek the balance from the patient. SB 2231 also prohibits air ambulance subscription agreements. The Plaintiffs are arguing that the law is expressly preempted by federal law. The parties have filed cross-motions for Judgment on the Pleadings.

Paul Sorum, et al., v. The State of North Dakota (2018)

The Plaintiffs, including Representative Marvin Nelson, are challenging the Legislature's 2017 enactment of Senate Bill 2134. The Plaintiffs argue that the law violates the Public Trust Doctrine and the North Dakota Constitution. The Plaintiffs filed a motion for preliminary injunction, which the court denied in part and granted in part. Specifically, the court determined the Plaintiffs were likely to succeed with their claim that it would be unconstitutional for the Land Board to return mineral royalties it had received prior to the enactment of SB 2134. The parties filed cross-motions for summary judgment and oral argument was held on January 4, 2019, in Fargo.

Pharmaceutical Care Management Association v. Mylynn Tufte, et al. (2017)

The Plaintiffs filed a complaint in federal district court challenging the Legislature's 2017 enactment of Senate Bill 2301, which was one of two bills that sought to define the rights of pharmacists in relation to pharmacy benefit managers (PBMs), and to regulate certain practices by PBMs. The Plaintiffs argue that federal law preempts the recently passed state law. The Plaintiffs first filed a motion for preliminary injunction, which the district court denied. The parties subsequently filed cross motions for summary judgment, and the district court granted the State's motion. The Plaintiffs appealed the district court's decision to the Eighth Circuit Court of Appeals. The State's brief is due at the end of January 2019.

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North Dakota v. United States - (Section Lines) (2012)

In this case, which was filed in 2012, the State is seeking to quiet title to section lines in the National Grasslands in North Dakota. The National Grasslands are managed by the United States Forest Service. The federal government moved to dismiss the State's complaint, and the district court granted the motion in 2017. The district court denied the State the right to appeal until the counties' road claims are addressed by the court. The case is still pending and the counties recently amended their complaint.

State and Local Government Division

Since July 1, 2017, the office received 52 requests for opinions, and issued a total of 42 opinions, of which 34 were open records opinions, and 8 were opinions on questions of law related to matters involving state statutes, the state Constitution, and issues having statewide significance. In addition, during the calendar years 2016 and 2017, the office reviewed 29 administrative rules submitted by other state entities.

Crime Laboratory Division

The Crime Laboratory Division received 13,136 cases (excluding Breath Alcohol tests) from January 2017 to December 2018.

The current turnaround times are as follows:

- Approximately 67 days for drug cases
- Approximately 8 days for fire debris cases
- Approximately **170 days for DNA cases – currently 232 DNA analysis cases are waiting to be completed**
- Approximately 30 days for Toxicology (blood alcohol cases)
- Firearms cases are outsourced due to staffing issues
- Approximately 60 days for latent print cases (confirmations are outsourced due to staffing issues – there is only one qualified latent print examiner at the Crime Lab)

Combined DNA Index System (CODIS)

The Crime Lab DNA Unit processed 6,251 convicted offender and arrestee samples in calendar years 2017 and 2018. There are approximately 41,000 DNA profiles in North Dakota's State DNA Index System database (SDIS). Since 2014, the Lab has averaged 3,538 convicted offender/arrestee samples per year.

SDIS (ND CRIME LAB)

Convicted Offender DNA Profiles	12,773
Arrestee DNA Profiles	26,861
NDIS Forensic DNA Profiles*	1,612
SDIS Forensic DNA Profiles **	242

*State forensic unknown, partial and mixture DNA profiles that qualify for NDIS and are therefore compared against the national database.

**State forensic unknown, partial and mixture DNA profiles that do not qualify for NDIS and are therefore compared against only the North Dakota database.

The National DNA Index System (NDIS) has existed since 1998 and contains DNA profiles contributed by all 50 states, the District of Columbia, the federal government, the US Army Criminal Investigation Laboratory, Puerto Rico, and local participating forensic laboratories.

North Dakota CODIS Hits

Investigations Aided ***	764
State Forensic Hits (crime scene to crime scene)	99
State Arrestee Hits	343
State Convicted Offender Hits	195
National Forensic Hits	36
National Arrestee Hits	135
National Convicted Offender Hits	172

*** Investigations aided are the number of cases where CODIS has added value to the investigative process.

NDIS (National DNA Index System)

Convicted Offender DNA Profiles	13,444,810
Arrestee DNA Profiles	3,323,611
Forensic DNA Profiles (Unknown, Partial and Mixture)	894,747
TOTAL	17,663,168

NDIS (National DNA Index System)

Investigations aided	42,808
Forensic hits (crime scene to crime scene)	67,462
Intrastate hits (crime scene to convicted offender within a state)	323,210
Interstate hits (crime scene in one state to convicted offender in another state where CODIS aided an investigation)	49,674

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Consumer Protection and Antitrust (CPAT) Division

CPAT opened 984 consumer complaints and investigations and closed 999 files in 2018. The division recovered or collected \$679,148 in consumer restitution. CPAT collected \$3,050,970 in attorneys' fees, investigation costs, and civil penalties relating to litigation completed. The division took legal action against 77 companies or individuals.

Most notable for the 2015-17 biennium was the Dickinson State University Foundation case. Because of this office's efforts, over \$4.4 million in recovered consumer restitution was subsequently transferred to the new Foundation.

Gaming

During the 2015-17 biennium, licensed gaming organizations accepted wagers of \$569,384,144, raising over \$43,777,679 for charitable uses (such as student scholarships, community crime prevention projects, financial and other assistance to injured and disabled veterans), and generated \$6,856,747 million for the state's general fund.

During fiscal year 2018 licensed gaming organizations accepted wagers of \$266,749,227 in wagers, raising over \$21,078,628 for charitable uses, and generated \$3,192,473 million for the state's general fund.

With the recent legalization and implementation of electronic pull tab devices during fiscal year 2019, the office predicts there will be a significant increase in gaming wagers. The very conservative preliminary numbers show that electronic pull tab activity alone will double the wagers accepted to an estimated \$841 million for the 2017-19 biennium, raising over \$65 million for charitable uses and generating \$10 million for the state's general fund. Looking forward, the office predicts an estimated \$1 billion in wagers for the 2019-21 biennium.

The electronic pull-tab activity increase has put a tremendous strain on the Gaming Division which lost two auditors and an administrative assistant during the last legislative session. It is becoming increasingly difficult to adequately regulate this rapidly expanding gaming industry with minimal staff, an antiquated computer system, and continuously changing technical standards. 2019 House Bill No. 1533 and Senate Bill No. 2301 both create a charitable gaming technology fund to assist in replacing the old computer system.

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Fire Marshal

The Fire Marshal's Division accomplishes fire prevention goals through fire investigation, fire inspection and code enforcement, plan review, data collection, fire safer cigarettes, and public education programs.

Fire Investigations

Fire investigations are conducted to assist local fire departments and law enforcement agencies with origin and cause investigations and reports. Staff respond all days of the week and at any hour of the day to accomplish this task. In 2018, fire investigation activities included 121 total investigations, of which 85 were closed (36 accidental, 1 natural, 8 incendiary, and 40 undetermined). There are currently 36 open cases.

To better collect, track and analyze data regarding the fire investigations, on January 1, 2019, the Division switched to a fire investigation software based reports program (ACISS). With this switch the Division will be able to better analyze data and the effectiveness of the services being delivered.

Fire Inspection and Code Enforcement

The fire inspection program is conducted through the Fire Marshal's adoption of rules for prevention of fires through administrative rules, inspection of facilities as outlined in the North Dakota Century Code, and assisting other agencies/local fire departments with various code enforcement issues as requested. During the 2017-19 biennium, the following information has been gathered so far regarding the fire inspection program:

- Fire inspections conducted - 802
- Schools inspected – 212
- State buildings inspected – 305
- Above ground fuel sites – 129
- Daycare fire inspections – 101
- Alcohol license inspections – 48
- Other (as requested by local fire departments) – 7
- Code assistance given to local fire departments – daily
- Orders of abatement issued – 1

The Division is in the process of researching software for the fire inspections program with the goal of being software based by January 1, 2020. If this transition is accomplished it will make inspections reporting, data collection, and analysis much easier for the office.

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Fire Protection Systems Plan

The fire protection systems plan review program is designed to help meet Century Code requirements and to ensure that fire protection systems are both designed and installed to code. The following is the information that is available along with projected data of what the program will achieve.

- Plans received previous 2 years - 43
- Plans reviewed previous 2 years - 43
- Acceptance tests conducted: not tracked at this time
- Plans expected to receive in the 2019-21 biennium – approximately 200

Fire Data Collection

The fire data collection program gathers statewide fire incident statistics and information from each participating fire department and rural fire protection district through the National Fire Incident Reporting System (NFIRS), which compiles statistical reports for the state and local jurisdictions. NFIRS reporting by local fire departments is voluntary. In addition, each local fire department and fire protection district is required to submit a Certificate of Existence each year to the Fire Marshal's office, reporting statistical information specific to the department, including state funding amounts, number of firefighters, number of fire trucks, level of fire service, etc.

Fire departments reporting to NFIRS (as of 12/26/18): 190

Fire departments NOT reporting to NFIRS (12/26/18): 181

Fires reported in ND in 2017: 2169

2018 Certificates of Existence distributed: 372

2018 Certificates of Existence returned, to date (deadline for submission is 3/1/19): 341

Fire Safer Cigarettes

The fire safer cigarettes program was established in 2010 and requires cigarette manufacturers must comply with in order to sell their product in North Dakota. The requirements include but are not limited to ability to ignite material, self-extinguishment, and markings on packaging for identification purposes. Every year Division staff inspect the cigarettes to ensure that what has been submitted to the office matches what is being sold in the State.

- cigarettes certified since the program's inception (2010) – **1,319**
- cigarette packs inspected in 2017-2018 – **782**
- locations that sell certified cigarettes – **1,370**
- licensed vendors inspected in 2017-2018 – **126**
- cigarettes currently certified – **1,012**
- cigarettes types certified in 2017-2018 – **295**

DOT Emergency Responder Guidebooks (ERG's)

The Division partners with the US Department of Transportation to assist with distribution of Emergency Response Guidebooks (ERG) to first responders in the state. The ERG provides first responders chemical information to aid in decision making in the first thirty minutes of a hazardous materials incident.

- Guidebooks (ERG's) distributed by type of agency:
 - Fire service – **2,285**
 - Law enforcement – **1,238**
 - Emergency medicine - **195**
 - Emergency management - **160**
 - County Government – **1,368**
 - Training agencies - **25**
 - Total – **5,271**

There were 1,240 hazardous materials incidents in North Dakota during 2017-2018.

Lottery

The North Dakota Lottery conducts 5 games: Powerball, Lucky for Life, Mega Millions, Lotto America, and 2by2. The Lottery Division transferred \$15.78 million to the state general fund, \$845,000 to the multijurisdictional drug task force grant fund and \$640,000 to the compulsive gambling prevention and treatment fund for the 2015-17 biennium. For fiscal year 2018, the Lottery transferred \$7.3 million to the state general fund, \$422,500 to the multijurisdictional drug task force grant fund and \$320,000 to the compulsive gambling prevention and treatment fund.

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CURRENT AND FUTURE CRITICAL ISSUES

Fentanyl, Heroin, and Other Illicit Drugs

An alarming trend seen since 2016 is the enormous increase in heroin, heroin cut with fentanyl, heroin cut with carfentanyl and overdoses in relation to these drugs. Fentanyl has resulted in several overdoses as it takes just 2 milligrams, the weight of a mosquito, to be fatal. Prior to 2016, heroin was relatively rare. Heroin and heroin laced with fentanyl are now gaining an alarming foothold in North Dakota. Carfentanyl, which is a derivative of fentanyl, is an extremely dangerous and potent drug often found mixed with heroin. Carfentanyl is approximately 100 times more potent than fentanyl and 1 drop in liquid form absorbed through the skin is enough to kill someone. Carfentanyl is used primarily as a tranquilizing agent for elephants and other large mammals.

Naloxone (also known as Narcan) temporarily counteracts the effects of opiate overdoses (administered by medical staff) and is being increasingly used to counteract the increasing number of overdoses in the state.

As examples of the impact on local communities:

- Since July 1, 2018, the Minot Community Ambulance administered Narcan on 37 overdose cases, twelve of which were confirmed heroin overdoses, with the remainder attributed to other opiates. In addition, the Minot Police Department and the Ward County Sheriff's Office reported that Narcan was administered 8 times in 2018.
- In the northeast part of the state, the Grand Forks ambulance service administered Narcan 47 times in 2017, and 12 times through August 2018. That area saw 53 opiate/opioid overdoses in 2017, and 17 through June 2018, as well as 9 overdose deaths in 2016, 4 in 2017, and 6 in 2018.
- These examples exclude Narcan administered by other individuals who were not first responders.

Implementation of Medical Marijuana

Implementation of the medical marijuana measure last biennium is estimated to result in approximately 500 criminal record checks for compassionate care centers and/or compassion caregivers in the 2019-21 biennium.

The Department of Health may have numerous court processes occur as any appeal to the medical marijuana law is now going to go to Burleigh County District Court. This will likely impact office legal staff if this occurs frequently.

Marijuana is the most commonly used illicit drug in the United States and in North Dakota. The 2017 Crime in North Dakota report indicates more than 51% of narcotics violations involved marijuana. A 2016 National Survey on Drug Use and Health reported that of the 28.6 million people associated with illicit drug use, 24 million had used marijuana or hashish, 84% of the total.

Criminal Investigators Salary Issue

The office has historically attempted to recruit and hire experienced investigators from local agencies or other state agencies to fill criminal investigator positions. The office's hiring requirements include five years of law enforcement experience, a bachelor's degree, and to be licensed as a peace officer. In order to acquire and retain investigators with the above qualifications the office must offer higher salaries.

It has been difficult to hire these individuals in the last few years due largely to the office's limited salary levels, including the starting criminal investigator salary. Because of the substantial crime increase throughout North Dakota, calls for assistance, and population growth the office has been concentrating on retaining experienced and trained investigators. The office needs these experienced investigators to combat the organized and dangerous criminals in North Dakota. BCI criminal investigations have become much more sophisticated, detailed, and time consuming than in the past. For all these reasons the office needs to continue to hire and retain experienced investigators to serve the public and keep the public safe.

Marsy's Law Implementation

Marsy's Law continues to present challenges for city and state's attorneys attempting to implement additional requirements. Last session, the legislature provided the office with \$815,000 in funding to fill the notification gaps identified between Marsy's Law requirements and the functionality of the ND Statewide Automated Victim Identification Notification (SAVIN) program over three years.

The office has made substantial progress in implementing the changes needed. Since the last legislative session, the office has implemented automated victim notifications for the municipal courts and juvenile courts, as well as provided 100% of North Dakota jails with the functionality to create automated victim registrations directly from their jail management systems. The office has successfully completed four of the ten projects, and is on track to complete all projects within the project schedule.

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SAVIN – MARSY’S LAW UPDATE PROJECT

Project	Description	Status	Percent Complete	Approximate Start Date	Estimated Project Length
Municipal Courts Notifications	Add municipal court notifications for municipal courts using the Odyssey system	Completed	100%	6/6/2017	6 months
Jail Transfer Capabilities	Ensure all county jails have a technical method and proper processes in place to record transfers	Completed	100%	10/1/2017	3 years
Jail Victim Data Pull	Add automated victim data pull functionality to 8 jails' jail management systems	Completed	100%	10/1/2017	3 years
Juvenile Court Notifications	Add juvenile court notifications (through a closed system)	Completed	100%	12/1/2017	18 months
Retention of Victim Registrations	Change retention schedule for victim registrations from 2 years to maximum sentence length (based on severity level) plus 1-2 years	Analysis	5%	10/1/2018	1 year
Enhanced VINE Upgrade	Upgrade to Enhanced VINE, which provides the capability for the custom enhancement, among other victim benefits	Agile Development	40%	10/1/2018	1 year
Assertion & Search Notification (ASN)	Empower victims to assert and update Marsy's Law right(s), incident information, and contact information electronically 24 hours per day, 7 days per week; provide a method for agencies to search statewide to identify which victims have asserted their rights for which crimes; and equip agencies with a tool to efficiently notify victims who have asserted Marsy's Law right(s) when there is a relevant request for information	Planning & Analysis	20%	1/1/2019	1.5 years

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Project	Description	Status	Percent Complete	Approximate Start Date	Estimated Project Length
Sentencing Notifications	Add sentencing notification, which requires pulling data from courts, aggregating data, and providing notification through a vendor	Planning & Analysis	15%	3/1/2019	1 year
State Hospital Notifications	Add commitment notifications	Not Started	0%	6/1/2019	1 year
Pardon Board Notifications	Add pardon board notifications	Not Started	0%	6/1/2019	1 year

Information Technology Division Infrastructure and Program Needs

The office's BCI and Crime Lab operations rely heavily on the expertise and skills of the office's Information Technology (IT) Division to develop new programs, and maintain and support new and existing projects. Between 80-90% of all IT services used in this office are for the BCI and Crime Lab.

It is essential that the IT Division receive the funding, staff, and other resources needed to ensure that critical internal and external existing programs function efficiently, that project funding deadlines can be met, and delays in development are kept at a minimum. Some of the systems BCI uses daily are outdated and/or ineffective and need immediate attention in order to ensure continued work productivity. Unfortunately, funding and staff to support and upgrade these systems is not readily available, and as a result, delays in upgrades and support are frequent due to the competing demands for limited IT services.

STATUS OF 2017-19 BIENNIUM ONE-TIME APPROPRIATIONS

Rewrite of the DOS-based deposit system rewrite

This project has been initiated. The office is engaging an IT firm for project management and development. The office may need to request carryover of some of the \$100,000 general fund appropriation.

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Uniform Crime Reporting rewrite

This project anticipated federal funds would be received to fund it. The office was recently invited to apply for a grant for this purpose. The project team has finalized the system requirements and is in the procurement process. No expenditures can be made until the office is awarded the grant, which is being delayed by the government shutdown. The office will likely need to request carryover of some of the \$280,000 federal fund authority.

Statewide Automated Victim Identification Notification Cost Share and enhancements

Enhancing this system is anticipated to occur over three years. The Cost Share portion was for \$315,000 in other funds. The state share was for \$500,000 from other funds. Several items of the project have been completed and others are being worked on. The office will likely need to request carryover of some of the other funds authority.

2015-17 biennium Human Trafficking grant carryover

This funding has been spent.

2017-19 biennium Human Trafficking grant

These funds have all been allocated and are being spent.

Sexual Assault Nurse Examiner grant

Of the \$150,000 in other funds over half has been spent.

DAPL overtime

The need for the overtime passed and the \$200,000 in other funds will not be spent.

Continuing Higher Education litigation

The \$100,000 general fund carryover has been spent.

Racing Services Inc. litigation

The \$15,872,000 in other funds was spent in January 2018.

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OFFICE OF ATTORNEY GENERAL BUDGET ISSUES AND REQUESTS

Office/State Impacts Due to 2019-21 Biennium 10% General Fund Reduction Required

The vast majority of the office's staff (81%) provides legal and law enforcement services to state and local entities by law. General fund reductions at this level significantly affect the office's ability to assist with local law enforcement cases, provide training and hands-on legal and law enforcement support, purchase needed supplies and equipment, travel to other locations, and assist law enforcement throughout the state.

Governor Burgum required state agencies to submit budgets reflecting 10% general fund reductions (90% budgets). For this office it translated into a \$5.17 million general fund reduction. The following includes general fund items reduced as a result of the required reductions.

Nine general fund positions: 5 BCI criminal investigators, 1 Intelligence analyst, 2 administrative positions, and 1 assistant attorney general. The office requested restoration of the criminal investigators and the intelligence analyst, which was allowed in the Executive Recommendation.

Position funding sources were changed wherever possible, which is a temporary solution. This included funding all of Consumer Protection salaries and wages from the Attorney General Refund Fund. The funding source for 2 staff members responsible to administer the 24/7 Sobriety program was changed to other funds. Some general fund positions were changed to other or federal funding sources. Where retirements occurred staff filling these positions were paid less than the previous staff member. A criminal attorney position is unfunded for more than half of the biennium.

In addition, general fund operating expenses were significantly reduced, including criminal investigator case travel; eliminating funding for the narcotics buy fund; building maintenance supplies; necessary crime scene supplies; Crime Lab consumables used to test local law enforcement submitted evidence; Crime Lab service contracts on critical, specialized equipment; office equipment; IT equipment; IT software and supplies; building rent; professional supplies; and printing.

The Executive Recommendation restored the 5 BCI investigators and the intelligence analyst. The narcotics buy fund reduction of \$100,000 was also restored.

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**Office of Attorney General
Reductions
In the Executive Recommendation
2019 Senate Bill No. 2003**

The Executive Recommendation included the following general fund changes:

1. The funding source changes for were made from the general fund to federal and other funds for the following positions:
 - a. 1 criminal investigator and 1 administrative staff officer,
 - b. 7 Consumer Protection staff – 2 assistant attorneys general, 2 administrative assistants and 3 investigators, and
 - c. 1 grants and contracts officer.
2. Removes funding for a criminal assistant attorney general for more than one year.
3. Removes a criminal history criminal records specialist.
4. Removes a sex offender registry administrative assistant.
5. Removes an assistant attorney general.
6. Removes a legal administrative assistant.
7. Significantly reduces BCI operating expenses.
8. Significant reduces Crime Lab operating expenses.

**PROPOSED CHANGES TO 2019
SENATE BILL NO. 2003**

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The office's optional adjustment requested in the submitted budget and as approved in the Executive Recommendation is shown on the following two pages.

2019-21 BIENNIUM OFFICE OF ATTORNEY GENERAL FINAL OPTIONAL ADJUSTMENTS REQUESTED, EXECUTIVE BUDGET RECOMMENDATIONS

CHG PKG	PRIORITY	DESCRIPTION	GENERAL FUND, FTE REQUESTS					TOTAL	EXEC. REC
			FTE	QUANTITY	PRICE	GF	FF	OF	
AC-600	1	Restore staff reduced in the general fund reductions required - 5 agents & 1 intelligence (SLIC) analyst	6.0		1,108,103	992,989	115,114		Included
AC-601	2	Narcotics Buy fund - eliminated in the 10% general fund reductions		1	100,000	100,000			Included
AC-1	3	Undercover Replacement vehicles - the 2017-19 budget didn't include any replacement vehicles - currently have 60 vehicles		12	25,000	300,000			Included
AC-3	4	Fire Marshal Administrative assistant - there is currently no administrative staff for the Fire Marshal Division	1.0		155,316			155,316	Included
AC-11	5	Office 365 software - ITD required		1	168,000	168,000			Included
TOTAL GENERAL FUND & FTE'S			7.0		1,560,989	115,114		155,316	1,831,419

CHG PKG	PRIORITY	DESCRIPTION	OTHER FUNDS REQUESTS					TOTAL	EXEC. REC
			FTE	QUANTITY	PRICE	GF	FF	OF	
AC-2	1	Multijurisdictional Narcotics task force grant funds - increase Lottery transfer from \$105,625 per quarter to \$200,208 - provides more funding to the regional narcotics taskforces for narcotics enforcement		1	756,664			756,664	Included
AC-4	2	Deputy Fire Marshal salaries & operating - this position has been unfunded for the 2017-19 biennium, resulting in staff overtime		1	227,173			227,173	Included
AC-5	3	2019-2021 Criminal History Improvement project - ongoing projects		1	400,000			400,000	Included
AC-6	4	Criminal Justice Information Sharing - Common Statute Table updates - a database of statutory codes and supporting information that provides a common criminal charging reference to enable automated charging and information sharing across criminal justice agencies.		1	40,000			40,000	Included
AC-7	5	CJIS - Portal Improvement - interfaces needed as other agencies linked to the portal change their systems		1	50,000			50,000	Included

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AC-8	6	Criminal Justice Information Sharing - Broker Implementation CJIS has many interfaces running through the CJIS Broker. These interfaces often need enhancements and maintenance work to keep functioning well. At times, additional or replacement interfaces are also needed due to system changes or upgrades. These interfaces include, for example, charging interfaces that transfer law enforcement incident information for state's attorneys to use for charging; and information from the Courts to VINE for victim notifications.	1	50,000		50,000	50,000	Included
AC-9	7	State Fleet - Cost of switching from SUV's to .5 ton pickup trucks to protect deputy fire marshals from carcinogenic materials	6	41,040		41,040	41,040	Included
AC-10	8	Automated Fingerprint Identification System replacement - this system is reaching its end of life	1		158,000	158,000	316,000	Included
TOTAL OTHER & FEDERAL FUNDS					158,000	1,722,877	1,880,877	
TOTAL ALL REQUESTS			7.0	1,560,989	273,114	1,878,193	3,712,296	

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This is a request to restore a forensic scientist to the office budget. A forensic scientist usually trains to work in DNA, drug chemistry, or toxicology. To lose a forensic scientist results not only in losing valuable, very technical experience; it also results in costly, specialized training walking out the door with the individual. Current staff is working significant overtime to analyze backlogged evidence – this is only a temporary solution. The estimated general fund cost for the forensic scientist is \$224,500.

The following sections are requested to be added to Senate Bill 2003:

SECTION __. APPROPRIATION. There are appropriated any funds received by the Office of Attorney General, not otherwise appropriated, pursuant to federal acts and private gifts, grants, and donations for the purpose as designated in the federal acts or private gifts, grants, and donations for the period beginning July 1, 2019, and ending June 30, 2021.

SECTION __. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION __. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION __. EXEMPTION - HUMAN TRAFFICKING GRANTS. The amount appropriated to the attorney general from the general fund for providing human trafficking grants as contained in section 1 of chapter 53 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION __. EXEMPTION – STATE AUTOMATED VICTIM IDENTIFICATION UPGRADES DUE INITIATED MEASURE. The amount appropriated to the attorney general from other funds for providing State Automated Victim Identification upgrades as contained in sections 1 and 9 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for continuation of these upgrades, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION __. EXEMPTION - ATTORNEY GENERAL REFUND FUND. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

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2019 Legislation Having a Fiscal Impact on the Office of Attorney General

Several legislative bills have been introduced which impact the Office of Attorney General.

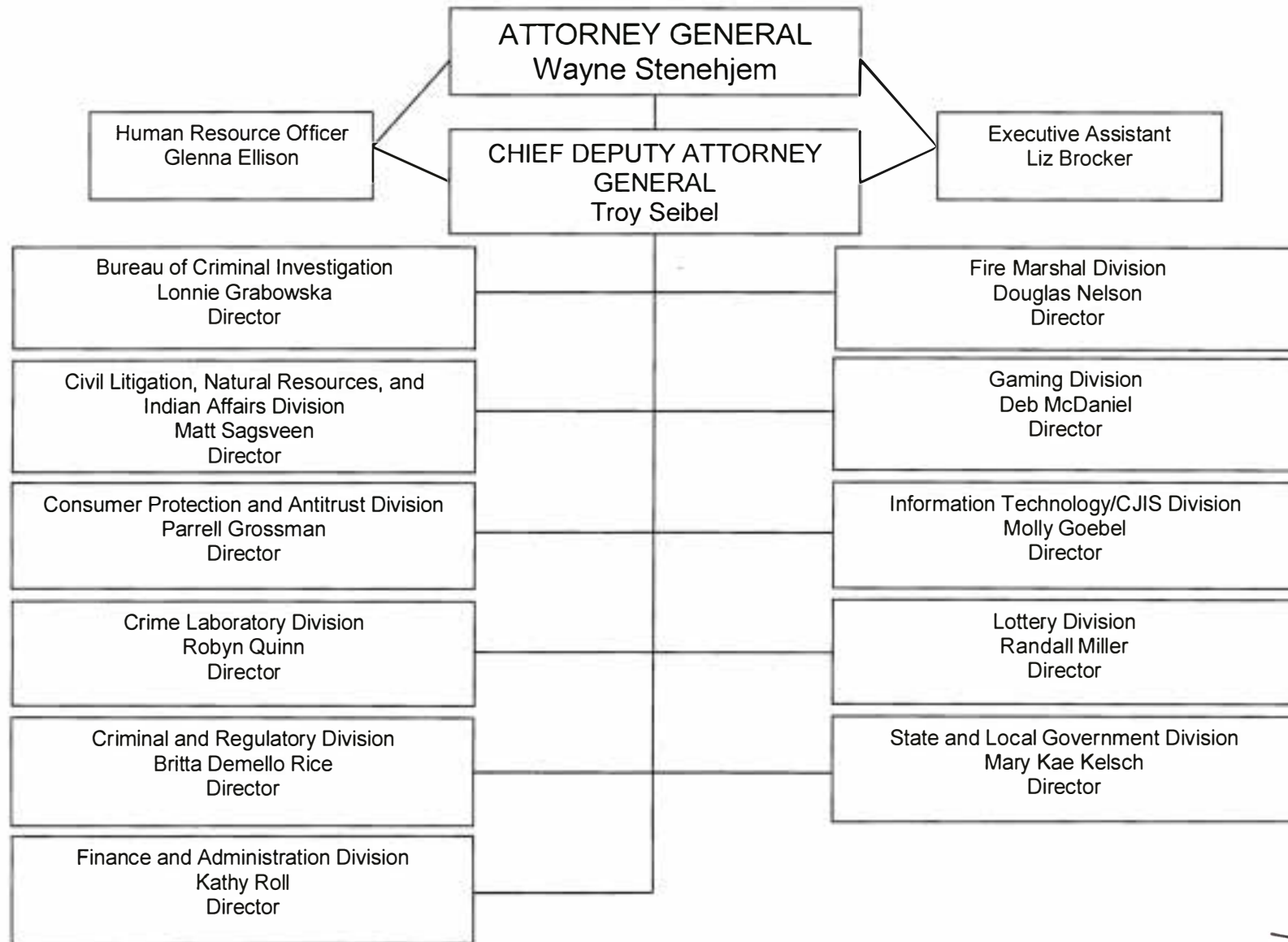
- House Bill 1262, as introduced, requires the Office of Attorney General to establish and administer a statewide school and student safety hotline program. As originally introduced a criminal investigator would be needed to administer and oversee the program. If the amendments are adopted, schools may sign up with the South Dakota Project StandUp, providing text access to students which is then reported to the schools and law enforcement.
- House Bill 1286 eliminates various entities, including this office, from receiving assets forfeited as is currently allowed. This bill, if passed, will negatively impact the office by significantly reducing the revenues received for use by the BCI for specific law enforcement purposes. House Concurrent Resolution No. 3020 amends the constitution to move all forfeitures to the Common Schools Trust Fund.
- House Bill 1303 provides \$1,000,000 for lawsuits files against the state relating to section lines on federal national grasslands.
- House Bill 1313 requires the Criminal Justice Information Sharing System to include data related to missing and murdered indigenous peoples. This change is estimated to cost \$75,000 for system/programming changes.
- House Bill 1523 requires OMB to transfer to the Legacy Fund all state agencies operating funds above the higher of \$250,000 or one year's agency expenses, effective August 2021. This will have a significantly negative impact on the office, particularly if a general fund allotment was assessed. In this case the office would experience two budget reductions.
- House Bill 1533 reduces the gaming tax and provides a continuing appropriation to the Attorney General to contract for and purchase charitable gaming equipment and software, train charitable gaming employees, and maintain and update the system. In fiscal year 2020 the bill requires the office to deposit \$400,000 from gaming taxes normally deposited in the general fund.
- Senate Bill 2057 provides \$250,000 from the general fund for grants to sexual assault nurse examiners.

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- Senate Bill 2142 provides for the Treasurer's Office to establish and administer an education savings account program. The Office of Attorney General would receive referrals from the Treasurer's Office for investigations of any accounts showed evidence of fraudulent activity. A conservative of the cost of OAG's investigation expenses is \$5,000 - \$50,000 per biennium from the general fund.
- Senate Bill 2148 requires the Attorney General to be legal counsel for the Ethics commission established in the bill. The fiscal impact of this bill is unclear.
- Senate Bill 2159 provides \$1.5 million from the general fund to the Attorney General for human trafficking grants.
- Senate Bill 2301 creates a charitable gaming technology fund funded by increases in gaming licenses. The bill provides a continuing appropriation to the office for contracting and purchasing equipment and software for a charitable gaming technology system, training employees and updating/maintaining the system. The bill also lowers the gaming tax and will negatively impacts general fund revenues. In fiscal year 2020 the bill requires the office to deposit \$400,000 from gaming taxes normally deposited in the general fund.

Although it is unclear at this time where this proposal stands at this point in the session, the Governor added 5 FTE's and operating expenses totaling \$1,286,355, of which \$128,635 is from the general fund and \$1,157,720 is federal funds for a Medicaid Fraud Control Unit (MFCU) to the office's 2019-21 biennium budget. The office estimates it needs 7 FTE's and \$1,817,325, of which \$181,733 is from the general fund and \$1,635,593 is from federal funds. In order to implement a Medicaid Fraud Control Unit in this state a false claims act will need to be passed by the legislature.

NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
January 2019



NORTH DAKOTA OFFICE OF ATTORNEY GENERAL



2019-2021 BIENNIUM
66TH LEGISLATIVE SESSION

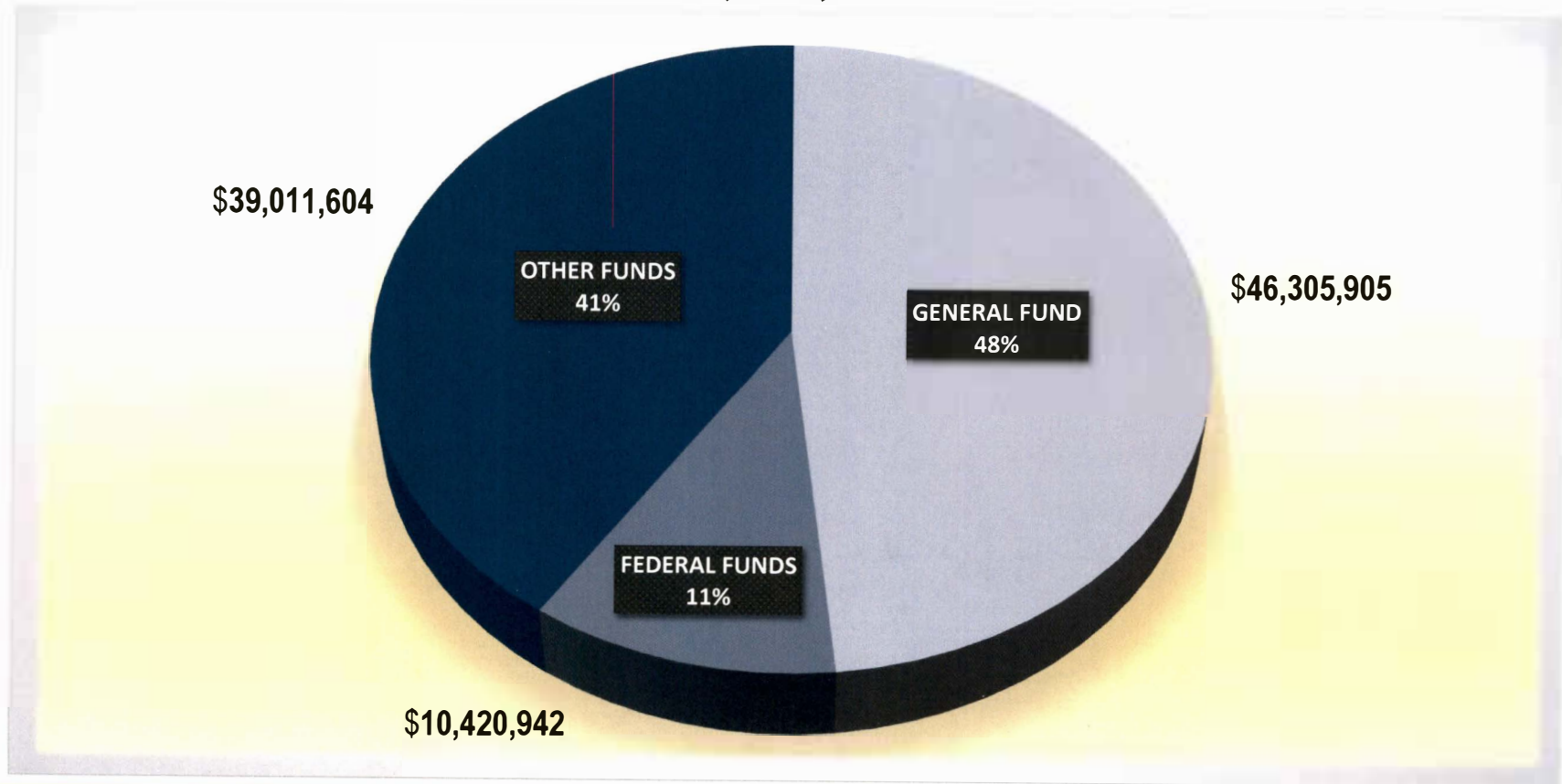
SENATE
BUDGET PRESENTATION
SUPPLEMENTARY MATERIALS

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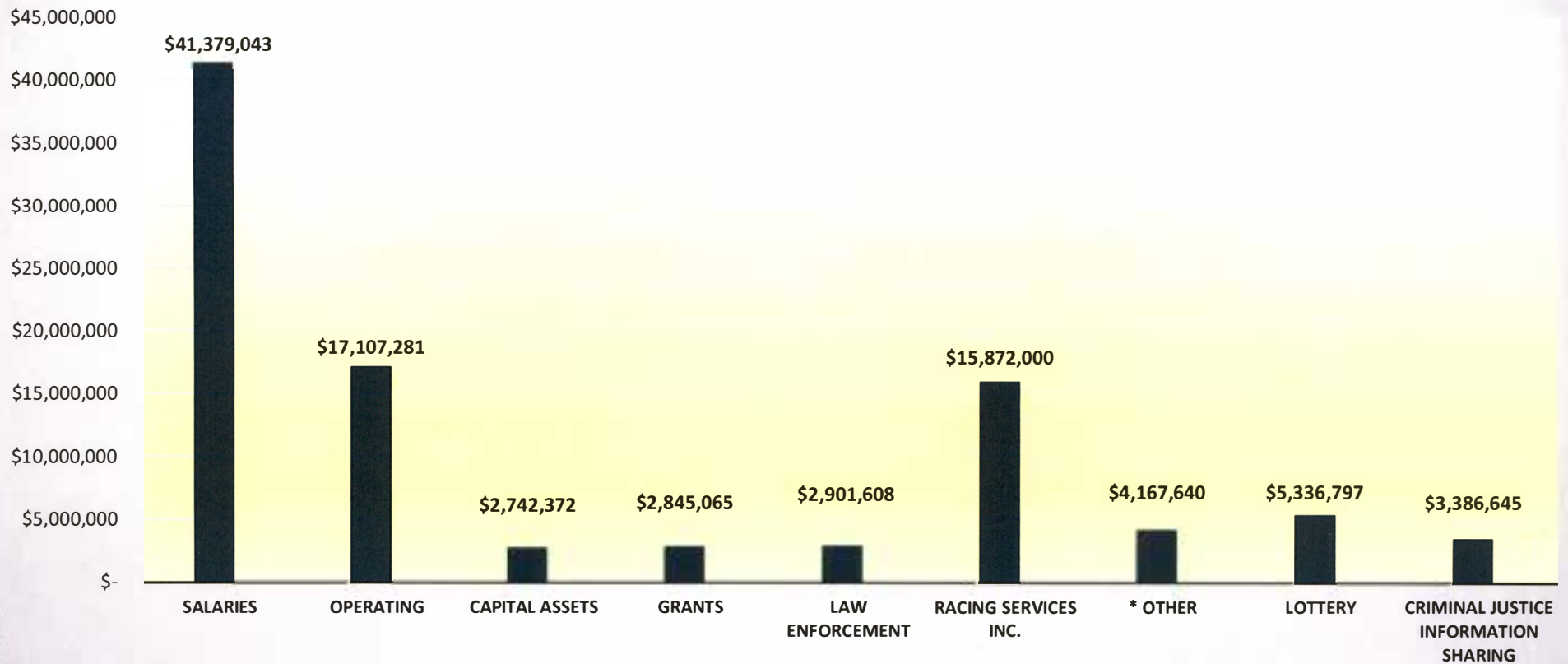
2017-19 BIENNIUM APPROPRIATION BY FUNDING SOURCE

\$95,738,451



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2017-2019 BIENNIUM APPROPRIATION \$95,738,451



* INTELLECTUAL PROPERTY ATTORNEY, FORENSIC MEDICAL EXAMINATIONS, ARREST AND RETURN FUGITIVES, GAMING COMMISSION, IT PROJECT CARRY-OVER, LAW ENFORCEMENT GRANT CARRY-OVER, SAVIN COST SHARE & STATE PROJECT & LITIGATION FEES

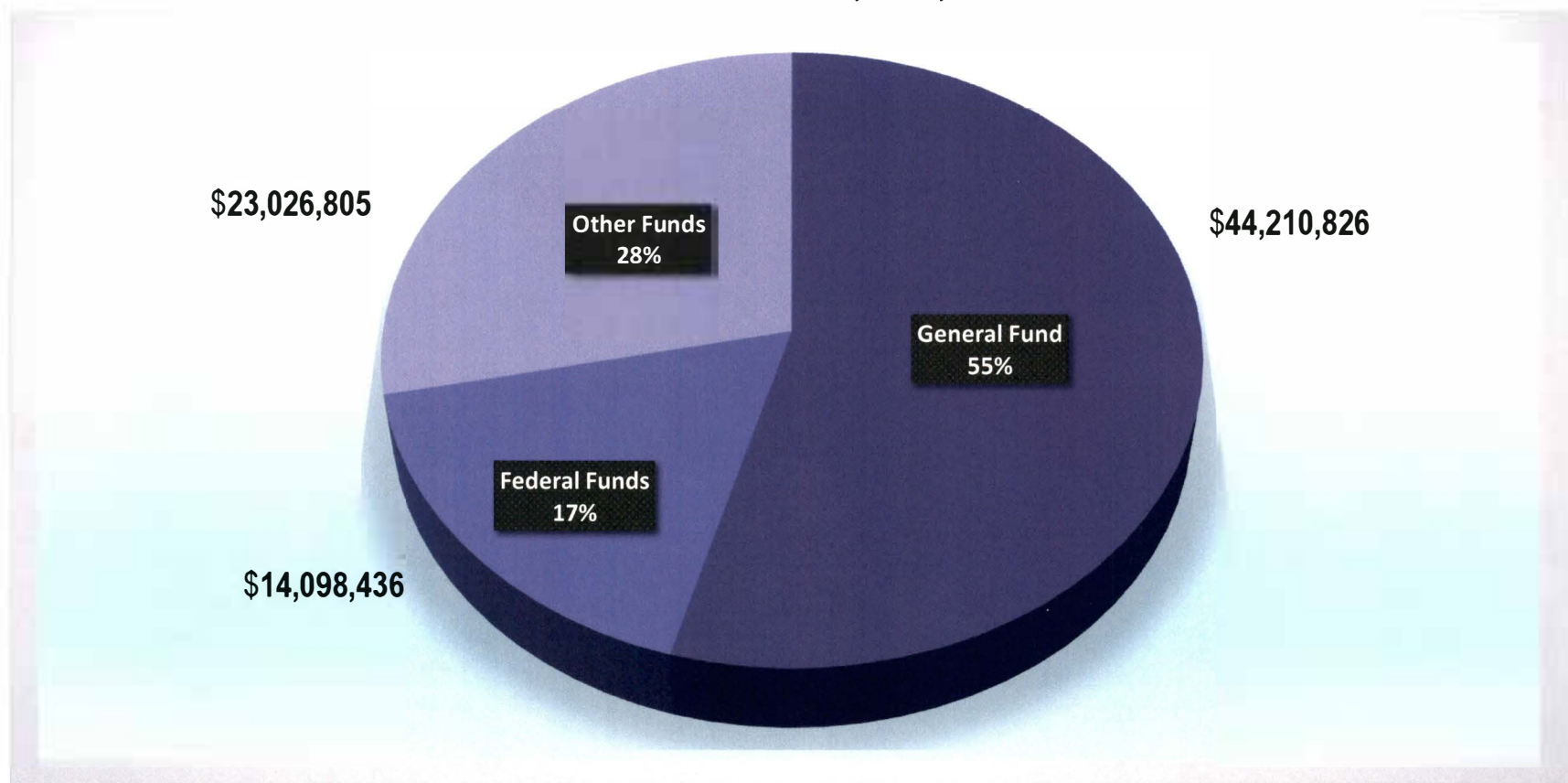
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2019-21 BIENNIUM EXECUTIVE RECOMMENDATION BY FUNDING SOURCE \$81,336,067

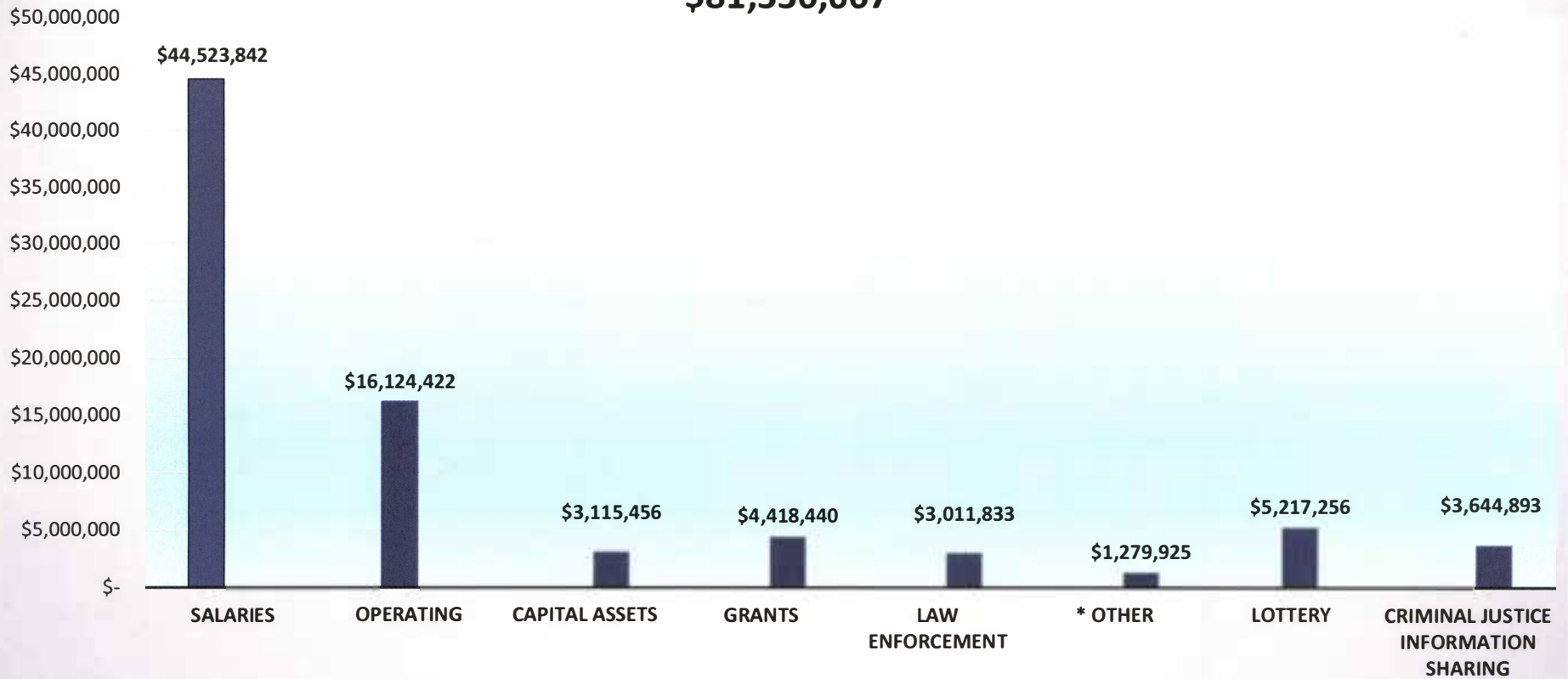


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2019-2021 BIENNIUM EXECUTIVE RECOMMENDATION BY LINE ITEM

\$81,336,067

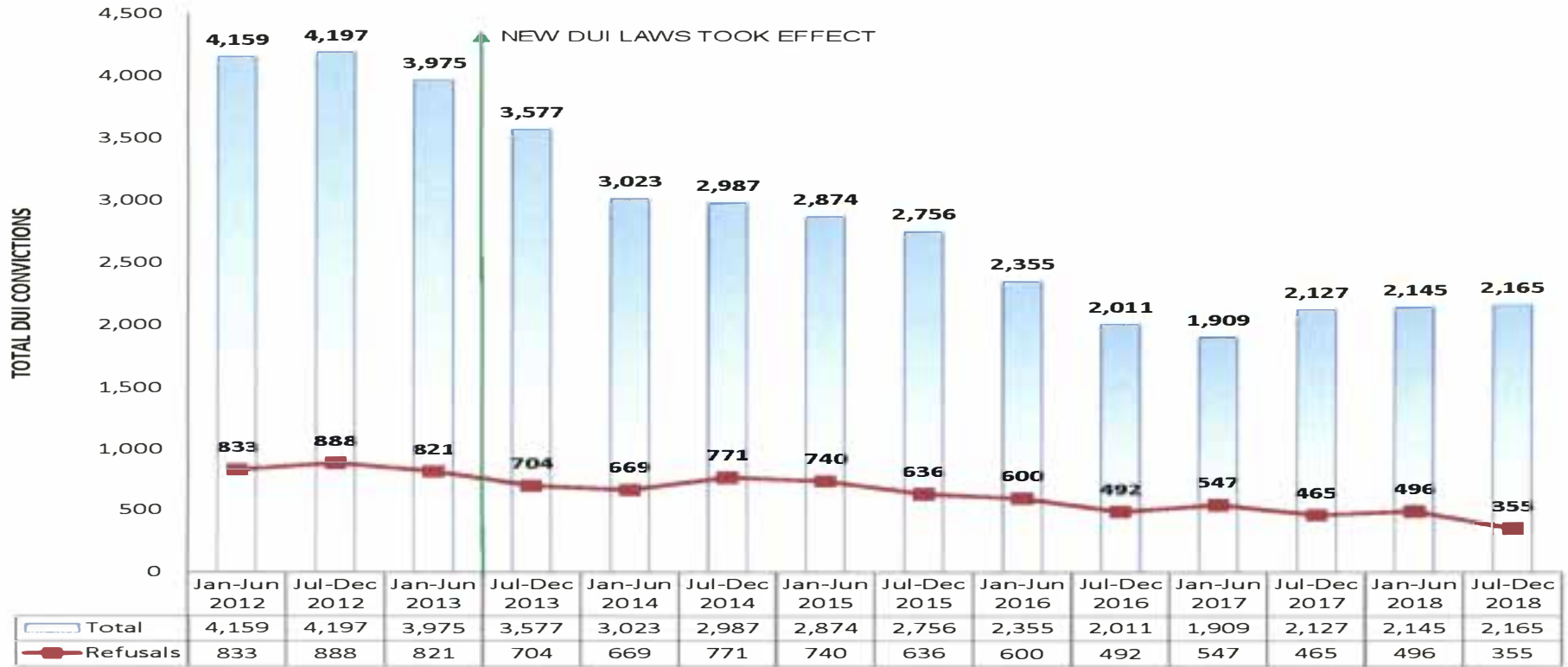


* INTELLECTUAL PROPERTY ATTORNEY, FORENSIC MEDICAL EXAMINATIONS, ARREST AND RETURN FUGITIVES, GAMING COMMISSION, LITIGATION FEES

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DUI OFFENSE CONVICTIONS (THROUGH 12-31-18)

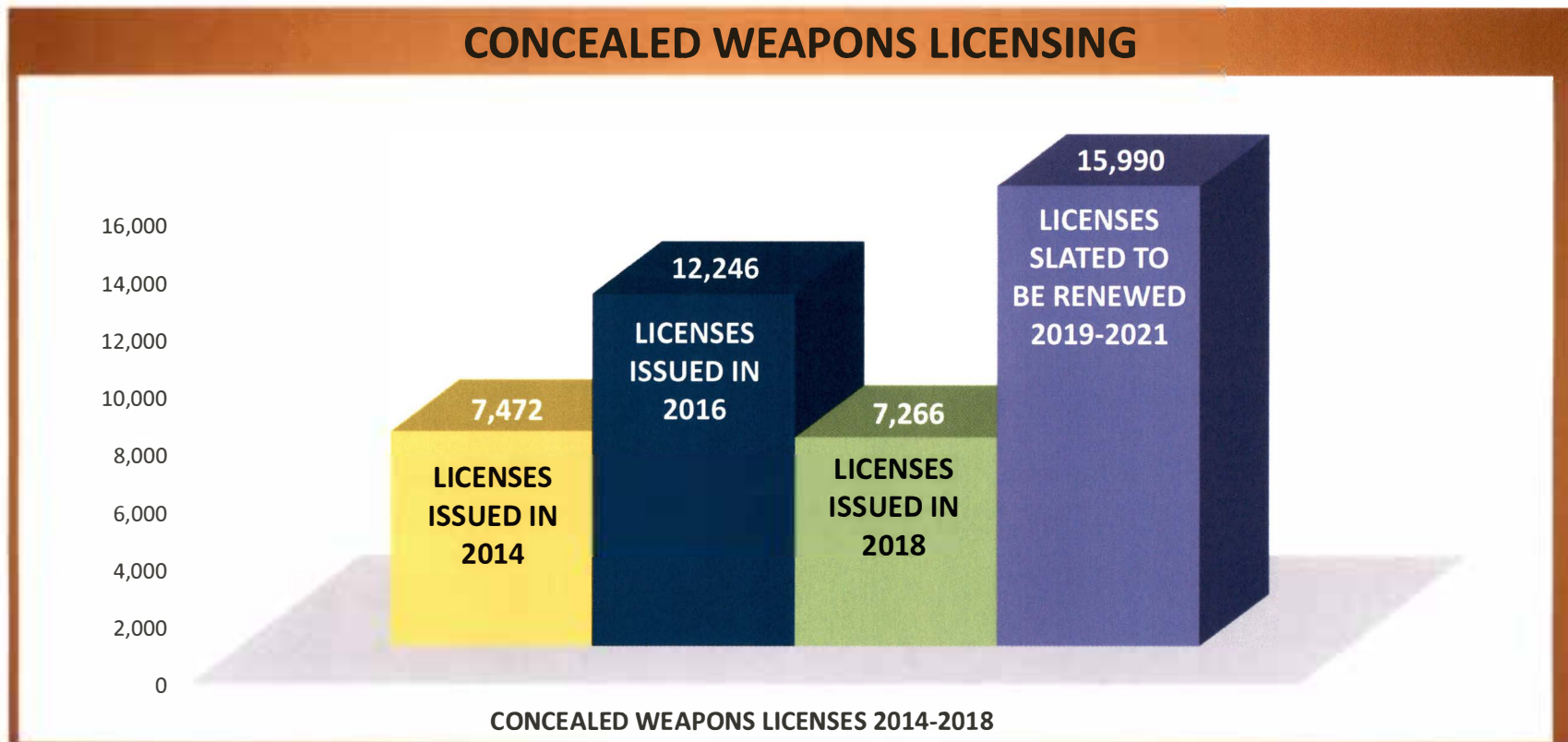


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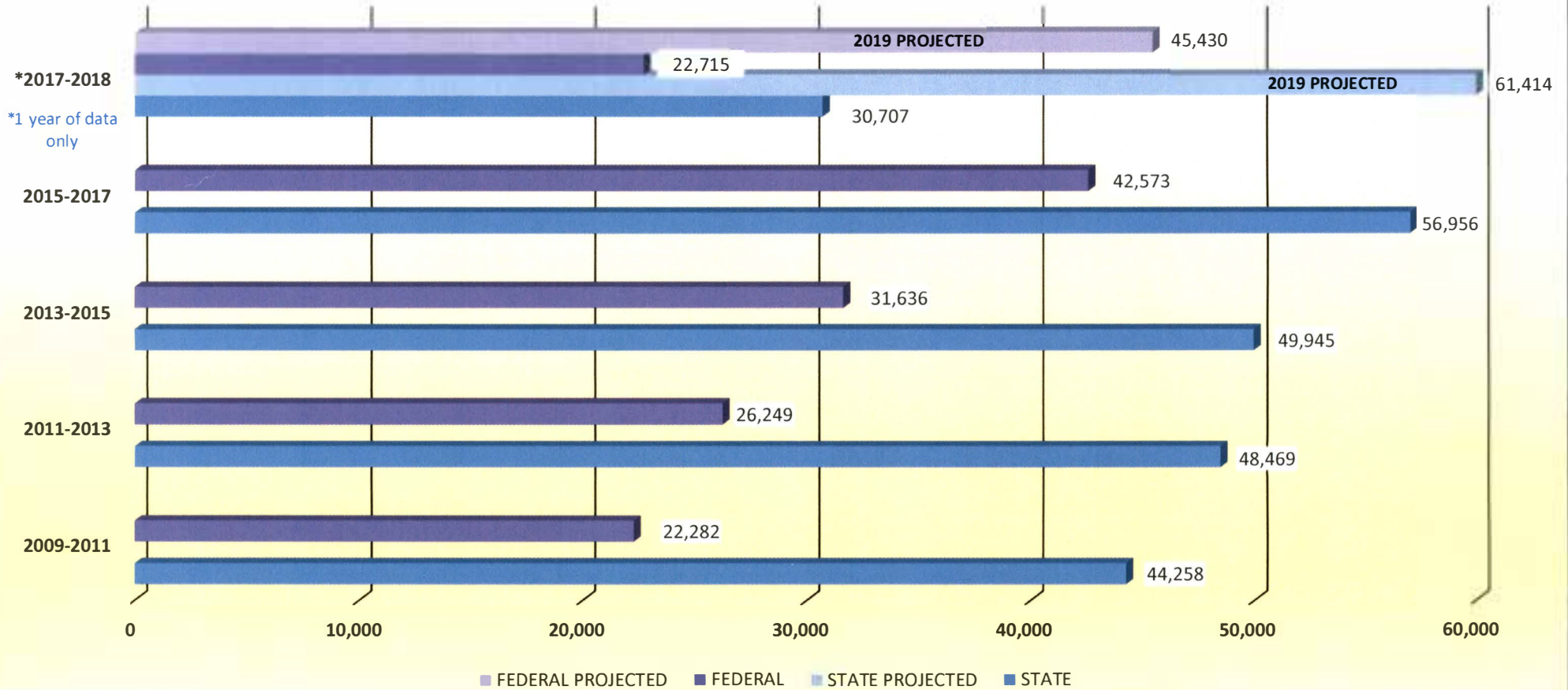
OFFICE OF ATTORNEY GENERAL



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OFFICE OF ATTORNEY GENERAL STATE AND FEDERAL RECORDS CHECKS



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SIGN UP FOR VICTIM
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NORTH DAKOTA SEX OFFENDER REGISTRY OFFICE OF THE ATTORNEY GENERAL

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List of all Offenders

Detailed Search

Map Offenders Near Me

Delinquent Offenders

Searchable List of Sex Offenders

All registered sex offenders appear on the sex offender website but not all offenders are listed with photographs and full details. Offenders with a Lifetime requirement for registration, those who have been deemed a High Risk for re-offending, and Delinquent offenders are shown with full details and photographs.

The public list of registered sex offenders is available at no charge. This information is updated in real time, all day, every day, as changes and updates are reported by local law enforcement, the Department of Corrections, Parole & Probation and the Courts.

Please be patient while waiting for the report to generate. It may take a moment.

Choose City, County, or All

City: *

County: *

* All Offenders

Exclude Incarcerated Offenders

Search Reset

BCI Tip Line
1-800-472-2185 within ND only

National Human Trafficking Resource Center
1-888-373-7888

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Risk Level Descriptions

High - Statistically the most likely to commit another sexual offense, high risk offenders have typically committed more than one offense, have refused to engage in sex offender treatment, or have engaged in behaviors that contribute to an elevated level of risk.

Moderate - Moderate risk offenders score higher on actuarial tools than those in the low risk category, but may not constitute a significant threat to all members of the public. Community notification is "targeted" towards those who fall in a similar victim class as a previous victim of the offender.

Low - Statistically the least like to commit another sexual offense, low risk offenders have typically only committed one offense, have completed sexual offender treatment, or have been in the community for a number of years without reoffending.

Undetermined - To make use of the most accurate and current information, risk levels are not assigned until a few months prior to an offenders release from prison. For offenders that come to North Dakota from another state or the federal prison system, it may take several weeks to gather the necessary records, assign the risk level, and provide the offender a due process hearing. Offenders whose risk level has not yet been assigned are classified as "undetermined".

Restricted Release - This offender is a resident of a transition center, halfway house or correctional facility. This offender is granted community release on a limited basis.

Disposition Abbreviation Key:

YRS - Years
MOS - Months
DYS - Days
HRS - Hours
DEF - Deferred
PROB - Probation
SUSP - Suspended
SUPV - Supervised
UNSUPV - Unsupervised
CONC - Concurrent
CONS - Consecutive
CNT - Count
CTY - County

REPORT GENERATED FOR CITY OF ANETA

Community notification is the responsibility of your local law enforcement agency. Attempts to harass, intimidate, or threaten these offenders or their families, landlords, or employers will be turned over to prosecution.

Total Number of Sex Offenders: 1

Name and status	Last Known Address	Convictions
SIRACUSA, KEITH ANDREW Status: REGISTERED Risk Level: HIGH LIFETIME OFFENDER	214 SEARNS AVE ANETA, ND 58212 NELSON COUNTY Last Updated Date: 1/7/2019	4/15/1997 CLAY DISTRICT COURT, MN ATT CRIMINAL SEXUAL CONDUCT 54 MONTHS 159 DAYS CREDIT

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NORTH DAKOTA SEX OFFENDER REGISTRY
OFFICE OF THE ATTORNEY GENERAL

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Offender Registry

- List of all Offenders
- Detailed Search
- Map Offenders Near Me
- Delinquent Offenders

Detailed Search

Search for offender(s) in the city of Bismarck.




83 Record(s) Found

[Map All](#) [Notify Me](#)

Show 10 entries

Search:

[First](#) [Previous](#) [1](#) [2](#) [3](#) [4](#) [5](#) [Next](#) [Last](#)

Photo	Name	Date of Birth	Last Known Address	Aliases
	ALLEN, ROBERT JAY Notify Me	6/28/1965	2406 E THAYER AVE #16 BISMARCK, ND 58501 BURLEIGH COUNTY MAP IT	ALLEN, BOB
	ALYEA, CHARLES FRANKLIN Notify Me	2/21/1989	C/O DARLENE KENDALL 732 S 16TH ST BISMARCK, ND 58504 BURLEIGH COUNTY MAP IT	ALYEA, CHUCK
	ANDERSON, JEFFREY DEAN	6/20/1962	2103 E ROSSER AVE #5 BISMARCK, ND 58501 BURLEIGH COUNTY	ANDERSON, JED

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SIGN UP FOR VICTIM
NOTIFICATIONS

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NORTH DAKOTA SEX OFFENDER REGISTRY OFFICE OF THE ATTORNEY GENERAL

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E-mail Notice Request Form

Register to receive email notice when information about a LIFETIME offender changes.
Offender with a name of ROBERT JAY ALLEN.

Email Address:

Watch for confirmation email you have 24 hours to confirm.

View current information for all offenders registered in North Dakota at [Printable List of All Offenders](#).

BCI Tip Line
1-800-472-2185 within ND only

National Human Trafficking Resource Center
1-888-373-7888

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NORTH DAKOTA SEX OFFENDER REGISTRY OFFICE OF THE ATTORNEY GENERAL

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Map Offenders Near Me

This Offenders Near Me page lists High Risk and Lifetime Offenders

This feature will show the location of offenders within a certain proximity to a fixed address. For instance, insert the address of your home, school or local park; then choose a city and radius.

Address:

City:

Radius:

Incarcerated Offenders:

BCI Tip Line
1-800-472-2185 within ND only

National Human Trafficking Resource Center
1-888-373-7888

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NORTH DAKOTA SEX OFFENDER REGISTRY OFFICE OF THE ATTORNEY GENERAL

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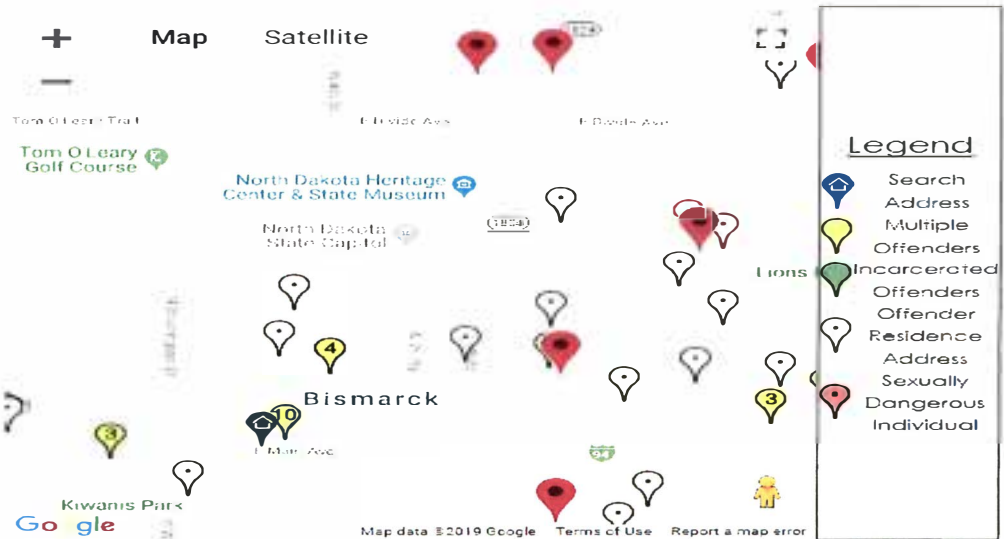
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Offender Registry

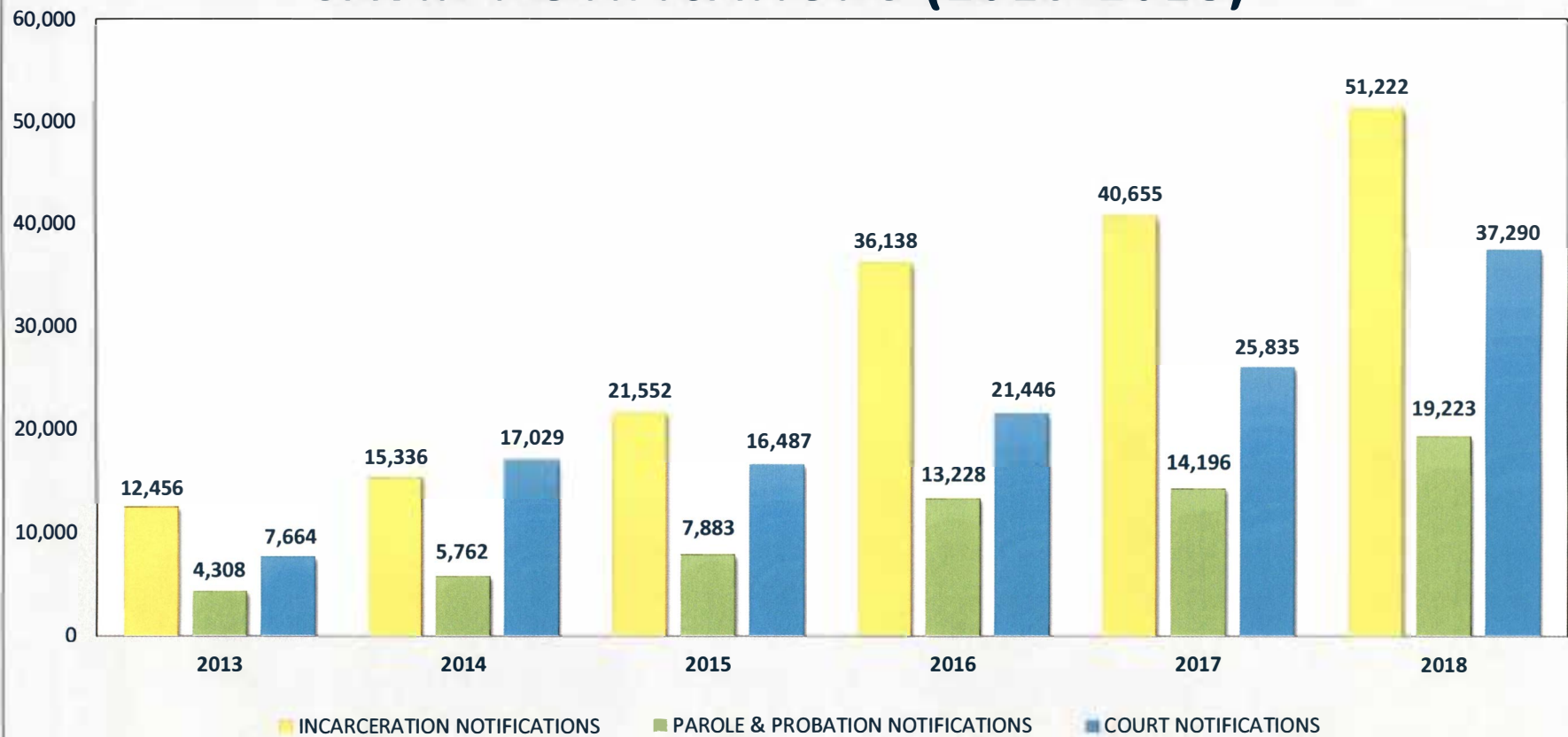
List of all Offenders
Detailed Search
Map Offenders Near Me
Delinquent Offenders



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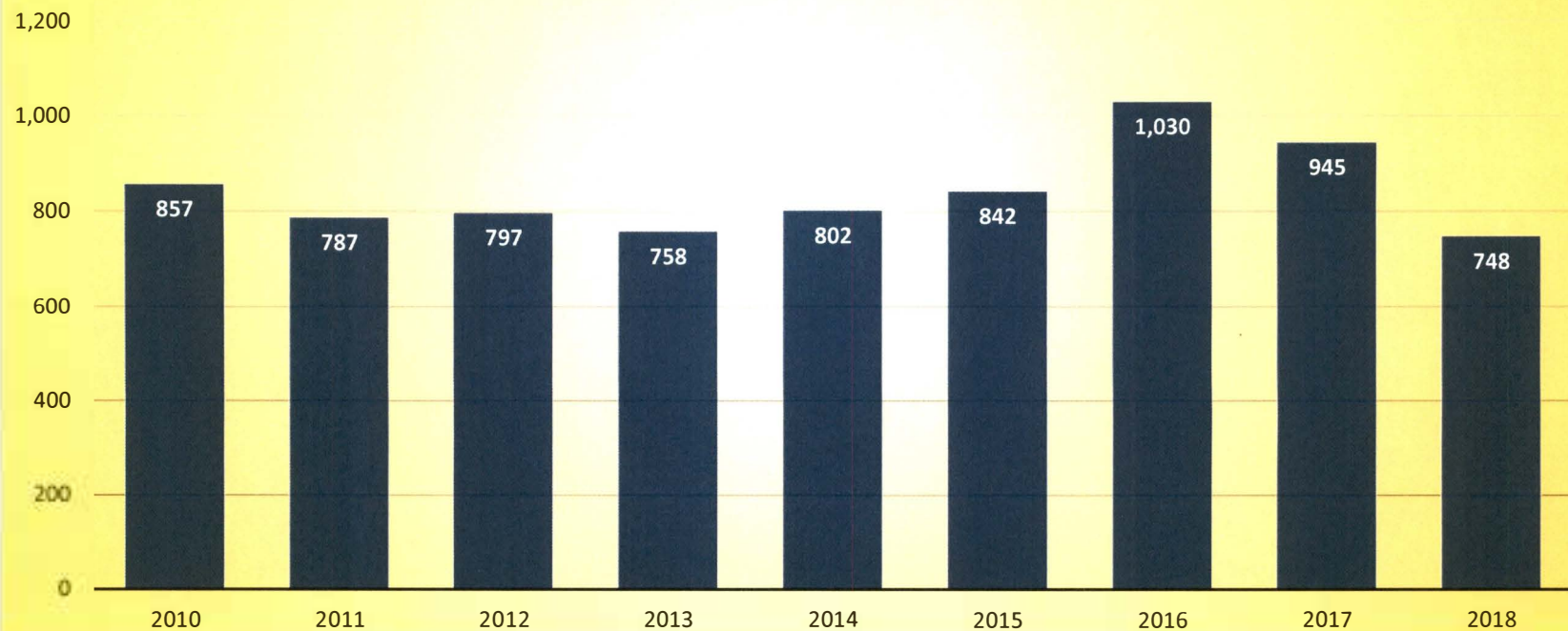
OFFICE OF ATTORNEY GENERAL SAVIN NOTIFICATIONS (2013-2018)



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OFFICE OF ATTORNEY GENERAL CRIMINAL INVESTIGATIVE CASES



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ASSERTION, SEARCH, AND NOTIFICATION

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Click link from an agency website



Assert Marsy's
Law Rights

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Welcome to VINE

VINELink is the online portal to VINE, America's leading victim notification network. Accessible 24/7/365, VINELink provides the most reliable information regarding custody status changes and criminal case information.

The state you have selected provides a new and enhanced user experience, with added features that will significantly benefit the community of victims and concerned citizens.

Sign in or create a confidential user account to experience all the features of VINE

[Learn more about enhanced features](#)

Username

Password

Must include 8 or more characters, a number, a capital and lower case letter.

SECURE LOGIN

[Forgot password?](#)

[Forgot username?](#)

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Submit a Marsy's Law Assertion

The information provided below is subject to being updated by criminal justice personnel as more information becomes available in the case.

*Marsy's Law Victim First Name
Sarah

*Marsy's Law Victim Last Name
Smith

Marsy's Law Victim Nickname/Alias

+ add nickname/alias

*Location of Incident

Select

*Incident Type

Property

Offender First Name
Ray

Offender Last Name
Doe

*Approximate Incident date
10/15/2018

Case #/Incident number

Case #/Incident number

Notification Method

Add Notification Method

jsmith@someemail.com

DELETE

(555) 555 5555

DELETE

(555) 555 5555

DELETE

Please choose the rights you wish to assert:

Select All

Category #1

- ☒ The right to be treated with fairness and respect for the victim's dignity
- ☒ The right to be free from intimidation, harassment, and abuse
- ☒ The right to be reasonably protected from the accused and any person acting on behalf of the accused

Category #2

- ☒ The right to be treated with fairness and respect for the victim's dignity
- ☒ The right to be free from intimidation, harassment, and abuse
- ☒ The right to be reasonably protected from the accused and any person acting on behalf of the accused

Category #3

- ☒ The right to be treated with fairness and respect for the victim's dignity
- ☒ The right to be free from intimidation, harassment, and abuse
- ☒ The right to be reasonably protected from the accused and any person acting on behalf of the accused

SUBMIT

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Language

▼ North Dakota ▼

jsmith

Help

Escape

WATCH

CONTACTS

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Your Marsy's Law Assertions

Date Asserted	Incident Date	Location of Incident	Marsy's Law Victim First Name	Incident Type	Offender/Defendants Name		
10/03/2018	9/25/2018	Burleigh County	Joey	Both Property and Personal Crime	Susan Doe		
11/25/2018	10/15/2018	Morton County	Sarah	Property Crime	Ray Doe		

Add New Assertion

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TOP 25 NARCOTICS SAMPLES
SUBMITTED TO THE CRIME LABORATORY
FOR THE PERIOD FROM JANUARY – DECEMBER 2017

DESCRIPTION	TOTAL	PERCENT
METHAMPHETAMINE	3,877	38.21%
CANNABIS	3,731	36.77%
HEROIN	699	6.89%
COCAINE	270	2.66%
OXYCODONE	231	2.28%
ALPRAZOLAM	106	1.04%
DIMETHYLSULFONE	75	.74%
CAFFEINE	73	.72%
HYDROCODONE	68	.67%
FENTANYL	66	.65%
BUPRENORPHINE	60	.59%
CLONAZEPAM	59	.58%
AMPHETAMINE	55	.54%
ACETAMINOPHEN	49	.48%
NALOXONE	49	.48%
TRAMADOL	43	.42%
LARAZEPAM	35	.34%
CANNABIDIOL	29	.29%
GABAPENTIN	24	.24%
PSILOCYBIN/PSILOCYN	24	.24%
LYSERGIC ACID DIETHYLAMIDE (LYSERGIDE)	23	.23%
MDMA (3,4-METHYLENEDIOXYMETHAMPHETAMINE)	21	.21%
MORPHINE	21	.21%
HYROMORPHONE	20	.20%
FURANYL FENTANYL	19	.19%
TOTAL TOP 25 DRUGS	9,727	95.86%
TOTAL ALL DRUGS	10,147	

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953 #1

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562003

TOP 25 NARCOTICS SAMPLES
SUBMITTED TO THE CRIME LABORATORY
FOR THE PERIOD FROM JANUARY – DECEMBER 2018

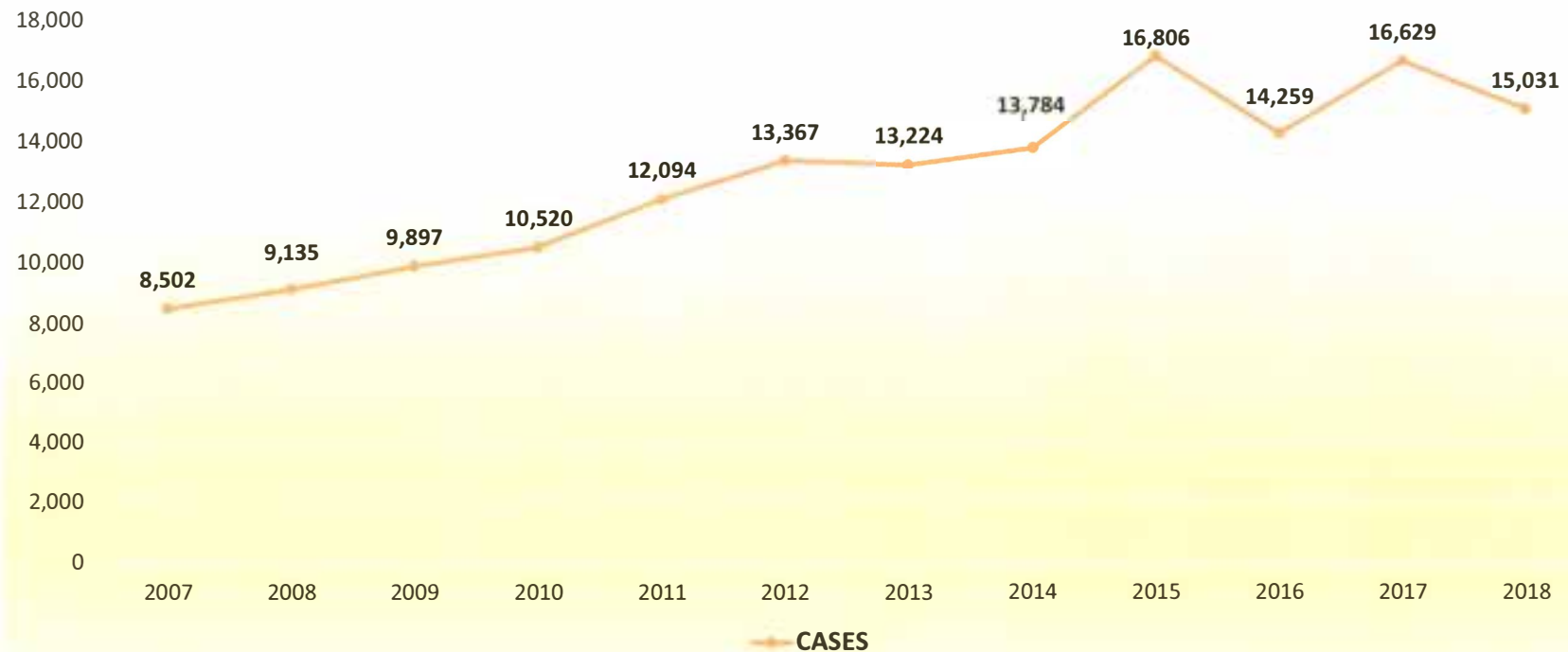
DESCRIPTION	TOTAL	PERCENT
METHAMPHETAMINE	3,683	40.27%
CANNABIS	3,600	39.37%
HEROIN	381	4.17%
COCAINE	233	2.55%
OXYCODONE	150	1.64%
DIMETHYLSULFONE	117	1.28%
ALPRAZOLAM	79	.86%
AMPHETAMINE	76	.83%
CLONAZEPAM	64	.70%
HYDROCODONE	53	.58%
FENTANYL	50	.55%
ACETAMINOPHEN	45	.49%
CAFFEINE	44	.48%
BUPRENORPHINE	36	.39%
TRAMADOL	33	.36%
PSILOCYBIN/PSILOCYN	26	.28%
GABAPENTIN	23	.25%
CANNABIDIOL	22	.24%
NALOXONE	19	.21%
LYSERGIC ACID DIETHYLAMIDE (LYSERGIDE)	18	.20%
HYROMORPHONE	17	.19%
LARAZEPAM	15	.16%
DIAZEPAM	14	.15%
MORPHINE	14	.15%
CYCLOBENZAPRINE	13	.14%
TOTAL TOP 25 DRUGS	8,825	96.49%
TOTAL ALL DRUGS	9,145	

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CRIME LABORATORY WORKLOAD

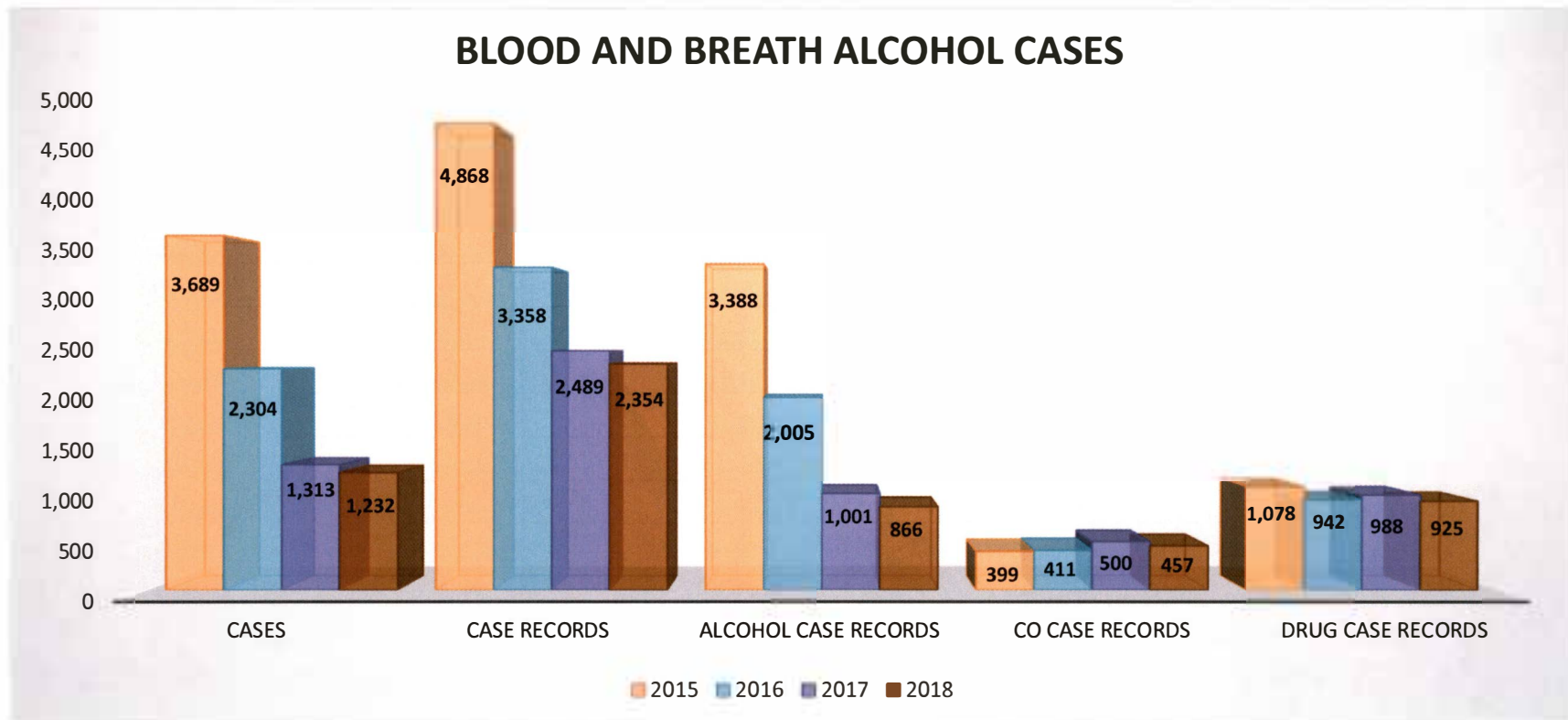
2007-2018



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CRIME LABORATORY TOXICOLOGY WORKLOAD

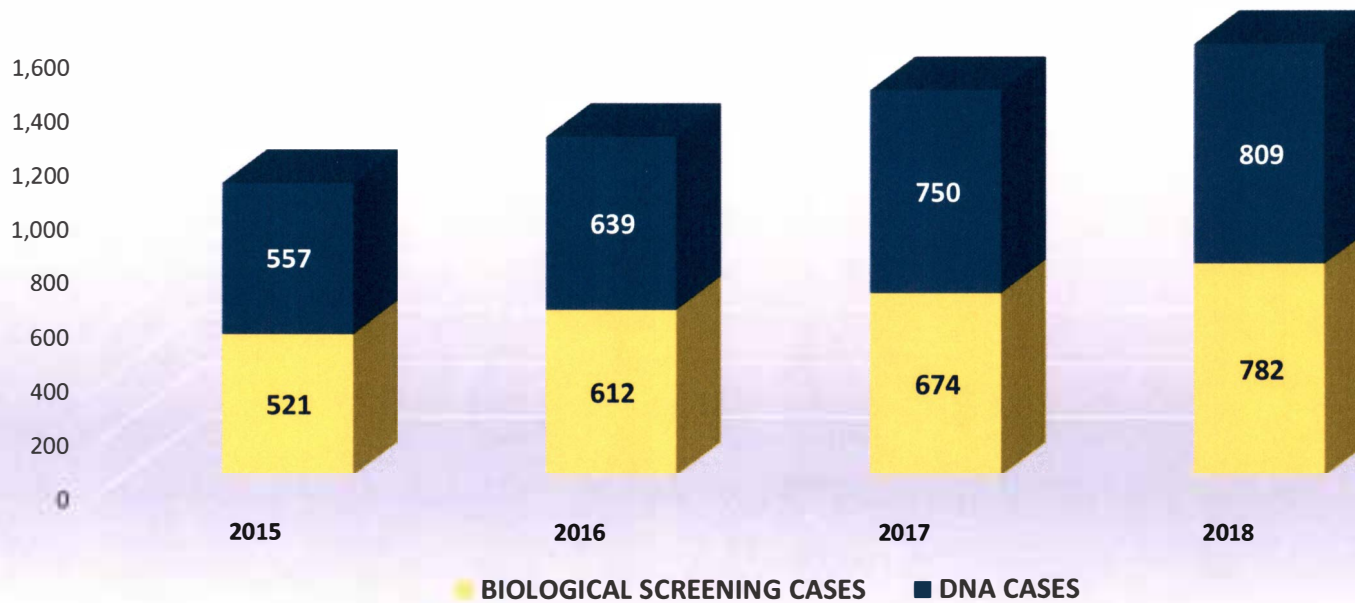


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CRIME LABORATORY WORKLOAD

DNA UNIT CASELOAD

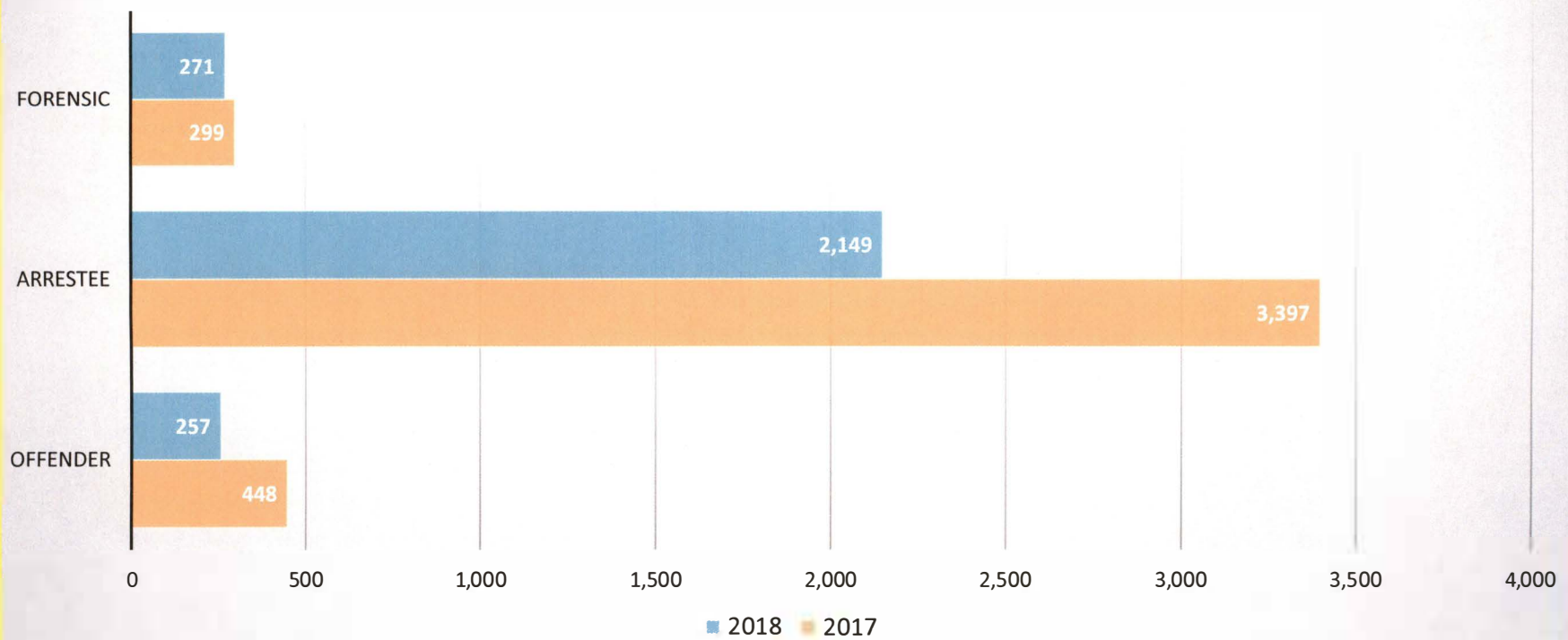


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CRIME LABORATORY WORKLOAD

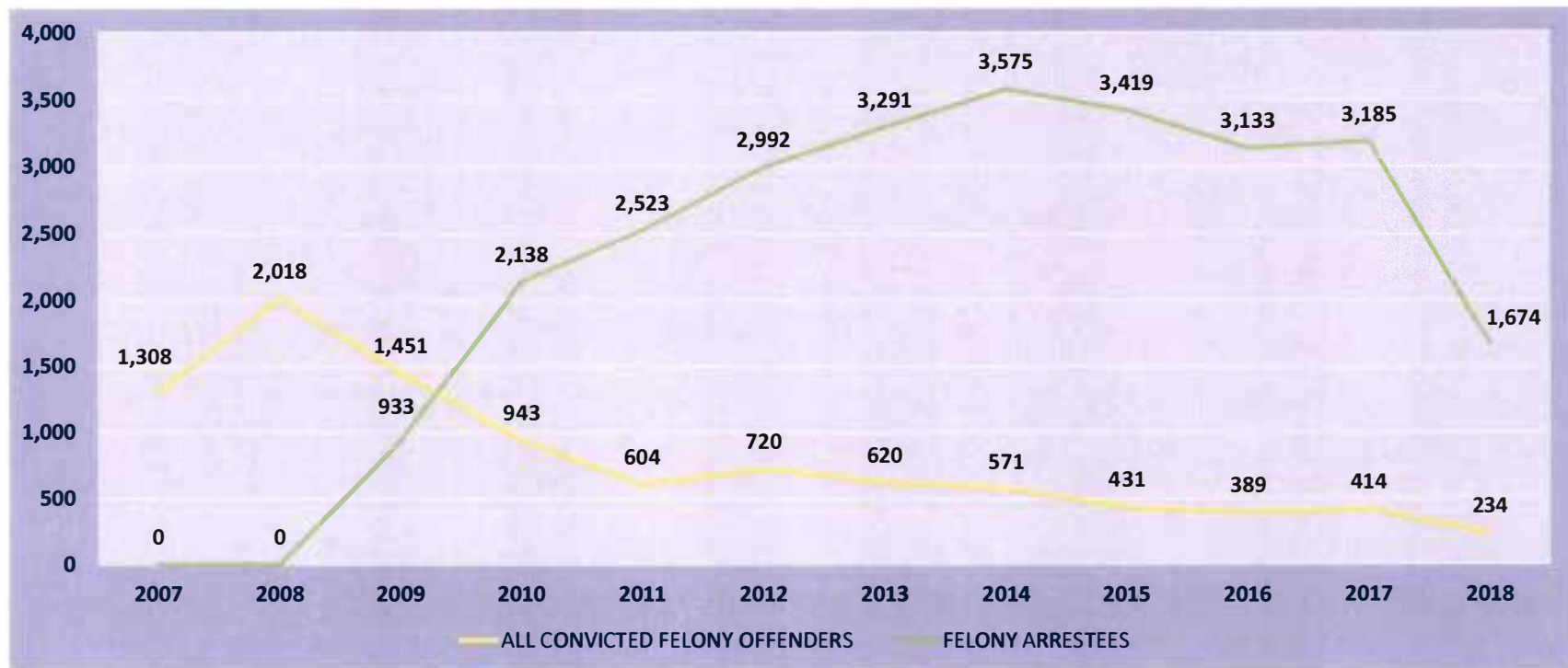
DNA SAMPLES UPLOADED TO COMBINED DNA INDEX SYSTEM (CODIS)



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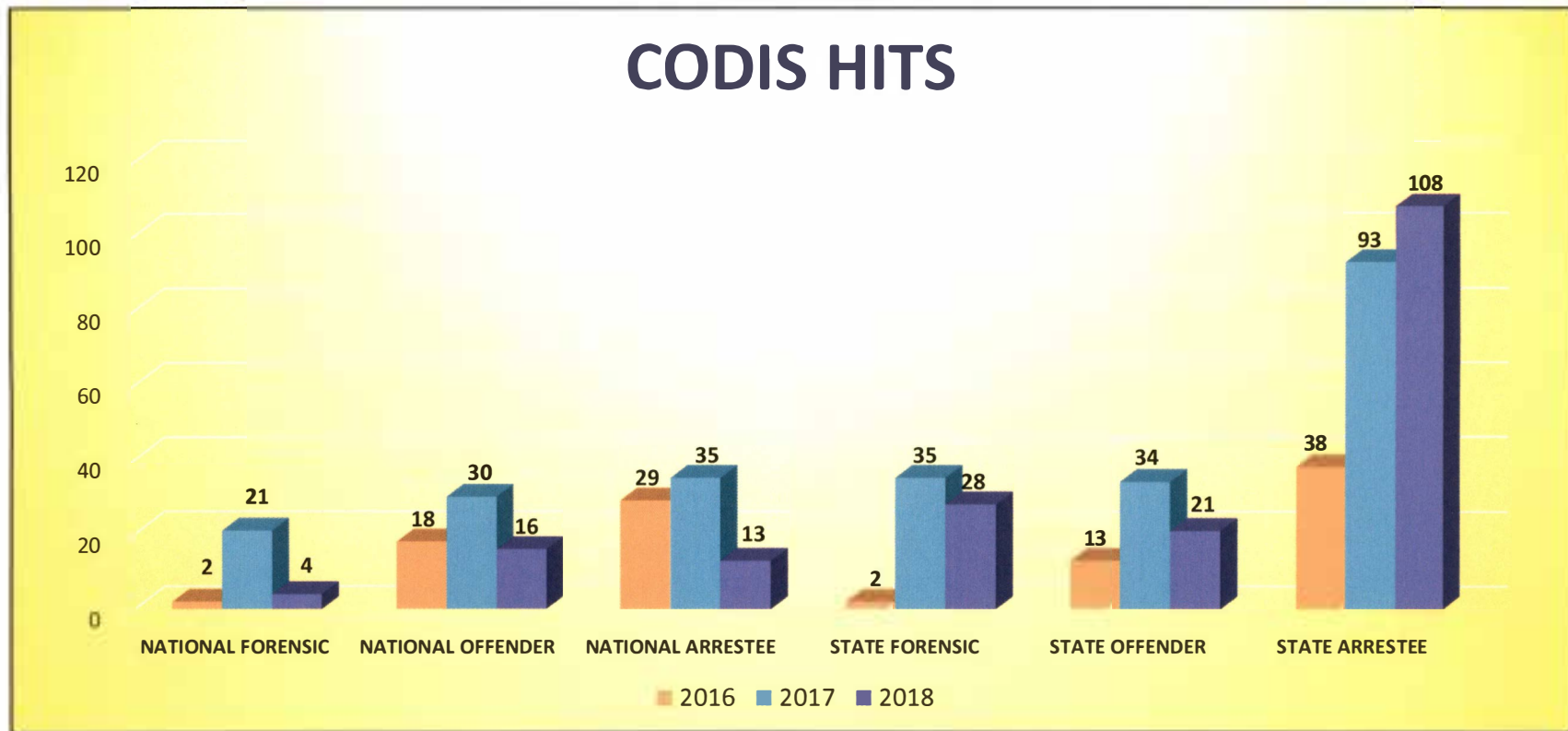
CRIME LABORATORY CODIS SAMPLES



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CRIME LABORATORY WORKLOAD



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TOP 10 CONSUMER PROTECTION COMPLAINTS OF 2018

10. TELEPHONE
9. RETAIL
8. MEDICAL
7. SERVICES
6. MAIL ORDER
5. AUTOMOBILE
4. IDENTITY THEFT
3. CONTRACTOR/HOME
IMPROVEMENT
2. IMPOSTER SCAMS
- 1. TELEMARKETING/DO NOT
CALL**

1961

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INFORMATION REGARDING LOCAL AND OTHER LAW ENFORCEMENT SALARIES

In efforts to report the most accurate numbers possible, the ND State and Local Intelligence Center (SLIC) and ND Bureau of Criminal Investigation (BCI) contacted 12 local law enforcement agencies (with eight responding) and three neighboring states to gather the average starting salary for detective/investigator positions comparable to that of a Criminal Investigator I.

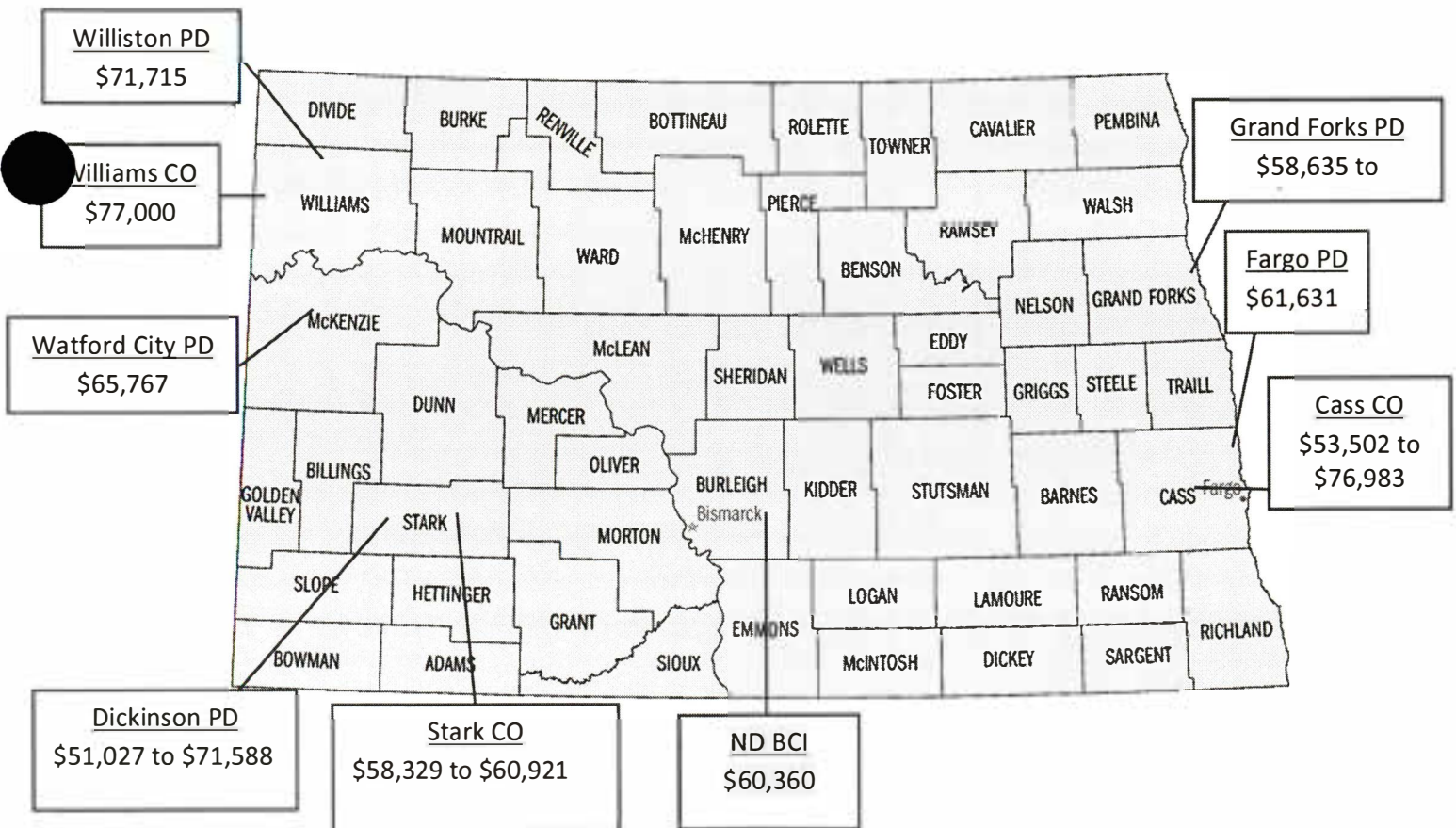
In addition, information was gathered from Human Resource Management Services to report on similar ranking positions from two other state agencies. National data was collected from the U.S. Department of Labor, Bureau of Labor Statistics report published in May 2017.

The results are as follows:

ND BCI Criminal Investigator I

Starting Salary: \$60,360 annually \$5,030/month (\$29.02/hour)

Salary Amounts for Oil Impacted and Highly Populated Cities/Counties

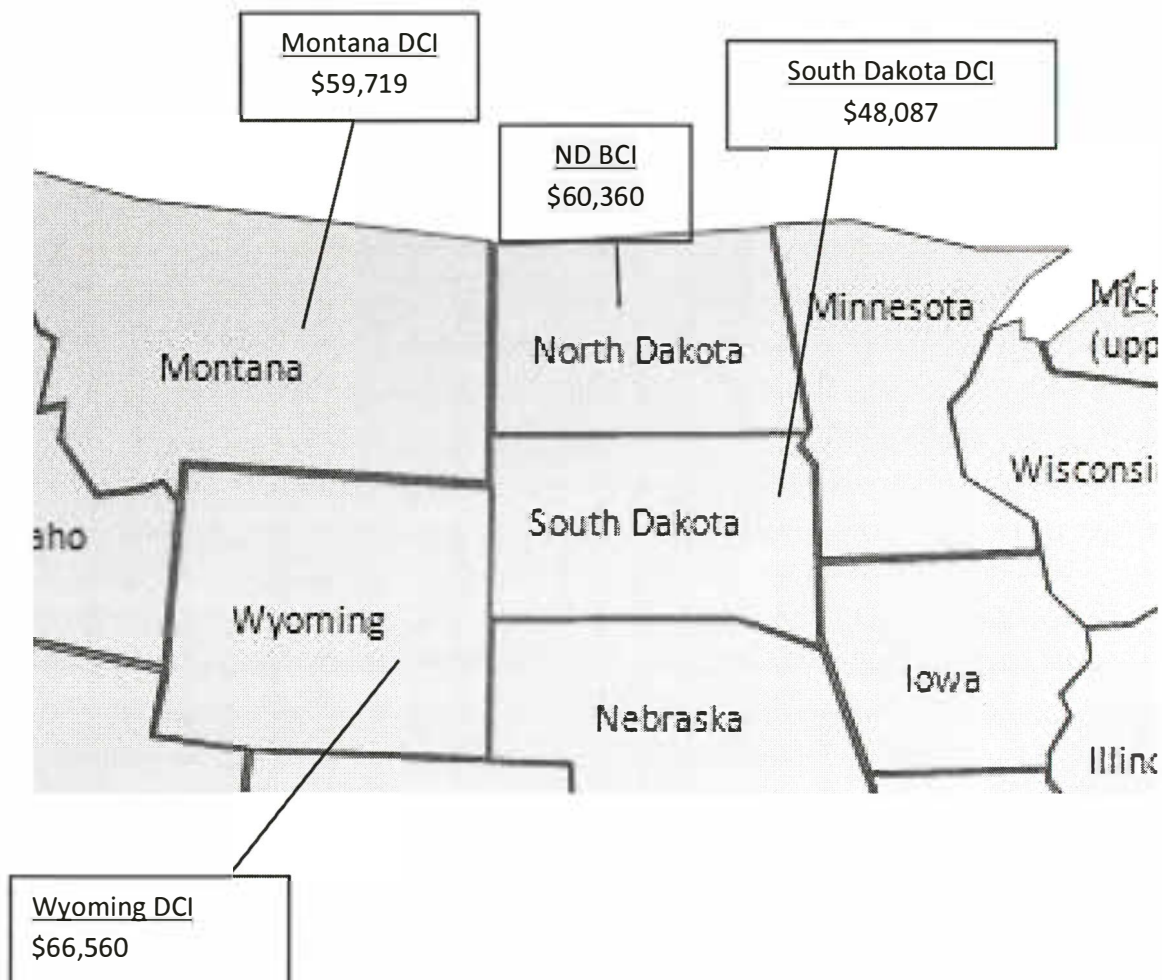


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Other State Agency Positions

Title	Average Hire Rate- Monthly	Average Hire Rate- Annually
HWY PATROL SERGEANT	\$5,445	\$65,334
PAROLE & PROB OFFICER III	\$5,445	\$65,334
Based on January 2019 PeopleSoft records		

Neighboring States



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Nationwide Salary Information

Mean Hourly Wage	Mean Annual Wage
\$40.06	\$83,320

Percentile wage estimates

Percentile	10%	25%	50% (Median)	75%	90%
Hourly Wage	\$20.62	\$26.84	\$38.45	\$50.60	\$65.15
Annual Wage	\$42,880	\$55,830	\$79,970	\$105,240	\$135,530

These estimates exclude private industry positions.

**Outside Counsel Information and Costs
Office of Attorney General**

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	2015-17 Biennium	2017-19 Biennium	2015-17 & Legal Counsel 2017-19 Biennia	
State of Wyoming, State of Colorado, Independent Petroleum Association of America, Western Energy Alliance v. U.S. Department of the Interior, and U.S. Bureau of Land Management - Hydraulic Fracturing Rule	\$ 612,521	\$ 117,334	\$ 729,855	Greenberg Traurig LLP
Environmental Integrity Project; Natural Resources Defense, Earthworks, Center for Health, Environment, and Justice; West Virginia Citizen Action Group d/b/a West Virginia Surface Owners' Rights Organization; Responsible Drilling Alliance; and San Juan Citizens Alliance v. Gina McCarthy, in her official capacity as Administrator, United States Environmental Protection Agency - RCRA Oilfield Wastes Citizen Suit	\$ 39,085	\$ 102,861	\$ 141,946	Greenberg Traurig LLP
Minnesota's Next Generation Energy Act vs. State of North Dakota				Belin McCormick PC
State of North Dakota v. U.S. EPA - Methane Rule	\$ 1,645	\$ 37,780	\$ 39,425	Greenberg Traurig LLP
State of Wyoming et al v. United States Department of Interior et al - Bureau of Land Management Venting/Flaring Rule	\$ 21,205	\$ 356,545	\$ 377,750	Greenberg Traurig LLP
California v. Bureau of Land Management; Sierra Club v. Bureau of Land Management - Federal Environmental Regulation	\$ 1,917	\$ 1,200	\$ 3,117	Hickey & Evans
Litigation Related to Dakota Access Pipeline Protests	\$ 240	\$ 140,745	\$ 140,985	Greenberg Traurig LLP
Sorum et al vs. State of ND et al - 2017 Senate Bill 2134 - mineral ownership under Lake Sakakawea	\$	\$ 164,165	\$ 164,165	Pearson Christensen PLLP

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**Outside Counsel Information and Costs
Office of Attorney General**

	2015-17 Biennium	2017-19 Biennium	2015-17 & Legal Counsel 2017-19 Biennia
Enduro Resources Operating LLC - bankruptcy	\$ -	\$ 17,190	\$ 17,190 Ballard Spahr LLP
States of North Dakota, Alaska, Arizona, Arkansas, Colorado, Idaho, Missouri, Montana, Nebraska, Nevada, South Dakota, and Wyoming; New Mexico Environment Department; and New Mexican State Engineer vs. U.S. Environmental Protection Agency and U.S. Army Corp of Engineers			Greenberg Traurig LLP
Richard Brakebill, et. Al., vs. Alvin Jaeger, in his official capacity as the North Dakota Secretary of State		\$ 100,000	\$ 100,000 Consovy McCarthy Park PLLC
State of North Dakota vs. United States of America			

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

#1 SB 2003 Sub
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pg 1

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160	237.00	\$44,695,840	\$30,647,320	\$75,343,160	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)		(\$1,492,594)	(\$250,559)	(\$1,743,153)				\$0
Salary increase		1,518,505	503,299	2,021,804		1,027,161	340,640	1,367,801		(491,344)	(162,659)	(654,003)
Health insurance increase		681,165	227,687	908,852		803,603	269,528	1,073,131		122,438	41,841	164,279
Retirement contribution increase		137,187	48,871	186,058				0		(137,187)	(48,871)	(186,058)
Removes 6 FTE positions	(6.00)	(641,089)	(272,399)	(913,488)	(6.00)	(641,089)	(272,399)	(913,488)				0
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760		(182,457)	2,348,217	2,165,760				0
Adds 5 FTE Medicaid Fraud Control Unit positions	5.00	92,986	836,880	929,866	5.00	92,986	836,880	929,866				0
Add sfunding for Medicaid Fraud Control Unit operating expenses		35,649	320,840	356,489		35,649	320,840	356,489				0
Adds 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716	1.00		128,716	128,716				0
Adds funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924			169,924	169,924				0
Adds funding for Fire Marshal operating expenses			124,888	124,888			124,888	124,888				0
Adds funding for additional income from other sources			250,000	250,000				0			(250,000)	(250,000)
Adds funding for Microsoft Office 365 license expenses		168,000		168,000		168,000		168,000				0
Reduces funding for operating expenses from the general fund		(775,404)		(775,404)		(775,404)		(775,404)				0
Reduces funding for operating expenses from special funds			(1,563,506)	(1,563,506)			(1,563,506)	(1,563,506)				0
Adds funding for operating expenses from various federal funds			519,778	519,778			519,778	519,778				0
Adds federal funding for SMART operating expenses			650,000	650,000			650,000	650,000				0
Adds federal funding for the Project Safe Neighborhood program			291,232	291,232			291,232	291,232				0
Adds funding for the lottery narcotics task force			756,664	756,664			756,664	756,664				0
Reduces funding for crime laboratory bond payments		(118,512)		(118,512)		(118,512)		(118,512)				0
Reduces funding for capital assets		(83,450)	(1,892,910)	(1,976,360)		(83,450)	(1,892,910)	(1,976,360)				0
Adds federal funding for community oriented policing grants			1,021,237	1,021,237			1,021,237	1,021,237				0
Reduces funding for other federal grants			(73,797)	(73,797)			(73,797)	(73,797)				0
Reduces funding for North Dakota lottery operating expenses			(375,097)	(375,097)			(375,097)	(375,097)				0
Reduces funding for human trafficking grants		(125,000)		(125,000)				0		125,000		125,000
Transfers human trafficking grants from grants to the human trafficking li				0				0				0
Adds funding for the human trafficking victims grant program				0		1,500,000		1,500,000		1,500,000		1,500,000
Adds funding for a forensic nurse examiners grant program				0		250,000		250,000		250,000		250,000
Total ongoing funding changes	0.00	(\$785,014)	\$3,769,965	\$2,984,951	0.00	\$583,893	\$3,350,276	\$3,934,169	0.00	\$1,368,907	(\$419,689)	\$949,218
One-time funding items												
Adds funding for a criminal history improvement project			\$400,000	\$400,000			\$400,000	\$400,000			\$0	\$0
Adds funding for capital assets			1,851,956	1,851,956			1,851,956	1,851,956			0	0
Adds funding for undercover vehicles		\$300,000		300,000		\$300,000		300,000		\$0		0
Adds funding for an automated finger identification system replacement			316,000	316,000			316,000	316,000			0	0
Adds funding for Criminal Justice Information Sharing projects			140,000	140,000			140,000	140,000			0	0
Adds one-time funding for additional income from other sources				0			250,000	250,000			250,000	250,000
Adds funding for a charitable gaming technology system				0			400,000	400,000			400,000	400,000
Total one-time funding changes	0.00	\$300,000	\$2,707,956	\$3,007,956	0.00	\$300,000	\$3,357,956	\$3,657,956	0.00	\$0	\$650,000	\$650,000
Total Changes to Base Level Funding	0.00	(\$485,014)	\$6,477,921	\$5,992,907	0.00	\$883,893	\$6,708,232	\$7,592,125	0.00	\$1,368,907	\$230,311	\$1,599,218
2019-21 Total Funding	237.00	\$44,210,826	\$37,125,241	\$81,336,067	237.00	\$45,579,733	\$37,355,552	\$82,935,285	0.00	\$1,368,907	\$230,311	\$1,599,218

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Other Sections for Attorney General - Budget No. 125

	Executive Budget Recommendation	Senate Version
Exemption - Attorney General refund fund	Section 5 would allow the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.	Section 5 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.
Attorney General salary	Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.	Section 6 amends North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.
Lottery operating fund transfer	Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.	Section 7 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
Appropriation - Additional federal funds or other funds	Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.	Section 8 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.
Criminal history record checks - Fees	Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.	
State automated victim identification upgrades - Exemption		Section 9 provides that any unexpended special fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program enhancements is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.
Human trafficking victims grant program - Exemption		Section 10 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the human trafficking victims grant program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Other Sections for Attorney General - Budget No. 125

Human trafficking victims grant program - Requirements - Reports

Forensic nurse examiners grant program - Requirements - Reports

Charitable gaming technology system - Exemption

Executive Budget Recommendation

Senate Version

Section 11 identifies \$1.5 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 2021 Legislative Assembly on the use of the funds receives and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

Section 12 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 2021 Legislative Assembly on the use of the funds receives and the outcomes of its programs. The Attorney General is required to report to the appropriation committees of the 2021 Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

Section 13 allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system during the 2019-21 biennium, rather than depositing the amount in the general fund as provided for in Section 53-06.1-12.

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2019-21 BIENNIUM OFFICE OF ATTORNEY GENERAL BUDGET ISSUES - SENATE

OPTIONAL ADJUSTMENTS	FTE'S	TOTAL	GF	FF	OF	TOTAL		SALARIES	OPERATING	EQUIPMENT	GRANTS	CJIS	TOTAL
NEW - SALARY & OPERATING - DNA FORENSIC SCIENTIST		224,500	224,500			224,500		178,420	46,080				224,500
EQUIPMENT - UNDERCOVER REPLACEMENT VEHICLES		300,000	300,000			300,000				300,000			300,000
SALARY & OPERATING - FIRE MARSHAL ADMINISTRATIVE ASSISTANT		155,316			155,316	155,316	AG OPERATING & FIRE SAFER FUNDS	128,716	26,600				155,316
OPERATING - OFFICE 365 SOFTWARE		168,000	168,000			168,000			168,000				168,000
OPERATING & GRANTS - INCREASE LOTTERY TRANSFER FROM \$105,625 PER QUARTER TO \$200,208 - REGIONAL NARCOTICS TASKFORCES		756,664			756,664	756,664	LOTTERY FUND		1,664		755,000		756,664
SALARY & OPERATING - DEPUTY FIRE MARSHAL		227,173			227,173	227,173	AG OPERATING FUND	169,925	57,248				227,173
OPERATING - 2019-2021 CRIMINAL HISTORY IMPROVEMENT REWRITE		400,000			400,000	400,000	AG REFUND FUND		400,000				400,000
CJIS - COMMON STATUTE TABLE - CONTRACTOR COSTS		40,000			40,000	40,000	AG REFUND FUND					40,000	40,000
CJIS - PORTAL IMPROVEMENTS - INTERFACES NEEDED AS OTHER AGENCIES LINKED TO THE PORTAL CHANGE THEIR SYSTEMS - ONGOING		50,000			50,000	50,000	AG REFUND FUND					50,000	50,000
CJIS - BROKER IMPLEMENTATION		50,000			50,000	50,000	AG REFUND FUND					50,000	50,000
OPERATING - COST OF SWITCHING FROM SUV's TO .5 TON PICKUPS		41,040			41,040	41,040	AG OPERATING FUND		41,040				41,040
AUTOMATED FINGERPRINT IDENTIFICATION SYSTEM REPLACEMENT		316,000		158,000	158,000	316,000	AG REFUND FUND			316,000			316,000
TOTAL OPTIONAL ADJUSTMENTS	2	2,728,693	692,500	158,000	1,878,193	2,728,693		477,061	740,632	616,000	755,000	140,000	2,728,693

FOR THE 2017-19 BIENNIUM THE OFFICE OF ATTORNEY GENERAL'S GENERAL FUND APPROPRIATION WAS REDUCED BY 13.4%. THE OFFICE FTE'S WERE REDUCED BY 13.

FOR THE 2019-21 BIENNIUM THE OFFICE OF ATTORNEY GENERAL'S GENERAL FUND APPROPRIATION, AFTER REMOVING ONE-TIME APPROPRIATIONS, WAS REDUCED BY 5.8%. THE OFFICE FTE'S WERE REDUCED BY 4.

THE EXECUTIVE RECOMMENDATION REMOVES 4 GENERAL FUND POSITIONS: 1 ASSISTANT ATTORNEY GENERAL, 1 LEGAL ADMINISTRATIVE ASSISTANT, 1 CRIMINAL HISTORY TECHNICIAN, AND ONE BCI ADMINISTRATIVE ASSISTANT.

2017-19 BIENNIUM CARRYOVER AUTHORITY NEEDED

2017-19 HUMAN TRAFFICKING & SEXUAL ASSAULT NURSE EXAMINERS GRANTS CARRYOVER

STATEWIDE AUTOMATED VICTIM IDENTIFICATION NOTICE CARRYOVER - MARSY'S LAW IMPLEMENTATION

CONCEALED WEAPON REWRITE CARRYOVER 200,000 GF

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2019-21 BIENNIUM OFFICE OF ATTORNEY GENERAL BUDGET ISSUES - SENATE

NEW ITEMS	FTE'S	TOTAL	GF	FF	OF	TOTAL	SALARIES	OPERATING	EQUIPMENT	GRANTS	CJIS	TOTAL
MEDICAID FRAUD CONTROL UNIT	7											
SALARIES & WAGES		1,333,717					1,333,717					1,333,717
OPERATING EXPENSES		398,809						398,809				398,809
CAPITAL ASSETS		84,800							84,800			84,800
TOTAL MEDICAID FRAUD CONTROL UNIT		1,817,326		1,817,326		1,817,326						1,817,326
SSA - CDI UNIT	2											
SALARIES & WAGES		453,288					453,288					453,288
OPERATING EXPENSES		136,520						136,520				136,520
CAPITAL ASSETS		72,080							72,080			72,080
TOTAL SOCIAL SECURITY COOPERATIVE DISABILITY INVESTIGATIONS		661,888		661,888		661,888						661,888
TOTAL MEDICAID AND SOCIAL SECURITY DISABILITY FRAUD	9.0	2,479,214		2,479,214		2,479,214						
TOTAL APPROPRIATION CHANGES & FTE'S	11.0	5,207,907	692,500	2,637,214	1,878,193	5,207,907	2,264,066	1,275,961	772,880	755,000	140,000	5,207,907
EXECUTIVE RECOMMENDATION CHANGES												
SALARY - RESTORE STAFF REDUCED IN GENERAL FUND REDUCTIONS REQUIRED - 5 AGENTS & 1 INTELLIGENCE ANALYST	6	1,108,103	992,989	115,114		1,108,103	1,108,103					1,108,103
OPERATING - BUY FUND - GENERAL FUND		100,000	100,000			100,000		100,000				100,000

PROPOSED AMENDMENTS TO SENATE BILL NO. 2003

Page 1, line 1, after "general" insert "; to amend and reenact section 53-12.1-09 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund; to amend and reenact section 54-12-11 of the North Dakota Century Code, relating to the salary of the attorney general; to provide exemptions; and to provide for reports"

Page 1, remove lines 8 through 23

Page 2, replace lines 1 and 2 with:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$8,829,760	\$84,172,920
Less estimated income	30,647,320	7,656,426	38,303,746
Total general fund	\$44,695,840	\$1,173,334	\$45,869,174
Full-time equivalent positions	237.00	7.00	244.00"

Page 2, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY**"

Page 2, line 4, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 21 with:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000

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Capital assets	0	1,851,956
Undercover vehicles	0	300,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,267,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. EXEMPTION - ATTORNEY GENERAL REFUND FUND.

Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

SECTION 4. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;

- b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
- c. Starting July 1, 20072019, ~~one~~two hundred five thousand six hundred ~~twenty-five~~ dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
- d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 5. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is one hundred ~~fifty-two thousand four hundred thirty-six~~ dollars through June 30, 2016~~one hundred sixty thousand one hundred forty-nine~~ dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine~~ one hundred sixty-four thousand nine hundred fifty-four dollars thereafter.

SECTION 6. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 7. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from the general fund appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,625,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services,

residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2019-20 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014

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Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000
Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,079,760	\$84,422,920
Less estimated income	30,647,320	7,906,426	38,553,746
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Various FTE Positions ³	Adds Funding for a Social Security Investigation Program ⁴	Adjusts Funding for Salaries ⁵	Adds Funding for a Medicaid Fraud Control Unit Program ⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$1,878,462	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$1,893,361	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,075,818	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

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	Adds Funding for the State Fire Marshal Office ¹	Adjusts Base Level Funding ²	Adds Funding for Microsoft Office 365 Licenses ²	Removes Funding from the Tobacco Settlement Trust Fund ¹⁰	Adds Funding for the Lottery Narcotics Task Force ¹¹	Adds Funding for the Human Trafficking Victims Grant Program ¹²
Salaries and wages	\$298,640					
Operating expenses	124,888		\$168,000	(\$200,000)	\$1,664	
Capital assets		(\$953,900)				
Grants		(2,094,872)				
Litigation fees		1,223,440			755,000	
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for a Forensic Nurse Examiners Grant Program ¹³	Adds Funding for Criminal Justice Information Sharing Improvements ¹⁴	Adds One- Time Funding for a Criminal History Improvement Project ¹⁵	Adds One- Time Funding for Capital Assets ¹⁶	Adds One- Time Funding for Undercover Vehicles ¹⁷	Adds One- Time Funding for Finger Identification System Replacement ¹⁸
Salaries and wages						
Operating expenses			\$400,000			
Capital assets				\$1,851,956	\$300,000	\$316,000
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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	Adds One-Time Funding for a Charitable Gaming Technology System ¹⁹	Adds One-Time Funding for Additional Income from Other Sources ²⁰	Total Senate Changes
Salaries and wages			\$3,902,881
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,079,760
Less estimated income	400,000	250,000	7,906,426
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	FTE Positions	General Fund	Other Funds	Total
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	244,500
	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,075,818 from other funds, of which \$163,121 is from federal funds, \$83,537 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund. Including adjustments from base payroll changes, the total reduction from the general fund is \$1,675,051 and the total increase from other funds is \$1,825,259, a net increase of \$150,208.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

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	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	0.00	8,480	76,320	84,800
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	0	(375,097)	(375,097)
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney

General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

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²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

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	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160	237.00	\$44,695,840	\$30,647,320	\$75,343,160	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)		(\$1,492,594)	(\$250,559)	(\$1,743,153)				\$0
Salary increase		1,518,505	503,299	2,021,804		1,033,650	373,193	1,406,843		(484,855)	(130,106)	(614,961)
Health insurance increase		681,165	227,687	908,852		808,957	295,408	1,104,365		127,792	67,721	195,513
Retirement contribution increase		137,187	48,871	186,058				0		(137,187)	(48,871)	(186,058)
Removes various FTE positions	(6.00)	(641,089)	(272,399)	(913,488)	(4.00)	(641,089)		(641,089)	2.00		272,399	272,399
Adds 1 FTE forensic scientist position				0	1.00	224,500		224,500	1.00	224,500		224,500
Adds 2 Social Security Administration program FTE positions				0	2.00		661,888	661,888	2.00		661,888	661,888
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760		(182,457)	2,075,818	1,893,361			(272,399)	(272,399)
Adds Medicaid Fraud Control Unit positions	5.00	92,986	836,880	929,866	7.00	133,372	1,200,345	1,333,717	2.00	40,386	363,465	403,851
Adds funding for Medicaid Fraud Control Unit operating and capital exp		35,649	320,840	356,489		48,361	435,248	483,609		12,712	114,408	127,120
Adds 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716	1.00		128,716	128,716				0
Adds funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924			169,924	169,924				0
Adds funding for Fire Marshal operating expenses			124,888	124,888			124,888	124,888				0
Adds funding for additional income from other sources			250,000	250,000				0			(250,000)	(250,000)
Adds funding for Microsoft Office 365 license expenses		168,000		168,000		168,000		168,000				0
Reduces funding for operating expenses from the general fund		(775,404)		(775,404)		(775,404)		(775,404)				0
Reduces funding for operating expenses from special funds			(1,363,506)	(1,363,506)			(1,363,506)	(1,363,506)				0
Removes funding from the tobacco settlement trust fund			(200,000)	(200,000)			(200,000)	(200,000)				0
Adds funding for operating expenses from various federal funds			519,778	519,778			519,778	519,778				0
Adds federal funding for SMART operating expenses			650,000	650,000			650,000	650,000				0
Adds federal funding for the Project Safe Neighborhood program			291,232	291,232			291,232	291,232				0
Adds funding for the lottery narcotics task force			756,664	756,664			756,664	756,664				0
Reduces funding for crime laboratory bond payments		(118,512)		(118,512)		(118,512)		(118,512)				0
Reduces funding for capital assets		(83,450)	(1,892,910)	(1,976,360)		(83,450)	(1,892,910)	(1,976,360)				0
Adds federal funding for community oriented policing grants			1,021,237	1,021,237			1,021,237	1,021,237				0
Reduces funding for other federal grants			(73,797)	(73,797)			(73,797)	(73,797)				0
Reduces funding for North Dakota lottery operating expenses			(375,097)	(375,097)			(375,097)	(375,097)				0
Reduces funding for human trafficking grants		(125,000)		(125,000)				0		125,000		125,000
Adds funding for the human trafficking victims grant program				0		1,500,000		1,500,000		1,500,000		1,500,000
Adds funding for a forensic nurse examiners grant program				0		250,000		250,000		250,000		250,000
Adds funding for Criminal Justice Information Sharing improvements				0			140,000	140,000			140,000	140,000
Total ongoing funding changes	0.00	(\$785,014)	\$3,769,965	\$2,984,951	7.00	\$873,334	\$4,688,470	\$5,561,804	7.00	\$1,658,348	\$918,505	\$2,576,853
One-time funding items												
Adds funding for a criminal history improvement project			\$400,000	\$400,000			\$400,000	\$400,000			\$0	\$0
Adds funding for capital assets			1,851,956	1,851,956			1,851,956	1,851,956			0	0
Adds funding for undercover vehicles		\$300,000		300,000		\$300,000		300,000		\$0		0
Adds funding for an automated finger identification system replacement			316,000	316,000			316,000	316,000			0	0
Adds funding for Criminal Justice Information Sharing projects			140,000	140,000				0			(140,000)	(140,000)
Adds one-time funding for additional income from other sources				0			250,000	250,000			250,000	250,000
Adds funding for a charitable gaming technology system				0			400,000	400,000			400,000	400,000
Total one-time funding changes	0.00	\$300,000	\$2,707,956	\$3,007,956	0.00	\$300,000	\$3,217,956	\$3,517,956	0.00	\$0	\$510,000	\$510,000
Total Changes to Base Level Funding	0.00	(\$485,014)	\$6,477,921	\$5,992,907	7.00	\$1,173,334	\$7,906,426	\$9,079,760	7.00	\$1,658,348	\$1,428,505	\$3,086,853
2019-21 Total Funding	237.00	\$44,210,826	\$37,125,241	\$81,336,067	244.00	\$45,869,174	\$38,553,746	\$84,422,920	7.00	\$1,658,348	\$1,428,505	\$3,086,853

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Other Sections for Attorney General - Budget No. 125

	Executive Budget Recommendation	Senate Version
Exemption - Attorney General refund fund	Section 5 would allow the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.	Section 3 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.
Attorney General salary	Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.	Section 4 amends North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.
Lottery operating fund transfer	Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.	Section 5 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
Appropriation - Additional federal funds or other funds	Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.	Section 6 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.
Criminal history record checks - Fees	Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.	Section 7 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.
Statewide automated victim information and notification program Exemption		Section 8 provides that any unexpended special fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.
Human trafficking victims grant program - Requirements - Reports		Section 9 identifies \$1.625 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 2021 Legislative Assembly on the use of the funds receives and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

Other Sections for Attorney General - Budget No. 125

Forensic nurse examiners grant program - Reports

Charitable gaming technology system - Exemption

Concealed weapon rewrite project - Exemption

Executive Budget Recommendation

Senate Version

Section 10 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 2021 Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriation committees of the 2021 Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and state attorneys.

Section 11 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

Section 12 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

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PROPOSED AMENDMENTS TO SENATE BILL NO. 2003

Page 1, line 1, after "general" insert "; to amend and reenact section 53-12.1-09 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund; to amend and reenact section 54-12-11 of the North Dakota Century Code, relating to the salary of the attorney general; to provide exemptions; and to provide for reports"

Page 1, remove lines 8 through 23

Page 2, replace lines 1 and 2 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$8,829,760	\$84,172,920
Less estimated income	30,647,320	7,656,426	38,303,746
Total general fund	\$44,695,840	\$1,173,334	\$45,869,174
Full-time equivalent positions	237.00	7.00	244.00"

Page 2, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY**"

Page 2, line 4, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 21 with:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000

Capital assets	0	1,851,956
Undercover vehicles	0	300,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,267,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. EXEMPTION - ATTORNEY GENERAL REFUND FUND.

Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

SECTION 4. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;

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- b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
- c. Starting July 1, 20072019, ~~one~~two hundred ~~five~~ thousand ~~six~~ hundred ~~twenty~~ five dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
- d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 5. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~one hundred sixty thousand one hundred forty-nine dollars through June 30, 2020, and one hundred fifty-seven thousand nine dollars~~one hundred sixty-four thousand nine hundred fifty-four dollars~~ thereafter.

SECTION 6. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 7. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from the general fund appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,625,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services,

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residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2019-20 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014

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Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000
Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,079,760	\$84,422,920
Less estimated income	30,647,320	7,906,426	38,553,746
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Various FTE Positions ³	Adds Funding for a Social Security Investigation Program ⁴	Adjusts Funding for Salaries ⁵	Adds Funding for a Medicaid Fraud Control Unit Program ⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$1,878,462	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$1,893,361	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,075,818	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

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	Adds Funding for the State Fire Marshal Office ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 Licenses ⁹	Removes Funding from the Tobacco Settlement Trust Fund ¹⁰	Adds Funding for the Lottery Narcotics Task Force ¹¹	Adds Funding for the Human Trafficking Victims Grant Program ¹²
Salaries and wages	\$298,640					
Operating expenses	124,888	(\$953,900)	\$168,000	(\$200,000)	\$1,664	
Capital assets		(2,094,872)				
Grants		1,223,440			755,000	
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for a Forensic Nurse Examiners Grant Program ¹³	Adds Funding for Criminal Justice Information Sharing Improvements ¹⁴	Adds One- Time Funding for a Criminal History Improvement Project ¹⁵	Adds One- Time Funding for Capital Assets ¹⁶	Adds One- Time Funding for Undercover Vehicles ¹⁷	Adds One- Time Funding for Finger Identification System Replacement ¹⁸
Salaries and wages						
Operating expenses			\$400,000			
Capital assets				\$1,851,956	\$300,000	\$316,000
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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	Adds One-Time Funding for a Charitable Gaming Technology System ¹⁹	Adds One-Time Funding for Additional Income from Other Sources ²⁰	Total Senate Changes
Salaries and wages			\$3,902,881
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,079,760
Less estimated income	400,000	250,000	7,906,426
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	General Fund	Other Funds	Total
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	FTE Positions	General Fund	Other Funds	Total
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	244,500
	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,075,818 from other funds, of which \$163,121 is from federal funds, \$83,537 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund. Including adjustments from base payroll changes, the total reduction from the general fund is \$1,675,051 and the total increase from other funds is \$1,825,259, a net increase of \$150,208.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	<u>0.00</u>	<u>8,480</u>	<u>76,320</u>	<u>84,800</u>
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	<u>0</u>	<u>(375,097)</u>	<u>(375,097)</u>
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney

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General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.

Department 125 - Attorney General
Senate Bill No. 2003

Executive Budget Comparison to Prior Biennium Appropriations

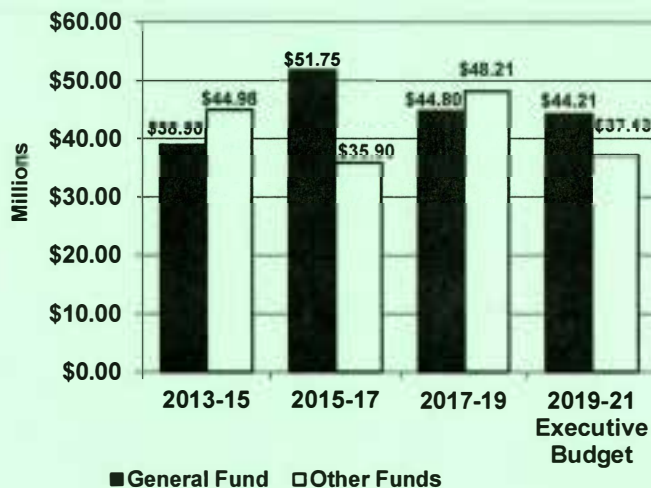
	FTE Positions	General Fund	Other Funds	Total
2019-21 Executive Budget	237.00	\$44,210,826	\$37,125,241	\$81,336,067
2017-19 Legislative Appropriations ¹	237.00	44,795,840	48,214,320	93,010,160
Increase (Decrease)	0.00	(\$585,014)	(\$11,089,079)	(\$11,674,093)

¹The 2017-19 biennium agency appropriation amounts have not been adjusted for additional special funds authority of \$60,000 resulting from Emergency Commission action during the 2017-19 biennium.

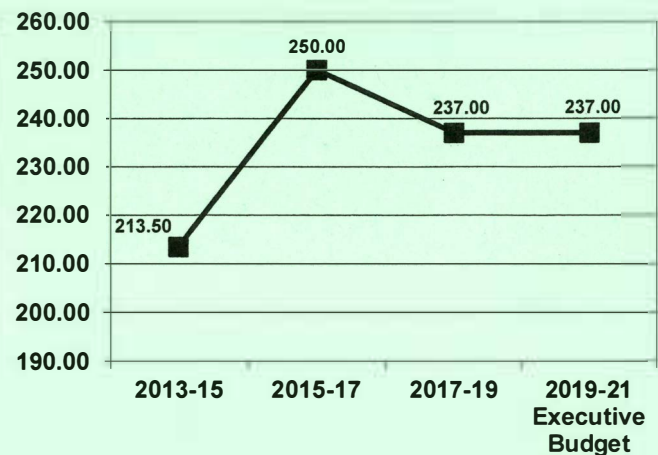
Ongoing and One-Time General Fund Appropriations

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2019-21 Executive Budget	\$43,910,826	\$300,000	\$44,210,826
2017-19 Legislative Appropriations	44,695,840	100,000	44,795,840
Increase (Decrease)	(\$785,014)	\$200,000	(\$585,014)

Agency Funding



FTE Positions



Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2019-21 Executive Budget	\$44,210,826	\$37,125,241	\$81,336,067
2019-21 Base Level	44,695,840	30,647,320	75,343,160
Increase (Decrease)	(\$485,014)	\$6,477,921	\$5,992,907

First House Action

Attached is a comparison worksheet detailing first house changes to base level funding and the executive budget.

**Executive Budget Highlights
 (With First House Changes in Bold)**

	General Fund	Other Funds	Total
1. Provides funding for state employee salary and benefit increases, of which \$2,021,804 is for salary increases, \$908,852 is for health insurance increases, and \$186,058 is for retirement contribution increases. The Senate added funding for salary adjustments of 2 percent for the 1st year of the biennium and 3 percent for the 2nd year and increases in health insurance premiums from \$1,241 to \$1,427 per month. The Senate did not add funding for retirement contribution increases.	\$2,336,857	\$779,857	\$3,116,714
2. Removes 6 FTE positions, including 1 criminal records analyst position, 2 assistant Attorney General positions, and	(\$641,089)	(\$272,399)	(\$913,488)

3 undesignated positions. **The Senate removed 4 FTE positions and related funding of \$641,089 from the general fund.**

3. Adjusts funding for salaries	(\$182,457)	\$2,348,217	\$2,165,760
4. Adds 5 FTE Medicaid Fraud Control Unit positions. The Senate added 7 FTE Medicaid Fraud Control Unit positions and related funding of \$1,333,717, of which \$133,372 is from the general fund and \$1,200,345 is from federal funds.	\$92,986	\$836,880	\$929,866
5. Adds funding for Medicaid Fraud Control Unit operating expenses, primarily related to travel, professional development, and operating fees and services. The Senate added \$483,609 for Medicaid Fraud Control Unit operating expenses, of which \$48,361 is from the general fund and \$435,248 is from federal funds.	\$35,649	\$320,840	\$356,489
6. Adds 1 FTE Fire Marshal administrative assistant position from the Attorney General operating fund	\$0	\$128,716	\$128,716
7. Adds funding for 1 previously unfunded FTE Deputy Fire Marshal position from the Attorney General operating fund	\$0	\$169,924	\$169,924
8. Adds funding for Fire Marshal operating expenses, of which \$83,848 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity and firefighter protection act enforcement fund	\$0	\$124,888	\$124,888
9. Adds funding for Microsoft Office 365 license expenses	\$168,000	\$0	\$168,000
10. Reduces funding for operating expenses, primarily related to information technology services and repairs, operating fees and services, and professional service fees	(\$775,404)	(\$1,043,728)	(\$1,819,132)
11. Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) information technology operating expenses	\$0	\$650,000	\$650,000
12. Adds federal funding for the Project Safe Neighborhood program	\$0	\$291,232	\$291,232
13. Adds funding for the narcotics task force, increasing the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000, providing total transfers of \$1.6 million each biennium, resulting in a general fund revenue decrease of \$755,000	\$0	\$756,664	\$756,664
14. Reduces funding for capital assets, including equipment over \$5,000 (\$1,583,910), crime laboratory motor vehicles (\$130,000), and IT equipment and software over \$5,000 (\$262,450)	(\$83,450)	(\$1,892,910)	(\$1,976,360)
15. Adds federal funding for community oriented policing grants	\$0	\$1,021,237	\$1,021,237
16. Reduces funding for North Dakota lottery operating expenses	\$0	(\$375,097)	(\$375,097)
17. Adds one-time funding for a criminal history improvement project from the Attorney General refund fund	\$0	\$400,000	\$400,000
18. Adds one-time funding from federal funds for capital assets, including equipment over \$5,000 (\$1,522,956), crime laboratory motor vehicles (\$130,000), and IT equipment and software over \$5,000 (\$199,000)	\$0	\$1,851,956	\$1,851,956
19. Adds one-time funding for undercover vehicles	\$300,000	\$0	\$300,000
20. Adds one-time funding for an automated finger identification system replacement project, of which \$158,000 is from federal funds and \$158,000 is from the Attorney General refund fund	\$0	\$316,000	\$316,000
21. Adds one-time funding for Criminal Justice Information Sharing projects from the Attorney General refund fund. The Senate added ongoing funding of \$140,000 for ongoing improvements of the Criminal Justice Information Sharing system.	\$0	\$140,000	\$140,000

Other Sections in Senate Bill No. 2003

Exemption - Attorney General refund fund - Section 3 allows the Attorney General to retain the balance in the Attorney General refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.

Lottery operating fund transfer - Section 4 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.

Attorney General salary - Section 5 amends North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.

Appropriation - Additional federal funds or other funds - Section 6 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.

Criminal history record checks - Fees - Section 7 authorizes the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees are required to be deposited in the general fund.

Statewide automated victim information and notification program - Exemption - Section 8 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Human trafficking victims grant program - Requirements - Reports - Section 9 identifies \$1.625 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

Forensic nurse examiners grant program - Reports - Section 10 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

Charitable gaming technology system - Exemption - Section 11 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

Concealed weapon rewrite project - Exemption - Section 12 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Continuing Appropriations

Assets forfeiture fund - Section 54-12-14 - To pay costs related to law enforcement activities of the Attorney General's office.

Lottery operating fund - Section 53-12.1-09 - To pay costs of operating the lottery.

Refund fund - Section 54-12-18 - To pay costs of the Consumer Protection and Antitrust Division and the Gaming Division.

Special operations team reimbursement fund - Section 54-12-23 - To reimburse city and county governments that provide special operations team services to rural areas.

24/7 sobriety program fund - Section 54-12-29 - To pay costs of administering and operating the 24/7 sobriety program.

Multijurisdictional drug task force fund - Section 54-12-26 - To provide support for the narcotics enforcement efforts of the state.

Deficiency Appropriation

Senate Bill No. 2024 - Provides a deficiency appropriation of \$905,910 to the Attorney General, of which \$50,000 is from the general fund for prosecution witness fees and \$855,910 is from federal funds for capital assets.

Significant Audit Findings

There are no significant audit findings for this agency.

Major Related Legislation

House Bill No. 1206 - Requires the Director of the Bureau of Criminal Investigation to issue a Class 1 exempt license to carry a firearm or dangerous weapon concealed to certain individuals and requires all fees collected for a Class 1 exempt firearm license be credited to the Attorney General's operating fund. All fees must be paid before the license application is processed by the Director.

House Bill No. 1254 - Authorizes sports betting as a game of chance. For licensed organizations with gross proceeds of \$1.5 million or less, the tax is 1 percent of gross proceeds. For licensed organizations with gross proceeds of more than \$1.5 million, the tax is \$15,000 plus 2.5 percent of gross proceeds exceeding \$1.5 million. The Attorney General is required to deposit .25 percent of gross proceeds exceeding \$1.5 million, less refunds, each quarter into the gambling disorder treatment and prevention fund. The Attorney General must also deposit 7 percent of the total taxes, less refunds, collected into a gaming tax allocation fund. The remaining gaming taxes, monetary fines, and interest and penalties collected must be deposited into the general fund.

House Bill No. 1262 - Requires the Attorney General to encourage and promote the use of statewide and locally selected school safety and crisis reporting programs. If funding becomes available, the Attorney General may expand a statewide program to include reports related to incidents of bullying and physical or sexual abuse and to conduct outreach and promote awareness of safety and crisis reporting programs. The Attorney General may accept gifts, grants, and donations from any source for this program and are appropriated to the Attorney General on a continuing basis.

House Bill No. 1286 - Requires law enforcement agencies to file an annual report with the Attorney General relating to seizures and forfeitures of property and currency. The Attorney General is required to make the reports, and the Attorney General's aggregated report, available on the Attorney General's website. The bill requires funds obtained through civil asset forfeiture to be paid into the Attorney General assets forfeiture fund.

House Bill No. 1313 - Requires the Attorney General's criminal justice data information sharing system to include data related to missing and murdered indigenous people.

House Bill No. 1507 - Requires the Attorney General's Human Trafficking Commission to establish an educational training program related to identification and reporting of suspected human trafficking and provides a continuing appropriation to the Human Trafficking Commission for the purpose of furthering the objectives of human trafficking prevention training and incentivizing proprietors to participate in human trafficking prevention training.

House Bill No. 1521 - Requires the Attorney General to serve as legal counsel for the North Dakota Ethics Commission. When a conflict of interest prevents the Attorney General from providing legal services to the commission, the Attorney General may appoint a special assistant Attorney General to serve as legal counsel for the commission.

House Bill No. 1533 - Establishes a charitable gaming technology fund, transfers \$400,000 from gaming taxes to the fund in fiscal year 2020, and amends statute related to the tax on electronic pull tabs gross proceeds. The bill provides a continuing appropriation to the Attorney General for the charitable gaming technology fund for the purpose of contracting for and purchasing equipment and software for a charitable gaming technology system, training employees to operate the system, and maintaining and updating the system.

Senate Bill No. 2148 - Requires the Attorney General to serve as legal counsel for the North Dakota Ethics Commission. When a conflict of interest prevents the Attorney General from providing legal services to the commission, the Attorney General may appoint a special assistant Attorney General to serve as legal counsel for the commission.

Senate Bill No. 2347 - Establishes a Medicaid Fraud Control Unit in the Attorney General's office.

House Concurrent Resolution No. 3012 - Amends membership of the Board of University and School Lands to include the Tax Commissioner instead of the Attorney General.

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160	237.00	\$44,695,840	\$30,647,320	\$75,343,160
2019-21 Ongoing Funding Changes								
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)		(\$1,492,594)	(\$250,559)	(\$1,743,153)
Salary increase		1,518,505	503,299	2,021,804		1,033,650	373,193	1,406,843
Health insurance increase		681,165	227,687	908,852		808,957	295,408	1,104,365
Retirement contribution increase		137,187	48,871	186,058				0
Removes various FTE positions	(6.00)	(641,089)	(272,399)	(913,488)	(4.00)	(641,089)		(641,089)
Adds 1 FTE forensic scientist position				0	1.00	224,500		224,500
Adds 2 Social Security Administration program FTE positions				0	2.00		661,888	661,888
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760		(182,457)	2,348,217	2,165,760
Adds Medicaid Fraud Control Unit positions	5.00	92,986	836,880	929,866	7.00	133,372	1,200,345	1,333,717
Adds funding for Medicaid Fraud Control Unit operating and capital expenses		35,649	320,840	356,489		48,361	435,248	483,609
Adds 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716	1.00		128,716	128,716
Adds funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924			169,924	169,924
Adds funding for Fire Marshal operating expenses			124,888	124,888			124,888	124,888
Adds funding for additional income from other sources			250,000	250,000				0
Adds funding for Microsoft Office 365 license expenses		168,000		168,000		168,000		168,000
Reduces funding for operating expenses from the general fund		(775,404)		(775,404)		(775,404)		(775,404)
Reduces funding for operating expenses from special funds			(1,363,506)	(1,363,506)			(1,363,506)	(1,363,506)
Removes funding from the tobacco settlement trust fund			(200,000)	(200,000)			(200,000)	(200,000)
Adds funding for operating expenses from various federal funds			519,778	519,778			519,778	519,778
Adds federal funding for SMART operating expenses			650,000	650,000			650,000	650,000
Adds federal funding for the Project Safe Neighborhood program			291,232	291,232			291,232	291,232
Adds funding for the lottery narcotics task force			756,664	756,664			756,664	756,664
Reduces funding for crime laboratory bond payments		(118,512)		(118,512)		(118,512)		(118,512)
Reduces funding for capital assets		(83,450)	(1,892,910)	(1,976,360)		(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community oriented policing grants			1,021,237	1,021,237			1,021,237	1,021,237
Reduces funding for other federal grants			(73,797)	(73,797)			(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses			(375,097)	(375,097)			(375,097)	(375,097)
Reduces funding for human trafficking grants		(125,000)		(125,000)				0
Adds funding for the human trafficking victims grant program				0		1,500,000		1,500,000
Adds funding for a forensic nurse examiners grant program				0		250,000		250,000
Adds funding for Criminal Justice Information Sharing improvements				0			140,000	140,000
Total ongoing funding changes	0.00	(\$785,014)	\$3,769,965	\$2,984,951	7.00	\$873,334	\$4,960,869	\$5,834,203
One-time funding items								
Adds funding for a criminal history improvement project			\$400,000	\$400,000			\$400,000	\$400,000
Adds funding for capital assets			1,851,956	1,851,956			1,851,956	1,851,956
Adds funding for undercover vehicles		\$300,000		300,000		\$300,000		300,000
Adds funding for an automated finger identification system replacement			316,000	316,000			316,000	316,000
Adds funding for Criminal Justice Information Sharing projects			140,000	140,000				0
Adds one-time funding for additional income from other sources				0			250,000	250,000
Adds funding for a charitable gaming technology system				0			400,000	400,000
Total one-time funding changes	0.00	\$300,000	\$2,707,956	\$3,007,956	0.00	\$300,000	\$3,217,956	\$3,517,956
Total Changes to Base Level Funding	0.00	(\$485,014)	\$6,477,921	\$5,992,907	7.00	\$1,173,334	\$8,178,825	\$9,352,159
2019-21 Total Funding	237.00	\$44,210,826	\$37,125,241	\$81,336,067	244.00	\$45,869,174	\$38,826,145	\$84,695,319

Other Sections for Attorney General - Budget No. 125

Exemption - Attorney General refund fund

Lottery operating fund transfer

Attorney General salary

Appropriation - Additional federal funds or other funds

Criminal history record checks - Fees

Statewide automated victim information and notification program - Exemption

Human trafficking victims grant program - Requirements - Reports

Executive Budget Recommendation

Section 5 would allow the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.

Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.

Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.

Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.

Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.

Senate Version

Section 3 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.

Section 4 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.

Section 5 amends Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.

Section 6 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.

Section 7 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees are required to be deposited in the general fund.

Section 8 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Section 9 identifies \$1.625 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

Other Sections for Attorney General - Budget No. 125

Forensic nurse examiners grant program - Reports

Charitable gaming technology system - Exemption

Concealed weapon rewrite project - Exemption

Executive Budget Recommendation

Senate Version

Section 10 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

Section 11 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

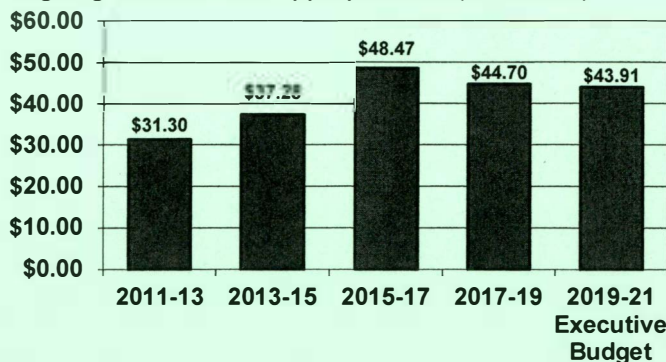
Section 12 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Department 125 - Attorney General

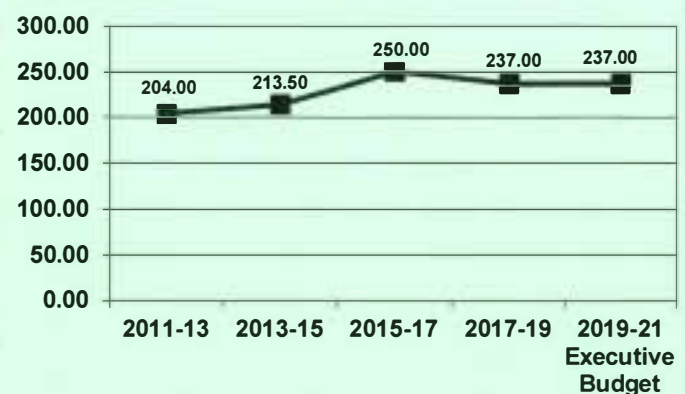
Historical Appropriations Information

Ongoing General Fund Appropriations Since 2011-13

Ongoing General Fund Appropriations (in Millions)



FTE Positions



Ongoing General Fund Appropriations					
	2011-13	2013-15	2015-17	2017-19	2019-21 Executive Budget
Ongoing general fund appropriations	\$31,229,845	\$37,275,528	\$48,466,861	\$44,695,840	\$43,910,826
Increase (decrease) from previous biennium	N/A	\$6,045,683	\$11,191,333	(\$3,771,021)	(\$785,014)
Percentage increase (decrease) from previous biennium	N/A	19.4%	30.0%	(7.8%)	(1.8%)
Cumulative percentage increase (decrease) from 2011-13 biennium	N/A	19.4%	55.2%	43.1%	40.6%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2013-15 Biennium

1. Added funding for salary equity increases for forensic scientists \$171,000
2. Changed funding source from federal fiscal stimulus funds to general funds for 7 FTE positions \$1,037,590
3. Added funding for 1 FTE synthetic drugs forensic scientist position \$146,039
4. Added funding for potential litigation fees relating to abortion-related legislation approved by the Legislative Assembly \$400,000
5. Added funding for operating expenses for the 24/7 sobriety program, criminal history record checks for concealed weapons licenses, fingerprint record checks for appraisal management companies and employees, and fingerprint record checks for insurance producers \$121,390

2015-17 Biennium

1. Added law enforcement-related funding for 8 FTE criminal investigator positions, 3 FTE intelligence analyst positions, 2 FTE assistant Attorney General positions, 1 FTE administrative position, 1 FTE grants administrator position, 1 FTE forensic scientist position, and 0.5 FTE attorney position \$3,724,698
2. Added 2 FTE criminal history identification technician positions \$310,536
3. Added 1 FTE gaming auditor position \$82,907
4. Added funding for transfer of the criminal justice information sharing system, including 3 FTE positions transferred and 1 FTE new business analyst position and related operating expenses \$3,270,219
5. Restored 1 FTE programmer analyst position identified as one-time funding for the 2013-15 biennium \$142,278
6. Added funding and 9 FTE positions for providing legal services to the North Dakota University System \$3,079,724

2017-19 Biennium

1. Removed 13 FTE undesignated positions (\$130,782)
2. Reduced salaries and wages in anticipation of savings from vacant positions and employee turnover (\$929,297)

- | | |
|--|---------------|
| 3. Changed funding source for 8 FTE positions from the general fund to federal and other funds | (\$1,120,322) |
| 4. Reduced funding for criminal justice information sharing to provide total funding of \$3,391,562 | (\$188,741) |
| 5. Reduced funding for law enforcement programs | (\$219,348) |
| 6. Added funding to provide grants to organizations involved in providing prevention and treatment services related to human trafficking victims | \$125,000 |

2019-21 Biennium (Executive Budget Recommendation)

- | | |
|---|-------------|
| 1. Removes 6 FTE positions, including 1 criminal records analyst position, 2 assistant Attorney General positions, and 3 undesignated positions, of which \$641,089 is from the general fund and \$272,399 is from other funds. The Senate removed 4 FTE positions and related funding of \$641,089 from the general fund. | (\$641,089) |
| 2. Reduces funding for operating expenses, primarily related to operating fees and services, travel, and repairs | (\$775,404) |

**GOVERNOR'S RECOMMENDATION FOR THE
ATTORNEY GENERAL AS SUBMITTED
BY THE OFFICE OF MANAGEMENT AND BUDGET**

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	\$40,979,043	\$3,544,799	\$44,523,842
Operating Expenses	15,477,281	647,141	16,124,422
Capital Assets	2,742,372	373,084	3,115,456
Grants	2,290,000	2,128,440	4,418,440
Litigation Fees	150,000	-	150,000
Intellectual Property Attorney	426,924	25,512	452,436
Abortion Litigation Fees	-	-	-
Medical Examinations	660,000	-	660,000
North Dakota Lottery	5,336,797	(119,541)	5,217,256
Arrest and Return of Fugitives	10,000	-	10,000
Gaming Commission	7,490	(1)	7,489
Criminal Justice Information Sharing	3,386,645	258,248	3,644,893
Law Enforcement	2,901,608	110,225	3,011,833
SAVIN Cost-Share Program	-	-	-
Total all funds	\$74,368,160	\$6,967,907	\$81,336,067
Less estimated income	29,797,320	7,327,921	37,125,241
Total general fund	\$44,570,840	(\$360,014)	\$44,210,826
Full-time equivalent positions	237.00	0.00	237.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-fourth legislative assembly for the 2017-19 biennium:

One-Time Funding Description	2017-19	2019-21
------------------------------	---------	---------

SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Grants for domestic violence and rape crisis	150,000	0
DAPL-salaries	200,000	0
Court-ordered payments to bankruptcy estate	15,872,000	0
Enhancement to SAVIN	500,000	0
Undercover vehicle replacement	-	300,000
Criminal history improvement project	-	400,000
CJIS portal improvement	-	50,000
CJIS broker implementation	-	50,000
AFIS replacement	-	316,000
CJIS common statute table	-	40,000
Total all funds	\$17,417,000	\$1,156,000
Total special funds	17,317,000	856,000
Total general fund	\$100,000	\$300,000

SECTION 5. ATTORNEY GENERAL REFUND TRANSFER TO THE GENERAL FUND - EXEMPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2019.

SECTION 6. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general.

The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~ one hundred sixty-three thousand two hundred eighty-nine dollars through June 30, 2020, and ~~one hundred fifty-seven thousand nine dollars~~ one hundred sixty-six thousand five hundred fifty-five dollars thereafter.

SECTION 7. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the

legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the compulsive gambling prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
 - c. Starting July 1, ~~2007~~2019, ~~one hundred five thousand six hundred twenty five dollars~~ two hundred thousand dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and
 - d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 8. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 9. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

March 12, 2019

SB2003

Att **A**

2019 - 2021 BUDGET

Office of Attorney General
State of North Dakota

Wayne Stenehjem
Attorney General

**For the Government Operations
Division of the House
Appropriations Committee**

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2019 ENGROSSED SENATE BILL 2003

Office of Attorney General

The Office of Attorney General represents and defends the interests of the citizens of North Dakota by executing the responsibilities charged to the North Dakota Attorney General by the North Dakota Constitution, state statutes and administrative rules, North Dakota and federal case law, and common law. The Attorney General is the chief legal counsel and advisor to state government providing legal representation to all facets of state government, including the Governor, all departments of state government, local government and all state agencies, boards, and commissions.

The Attorney General has primary authority to act on behalf of the state of North Dakota in other areas, including criminal investigations; full arrest and law enforcement authority; sex offender risk assessment and registration; evidence examination and testimony; consumer protection and antitrust; administration, regulation, and enforcement of charitable gaming and lottery activity; and fire inspections, investigations, and mitigation of hazardous materials incidents. Attorney General staff members provided a significant amount of training to North Dakota citizens and others, including law enforcement and the fire services.

The office consists of 12 divisions:

- Administration
- Bureau of Criminal Investigation (BCI)
- Civil Litigation and Natural Resources & Indian Affairs
- Consumer Protection and Antitrust (CPAT)
- Criminal and Regulatory
- Criminal Justice Information Sharing (CJIS) and Information Technology (IT)
- Crime Laboratory (Crime Lab)
- Finance
- Fire Marshal
- Gaming
- Lottery
- State and Local Government

SUMMARY OF OFFICE OF ATTORNEY GENERAL MAJOR ACCOMPLISHMENTS

BUREAU OF CRIMINAL INVESTIGATION

- Teamed with local law enforcement partners to establish task forces which are having a significant impact on major drug trafficking organizations
- Processed 53,422 requests for criminal history record information in 2018
- Provided National Forensic Academy-trained criminal investigators to respond to crime scenes
- Teamed with federal and tribal partners to establish the North Dakota Human Trafficking Task Force
- Supplied local law enforcement with automated Sex Offender Registry kiosks

Cybercrime Unit

From January 2017 through December 2018, the Cybercrime Unit initiated or assisted with approximately 580 cases involving digital forensics on over 4,000 digital media devices. The total capacity of those devices was in excess of 700 terabytes.

24/7 Sobriety Program

The 24/7 Sobriety Program is designed to remove intoxicated drivers from the road, improve their ability to succeed in their treatment choices, and provide a safer driving environment for the traveling public. Offenders participate in twice-per-day breath tests or electronic alcohol monitoring, seven days per week, for as long as the Court order mandates. Participants are also required to pay a fee for the monitoring, which in turn is used to pay for breath alcohol devices, electronic monitoring devices, and other program costs.

Here is some 24/7 Sobriety Program information:

- Total participants since the inception of the program on January 1, 2008 (includes pilot counties) – 22,463
- Total participants who graduated from the program – 14,594
- Total participants who failed the program requirements – 4,813
- Total participants who have reoffended (temporary status, have not failed or graduated) – 872

- Participants currently active on the program – 2,184
- Total breath tests administered since the inception of program – 1,466,221
- Pass rate of breath tests taken – 94.85% (1,390,728)

The program has been supported by law enforcement, the courts, and the participants, and it is proving to be a successful alternative to incarceration.

Concealed Weapon Licenses

As of December 31, 2018, 44,721 individuals held North Dakota concealed weapon licenses compared to a total of 14,350 active licenses at the end of 2013, and 3,557 active licenses at the end of 2008. The office issued 11,258 concealed weapon licenses in 2017 and 7,266 concealed weapon licenses in 2018. Of the total active concealed weapon licenses about 15,990 are slated to be renewed in the 2019-21 biennium.

Criminal History Record Information Requests

The office processed 53,422 criminal history record information requests in 2018, a 7.27% increase over 2017. Of those, 30,707 were requests for data from the state database and 22,715 were requests for federal record checks.

Sex Offender and Offenders Against Children Registry

Sex offenders and offenders against children are required to be registered. The office maintains a sex offender website and an online registry of offenders against children. For calendar year 2018 the office had 111 offenders against children, of whom 34 are currently incarcerated. As of December 31, 2018, there were a total of 1,452 registered sex offenders of whom 409 are currently incarcerated.

Significant 2017-18 Criminal Cases

Operation Denial

Operation Denial was an investigation of fentanyl distribution encompassing multiple jurisdictions, including the United States, Canada, and China. This investigation originated in Grand Forks with two fentanyl overdose deaths. The main suspect utilized two smart phones from a prison cell while in custody in Canada and later in Panama. While in custody in each facility, the main suspect arranged the purchase of fentanyl from China. Initially the fentanyl was being distributed out of Portland, Oregon. The investigation led to other individuals in other states who were utilizing pill presses to press the fentanyl into counterfeit prescription pills. The District of North Dakota and the District of Oregon federally indicted thirty-two individuals from the United States, Canada, and China. The case agents from the BCI and Homeland Security Investigations worked with the Chinese and Canadian governments over the course of the investigation.

Nicholas Johnson Case

In August 2016, Nicholas Johnson met Chase Swanson and Madison West at a bar. After agreeing to go to a hotel together, Swanson and West gruesomely sexually assaulted and strangled Johnson. In February 2018, Chase Swanson was found guilty of theft of property, felon in possession of a firearm, and conspiracy to commit murder. Madison West was found guilty of being in possession of stolen property and conspiracy to commit murder.

Savanna Greywind Case

Savanna Greywind was reported missing on August 19, 2017. The Fargo Police Department conducted numerous searches of Brooke Crews and William Hoehn's residence but discovered no evidence of foul play. The office assisted the Fargo Police Department with canvassing the neighborhood and grid searches. The Fargo Police Department obtained a search warrant for a Fargo apartment and a vehicle. The office assisted with processing the nighttime crime scene; office staff utilized the crime scene vehicle and total station equipment, which helped to quickly and precisely reconstruct the crime scene; and used Panoscan equipment, which captures highly detailed panoramic images of the crime scene. Brooke Crews and William Hoehn were both charged with conspiracy to commit murder, kidnapping, and providing false information to law enforcement. They were both sentenced to life in prison without parole.

Brent Daigle Case

In November 2015, a 12-year-old female disclosed that her stepfather, Brent Daigle, had been sexually abusing her for years and recording it. When Daigle found out that the abuse had been reported to law enforcement, he fled to Shreveport, Louisiana. Law enforcement waited in Shreveport, but Daigle had made contact with family members who picked him up prior to him arriving in Shreveport. Daigle was eventually located and arrested for gross sexual imposition. After Daigle was returned to North Dakota, the office conducted a forensic examination of a cell phone found on him at the time of his arrest. Office staff examined the phone with the usual forensic software but did not recover the sexual abuse videos. In December 2015, office staff received training for a different forensic software. Utilizing this software, they recovered the deleted videos of the sexual abuse of the child including videos that covered multiple dates. The United States Attorney's Office charged Daigle with multiple counts of production and possession of child pornography. On July 19, 2018, Brent Daigle was sentenced to 70 years in federal prison.

CIVIL LITIGATION, NATURAL RESOURCES, AND INDIAN AFFAIRS

Significant Accomplishments and Cases

Oil & Gas Development and Enforcement

The office presided over almost 2,400 oil & gas administrative hearings during the 2015-17 biennium and 2018. The office pursued 16 civil administrative cases for the Division of Mineral Resources for violations of the Industrial Commission's rules, orders, and regulations for the 2015-17 biennium and three civil administrative cases for violations of the Commission's rules, orders, and regulations from July 1, 2017, to date.¹ As of the end of the 2015-17 biennium, 6 cases were pending; the office is obtaining judgments in another three cases for unpaid penalties.² Seven civil administrative cases were pending at the end of 2018.

Environmental Protection

The office assisted the Health Department with its regulatory work involving air pollution control, asbestos removal, water pollution control, and solid waste and hazardous waste management. During the biennium, the office initiated 79 enforcement actions, collecting more than \$2.67 million in penalties for violations, including negotiating a settlement with Tesoro High Plains Pipeline Company requiring remediation and payment of \$454,000 in penalties for a 2013 pipeline spill of approximately 840,000 gallons of crude oil near Tioga.

Clean Power Plan

In October 2015, the office filed a lawsuit against the US Environmental Protection Agency (EPA), challenging its new Clean Power Plan rule. The rule would have required North Dakota to reduce CO2 emissions by almost 45% - more than almost every other state and four times more than the EPA had originally proposed. When the federal Court refused to issue a stay preventing the rule from taking effect while the lawsuit was ongoing, the office appealed to the Supreme Court of the United States. The Supreme Court issued a stay in February 2016, which remains in effect. The case is currently being held in abeyance while the Trump administration reviews the rule. The Court issued an order on December 21, 2018, that the case would remain in abeyance for at least 60 days. The EPA is in the process of adopting a replacement rule. It is reviewing comments on the proposed rule and has stated it plans to issue a final rule in spring 2019.

¹ In the 2015-17 biennium \$351,250 was collected (it may not have all been from those 16 cases) and from July 1, 2017, to date \$2,486,949 has been collected.

² From January 1, 2015 – December 26, 2018, judgments for unpaid penalties in the amount of \$2,515,154 were obtained.

Hydraulic Fracturing (Fracking)

The office joined other states to challenge the Department of the Interior (DOI) and Bureau of Land Management's (BLM) March 2015 "Fracking Rule" which sought to undermine the State's regulation and management of fracking. In June 2016, a federal judge struck down the BLM's fracking rule on the grounds that the BLM's effort to regulate fracking through the rule exceeded its statutory authority. In December 2017, the BLM finalized a rule to rescind the 2015 rule. As predicted, the rescission has been challenged by California/Non-governmental organizations (NGO's). Wyoming, the Independent Petroleum Association of America, American Petroleum Institute, and Western Energy Alliance have already intervened on the side of BLM, defending the rescission. In June 2018, the 10th Circuit Court of Appeals denied North Dakota's motion to dismiss. The scheduling order has California/NGOs' motions for summary judgment were due on February 6, 2019, with BLM's response due April 8, 2019, and defendant-interveners' response due April 29, 2019.

Stream Protection Rule

The office filed a federal lawsuit against the DOI over its "Stream Protection Rule." The office alleged the rule infringed on North Dakota's authority to regulate surface mining and reclamation activities, and unlawfully expanded the federal government's authority. The office sought to have the rule vacated and the DOI enjoined from enforcing it. In February 2017, the rule was repealed by Congress under the Congressional Review Act.

Venting and Flaring Rule

In November 2016, North Dakota, Wyoming, and Montana filed suit against the DOI and the BLM seeking to vacate the federal government's "venting and flaring" rule (VF Rule). The VF Rule imposes detailed air quality regulations on venting and flaring of natural gas and applies to both federal lands and non-federal lands pooled with federal lands.

The challenges to BLM's VF Rule are now in front of the 10th Circuit Court of Appeals. The issue appealed by California and New Mexico/multiple NGO's was the district Court's decision to stay the "phase-in" portions of the VF Rule, as well as the merits briefing, while awaiting BLM's final revised VF Rule. BLM filed a motion to dismiss the appeal as moot, in light of its publication of the final revised VF Rule on September 18, 2018. That motion was referred to the Circuit Court of Appeals panel which may also decide the underlying issues on appeal. While the new VF Rule defers to states on the technical regulatory issues, BLM did not yield at all on its claim to full jurisdiction over state/private property/mineral rights in the split estate context, which was the primary reason North Dakota challenged the Obama-era rule.

Waters of the United States

In June 2015, North Dakota challenged the EPA and Army Corps of Engineers' proposed rule known as the Waters of the United States (WOTUS) Rule. The rule sought to redefine

"waters of the United States" for purposes of the Clean Water Act and would have greatly expanded federal regulations across the State. Federal regulation of waters such as prairie potholes would restrict the use of broad swaths of land from North Dakota's farmers and ranchers. North Dakota successfully prevented the rule from taking effect by obtaining an injunction against the rule. In February 2017, President Trump directed the EPA and Corps to review WOTUS, and in June 2017, the EPA took the first step toward withdrawing the rule. In late January 2018, the U.S. Supreme Court unanimously upheld North Dakota's position on the jurisdictional issue, holding that challenges to the WOTUS Rule must be brought in federal district courts, and not in federal courts of appeals. Despite the Supreme Court's unanimous decision, the United States asked the District Court in North Dakota to stay the case and not allow the State's challenge to go forward. Magistrate Judge Senechal rejected that request and granted North Dakota's right to continue with its challenge. On March 23, 2018, Magistrate Judge Senechal granted North Dakota's motion to lift the stay and denied the federal agencies' motion for further stay. The federal agencies appealed to Judge Hovland, which he denied on May 1, 2018. Merits briefing took place in summer 2018. The states' merits brief was submitted on June 1, 2018, and the states' reply brief was submitted on July 30, 2018. On August 22, 2018, the North Dakota District Court held a status conference where the parties discussed the plaintiffs' request for a hearing. The office is waiting to hear back from the Court on the hearing request.

Dakota Access, Limited Liability Corporation (LLC)

In September 2016, the office reviewed a land purchase by Dakota Access, LLC, which had asserted that civil disturbances at and near its pipeline construction areas made the purchase of land in Morton County temporarily necessary to provide a safer environment for its workers and contractors. In November 2016, the office approved a temporary business purposes exception and allowed Dakota Access, LLC, one year within which to divest the property. By April 2017, the public safety situation had resolved. In November of 2017, Dakota Access, LLC, requested, and received, an extension on the tolling agreement to June 30, 2018, with a requirement to provide quarterly updates to this office of the progress of the divestment proceedings. At the expiration of the tolling agreement extension, Dakota Access, LLC, still owned the property. On July 3, 2018, this office filed a complaint in state court to compel Dakota Access, LLC, to divest the land. Dakota Access, LLC, filed an answer claiming that their ownership of the land is within the business purposes exception and that the corporate farming law is unconstitutional. Discovery must be completed by March 2019, and a five-day trial is scheduled for December 2019.

Farm Bureau, et al: Corporate Farming Challenge

The office is defending the State's corporate farming law in federal court from a constitutional challenge made by six plaintiffs, including two out-of-state LLCs and a non-profit corporation. In September 2018, the United States District Court resolved plaintiffs' dormant Commerce Clause claim. The Farm Bureau had claimed the corporate farming law "family farm" exception discriminated against out-of-state family farm

corporations. There are two remaining constitutional claims: plaintiffs' Equal Protection Clause and Privileges & Immunities Clause claims. An eight-day trial is scheduled in April 2019.

Farm Equipment Dealership Network Law (2017 Senate Bill 2289)

The office is defending 2017 Senate Bill 2289 that is an incremental extension of prior existing law. This law provides further protection to the state's farmers, rural communities, agricultural economy/industry, and farm equipment dealership network. Before the law became effective, the Association of Equipment Manufacturers and four major farm equipment manufacturers challenged the law under numerous constitutional and federal preemption legal theories, asserting that the law violates the Contract Clause, dormant Commerce Clause, Takings Clause, Federal Arbitration Act, Lanham Act, and Robinson-Patman Act. In December 2017, the federal District Court issued a preliminary injunction enjoining the State from enforcing the law during litigation. Discovery is complete, numerous expert witnesses have been retained by both sides, and the pre-trial motion phase of the case was completed on January 31, 2019. A nine-day trial is scheduled for mid-May 2019.

Sexually Dangerous Individuals

The office is currently defending a challenge to civil commitment laws for individuals who have been assessed as "sexually dangerous" and involuntarily committed to the State Hospital for treatment. Several classes have been certified but not all requested classes were certified. The plaintiffs are arguing that the Department of Human Services/State Hospital is violating certain alleged constitutional rights by, among other things, the classification methods of sexually dangerous individuals, the methods and timing of certain treatments and privileges, as well as alleged violations of religious freedoms. They are also arguing that the Department of Corrections and Rehabilitation is violating alleged constitutional rights by failing to provide certain notifications to the individuals while incarcerated. A partial motion for summary judgment is pending regarding many of the certified classes. All deadlines have been suspended until the partial motion has been ruled upon. It is unclear at this time how the case will progress as the parties are awaiting a ruling on the motion.

Tobacco Enforcement

The office defended tobacco companies' allegations that North Dakota did not "diligently enforce" its qualifying statute during 2004 (a requirement of the 1998 Master Settlement Agreement). In March 2018, the office announced a settlement agreement that will release over \$34 million belonging to North Dakota that had been held in an escrow account during the decade-long dispute between the State and the major tobacco companies. The settlement required tobacco companies to release 100% of the disputed payments held in escrow. In addition, North Dakota will continue to receive the annual payments due under the Master Settlement Agreement. The office is not currently

required to arbitrate any diligent enforcement disputes related to the tobacco Master Settlement Agreement.

Minnesota's Next Generation Energy Act

North Dakota and others sued Minnesota over its Next Generation Energy Act (NGEA), alleging that the NGEA violated the Commerce Clause and the Supremacy Clause of the United States Constitution. In April 2014, a Minnesota federal district court ruled the Minnesota law unconstitutional. Minnesota appealed, and in June 2016, the 8th Circuit Court of Appeals affirmed the federal district Court's decision. North Dakota was awarded \$1.3 million in attorneys' fees but Minnesota appealed the award. The hearing on the award of attorneys' fees was held in October 2017, and the 8th Circuit affirmed the fee award.

Northwest Area Water Supply Pipeline

The court battle over the Northwest Area Water Supply (NAWS) pipeline, which would bring much-needed water from the Missouri River to Minot and surrounding counties, continues. In August 2017, the District Court in Washington, DC concluded that the environmental impact statement for the NAWS project met the requirements of the National Environmental Protection Act; however, both Manitoba and Missouri appealed that decision. A settlement agreement was reached with Manitoba. Oral argument on Missouri's appeal was held at the DC Circuit Court on November 8, 2018, and a decision is pending.

Ongoing Statutory Challenges

Brakebill v. Jaeger (2016)

On January 20, 2016, seven individual Native Americans (the "plaintiffs") filed suit against the Secretary of State (SOS) in United States District Court, alleging certain aspects of North Dakota's voter identification (ID) laws violated their Equal Protection and Due Process rights under Section 2 of the Voting Rights Act. On June 20, 2016, the plaintiffs sought a preliminary injunction, which was granted on August 1, 2016.

During the 2017 legislative session, the Legislature passed House Bill 1369 (relating to North Dakota's voter identification law), and the plaintiffs amended their complaint. On January 16, 2018, the SOS moved to dissolve the 2016 preliminary injunction. The plaintiffs opposed the SOS motion to dissolve and moved for a second preliminary injunction on February 16, 2018. On April 3, 2018, the Court entered an order dissolving the first preliminary injunction and partially granting the second preliminary injunction. The SOS appealed the order to the Eighth Circuit Court of Appeals (8th Circuit) on April 4, 2018, and on April 10, 2018, filed a motion with the district Court to stay that Court's order. The motion to stay was denied on April 30, 2018.

On May 2, 2018, the SOS filed an additional motion to stay with the 8th Circuit Court of Appeals, which was denied on June 8, 2018. The SOS subsequently filed a renewed motion for stay on August 26, 2018.

Oral arguments on the appeal were heard on September 10, 2018. On September 24, 2018, the 8th Circuit entered an order that stayed that part of the second preliminary injunction that would have required the State to accept proof of a P.O. Box in North Dakota as establishing eligibility to vote in North Dakota elections. On September 28, 2018, plaintiffs filed application to vacate the stay of the preliminary injunction to the United States Supreme Court, which was denied on October 9, 2018. The overall appeal of the second preliminary injunction remains pending before the 8th Circuit.

Spirit Lake v. Jaeger (2018)

In this case six individual plaintiffs and the Spirit Lake Tribe filed a complaint in federal court against the SOS seven days before the November 6, 2018, general election. The complaint generally alleged that Spirit Lake, its members, other Indian tribes in North Dakota, and the individual plaintiffs had been harmed by the SOS's implementation of a portion of North Dakota law, N.D.C.C. § 16.1-01-04.1(2)(b), 3(b), that requires a voter to verify their residential street address before being allowed to vote. The plaintiffs' motion for a temporary restraining order before the November 6 election was denied.

Sophia Wilansky v. Morton County, et al. (2018)

On November 19, 2018, Sofia Wilansky filed an action in federal district court against several defendants, including a state employee. Wilansky claims the defendants are responsible for an explosion that occurred during the Dakota Access Pipeline (DAPL) protest, which caused Wilansky to receive serious injuries to her arm. Specifically regarding North Dakota, the claim against the employee is a state law defamation claim. Wilansky alleges she was defamed because the employee issued verbal and written statements to local and national news media, indicating Wilansky caused her own injuries by carrying an improvised explosive device.

Cissy Thunderhawk; Waste'win Young, and Reverend John Floberg v. County of Morton, et al. (2018)

The plaintiffs allege that their constitutional right to free speech was violated when Highway 6 was partially closed during the DAPL protest. The complaint was filed in October 2018. The State's motion to dismiss was filed January 11, 2019, and is pending before the Court.

North Dakota v. United States Army Corp of Engineers (FTCA) (2018)

The State has filed a Federal Tort Claim with the United States Army Corps of Engineers (USACE) concerning the DAPL protest. The USACE's six-month response deadline was

due January 23, 2019. The USACE did not respond. The State has six months to file a complaint.

Breanna Berndsen, et al. v. The North Dakota University System (2018)

Former members of the University of North Dakota (UND) women's hockey program have filed a class action lawsuit against the University System, alleging that UND violated Title IX by eliminating the program. UND's motion to dismiss the plaintiffs' claims is pending with the federal district Court.

Guardian Flight LLC v. Jon Godfread (2018)

The plaintiffs are challenging the Legislature's 2017 enactment of Senate Bill 2231, which provides that payment by an insurer to a provider for air ambulance services is full and final payment with no option for the provider to seek the balance from the patient. SB 2231 also prohibits air ambulance subscription agreements. The plaintiffs are arguing that the law is expressly preempted by federal law. The parties have filed cross-motions for judgment on the pleadings.

Paul Sorum, et al. v. The State of North Dakota (2018)

The plaintiffs, including Representative Marvin Nelson, are challenging the Legislature's 2017 enactment of Senate Bill 2134. The plaintiffs argue that the law violates the Public Trust Doctrine and the North Dakota Constitution. The plaintiffs filed a motion for preliminary injunction, which the Court denied in part and granted in part. Specifically, the Court determined the plaintiffs were likely to succeed with their claim that it would be unconstitutional for the Land Board to return mineral royalties it had received prior to the enactment of SB 2134. The parties filed cross-motions for summary judgment and oral argument was held on January 4, 2019, in Fargo. The State Court held that N.D.C.C. chapter 61-33.1 was constitutional; however, the Court also determined that one section of the action, N.D.C.C. section 61-33.1-04(1)(b), was unconstitutional because it violates the state constitution's anti-gift clause in Article X, Section 18.

Pharmaceutical Care Management Association v. Mylynn Tufte, et al. (2017)

The plaintiffs filed a complaint in federal district court challenging the Legislature's 2017 enactment of Senate Bill 2301, which was one of two bills that sought to define the rights of pharmacists in relation to pharmacy benefit managers (PBMs), and to regulate certain practices by PBMs. The plaintiffs argue that federal law preempts the recently passed state law. The plaintiffs first filed a motion for preliminary injunction, which the District Court denied. The parties subsequently filed cross-motions for summary judgment, and the District Court granted the State's motion. The plaintiffs appealed the District Court's decision to the Eighth Circuit Court of Appeals. The State's brief was submitted at the end of January 2019.

North Dakota v. United States (Section Lines) (2012)

In this case, which was filed in 2012, the State is seeking quiet title to section lines in the National Grasslands in North Dakota. The National Grasslands are managed by the United States Forest Service. The federal government moved to dismiss the State's complaint, and the district Court granted the motion in 2017. The district Court denied the State the right to appeal until the counties' road claims are addressed by the Court. The case is still pending and the counties recently amended their complaint.

STATE AND LOCAL GOVERNMENT DIVISION

Since July 1, 2017, the office received 52 requests for opinions, and issued a total of 42 opinions, of which 34 were open records opinions and 8 were opinions on questions of law related to matters involving state statutes, the State Constitution, and issues having statewide significance. In addition, during the calendar years 2016 and 2017, the office reviewed 29 administrative rules submitted by other state entities.

CRIME LABORATORY DIVISION

The office received 13,136 crime lab cases (excluding breath alcohol tests) from January 2017 to December 2018.

The current turnaround times are as follows:

- Approximately 67 days for drug cases
- Approximately 8 days for fire debris cases
- Approximately **170 days for DNA cases – currently 232 DNA analysis cases are waiting to be completed**
- Approximately 30 days for toxicology (blood alcohol cases)
- Firearms cases are outsourced due to staffing issues
- Approximately 60 days for latent print cases (confirmations are outsourced due to staffing issues – there is only one qualified latent print examiner in the office)

Combined DNA Index System (CODIS)

The office's DNA Unit processed 6,251 convicted offender and arrestee samples in calendar years 2017 and 2018. There are approximately 41,000 DNA profiles in North Dakota's State DNA Index System database (SDIS). Since 2014, the Lab has averaged 3,538 convicted offender/arrestee samples per year.

North Dakota CODIS Database

Convicted Offender DNA Profiles	12,773
Arrestee DNA Profiles	26,861
National DNA Index System Forensic DNA Profiles*	1,612
SDIS Forensic DNA Profiles **	242

North Dakota CODIS Hits

Investigations Aided ***	764
State Forensic Hits (crime scene to crime scene)	99
State Arrestee Hits	343
State Convicted Offender Hits	195
National Forensic Hits	36
National Arrestee Hits	135
National Convicted Offender Hits	172

*State forensic unknown, partial and mixture DNA profiles that qualify for NDIS and are compared against the national database.

**State forensic unknown, partial and mixture DNA profiles that do not qualify for NDIS and are therefore compared against only the North Dakota database.

*** Investigations aided are the number of cases where CODIS has added value to the investigative process.

The National DNA Index System (NDIS) has existed since 1998 and contains DNA profiles contributed by all 50 states, the District of Columbia, the federal government, the US Army Criminal Investigation Laboratory, Puerto Rico, and local participating forensic laboratories.

National DNA Index System

Convicted Offender DNA Profiles	13,444,810
Arrestee DNA Profiles	3,323,611
Forensic DNA Profiles (Unknown, Partial and Mixture)	894,747
TOTAL	17,663,168

National DNA Index System Nationwide Hits

Investigations Aided	42,808
Forensic Hits (crime scene to crime scene)	67,462
Intrastate Hits (crime scene to convicted offender within a state)	323,210
Interstate Hits (crime scene in one state to convicted offender in another state where CODIS aided an investigation)	49,674

CONSUMER PROTECTION AND ANTITRUST DIVISION

The office opened 984 consumer complaints and investigations and closed 999 files in 2018. The office recovered or collected \$679,148 in consumer restitution. The office collected \$3,050,970 in attorneys' fees, investigation costs, and civil penalties relating to litigation completed. The office took legal action against 77 companies or individuals.

Most notable for the 2015-17 biennium was the Dickinson State University Foundation case. Because of this office's efforts, over \$4.4 million in recovered consumer restitution was subsequently transferred to the new Foundation.

GAMING DIVISION

During the 2015-17 biennium, licensed gaming organizations accepted wagers of \$569,384,144, raising over \$43,777,679 for charitable uses (such as student scholarships, community crime prevention projects, financial and other assistance to injured and disabled veterans), and generated \$6,856,747 for the State's general fund.

During fiscal year 2018 licensed gaming organizations accepted wagers of \$266,749,227, raising over \$21,078,628 for charitable uses, and generated \$3,192,473 for the State's general fund.

With the recent legalization and implementation of electronic pull tab devices during fiscal year 2019, the office predicts there will be a significant increase in gaming wagers. The very conservative preliminary numbers show that electronic pull tab activity alone will double the wagers accepted to an estimated \$841 million for the 2017-19 biennium, raising over \$65 million for charitable uses and generating \$10 million for the State's general fund. Looking forward, the office predicts an estimated \$1 billion in wagers for the 2019-21 biennium. It is unclear at this point what impact electronic pull tab devices will have on other game types and revenues.

The new electronic pull-tab activity increase has put a tremendous strain on the office, which lost two gaming auditors and a gaming administrative assistant during the last legislative session. It is becoming increasingly difficult to adequately regulate this rapidly expanding gaming industry with minimal staff, an antiquated computer system, and continuously changing technical standards. There are currently 1,358 new electronic pull-tab machines for this biennium. 2019 House Bill 1533 creates a charitable gaming technology fund to assist in replacing the old computer system. The Senate added \$400,000 from gaming taxes to 2019 Engrossed Senate Bill 2003.

FIRE MARSHAL DIVISION

The Fire Marshal accomplishes fire prevention goals through fire investigation, fire inspection and code enforcement, plan review, data collection, fire safer cigarettes, and public education programs.

Fire Investigations

Fire investigations are conducted to assist local fire departments and law enforcement agencies with origin and cause investigations and reports. Staff respond all days of the week and at any hour of the day to accomplish this task. In 2018, fire investigation activities included 121 total investigations, of which 85 were closed (36 accidental, 1 natural, 8 incendiary, and 40 undetermined). There are currently 36 open cases.

To better collect, track and analyze data regarding the fire investigations, on January 1, 2019, the office switched to a fire investigation software reports program. With this switch, the office will be able to better analyze data and the effectiveness of the services being delivered.

Fire Inspection and Code Enforcement

The fire inspection program is conducted through the Fire Marshal's adoption of rules for prevention of fires through administrative rules, inspection of facilities as outlined in the North Dakota Century Code, and assisting other agencies/local fire departments with various code enforcement issues as requested. During the 2017-19 biennium, the following fire inspection program activities have been completed:

- Fire inspections conducted – 802
- Schools inspected – 212
- State buildings inspected – 305
- Above ground fuel sites – 129
- Daycare fire inspections – 101
- Alcohol license inspections – 48
- Other (as requested by local fire departments) – 7
- Code assistance given to local fire departments – daily
- Orders of abatement issued – 1

The office is in the process of researching software for the fire inspections program with the goal of being software based by January 1, 2020. If this transition is accomplished, it will make inspections reporting, data collection, and analysis much easier for the office.

Fire Protection Systems Plan

The fire protection systems plan review program is designed to help meet Century Code requirements and to ensure that fire protection systems are both designed and installed to code. The following is the information that is available along with projected data of what the program will achieve:

- Plans received previous 2 years – 43
- Plans reviewed previous 2 years – 43
- Acceptance tests conducted: not tracked at this time
- Plans expected to receive in the 2019-21 biennium – approximately 200

Fire Data Collection

The fire data collection program gathers statewide fire incident statistics and information from each participating fire department and rural fire protection district through the National Fire Incident Reporting System (NFIRS), which compiles statistical reports for the State and local jurisdictions. NFIRS reporting by local fire departments is voluntary. In addition, each local fire department and fire protection district is required to submit a Certificate of Existence each year to the Fire Marshal's office, reporting statistical information specific to the department, including state funding amounts, number of firefighters, number of fire trucks, level of fire service, etc. The number of reports and certificates of existence are as follows:

- Fire departments reporting to NFIRS (as of 12/26/18) – 190
- Fire departments NOT reporting to NFIRS (12/26/18) – 181
- Fires reported in ND in 2017 – 2,169
- 2018 Certificates of Existence distributed – 372
- 2018 Certificates of Existence returned, to date (deadline for submission is 3/1/19) – 341

Fire Safer Cigarettes

The fire safer cigarettes program was established in 2010 and requires cigarette manufacturers to comply with it in order to sell their product in North Dakota. The requirements include but are not limited to the ability to ignite material, self-extinguishment, and markings on packaging for identification purposes. Every year office staff inspect the cigarettes to ensure that what has been submitted to the office matches what is being sold in the state.

- Cigarettes certified since the program's inception (2010) – 1,319
- Cigarette packs inspected in 2017-2018 – 782
- Locations that sell certified cigarettes – 1,370
- Licensed vendors inspected in 2017-2018 – 126

- Cigarettes currently certified – 1,012
- Cigarette types certified in 2017-2018 – 295

DOT Emergency Responder Guidebooks (ERG's)

The office partners with the US Department of Transportation to assist with distribution of Emergency Response Guidebooks (ERG) to first responders in the State. The ERG provides first responders chemical information to aid in decision-making in the first thirty minutes of a hazardous materials incident.

Guidebooks (ERG's) distributed by type of agency are as follows:

- Fire service – 2,285
- Law enforcement – 1,238
- Emergency medicine – 195
- Emergency management – 160
- County Government – 1,368
- Training agencies – 25
- Total – 5,271

There were 1,240 hazardous materials incidents in North Dakota during 2017-2018.

LOTTERY DIVISION

The North Dakota Lottery conducts 5 games: Powerball, Lucky for Life, Mega Millions, Lotto America, and 2by2. The Lottery transferred \$15.78 million to the State general fund, \$845,000 to the multijurisdictional drug task force grant fund and \$640,000 to the compulsive gambling prevention and treatment fund for the 2015-17 biennium. For fiscal year 2018, the office transferred lottery proceeds totaling \$7.3 million to the State general fund, \$422,500 to the multijurisdictional drug task force grant fund and \$320,000 to the compulsive gambling prevention and treatment fund.

CURRENT AND FUTURE CRITICAL ISSUES

Fentanyl, Heroin, and Other Illicit Drugs

An alarming trend seen since 2016 is the enormous increase in heroin, heroin cut with fentanyl, heroin cut with carfentanyl and overdoses in relation to these drugs. Fentanyl has resulted in several overdoses as it takes just two milligrams, the weight of a mosquito, to be fatal. Prior to 2016, heroin was relatively rare. Heroin and heroin laced with fentanyl are now gaining an alarming foothold in North Dakota. Carfentanyl, which is a derivative of fentanyl, is an extremely dangerous and potent drug often found mixed with heroin. Carfentanyl is approximately 100 times more potent than fentanyl and 1 drop in liquid form absorbed through the skin is enough to kill someone. Carfentanyl is used primarily as a tranquilizing agent for elephants and other large mammals.

Naloxone (also known as Narcan) temporarily counteracts the effects of opiate overdoses and is being increasingly used to counteract the increasing number of overdoses in the State.

The following examples reflect the impact of opioid overdoses on local communities:

- Since July 1, 2018, the Minot Community Ambulance administered Narcan in 37 overdose cases, twelve of which were confirmed heroin overdoses, with the remainder attributed to other opiates. In addition, the Minot Police Department and the Ward County Sheriff's Office reported that Narcan was administered 8 times in 2018.
- In the northeast part of the State, the Grand Forks ambulance service administered Narcan 47 times in 2017, and 12 times through August 2018. That area saw 53 opiate/opioid overdoses in 2017, and 17 through June 2018, as well as nine overdose deaths in 2016, 4 in 2017, and 6 in 2018.
- These examples exclude Narcan administered by other individuals who were not first responders.

Implementation of Medical Marijuana

Implementation of the medical marijuana measure last biennium is estimated to result in approximately 500 criminal record checks for compassionate care centers and/or compassion caregivers in the 2019-21 biennium.

The Department of Health may have numerous court proceedings as any appeal to the medical marijuana law is now going to Burleigh County District Court. This will impact office legal staff if this occurs frequently.

Marijuana is the most commonly used illicit drug in the United States and in North Dakota. The 2017 Crime in North Dakota report indicates more than 51% of drug violations involved marijuana. A 2016 National Survey on Drug Use and Health reported that of the 28.6 million people associated with illicit drug use, 24 million had used marijuana or hashish, 84% of the total.

Criminal Investigators Salary Issue

The office has historically attempted to recruit and hire experienced investigators from local agencies or other state agencies to fill criminal investigator positions. The office's hiring requirements include five years of law enforcement experience, a bachelor's degree, and to be licensed as a peace officer. In order to acquire and retain investigators with the above qualifications, the office must offer higher salaries.

It has been difficult to hire these individuals in the last few years due largely to the office's limited salary levels, including the starting criminal investigator salary. Because of the substantial crime increase throughout North Dakota, calls for assistance, and population growth, the office has been concentrating on retaining experienced and trained investigators. The office needs these experienced investigators to combat the organized and dangerous criminals in North Dakota. Office criminal investigations have become much more sophisticated, detailed, and time consuming than in the past. For all these reasons the office needs to continue to hire and retain experienced investigators to serve the public and keep the public safe.

Marsy's Law Implementation

Marsy's Law continues to present challenges for city and state's attorneys attempting to implement additional requirements. Last session, the Legislature provided the office with \$815,000 in funding to fill the notification gaps identified between Marsy's Law requirements and the functionality of the ND Statewide Automated Victim Identification Notification (SAVIN) program over three years.

The office has made substantial progress in implementing the changes needed. Since the last legislative session, the office has implemented automated victim notifications for the municipal courts and juvenile courts, as well as provided 100% of North Dakota jails with the functionality to create automated victim registrations directly from their jail management systems. The office has successfully completed four of the ten projects, and is on track to complete all projects within the project schedule.

SAVIN – MARSY'S LAW UPDATE PROJECT

Project	Description	Status	Percent Complete	Approximate Start Date	Estimated Project Length
Municipal Courts Notifications	Add municipal court notifications for municipal courts using the Odyssey system	Completed	100%	6/6/2017	6 months
Jail Transfer Capabilities	Ensure all county jails have a technical method and proper processes in place to record transfers	Completed	100%	10/1/2017	3 years
Jail Victim Data Pull	Add automated victim data pull functionality to 8 jails' jail management systems	Completed	100%	10/1/2017	3 years
Juvenile Court Notifications	Add juvenile court notifications (through a closed system)	Completed	100%	12/1/2017	18 months
Retention of Victim Registrations	Change retention schedule for victim registrations from two years to maximum sentence length (based on severity level) plus one-two years	Analysis	5%	10/1/2018	1 year
Enhanced VINE Upgrade	Upgrade to Enhanced VINE, which provides the capability for the custom enhancement, among other victim benefits	Agile Development	40%	10/1/2018	1 year
Assertion & Search Notification (ASN)	Empower victims to assert and update Marsy's Law right(s), incident information, and contact information electronically 24 hours per day, 7 days per week; provide a method for	Planning & Analysis	20%	1/1/2019	1.5 years

Project	Description	Status	Percent Complete	Approximate Start Date	Estimated Project Length
	agencies to search statewide to identify which victims have asserted their rights for which crimes; and equip agencies with a tool to efficiently notify victims who have asserted Marsy's Law right(s) when there is a relevant request for information				
Sentencing Notifications	Add sentencing notification, which requires pulling data from courts, aggregating data, and providing notification through a vendor	Planning & Analysis	15%	3/1/2019	1 year
State Hospital Notifications	Add commitment notifications	Not Started	0%	6/1/2019	1 year
Pardon Board Notifications	Add Pardon Board notifications	Not Started	0%	6/1/2019	1 year

Information Technology Infrastructure and Program Needs

The office's BCI and Crime Lab operations rely heavily on the expertise and skills of the office's Information Technology (IT) Division to develop new programs, and maintain and support new and existing projects. Between 80-90% of all IT services used in this office are for the BCI and Crime Lab.

It is essential that the office receive the funding, staff, and other resources needed to ensure that critical internal and external existing programs function efficiently, that project funding deadlines can be met, and delays in development are kept at a minimum. Some of the systems BCI uses daily are outdated and/or ineffective and need immediate attention in order to ensure continued work productivity. Unfortunately, funding and staff to support and upgrade these systems are not readily available, and as a result, delays in upgrades and support are frequent due to the competing demands for limited IT services.

STATUS OF 2017-19 BIENNIUM ONE-TIME APPROPRIATIONS

DOS-Based Deposit System Rewrite

This project is in development, and is scheduled to be completed prior to the end of this biennium. The office is engaging an IT firm from ITD's vendor pool for project management and development. If unforeseen challenges arise, the office may need to request carryover of some of the \$100,000 general fund appropriation.

Uniform Crime Reporting Rewrite

This project anticipated federal funds would be received to fund it. These funds were recently awarded. The project team has finalized the system requirements and is in the procurement process. Because funding was received so late in this biennium, the office will likely need to request carryover of some of the \$280,000 federal fund authority.

Statewide Automated Victim Identification Notification Cost Share and Enhancements

Enhancing this system is anticipated to occur over three years. The Cost Share portion was for \$315,000 in other funds. The State share was for \$500,000 from other funds. Several items of the project have been completed and others are in progress. The office will likely need to request carryover of some of the other funds authority.

2015-17 Biennium Human Trafficking Grant Carryover

This funding has been spent.

2017-19 Biennium Human Trafficking Grant

These funds have all been allocated and are being spent.

Sexual Assault Nurse Examiner Grant

Of the \$150,000 in other funds, over half has been spent.

DAPL Overtime

The need for the overtime passed and the \$200,000 in other funds will not be spent.

Continuing Higher Education Litigation

The \$100,000 general fund carryover has been spent.

Racing Services Inc. Litigation

The \$15,872,000 in other funds was spent in January 2018.

OFFICE OF ATTORNEY GENERAL BUDGET ISSUES AND REQUESTS

Office/State Impacts Due to 2019-21 Biennium 10% General Fund Reduction Required

The vast majority of the office's staff (81%) provides legal and law enforcement services to state and local entities by law. General fund reductions at this level significantly affect the office's ability to assist with local law enforcement cases, provide training and hands-on legal and law enforcement support, purchase needed supplies and equipment, travel to other locations, and assist law enforcement throughout the State.

Governor Burgum required state agencies to submit budgets reflecting 10% general fund reductions (90% budgets). For this office it translated into a \$5.17 million general fund reduction. The following includes general fund items reduced as a result of the required reductions.

Nine general fund positions were removed: five criminal investigators, one criminal intelligence analyst, two administrative positions, and one assistant attorney general. The office requested restoration of the criminal investigators and the intelligence analyst, which was allowed in the Executive Recommendation.

Position funding sources were changed wherever possible, which is a temporary solution. This included funding all of Consumer Protection salaries and wages from the Attorney General Refund Fund. The funding source for two staff members responsible to administer the 24/7 Sobriety program was changed to other funds. Some general fund positions were changed to other or federal funding sources. Where retirements occurred staff filling these positions were paid less than the previous staff member. A criminal attorney position will be unfunded for more than half of the 2019-21 biennium.

In addition, general fund operating expenses were significantly reduced, including criminal investigator case travel; eliminating funding for the narcotics buy fund; building maintenance supplies; necessary crime scene supplies; Crime Lab consumables used to test local law enforcement submitted evidence; Crime Lab service contracts on critical,

specialized equipment; office equipment; IT equipment; IT software and supplies; building rent; professional supplies; and printing.

The Executive Recommendation restored the 5 criminal investigators and the intelligence analyst. The narcotics buy fund reduction of \$100,000 was also restored.

Office of Attorney General Reductions In the Executive Recommendation 2019 Senate Bill 2003

The Executive Recommendation included the following general fund changes:

1. The funding source changes were made from the general fund to federal and other funds for the following positions:
 - a. One criminal investigator and one administrative staff officer,
 - b. Seven Consumer Protection staff – two assistant attorneys general, two administrative assistants and three investigators, and
 - c. One grants and contracts officer.
2. Removed funding for a criminal assistant attorney general for more than one year
3. Removed a criminal history criminal records specialist
4. Removed a sex offender registry administrative assistant
5. Removed an assistant attorney general
6. Removed a legal administrative assistant
7. Significantly reduced BCI operating expenses
8. Significantly reduced Crime Lab operating expenses

Office Requested Budget Changes

This office requests restoration of a forensic scientist to the office budget. A forensic scientist usually trains to work in DNA, drug chemistry, or toxicology. Losing a forensic scientist results not only in the loss of valuable, technical experience, it also results in costly, specialized training walking out the door with the individual. Current staff is working significant overtime to analyze backlogged DNA evidence but this is only a temporary solution. The estimated general fund cost for the forensic scientist is \$224,500. **The Senate added this position and funding.**

The office requests restoration of an assistant attorney general and a paralegal funded from other funds totaling \$272,399 which was removed in the Executive Recommendation and **was added back by the Senate.**

The FBI requires each state to designate a Criminal Justice Information Services (CJIS) System Agency (CSA) to regulate FBI programs in the state. The CSA must also be a Criminal Justice Agency (CJA) in which 51% of their duties are directly related to law enforcement functions/disciplines. Currently State Radio is delegated by this office to handle this responsibility. The FBI has informed us and State Radio that the currently delegated CSA (to State Radio) does not meet the requirements of being a criminal justice

agency. Through cooperative discussion with the ND Adjutant General, this responsibility is being returned to this office. There are currently two positions at State Radio which need to be transferred to this office as a result of the FBI's requirement.

Office staff met with State Radio and Department of Emergency Services staff to discuss this issue. In its House Appropriations budget presentation for Senate Bill 2016 the Adjutant General's office requested the following positions be transferred to this office.

- The CJIS systems officer (CSO) is located within the CJIS system agency. The salaries and wages for this position total \$193,297, of which \$135,308 is from the general fund, \$19,330 is from State Radio funds, and \$38,659 is from federal funds. The transfer request also included \$4,444 in general fund operating expenses.
- The CSA information security officer (ISO) is delegated by the CJIS system agency and acts as the security point of contact for the FBI CJIS Division. The salaries and wages for this position total \$179,258, of which \$125,481 is from the general fund, \$17,926 is from State Radio funds, and \$35,851 is from federal funds. The transfer request also included \$4,644 in general fund operating expenses.

**CHANGES TO 2019 ENGROSSED
SENATE BILL 2003 INCLUDED BY
THE SENATE**

The office's optional adjustment requested in the submitted budget and as approved in the Executive Recommendation is shown on the following two pages.

2019-21 BIENNIUM OFFICE OF ATTORNEY GENERAL FINAL OPTIONAL ADJUSTMENTS REQUESTED, EXECUTIVE BUDGET RECOMMENDATIONS

CHG PKG	PRIORITY	DESCRIPTION	GENERAL FUND, FTE REQUESTS			GF	FF	OF	TOTAL	EXEC. REC
			FTE	QUANTITY	PRICE					
AC-600	1	Restore staff reduced in the general fund reductions required - 5 agents & 1 intelligence (SLIC) analyst	6.0		1,108,103	992,989	115,114		1,108,103	Included
AC-601	2	Narcotics Buy fund - eliminated in the 10% general fund reductions		1	100,000	100,000			100,000	Included
AC-1	3	Undercover Replacement vehicles - the 2017-19 budget didn't include any replacement vehicles - currently have 60 vehicles		12	25,000	300,000			300,000	Included
AC-3	4	Fire Marshal Administrative assistant - there is currently no administrative staff for the Fire Marshal Division	1.0		155,316			155,316	155,316	Included
AC-11	5	Office 365 software - ITD required		1	168,000	168,000			168,000	Included
TOTAL GENERAL FUND & FTE'S			7.0			1,560,989	115,114	155,316	1,831,419	

CHG PKG	PRIORITY	DESCRIPTION	OTHER FUNDS REQUESTS			GF	FF	OF	TOTAL	EXEC. REC
			FTE	QUANTITY	PRICE					
AC-2	1	Multijurisdictional Narcotics task force grant funds - increase Lottery transfer from \$105,625 per quarter to \$200,208 - provides more funding to the regional narcotics taskforces for narcotics enforcement		1	756,664			756,664	756,664	Included
AC-4	2	Deputy Fire Marshal salaries & operating - this position has been unfunded for the 2017-19 biennium, resulting in staff overtime		1	227,173			227,173	227,173	Included
AC-5	3	2019-2021 Criminal History Improvement project - ongoing projects		1	400,000			400,000	400,000	Included
AC-6	4	Criminal Justice Information Sharing - Common Statute Table updates - a database of statutory codes and supporting information that provides a common criminal charging reference to enable automated charging and information sharing across criminal justice agencies.		1	40,000			40,000	40,000	Included
AC-7	5	CJIS - Portal Improvement - interfaces needed as other agencies linked to the portal change their systems		1	50,000			50,000	50,000	Included

March 12, 2019

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AC-8	6	Criminal Justice Information Sharing - Broker Implementation CJIS has many interfaces running through the CJIS Broker. These interfaces often need enhancements and maintenance work to keep functioning well. At times, additional or replacement interfaces are also needed due to system changes or upgrades. These interfaces include, for example, charging interfaces that transfer law enforcement incident information for state's attorneys to use for charging; and information from the Courts to VINE for victim notifications.	1	50,000			50,000	50,000	Included
AC-9	7	State Fleet - Cost of switching from SUV's to .5 ton pickup trucks to protect deputy fire marshals from carcinogenic materials	6	41,040			41,040	41,040	Included
AC-10	8	Automated Fingerprint Identification System replacement - this system is reaching its end of life	1			158,000	158,000	316,000	Included
TOTAL OTHER & FEDERAL FUNDS						158,000	1,722,877	1,880,877	
TOTAL ALL REQUESTS			7.0		1,560,989	273,114	1,878,193	3,712,296	

Senate Changes to Senate Bill 2003

The Senate made the following adjustments to Senate Bill 2003:

- Medicaid Fraud Control Unit (MFCU) – The Senate added two assistant attorneys general, two criminal investigators, two auditors, and one administrative staff member for the MFCU. The federal government pays 90% of the cost for three years and 75% of the cost after three years. The added appropriation totals \$1,817,325, of which \$181,733 is from the general fund and \$1,635,592 is from federal funds.
- Social Security Cooperative Disability Investigations (SSCDI) – The Senate added two criminal investigators and \$661,889 in federal funds for investigating fraudulent Social Security disability claims. This unit has always been and is funded 100% from federal funds since its inception. Bismarck has one federal SSCDI staff member and one more will be hired in the near future.

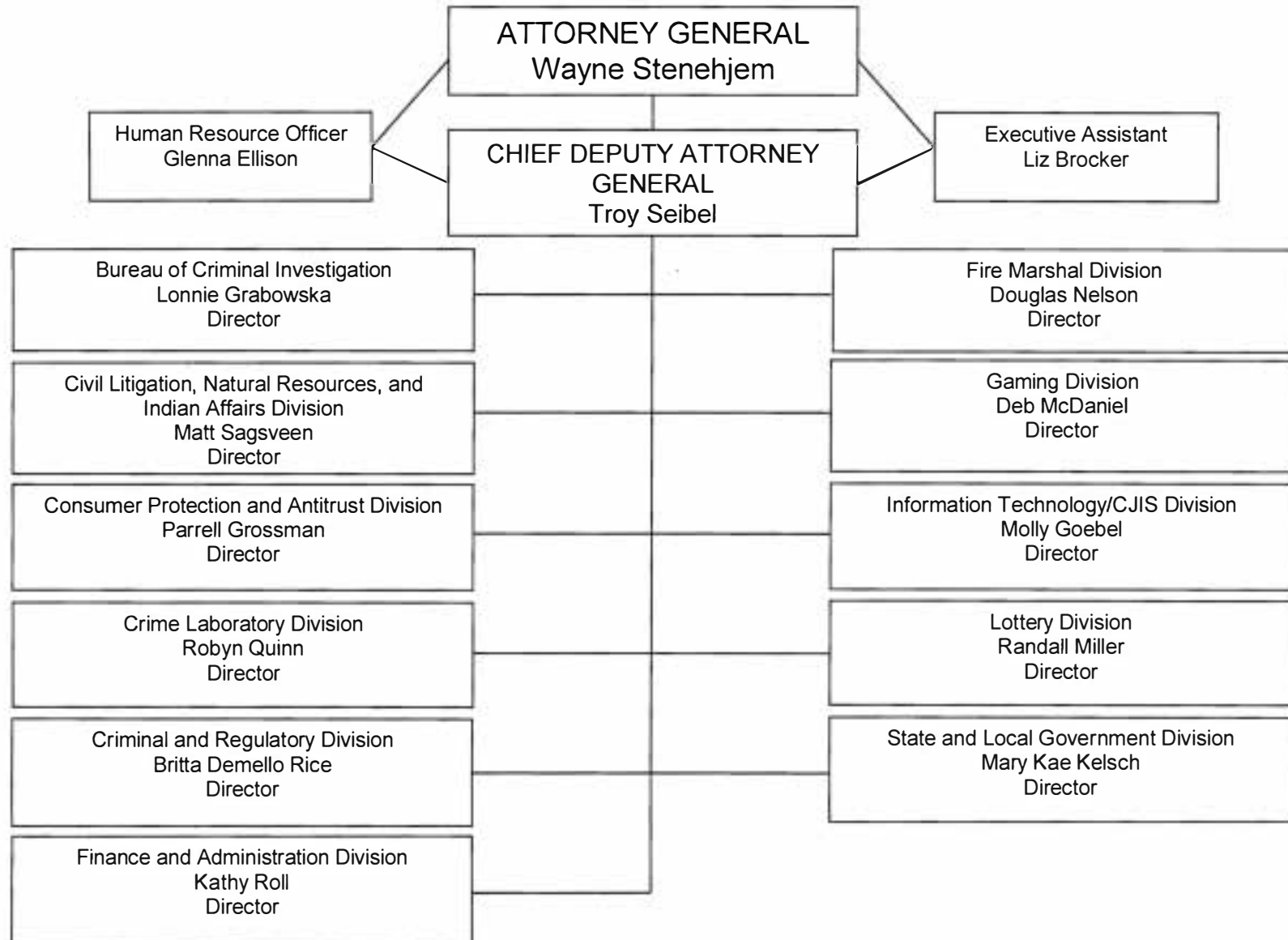
2019 Legislation Having a Fiscal Impact on the Office of Attorney General

Several legislative bills have been introduced which impact the office.

- **Engrossed House Bill 1254** authorizes sports betting gaming. Although the revenue change due to this bill is unknown, the estimated general fund cost of \$1,257,816 and two auditor FTE's will be needed, at a minimum, to regulate sports betting. The estimate includes a new computerized gaming system needed to accommodate auditing and tracking sports betting. **The \$1,257,816 fiscal impact from the general fund has not been added to the office's appropriation or this bill.**
- **Engrossed House Bill 1286** provides for all funds obtained through civil asset forfeiture due to narcotics/controlled substance violations to be paid to the office's assets forfeiture fund. The bill requires law enforcement agencies to annually report to the office regarding civil assets seized and forfeited due to narcotics activities. **The estimated cost of the electronic reporting system needed for such reporting is \$211,680 from the general fund which has not been added in the office's appropriation or this bill.**
- **Engrossed House Bill 1313** requires the office, through its Criminal Justice Information Sharing System, to implement a missing persons' repository to include data related to demographics of indigenous people. **This change is estimated to cost \$75,000 from the general fund for system/programming changes which has not been added to the office's appropriation or this bill.**
- **Engrossed House Bill 1533** reduces the electronic pull tab gaming tax to .33% and provides a continuing appropriation to the office to contract for and purchase charitable gaming equipment and software, train charitable gaming employees, and maintain and update the system. In fiscal year 2020 the bill requires the office to deposit \$400,000 into a new fund from gaming taxes normally deposited in the general fund. **The Senate added \$400,000 from the general fund for this system to Engrossed Senate Bill 2003.**
- **Engrossed Senate Bill 2148** requires the office to be legal counsel for the Ethics Commission established in the bill. In addition, the Commission can refer criminal incidents to the Bureau of Criminal Investigation or local law enforcement. The fiscal impact of this bill is unclear.

- **Engrossed Senate Bill 2347** is the False Claims Act needed for the State to be able to take action on state Medicaid fraud. In the event the Medicaid Fraud Control Unit is added to this office's appropriation (as was done in the Senate), this bill is necessary to allow the unit to function.

NORTH DAKOTA
OFFICE OF ATTORNEY GENERAL
January 2019



NORTH DAKOTA OFFICE OF ATTORNEY GENERAL



2019-2021 BIENNIUM
66TH LEGISLATIVE SESSION

BUDGET PRESENTATION
SUPPLEMENTARY MATERIALS

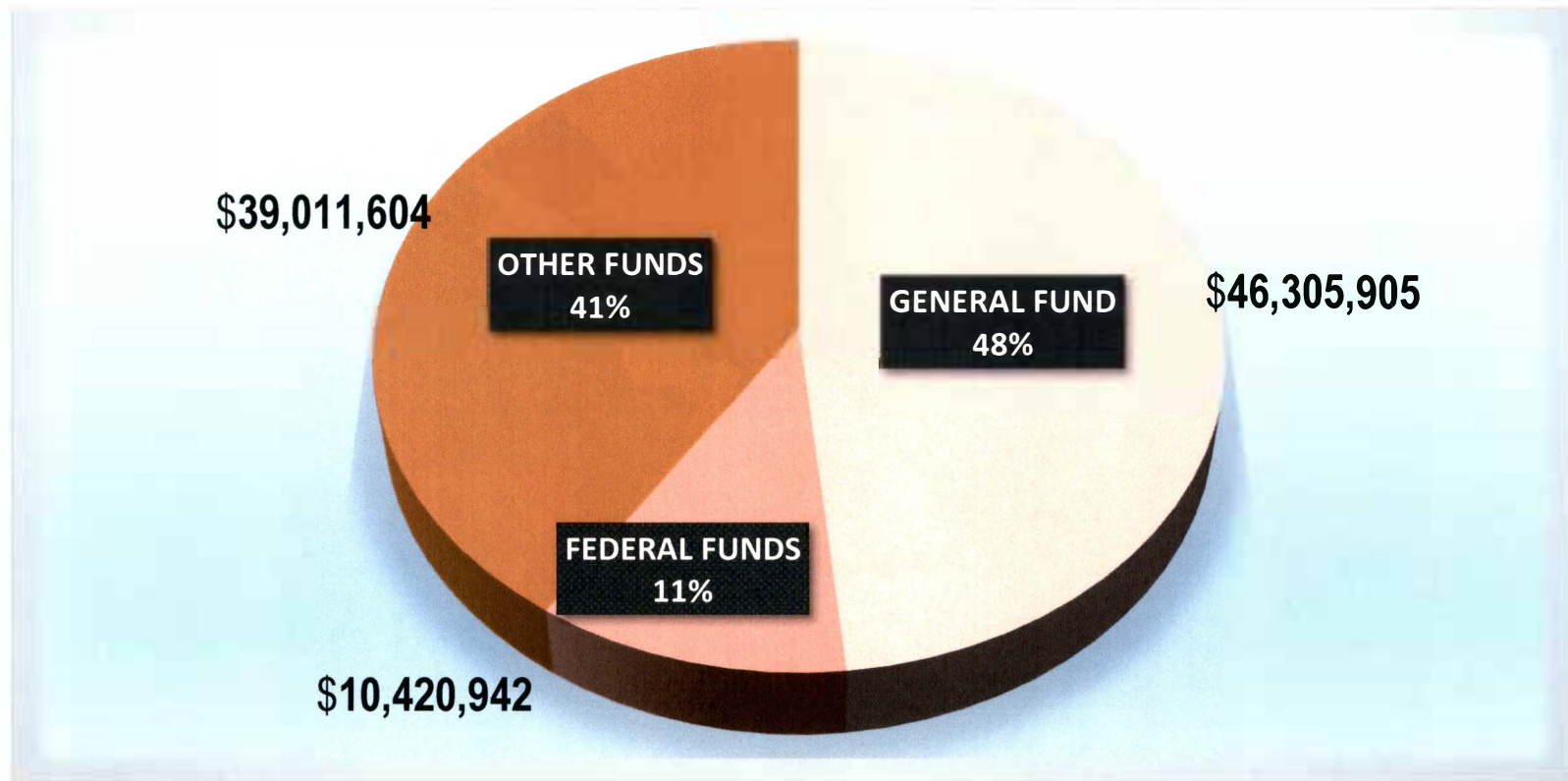
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2017-19 BIENNIUM APPROPRIATION BY FUNDING SOURCE
\$95,738,451



March 12, 2019

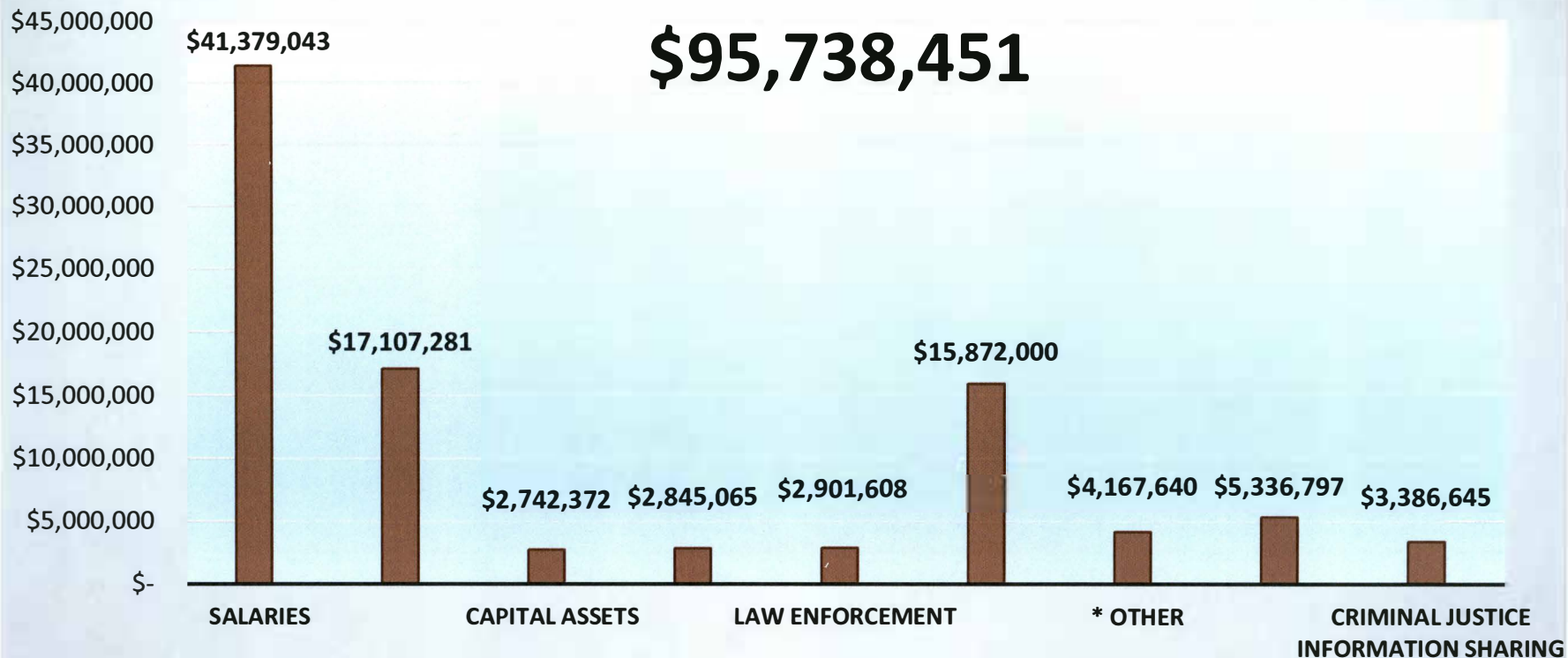
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2017-2019 BIENNIUM APPROPRIATION

\$95,738,451



* INTELLECTUAL PROPERTY ATTORNEY, FORENSIC MEDICAL EXAMINATIONS, ARREST AND RETURN

March 12, 2019

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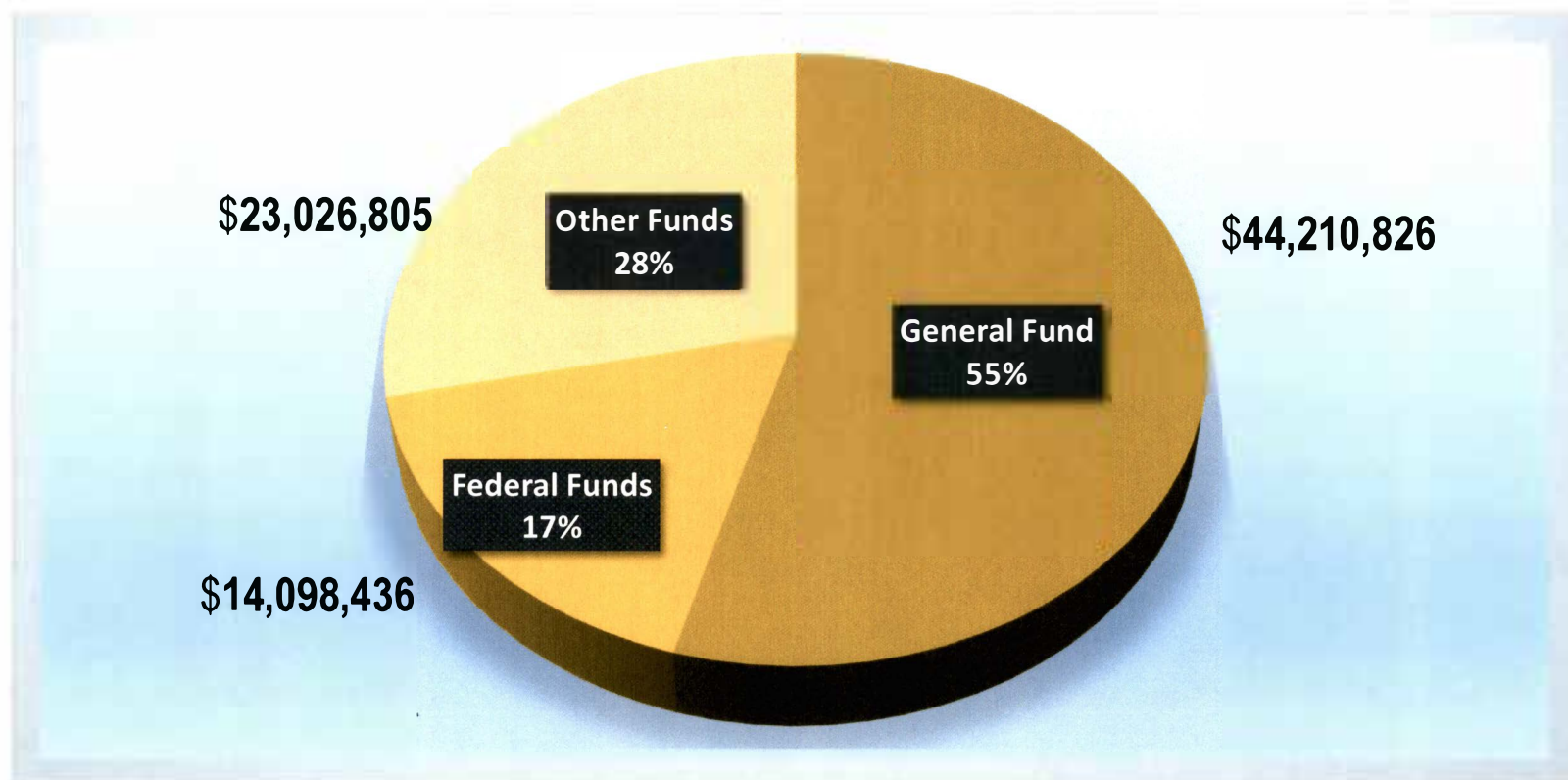
March 13, 2019

SB 2003

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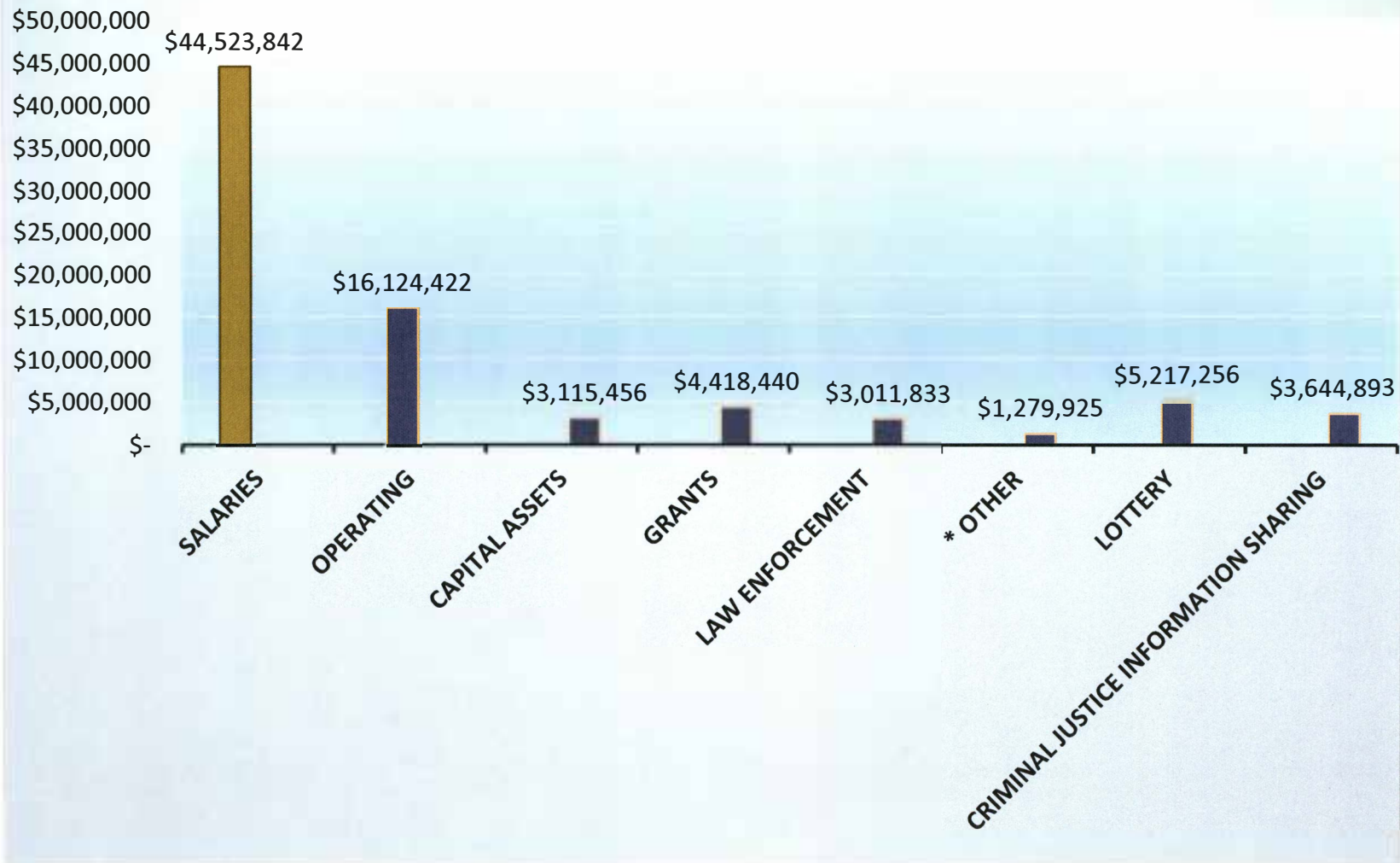
2019-21 BIENNIUM EXECUTIVE RECOMMENDATION BY FUNDING SOURCE \$81,336,067

69



2019-2021 BIENNIUM EXECUTIVE RECOMMENDATION BY LINE ITEM

\$81,336,067



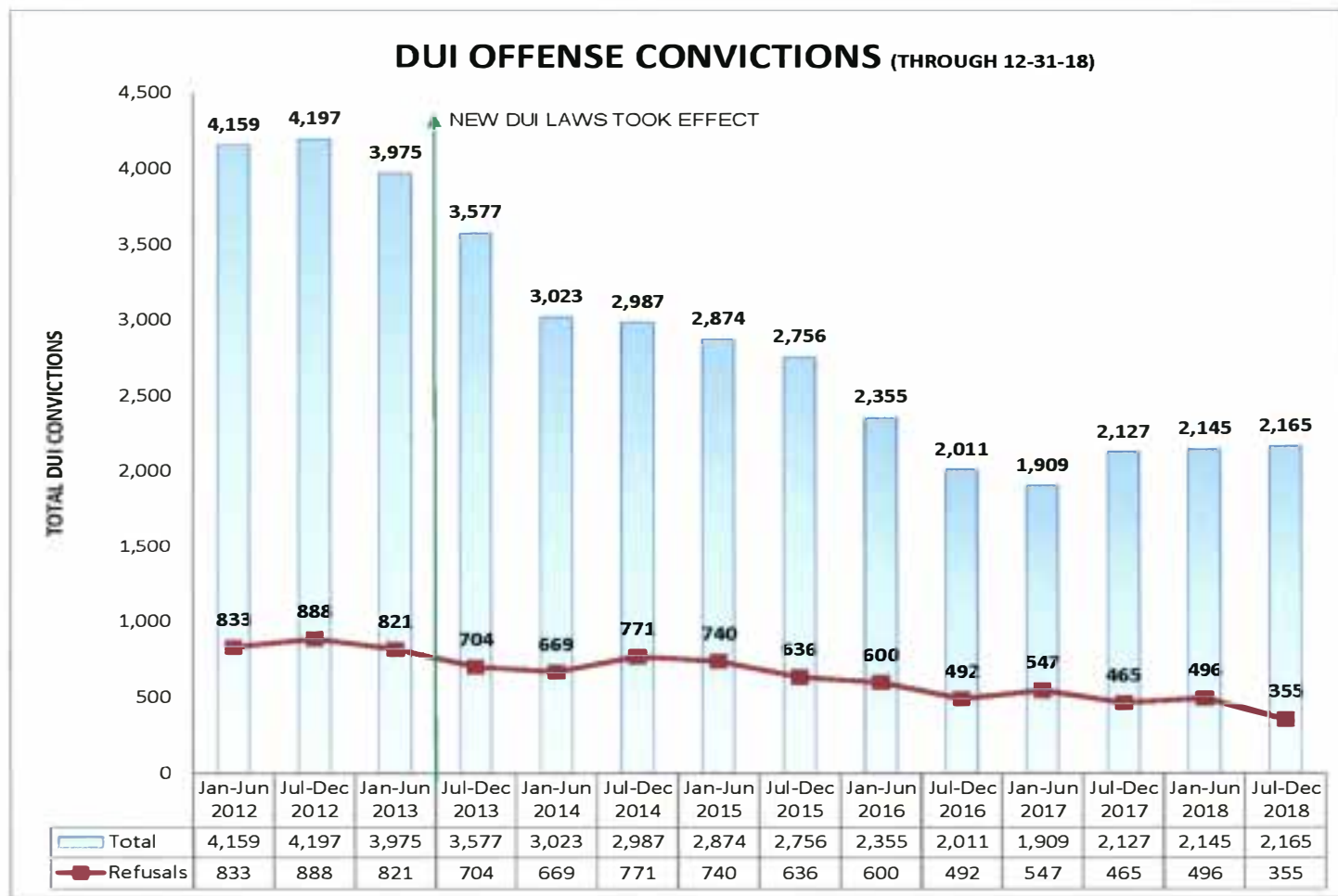
* INTELLECTUAL PROPERTY ATTORNEY, FORENSIC MEDICAL EXAMINATIONS, ARREST AND RETURN FUGITIVES, GAMING COMMISSION, LITIGATION FEES

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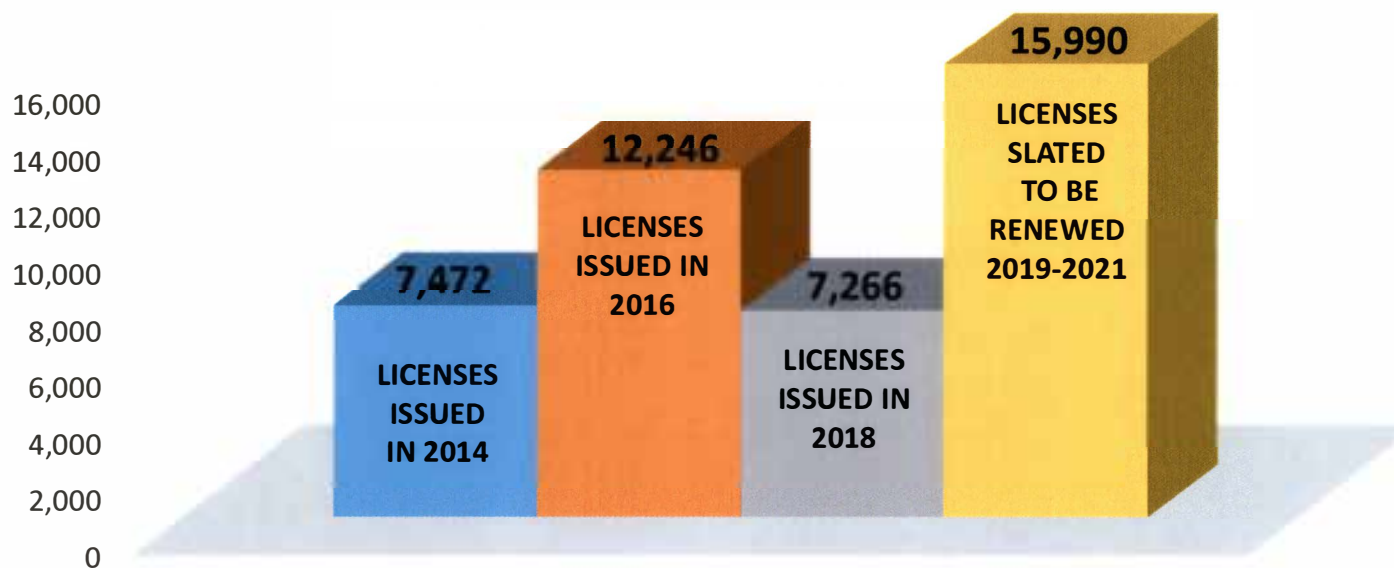
Source: ND DOT

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OFFICE OF ATTORNEY GENERAL



CONCEALED WEAPONS LICENSES 2014-2018

March 12, 2019

SB0003

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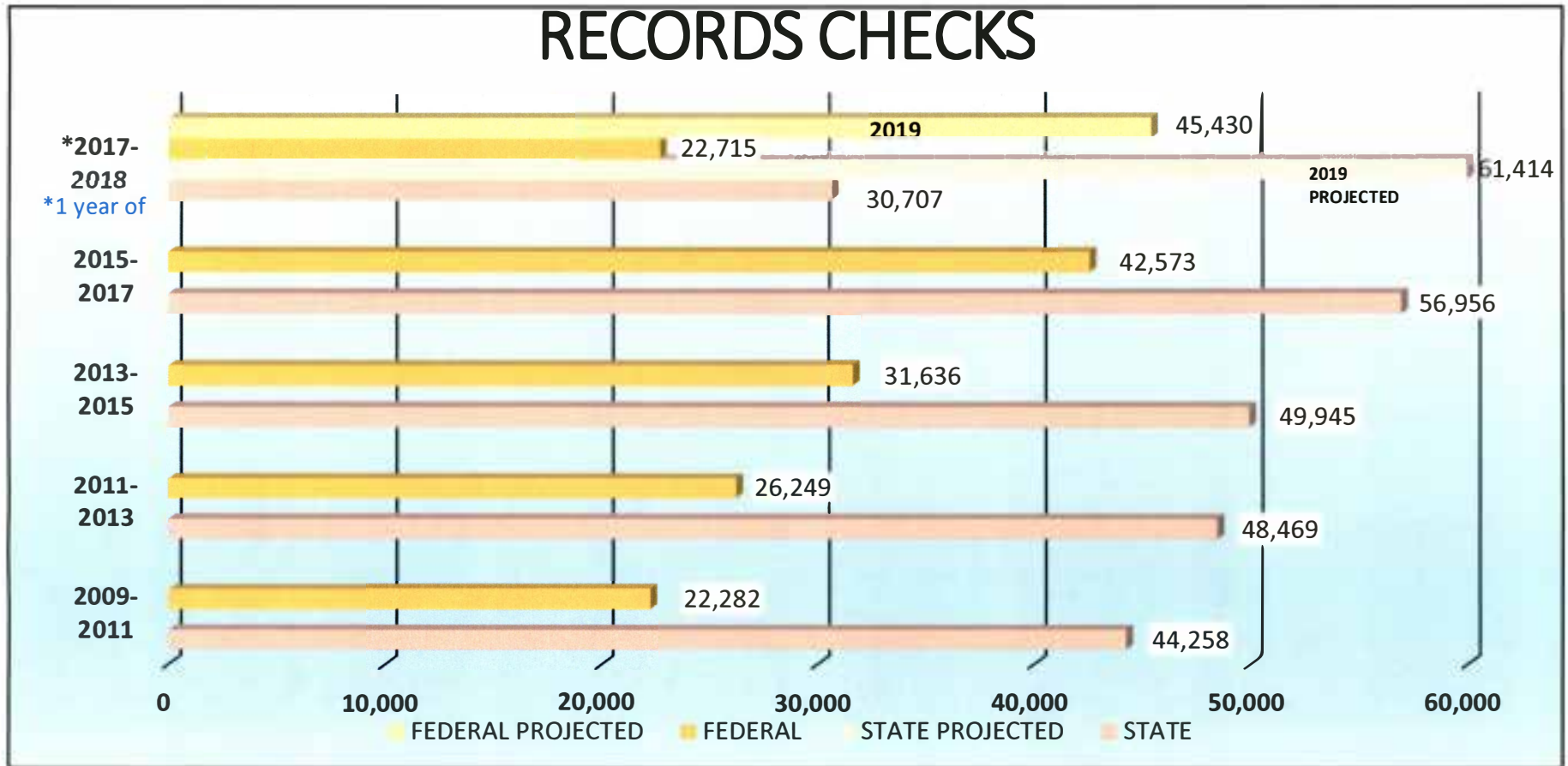
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March 12, 2019

SB0003

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SIGN UP FOR VICTIM NOTIFICATIONS

Contact Us

NORTH DAKOTA SEX OFFENDER REGISTRY

OFFICE OF THE ATTORNEY GENERAL

LAWS

PROCEDURES

Glossary

FAQ

Offender Registry

List of all Offenders

Detailed Search

Map Offenders Near Me

Delinquent Offenders

Searchable List of Sex Offenders

All registered sex offenders appear on the sex offender website but not all offenders are listed with photographs and full details. Offenders with a lifetime requirement for registration, those who have been deemed a high risk for re-offending, and Delinquent offenders are shown with full details and photographs.

The public list of registered sex offenders is available at no charge. This information is updated in real time, all day, every day, as changes and updates are reported by local law enforcement, the Department of Corrections, Parole & Probation, and the Courts.

Please be patient while waiting for the report to generate, it may take a moment.

Choose City, County, or All

City:

County:

All Offenders

Exclude Incarcerated Offenders

Search Reset

BCI Tip Line
1-800-472-2185 within ND only

National Human Trafficking Resource Center
1-888-373-7888

March 12, 2019

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Risk Level Descriptions

High - Statistically the most likely to commit another sexual offense, high risk offenders have typically committed more than one offense, have refused to engage in sex offender treatment, or have engaged in behaviors that contribute to an elevated level of risk.

Moderate - Moderate risk offenders score higher on actuarial tools than those in the low risk category, but may not constitute a significant threat to all members of the public. Community notification is "targeted" towards those who fall in a similar victim class as a previous victim of the offender.

Low - Statistically the least likely to commit another sexual offense, low risk offenders have typically only committed one offense, have completed sexual offender treatment, or have been in the community for a number of years without reoffending.

Undetermined - To make use of the most accurate and current information, risk levels are not assigned until a few months prior to an offenders release from prison. For offenders that come to North Dakota from another state or the federal prison system, it may take several weeks to gather the necessary records, assign the risk level, and provide the offender a due process hearing. Offenders whose risk level has not yet been assigned are classified as "undetermined".

Restricted Release - This offender is a resident of a transition center, halfway house or correctional facility. This offender is granted community release on a limited basis.

Disposition Abbreviation Key:

YRS - Years
MOS - Months
DYS - Days
HRS - Hours
DEF - Deferred
PROB - Probation
SUSP - Suspended
SUPV - Supervised
UNSUPV - Unsupervised
CONC - Concurrent
CONS - Consecutive
CNT - Count
CTY - County

REPORT GENERATED FOR CITY OF ANETA

Community notification is the responsibility of your local law enforcement agency. Attempts to harass, intimidate, or threaten these offenders or their families, landlords, or employers will be turned over to prosecution.

Total Number of Sex Offenders: 1


Name and status	Last Known Address	Convictions
SIRACUSA, KEITH ANDREW Status: REGISTERED Risk Level: HIGH LIFETIME OFFENDER	214 SEARNS AVE ANETA, ND 58212 NELSON COUNTY Last Updated Date: 1/7/2019	4/15/1997 CLAY DISTRICT COURT, MN ATT CRIMINAL SEXUAL CONDUCT 54 MONTHS 159 DAYS CREDIT

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NORTH DAKOTA SEX OFFENDER REGISTRY

OFFICE OF THE ATTORNEY GENERAL

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Map Offenders Near Me

Delinquent Offenders




Detailed Search

Search for offender(s) in the city of Bismarck.

83 Record(s) Found

Map All Notify Me

Show 10 entries Search: First Previous 1 2 3 4 5 Next Last

Photo	Name	Date of Birth	Last Known Address	Aliases
	ALLEN, ROBERT JAY Notify Me	6/28/1965	2406 E THAYER AVE #16 BISMARCK, ND 58501 BURLINGHAM COUNTY MAP IT	ALLEN, BOB
	ALYEA, CHARLES FRANKLIN Notify Me	2/24/1969	C/O DARLENE KENDALL 732 S 16TH ST BISMARCK, ND 58501 BURLINGHAM COUNTY MAP IT	ALYEA CHUCK
	ANDERSON, JEFFREY DEAN	6/20/1962	2103 E ROSSER AVE #5 BISMARCK, ND 58501 BURLINGHAM COUNTY	ANDERSON JED

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NORTH DAKOTA SEX OFFENDER REGISTRY OFFICE OF THE ATTORNEY GENERAL

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[List of all Offenders](#)

[Detailed Search](#)

[Map Offenders Near Me](#)

[Delinquent Offenders](#)

E-mail Notice Request Form

Register to receive email notice when information about a LIFETIME offender changes.

Offender with a name of ROBERT JAY ALLEN.

Email Address:

Watch for confirmation email you have 24 hours to confirm.

View current information for all offenders registered in North Dakota at [Printable List of All Offenders](#).

BCI Tip Line
1-800-472-2185 within ND only

National Human Trafficking Resource Center
1-888-373-7888

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[List of all Offenders](#)

[Detailed Search](#)

[Map Offenders Near Me](#)

[Delinquent Offenders](#)

Map Offenders Near Me

This Offenders Near Me page lists High Risk and Lifetime Offenders

This feature will show the location of offenders within a certain proximity to a fixed address. For instance, insert the address of your home, school or local park; then choose a city and radius.

Address:

City:

Radius:

Incarcerated Offenders:

[Previous](#) [Reset](#)

BCI Tip Line
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National Human Trafficking Resource Center
1-888-373-7888

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OFFICE OF THE ATTORNEY GENERAL

[Laws](#)[Procedures](#)[Glossary](#)[FAQ](#)

Offender Registry

- List of all Offenders
- Detailed Search
- Map Offenders Near Me
- Delinquent Offenders

 **Map**

 **Satellite**



Tom O'Leary Trail
Tom O'Leary Golf Course
North Dakota Heritage Center & State Museum
North Dakota State Capitol
Bismarck
Kiwanis Park
Map data ©2019 Google

Legend

-  Search
-  Address
-  Multiple Offenders
-  Incarcerated Offenders
-  Offender
-  Residence
-  Address
-  Sexually
-  Dangerous Individual

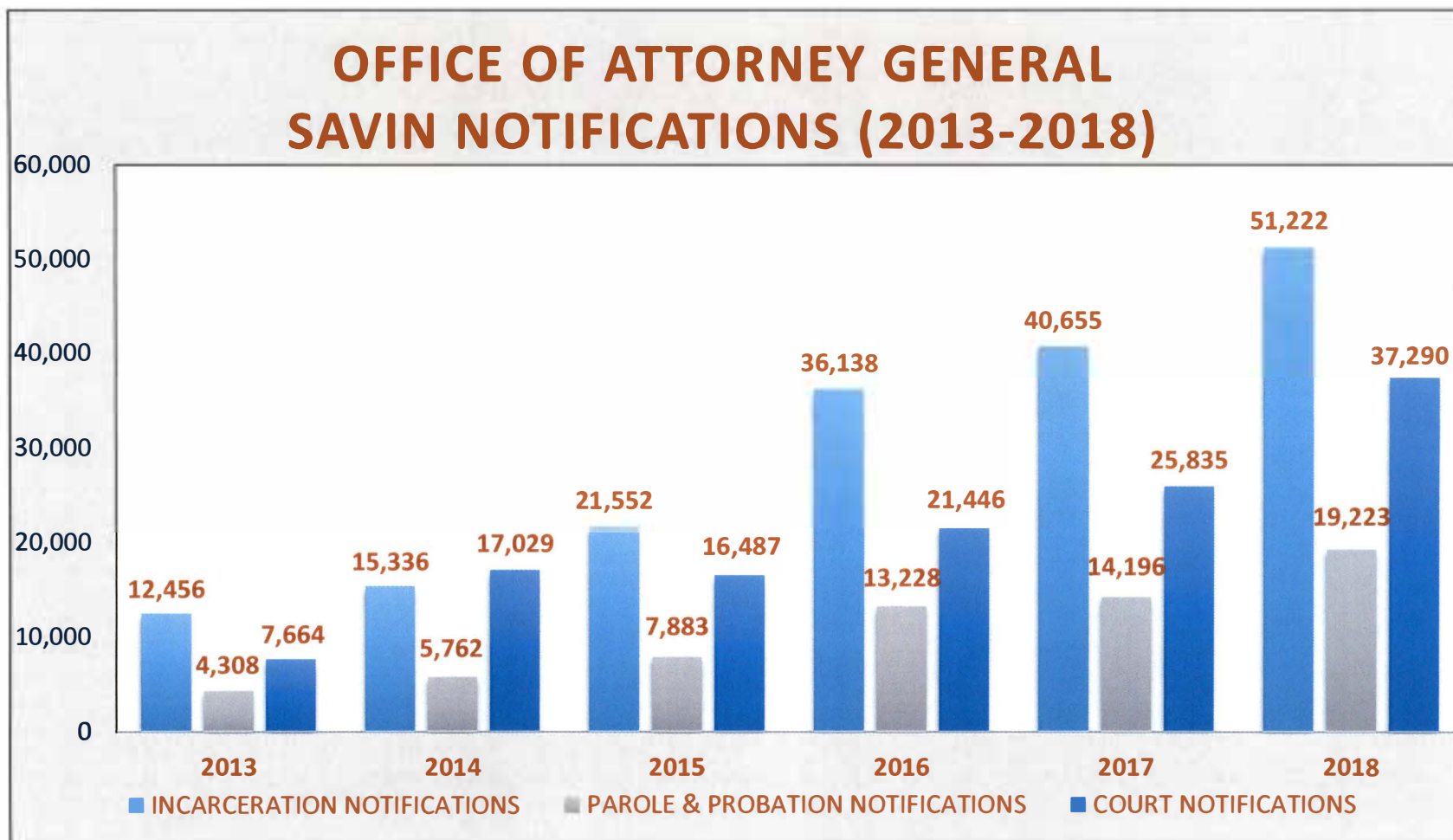
[Terms of Use](#) [Report a map error](#)

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OFFICE OF ATTORNEY GENERAL CRIMINAL INVESTIGATIVE CASES



March 12, 2019

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March 12, 2019

SB2003

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ASSERTION, SEARCH, AND NOTIFICATION

SK

March 12, 2019

Click link from an agency website



Assert Marsy's
Law Rights

SB0003

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Welcome to VINE

VINELink is the online portal to VINE, America's leading victim notification network. Accessible 24/7/365, VINELink provides the most reliable information regarding custody status changes and criminal case information.

The state you have selected provides a new and enhanced user experience, with added features that will significantly benefit the community of victims and concerned citizens.

Sign in or create a confidential user account to experience all the features of VINE.

[Learn more about enhanced features](#)

Username

Password

Must include 8 or more characters, a number, a capital and lower case letter.

SECURE LOGIN

[Forgot password?](#)

[Forgot username?](#)

March 12, 2019

SB0003

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Submit a Marsy's Law Assertion

The information provided below is subject to being updated by criminal justice personnel as more information becomes available in the case.

*Marsy's Law Victim First Name: Sarah *Marsy's Law Victim Last Name: Smith

Marsy's Law Victim Nickname/Alias: [+ add nickname/alias](#)

*Location of Incident:
 Select: Property

Offender First Name: Ray Offender Last Name: Doe

*Approximate Incident date: 10/15/2018

Case/Arrest/Incident Number: Court Case Number:

Notification Methods

Add Notification Method

jsmith@someemail.com DELETE
 555-555-5555 DELETE
 (555) 555-5555 DELETE

Please choose the rights you wish to assert:

- ☒ Select All
- ☒ Category #1
- The right to be treated with fairness and respect for the victim's dignity
 - The right to be free from intimidation, harassment, and abuse
 - The right to be reasonably protected from the accused and any person acting on behalf of the accused
- ☒ Category #2
- The right to be treated with fairness and respect for the victim's dignity
 - The right to be free from intimidation, harassment, and abuse
 - The right to be reasonably protected from the accused and any person acting on behalf of the accused
- ☒ Category #3
- The right to be treated with fairness and respect for the victim's dignity
 - The right to be free from intimidation, harassment, and abuse
 - The right to be reasonably protected from the accused and any person acting on behalf of the accused

SUBMIT

CANCEL

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SB2003

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Language



North Dakota



jsmith



Help



Escape

WATCH

CONTACTS

ASSERTIONS

NEWS

Your Marsy's Law Assertions

Date Asserted	Incident Date	Location of Incident	Marsy's Law Victim First Name	Incident Type	Offender/Defendants Name		
10/03/2018	9/25/2018	Burleigh County	Joey	Both Property and Personal Crime	Susan Doe		
11/25/2018	10/15/2018	Morton County	Sarah	Property Crime	Ray Doe		

[Add New Assertion](#)

March 12, 2019

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TOP 25 NARCOTICS SAMPLES
SUBMITTED TO THE CRIME LABORATORY
FOR THE PERIOD FROM JANUARY – DECEMBER 2017

DESCRIPTION	TOTAL	PERCENT
METHAMPHETAMINE	3,877	38.21%
CANNABIS	3,731	36.77%
HEROIN	699	6.89%
COCAINE	270	2.66%
OXYCODONE	231	2.28%
ALPRAZOLAM	106	1.04%
DIMETHYLSULFONE	75	.74%
CAFFEINE	73	.72%
HYDROCODONE	68	.67%
FENTANYL	66	.65%
BUPRENORPHINE	60	.59%
CLONAZEPAM	59	.58%
AMPHETAMINE	55	.54%
ACETAMINOPHEN	49	.48%
NALOXONE	49	.48%
TRAMADOL	43	.42%
LARAZEPAM	35	.34%
CANNABIDIOL	29	.29%
GABAPENTIN	24	.24%
PSILOCYBIN/PSILOCYN	24	.24%
LYSERGIC ACID DIETHYLAMIDE (LYSERGIDE)	23	.23%
MDMA (3,4-METHYLENEDIOXYMETHAMPHETAMINE)	21	.21%
MORPHINE	21	.21%
HYROMORPHONE	20	.20%
FURANYL FENTANYL	19	.19%
TOTAL TOP 25 DRUGS	9,727	95.86%
TOTAL ALL DRUGS	10,147	

March 12, 2019

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TOP 25 NARCOTICS SAMPLES
SUBMITTED TO THE CRIME LABORATORY
FOR THE PERIOD FROM JANUARY – DECEMBER 2018

DESCRIPTION	TOTAL	PERCENT
METHAMPHETAMINE	3,683	40.27%
CANNABIS	3,600	39.37%
HEROIN	381	4.17%
COCAINE	233	2.55%
OXYCODONE	150	1.64%
DIMETHYLSULFONE	117	1.28%
ALPRAZOLAM	79	.86%
AMPHETAMINE	76	.83%
CLONAZEPAM	64	.70%
HYDROCODONE	53	.58%
FENTANYL	50	.55%
ACETAMINOPHEN	45	.49%
CAFFEINE	44	.48%
BUPRENORPHINE	36	.39%
TRAMADOL	33	.36%
PSILOCYBIN/PSILOCYN	26	.28%
GABAPENTIN	23	.25%
CANNABIDIOL	22	.24%
NALOXONE	19	.21%
LYSERGIC ACID DIETHYLAMIDE (LYSERGIDE)	18	.20%
HYROMORPHONE	17	.19%
LARAZEPAM	15	.16%
DIAZEPAM	14	.15%
MORPHINE	14	.15%
CYCLOBENZAPRINE	13	.14%
TOTAL TOP 25 DRUGS	8,825	96.49%
TOTAL ALL DRUGS	9,145	

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CRIME LABORATORY WORKLOAD

2007-2018



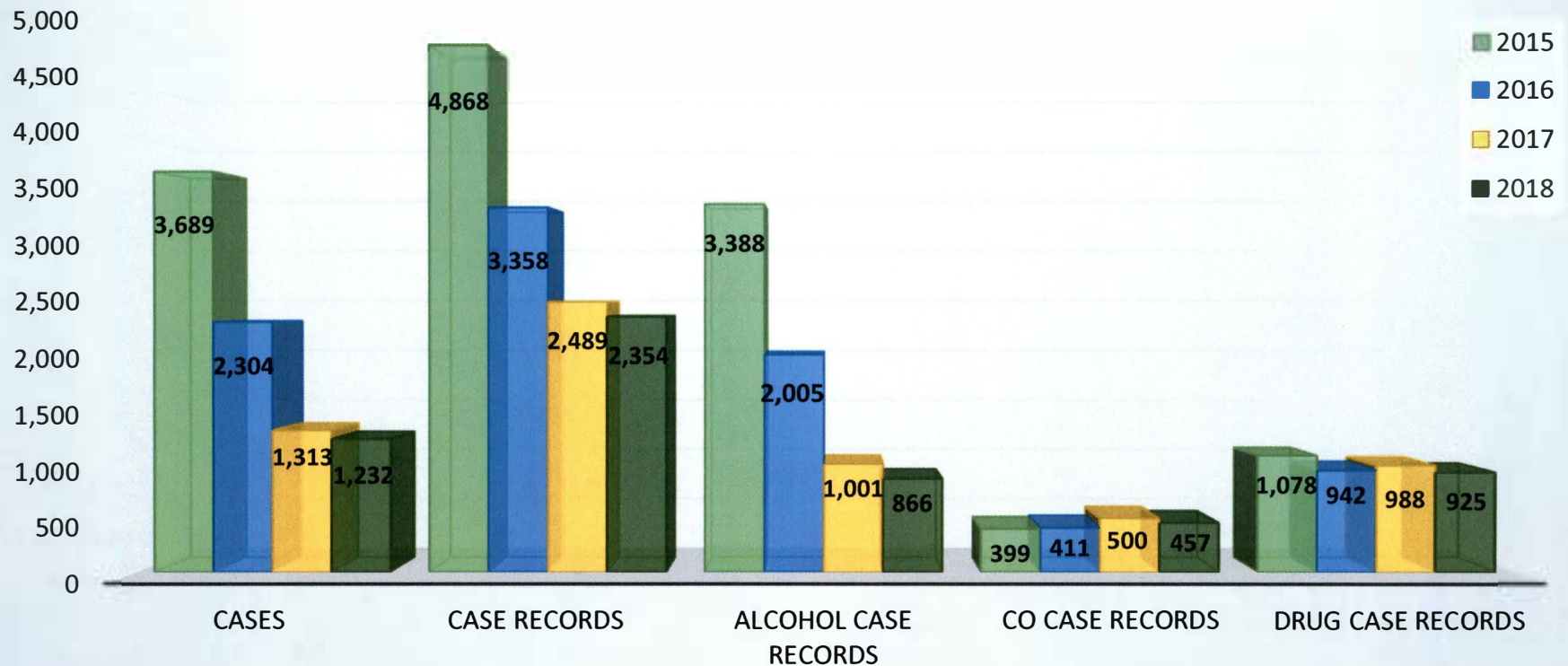
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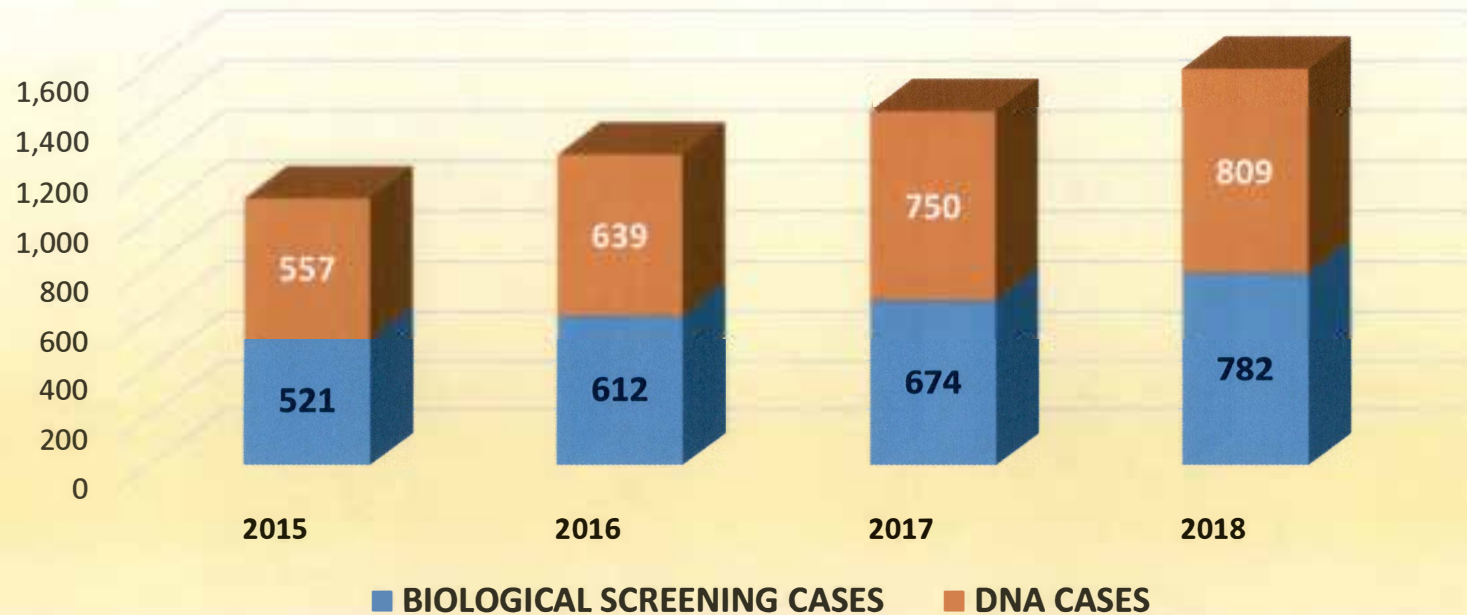
CRIME LABORATORY TOXICOLOGY WORKLOAD

BLOOD AND BREATH ALCOHOL CASES



CRIME LABORATORY WORKLOAD

DNA UNIT CASELOAD



March 12, 2019

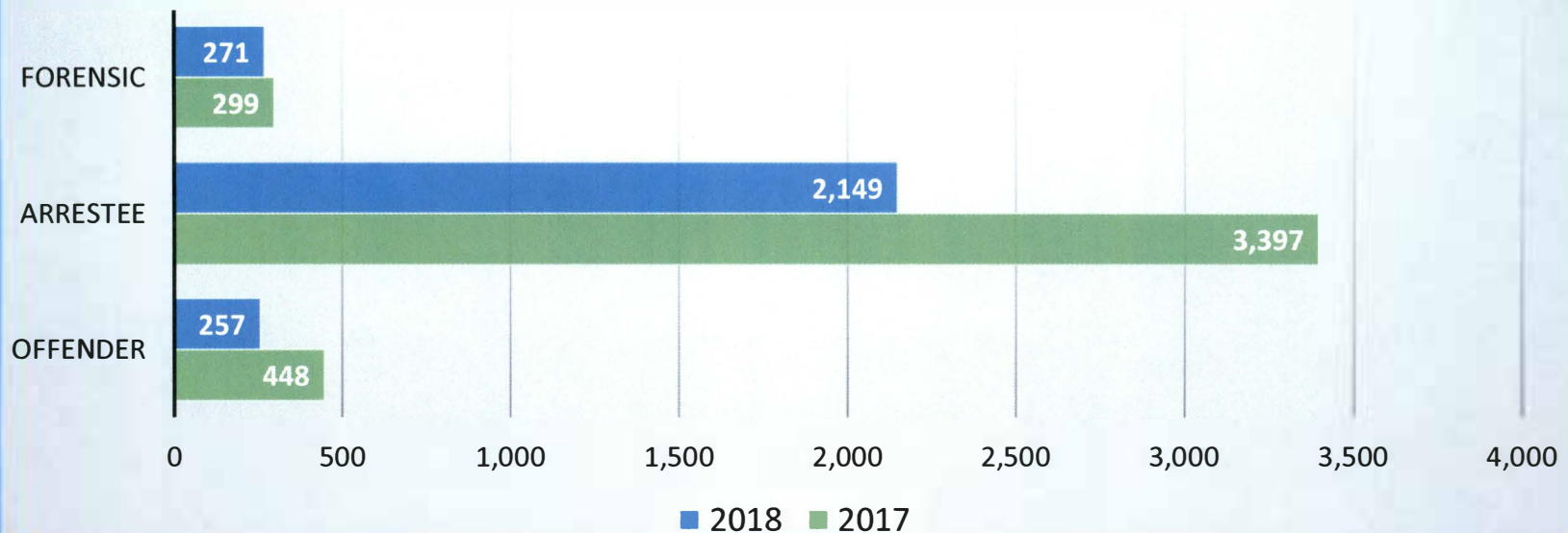
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CRIME LABORATORY WORKLOAD

DNA SAMPLES UPLOADED TO COMBINED DNA INDEX SYSTEM (CODIS)



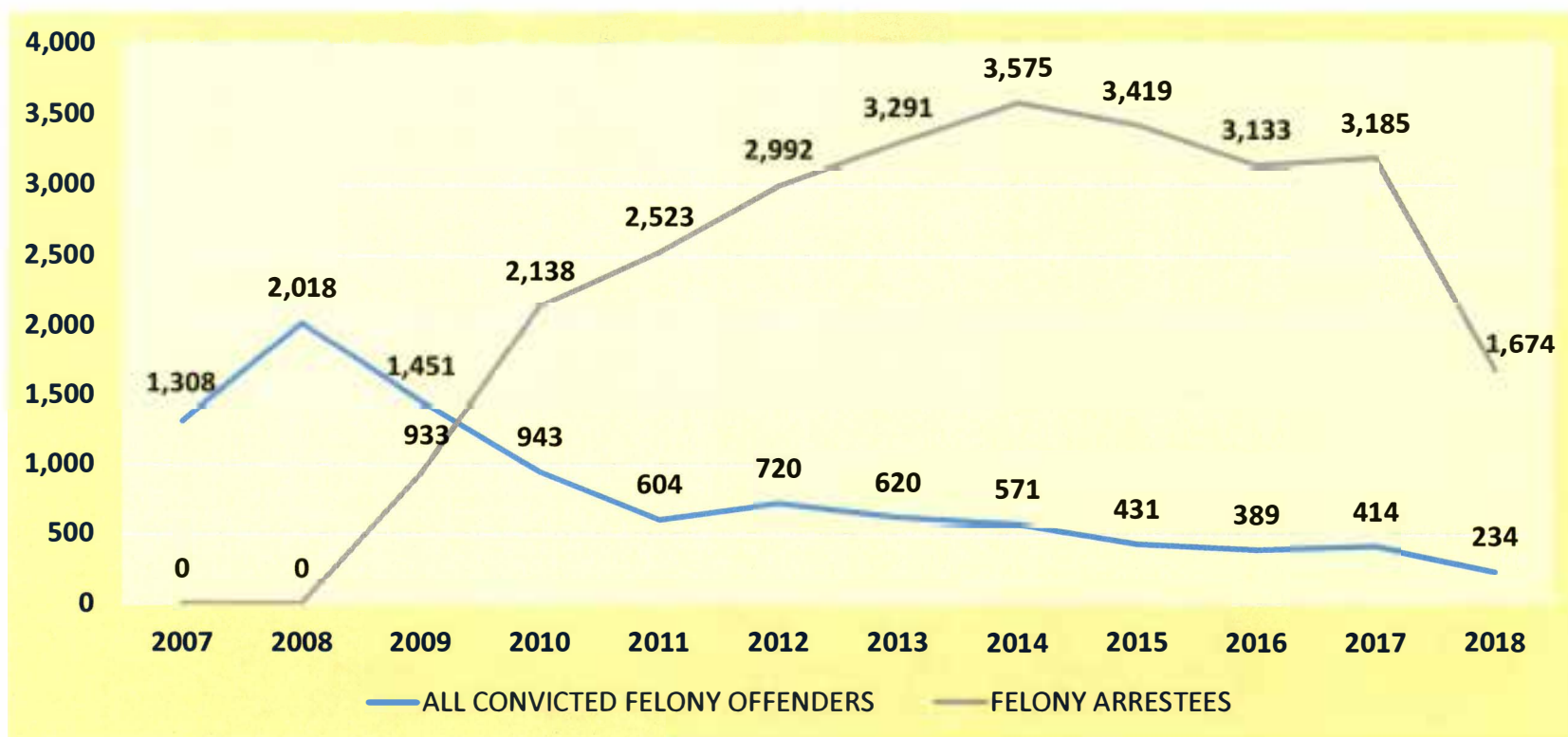
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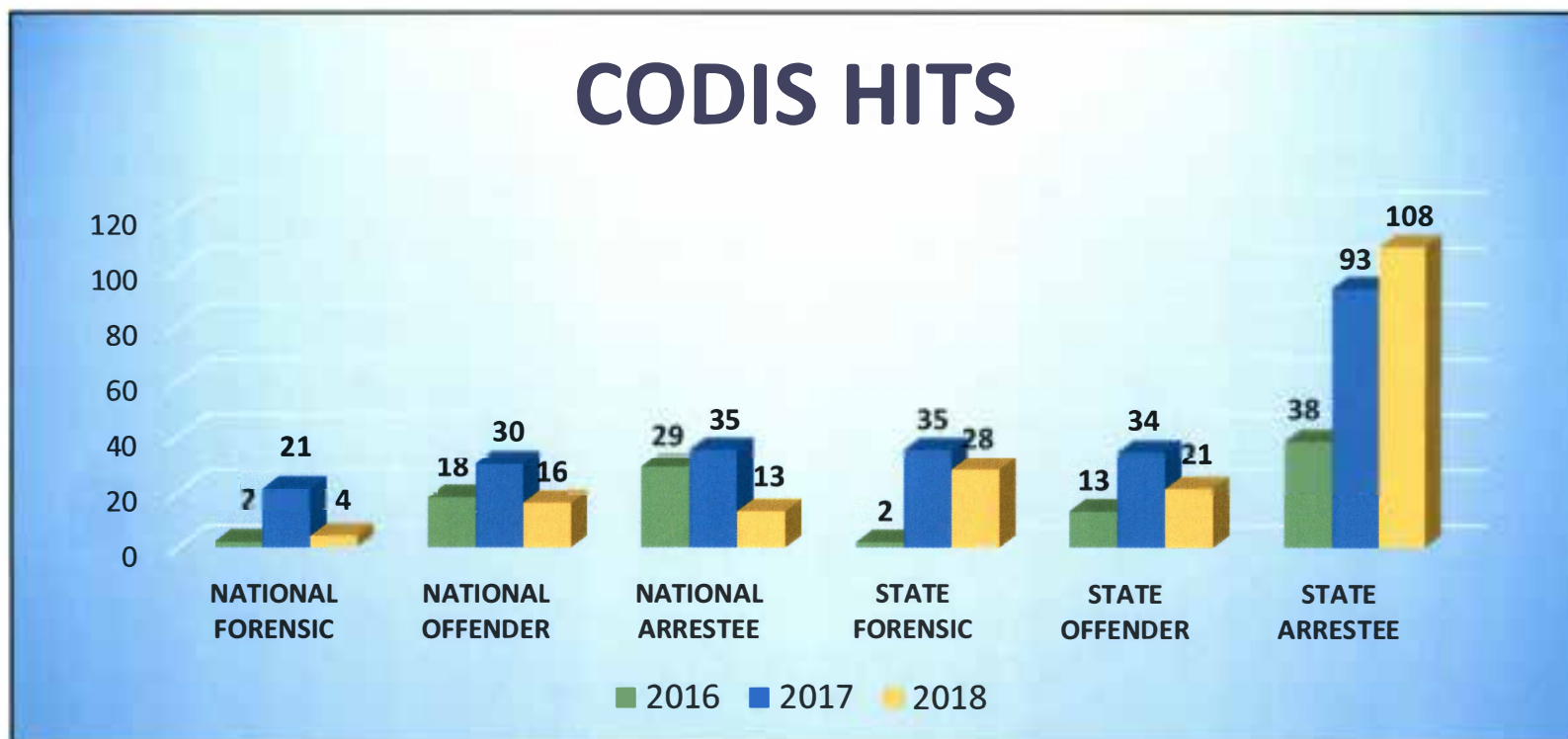
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CRIME LABORATORY CODIS SAMPLES



CRIME LABORATORY WORKLOAD



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TOP 10
CONSUMER PROTECTION
COMPLAINTS OF 2018

- 1. TELEMARKETING/DO NOT CALL**
- 2. IMPOSTER SCAMS
- 3. CONTRACTOR/HOME IMPROVEMENT
- 4. IDENTITY THEFT
- 5. AUTOMOBILE
- 6. MAIL ORDER
- 7. SERVICES
- 8. MEDICAL
- 9. RETAIL
- 10. TELEPHONE

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SB2003

Attorney General B

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

	Executive Budget Recommendation				Senate Version				Senate Changes to Executive Budget Increase (Decrease) - Executive Budget			
	FTE	General	Other	Total	FTE	General	Other	Total	FTE	General	Other	Total
	Position	Fund	Funds		Position	Fund	Funds		Positions	Fund	Funds	
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160	237.00	\$44,695,840	\$30,647,320	\$75,343,160	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)		(\$1,492,594)	(\$250,559)	(\$1,743,153)				\$0
Salary increase		1,518,505	503,299	2,021,804		1,033,650	373,193	1,406,843		(\$484,855)	(\$130,106)	(\$614,961)
Health insurance increase		681,165	227,687	908,852		808,957	295,408	1,104,365		127,792	67,721	195,513
Retirement contribution increase		137,187	48,871	186,058				0		(137,187)	(48,871)	(186,058)
Removes various FTE positions	(6.00)	(641,089)	(272,399)	(913,488)	(4.00)	(641,089)		(641,089)	2.00		272,399	272,399
Adds 1 FTE forensic scientist position				0	1.00	224,500		224,500	1.00	224,500		224,500
Adds 2 Social Security Administration program FTE positions				0	2.00		661,888	661,888	2.00		661,888	661,888
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760		(182,457)	2,348,217	2,165,760				0
Adds Medicaid Fraud Control Unit positions	5.00	92,986	836,880	929,866	7.00	133,372	1,200,345	1,333,717	2.00	40,386	363,465	403,851
Adds funding for Medicaid Fraud Control Unit operating and capital expenses		35,649	320,840	356,489		48,361	435,248	483,609		12,712	114,408	127,120
Adds 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716	1.00		128,716	128,716				0
Adds funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924			169,924	169,924				0
Adds funding for Fire Marshal operating expenses			124,888	124,888			124,888	124,888				0
Adds funding for additional income from other sources			250,000	250,000				0			(250,000)	(250,000)
Adds funding for Microsoft Office 365 license expenses		168,000		168,000		168,000		168,000				0
Reduces funding for operating expenses from the general fund		(775,404)		(775,404)		(775,404)		(775,404)				0
Reduces funding for operating expenses from special funds			(1,363,506)	(1,363,506)			(1,363,506)	(1,363,506)				0
Removes funding from the tobacco settlement trust fund			(200,000)	(200,000)			(200,000)	(200,000)				0
Adds funding for operating expenses from various federal funds			519,778	519,778			519,778	519,778				0
Adds federal funding for SMART operating expenses			650,000	650,000			650,000	650,000				0
Adds federal funding for the Project Safe Neighborhood program			291,232	291,232			291,232	291,232				0
Adds funding for the lottery narcotics task force			756,664	756,664			756,664	756,664				0
Reduces funding for crime laboratory bond payments		(118,512)		(118,512)		(118,512)		(118,512)				0
Reduces funding for capital assets		(83,450)	(1,892,910)	(1,976,360)		(83,450)	(1,892,910)	(1,976,360)				0
Adds federal funding for community oriented policing grants			1,021,237	1,021,237			1,021,237	1,021,237				0
Reduces funding for other federal grants			(73,797)	(73,797)			(73,797)	(73,797)				0
Reduces funding for North Dakota lottery operating expenses			(375,097)	(375,097)			(375,097)	(375,097)				0
Reduces funding for human trafficking grants		(125,000)		(125,000)				0		125,000		125,000
Adds funding for the human trafficking victims grant program				0		1,500,000		1,500,000		1,500,000		1,500,000
Adds funding for a forensic nurse examiners grant program				0		250,000		250,000		250,000		250,000
Adds funding for Criminal Justice Information Sharing improvements				0			140,000	140,000			140,000	140,000
Total ongoing funding changes	0.00	(\$785,014)	\$3,769,965	\$2,984,951	7.00	\$873,334	\$4,960,869	\$5,834,203	7.00	\$1,658,348	\$1,190,904	\$2,849,252
One-time funding items												
Adds funding for a criminal history improvement project			\$400,000	\$400,000			\$400,000	\$400,000			\$0	\$0
Adds funding for capital assets			1,851,956	1,851,956			1,851,956	1,851,956			0	0
Adds funding for undercover vehicles		\$300,000		300,000		\$300,000		300,000		\$0		0
Adds funding for an automated finger identification system replacement			316,000	316,000			316,000	316,000			0	0
Adds funding for Criminal Justice Information Sharing projects			140,000	140,000				0			(140,000)	(140,000)
Adds one-time funding for additional income from other sources				0			250,000	250,000			250,000	250,000
Adds funding for a charitable gaming technology system				0			400,000	400,000			400,000	400,000
Total one-time funding changes	0.00	\$300,000	\$2,707,956	\$3,007,956	0.00	\$300,000	\$3,217,956	\$3,517,956	0.00	\$0	\$510,000	\$510,000
Total Changes to Base Level Funding	0.00	(\$485,014)	\$6,477,921	\$5,992,907	7.00	\$1,173,334	\$8,178,825	\$9,352,159	7.00	\$1,658,348	\$1,700,904	\$3,359,252
2019-21 Total Funding	237.00	\$44,210,826	\$37,125,241	\$81,336,067	244.00	\$45,869,174	\$38,826,145	\$84,695,319	7.00	\$1,658,348	\$1,700,904	\$3,359,252

March 12, 2019

SB2003

att B

Other Sections for Attorney General - Budget No. 125

	Executive Budget Recommendation	Senate Version
Exemption - Attorney General refund fund	Section 5 would allow the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.	Section 3 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.
Lottery operating fund transfer	Section 7 would increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.	Section 4 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
Attorney General salary	Section 6 would amend North Dakota Century Code Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$163,289 effective July 1, 2019, and \$166,555 effective July 1, 2020.	Section 5 amends Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.
Appropriation - Additional federal funds or other funds	Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General would be required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.	Section 6 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.
Criminal history record checks - Fees	Section 9 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees would be deposited in the general fund.	Section 7 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees are required to be deposited in the general fund.
Statewide automated victim information and notification program - Exemption		Section 8 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.
Human trafficking victims grant program - Requirements - Reports		Section 9 identifies \$1.625 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

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att B

Other Sections for Attorney General - Budget No. 125

Forensic nurse examiners grant program - Reports

Executive Budget Recommendation

Senate Version

Section 10 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

Charitable gaming technology system - Exemption

Section 11 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

Concealed weapon rewrite project - Exemption

Section 12 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

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SB2003

Attachment A

2019-21 BIENNIUM OFFICE OF ATTORNEY GENERAL FINAL OPTIONAL ADJUSTMENTS REQUESTED, EXECUTIVE BUDGET RECOMMENDATIONS

CHG PKG	PRIORITY	DESCRIPTION	FTE	QUANTITY	PRICE	GENERAL FUND, FTE REQUESTS			TOTAL	EXEC. REC
						GF	FF	OF		
AC-600	1	Restore staff reduced in the general fund reductions required - 5 agents & 1 intelligence (SLIC) analyst	6.0		1,108,103	992,989	115,114		1,108,103	Included
AC-601	2	Narcotics Buy fund - eliminated in the 10% general fund reductions		1	100,000	100,000			100,000	Included
AC-1	3	Undercover Replacement vehicles - the 2017-19 budget didn't include any replacement vehicles - currently have 60 vehicles		12	25,000	300,000			300,000	Included
AC-3	4	Fire Marshal Administrative assistant - there is currently no administrative staff for the Fire Marshal Division	1.0		155,316			155,316	155,316	Included
AC-11	5	Office 365 software - ITD required			168,000	168,000			168,000	Included
TOTAL GENERAL FUND & FTE'S			7.0			1,560,989	115,114	155,316	1,831,419	

CHG PKG	PRIORITY	DESCRIPTION	FTE	OTHER FUNDS REQUESTS		GF	FF	OF	TOTAL	EXEC. REC
				QUANTITY	PRICE					
AC-2	1	Multijurisdictional Narcotics task force grant funds - increase Lottery transfer from \$105,625 per quarter to \$200,208 - provides more funding to the regional narcotics taskforces for narcotics enforcement		1	756,664			756,664	756,664	Included
AC-4	2	Deputy Fire Marshal salaries & operating - this position has been unfunded for the 2017-19 biennium, resulting in staff overtime		1	227,173			227,173	227,173	Included
AC-5	3	2019-2021 Criminal History Improvement project - ongoing projects		1	400,000			400,000	400,000	Included
AC-6	4	Criminal Justice Information Sharing - Common Statute Table updates - a database of statutory codes and supporting information that provides a common criminal charging reference to enable automated charging and information sharing across criminal justice		1	40,000			40,000	40,000	Included
AC-7	5	CJIS - Portal Improvement - interfaces needed as other agencies linked to the portal change their systems		1	50,000			50,000	50,000	Included

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Attachment A

2019-21 BIENNium OFFICE OF ATTORNEY GENERAL FINAL OPTIONAL ADJUSTMENTS REQUESTED, EXECUTIVE BUDGET RECOMMENDATIONS

CHG PKG	PRIORITY	DESCRIPTION	FTE	QUANTITY	PRICE	GENERAL FUND, FTE REQUESTS			TOTAL	EXEC. REC
						GF	FF	OF		
		Criminal Justice Information Sharing Broker Implementation CJIS has many interfaces running through the CJIS Broker. These interfaces often need enhancements and maintenance work to keep functioning well. At times, additional or replacement interfaces are also needed due to system changes or upgrades. These interfaces include, for example, charging interfaces that transfer law enforcement incident information for state's attorneys to use for charging; and information from the Courts to VINE for		1	50,000			50,000	50,000	
AC-8	6									Included
AC-9	7	State Fleet - Cost of switching from SUV's to .5 ton pickup trucks to protect deputy fire marshals from carcinogenic materials		6	41,040			41,040	41,040	Included
AC-10	8	Automated Fingerprint Identification System replacement - this system is reaching its end of life		1			158,000	158,000	316,000	Included
TOTAL OTHER & FEDERAL FUNDS							158,000	1,722,877	1,880,877	
TOTAL ALL REQUESTS			7.0			1,560,989	273,114	1,878,193	3,712,296	
<u>Senate Appropriations request</u>										
		Forensic scientist	1.0		224,500				224,500	Senate added
		Restore 1 assistant attorney general and 1 paralegal	2.0					272,399	272,399	Senate added
		Total Senate requests	3.0		224,500			272,399	496,899	
<u>Senate Additions</u>										
		Medicaid Fraud Control Unit	2.0		181,733	1,635,593			1,817,326	
		Social Security Administration Cooperative Disability Investigations - 100% federally funded since inception	2.0			661,888			661,888	
		Human Trafficking grant - pass-through			1,500,000				1,500,000	
		Sexual Assault Nurse Examiner grant - pass-through			250,000				250,000	
		Total Senate Additions	4.0		1,931,733	2,297,481			4,229,214	
<u>House Appropriations request</u>										
		Transfer the CJIS systems officer & the information security officer from State Radio to Office of Attorney General per FBI requirement	2.0		270,176	74,511	37,256		381,943	

* Requires transfer of \$37,256 from State Radio other funds and \$74,510 in federal funds State Radio receives

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Attachment B

HUMAN TRAFFICKING

IN THE STATE OF NORTH DAKOTA

2018 REPORT

Attorney General's Human Trafficking Commission
North Dakota Office of Attorney General

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OVERVIEW

HUMAN TRAFFICKING AFFECTS INDIVIDUALS ACROSS THE WORLD.

Human trafficking is a crime involving the exploitation of someone for the purposes of compelled labor or a commercial sex act through the use of force, fraud, or coercion. Human trafficking affects individuals across the world, including here in the United States, and is commonly regarded as one of the most pressing human rights issues of our time. Human trafficking affects every community in the United States across age, gender, ethnicity, and socio-economic backgrounds.

As defined under North Dakota and U.S. law, victims of human trafficking can be divided into three populations:

- Children under age 18 induced into commercial sex.
- Adults aged 18 or over induced into commercial sex through force, fraud, or coercion.
- Children and adults induced to perform labor or services through force, fraud, or coercion.

FORMS OF TRAFFICKING

Sex trafficking is the recruitment, harboring, transportation, provision, obtaining, patronizing, or soliciting of a person for the purposes of a commercial sex act, in which the commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such an act has not attained 18 years of age (22 USC § 7102).

Labor trafficking is the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purposes of subjection to involuntary servitude, peonage, debt bondage, or slavery, (22 USC § 7102).

Exploitation vs. Trafficking

Commercial sexual exploitation is the exchange of a sex act for money, shelter, drugs, or anything of value, between two parties. Labor exploitation is the act of treating workers or employees unfairly for one's own financial benefit. This includes survival sex, stripping, sextortion, pornography, and numerous fields of work.

- A youth runs away from home or is kicked out of their home, and someone offers them a "safe" place to stay in exchange for a sexual act. *That is survival sex.*
- An individual works in dangerous conditions, or for unfair wages, for a business in exchange for shelter, which may be shared with other individuals.

- A youth is coerced into sending a nude photo to someone via social media and that person blackmails the youth, forcing them to provide additional photos. *This is sextortion.*

Trafficking is exploitation involving force, fraud or coercion, or is facilitating the exploitation of a minor victim. A party acts as a trafficker, using force, fraud or coercion to procure sex or labor acts for themselves, or a purchaser. The party profiting from the act is the trafficker.

- A teen's boy/girlfriend coerces them to have sex with their friends in exchange for money, drugs, a new cell phone, clothing, etc. *That boy/girlfriend is their trafficker.*
- An employer forces an employee to work long hours for little/no pay, withholds payment, falsely claims that the employee owes money to the employer, and physically abuses and threatens the life of the employee, telling them that if they leave or report the exploitation, their family will be harmed. *This is a form of labor trafficking.*

Why Trafficking Exists

Human trafficking is a market-driven criminal industry that is based on the principles of supply and demand, like drugs or arms trafficking. Many factors make children and adults vulnerable to human trafficking. Human trafficking exists because many people are vulnerable to exploitation, and there simultaneously exists a demand for cheap labor, services, and for commercial sex. Human traffickers are those who employ force, fraud, or coercion to victimize others in their desire to profit from the existing demand. To ultimately solve the problem of human trafficking, it is essential to address social inequality, and to address these demand-driven factors, as well as to alter the overall market incentives of high-profit and low-risk that traffickers currently exploit.

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TRAFFICKING IN NORTH DAKOTA

In response to the presence of human trafficking in North Dakota, a Human Trafficking Commission was created by the 64th Legislative Assembly and established within the Office of Attorney General. N.D.C.C. § 54-12-33. The Commission was originally charged with developing a coordinated and comprehensive plan to provide victims with services; collecting and evaluating data on human trafficking in this state and submitting an annual report to the attorney general, governor, and legislature; promoting public awareness about human trafficking, victim remedies and services, and trafficking prevention; creating a public-awareness sign that contains the national human trafficking resource center hotline information, and any state or local hotlines that the coalition deems appropriate; coordinating training on human trafficking prevention and victim services for state and local employees who may have recurring contact with victims or perpetrators; and coordinating training on human trafficking investigation and prosecution 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.

During the 65th ND Legislative Assembly, the authority and duties of the Commission were narrowed in order to focus on the collection and evaluation of data and to promote public awareness on human trafficking and victim services.

COMMISSION MEMBERS

The Commission members are appointed by the Attorney General. Membership includes representatives from local, state and federal law enforcement agencies, victim service providers, county attorneys, district judges, state agencies, the faith community and the legislature.

COMMISSION ACTIVITIES

Human Trafficking – Victim Treatment and Support Services Funding

The 65th Legislative Assembly approved an appropriated \$125,000 to provide funding for treatment and support services for victims of human trafficking. The Attorney General made an additional \$700,000 available for victim services through oil impact grant funding. The appropriated funds were awarded through an open, competitive process to organizations that demonstrated involvement in providing prevention and treatment services related to human trafficking victims, in coordination with state and local governments.

Members of the Attorney General's HT Commission Grants Committee and Drug & Violent Crime Policy Board awarded funds to support a statewide network of service providers including Youthworks (statewide), the Domestic Violence and Rape Crisis Center (Dickinson), the Abused Adult Resource Center (Bismarck), the Rape and Abuse Crisis Center (Fargo), YWCA (Fargo), the Community Violence Intervention Center (Grand Forks), and CAWS North Dakota (statewide).

State funding has been instrumental in building the direct services network that is able to support survivors of trafficking in any corner of North Dakota. The state funding has also enabled agencies to compete for and receive federal funding by constituting "matching" funds required by the federal grants.

The grant award period commenced on September 1, 2017 and continues through June 30, 2019. Additional information on the grantees can be found at: <https://attorneygeneral.nd.gov/criminal-justice-resources/grants/human-trafficking-victim-treatment-and-support-services-funding>

DEMAND REDUCTION PROGRAM

The Human Trafficking Commission's Demand Reduction Committee worked with the University of Mary to create a comprehensive intermediate sentencing, diversion, and education option for offenders charged with or convicted of solicitation. The program was rolled out in July 2017. The course educates participants about the connection between prostitution and trafficking, and the harms caused by their decisions. The educational courses are provided quarterly, and can be held in the following communities, as needs dictate: Fargo, Bismarck, Grand Forks, Watford City, or Minot. Since the inception of the program, six offenders have completed the program. Attendees ranged in age from 27-52 years old.

To increase awareness about the program amongst judges, attorneys, and law enforcement officers, the Demand Reduction Program Coordinator conducts outreach and education to individuals around the state, reaching over 1,200 people in 2018. As a result, there has been an increase in referrals to the program by sentencing Judges.

NORTH DAKOTA HUMAN TRAFFICKING TASK FORCE

Since 2015, the Attorney General and the Human Trafficking Commission have been working closely with the North Dakota Human Trafficking Task Force (NDHTTF) to build a coordinated response to human trafficking in the state. The NDHTTF was founded in late 2015 by the North Dakota Bureau of Criminal Investigation (BCI), CAWS North Dakota, and the U.S. Attorney's Office in North Dakota. The NDHTTF is a statewide, multidisciplinary collaboration of law enforcement, service providers, and prosecutors, established to work in a victim-centered manner to prevent, detect, disrupt, and dismantle human trafficking through coordinated, comprehensive services and efficient investigation and prosecution.

The NDHTTF supports dozens of organizations and agencies across North Dakota, providing funding support, training and technical assistance, community coordination and data collection. In addition, the five subcommittees of the Task Force – Law Enforcement, Legal, Tribal Engagement, Labor Trafficking, and Victim Services – help drive progress in developing best practices, solving common problems, and facilitating cooperation amongst providers across the state.

The core of the NDHTTF model involves three components: 1) multi-disciplinary teams across the state (*currently meeting in 9 communities*); 2) a task force director, navigators and lead law enforcement agents coordinating the activities of the task force; and 3) service provision by partner agencies – local law enforcement and victim services providers. As a result of work done by the task force, North Dakota has witnessed an increase in identification and recovery of victims, enhanced coordination between law enforcement and victim service providers, and prosecution of successful cases.

North Dakota By The Numbers

Since its inception in 2015, the NDHTTF has trained communities to identify signs of trafficking, provided response and advocacy for victims, and investigated and prosecuted crimes related to trafficking.

In 2018, the NDHTTF:

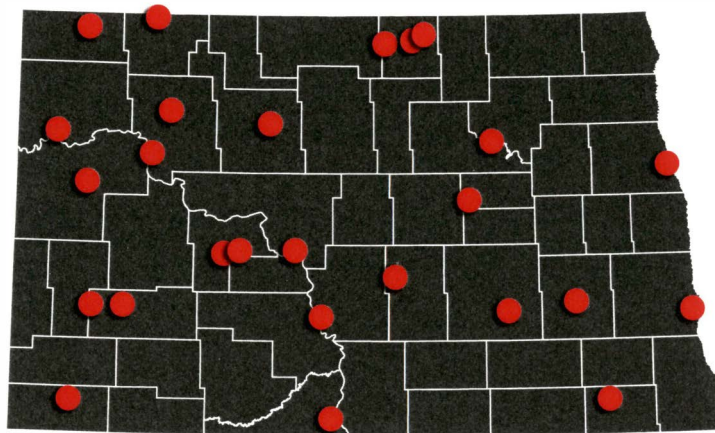
- Served 110 victims of human trafficking, 86 whom are North Dakotans (88 adults, 22 children)
- Trained 3,781 professionals on human trafficking identification

Since the inception of the task force, the NDHTTF:

- Served 322 victims of human trafficking (251 adults, 71 children)
- Trained 8,927 professionals on human trafficking identification, service provision, and investigation
- Investigated 55 cases of human sex trafficking, 10 cases of labor trafficking, and 5 cases involving both sex and labor trafficking
- Fifty-seven (57) arrests of perpetrators were made

* Data reporting is from January 1st, 2016 through December 31st, 2018. *Source: PMT Database. Note that this data is reflective of, and limited to cases worked directly by NDHTTF Operational Team, including two federal HSI agents and two state ND BCI agents. Data is reflective of services provided by five sub-grantees including Youthworks, YWCA, Red River Children's Advocacy Center, Rape and Abuse Crisis Center, and Domestic Violence Crisis Center.

2018 Human Trafficking Locations in North Dakota



There are more people affected by commercial sexual exploitation in North Dakota than current data reflects. Services are frequently refused by people who law enforcement or service providers clearly believe are trafficked. In those cases, service providers and law enforcement can do little more than provide the suspected victims with the contact information of advocates and inform them that services are available for them should they choose to engage. In addition, the NDHTTF is the only statewide organization currently compiling comprehensive data around human trafficking in the State. Therefore, victims served by agencies outside of the NDHTTF may not be reflected in current data. As the NDHTTF continues to grow, its capacity to capture additional data will improve.

Looking Forward

As the NDHTTF continues to fight human trafficking in North Dakota, the following goals will guide the focus of the Task Force in upcoming years.

Goal 1: Support diverse and accessible programming to sustain long-term independence for survivors of labor and sex trafficking.

Objectives:

- Increase number of clients transitioning to long-term independence
- Develop innovative, culturally appropriate approaches to serving victims
- Identify and provide more accessible and affordable treatment options/facilities
- Identify labor trafficking and enhance services provided for labor trafficking victims

Goal 2: Implement effective evaluation systems to secure multiple streams of funding and ensure data-driven equitable policies.

Objectives:

- Adapt data collection system to ensure accuracy for reporting and interpretation
- Secure sustainable funding utilizing reliable data

Goal 3: Collaborative and efficient team

Objectives:

- Identify resources and plan to provide service and investigation in rural and tribal areas
- Establish, or maintain MDT meetings
- Conduct outreach operations with key community partners

Goal 4: Justice for victims through offender prosecution and accountability.

Objectives:

- Increase, and track, number of successful prosecutions
- Consistent charging and sentencing within judicial system
- Train judicial system

Goal 5: Increased awareness, understanding, and prevention through education.

Objectives:

- Provide prioritized education and outreach to communities and sectors, based on data
- Conduct outreach operations with key community partners

Additional information related to work of the NDHTTF can be found at:

<https://www.ndhttf.org>

<https://attorneygeneral.nd.gov/public-safety/human-trafficking>

CONCLUSION

The Attorney General's Office and the North Dakota Human Trafficking Task Force continue to work together to shed light on the state of human trafficking in North Dakota. Turning the tide on exploitation and trafficking will take the continued attention and commitment of our elected leaders, law enforcement and non-profit partners. The Attorney General's Office urges elected officials, non-profit leaders, federal partners and all law enforcement jurisdictions to remain steadfast in committing human trafficking in North Dakota.



MEMORANDUM

To: Representative Vigessa, Representative Brandenburg, Representative Beadle, Representative Bellew, Representative Howe, Representative Kempenich, and Representative Mock

From: Kathy Roll, Financial Administrator, Office of Attorney General

Subject: Requested Information

Date: March 18, 2019

At the March 15, 2019 meeting, there were several requests for additional information from the Office of Attorney General:

Medicaid Fraud Control Unit Information for South Dakota, Montana, and Wyoming

Estimated Concealed Weapon Rewrite carryover

Estimated Statewide Automated Victim Information System enhancements to comply with the Marsy's Law initiated measure

2019-21 Biennium Office of Attorney General Requested Equipment

In addition, the following information is provided:

2019 Legislative bills impacting the Office of Attorney General

2017-19 Biennium General Fund changes compared to the Executive Recommendation, requested Senate changes, and Engrossed Senate Bill 2003 as passed by the Senate

Pending Information

The salary compression information the committee requested will soon be completed.

If you have any questions please contact me at 328-3622. Thank you.

Medicaid Fraud Control Unit (MFCU) Information for South Dakota, Montana, & Wyoming

Information From Medicaid Fraud Control Unit Annual Reports to the US Inspector General

Medicaid Fraud Control Recoveries

Expenditures

FY 2017	Criminal	Non-Global		Total	Total Medicaid
		Civil Monetary	Global Civil Monetary		
Montana	351,272	3,458	178,171	532,901	1,866,570,114
North Dakota			204,203		1,159,985,302
South Dakota	5,473	2,000	173,247	180,720	902,719,239
Wyoming	107,832	3,019	503,182	614,033	648,699,099
Average restitution				442,551	

FY 2016					
Montana	45,403		1,548,360	1,593,763	1,446,698,958
North Dakota			494,050		1,205,112,656
South Dakota	1,094	309,560	2,009,259	2,319,913	875,472,076
Wyoming	107,632		1,328,341	1,435,973	637,273,743
Average restitution				1,783,216	

FY 2015					
Montana	151,974		68,992	220,966	1,208,709,907
North Dakota			40,028		1,100,067,290
South Dakota	27,680	87,047	75,100	189,827	860,846,154
Wyoming	21,013		23,435	44,448	621,092,843
Average restitution				151,747	

FY 2014					
Montana	26,746	411,463		438,209	1,146,046,567
North Dakota			90,681		956,544,956
South Dakota	566	3,853,190		3,853,756	840,849,947
Wyoming	46,989	1,469,685		1,516,673	594,519,949
Average restitution				1,936,213	

FY 2015 - During this year Wyoming didn't have an attorney to prosecute cases which resulted in less recoveries.

South Dakota started its Medicaid Fraud Control Unit in 1990. Since starting, South Dakota has averaged restitution of \$2 million per year.

Information Technology Projects and Estimated Carryover into the 2019-21 Biennium
Office of Attorney General
March 18, 2019

March 18, 2019 Estimate

Concealed weapon rewrite	155,000
Marsy's Law - SAVIN enhancements	517,000

EQUIPMENT OVER \$5,000

00125 Office of the Attorney General

Version: 2019R0200125

Description	Funding	2019-21 Request	2019-21 Optional Request	2019-21 Budget Recommendation
ABSciex 4500 Qtrap system	General Fund	0	0	0
	Federal Funds	297,337	0	297,337
	Special Funds	0	0	0
Total ABSciex 4500 Qtrap system		297,337	0	297,337
Agilent 5977A MSD System	General Fund	0	0	0
	Federal Funds	128,000	0	128,000
	Special Funds	0	0	0
Total Agilent 5977A MSD System		128,000	0	128,000
Cellebrite	General Fund	0	0	0
	Federal Funds	90,000	0	90,000
	Special Funds	0	0	0
Total Cellebrite		90,000	0	90,000
Crime Lite	General Fund	0	0	0
	Federal Funds	13,600	0	13,600
	Special Funds	0	0	0
Total Crime Lite		13,600	0	13,600
Crime Scene Vehicle	General Fund	0	0	0
	Federal Funds	130,000	0	130,000
	Special Funds	0	0	0
Total Crime Scene Vehicle		130,000	0	130,000
Gas Chromatograph/Mass Spectrometer	General Fund	0	0	0
	Federal Funds	127,308	0	127,308
	Special Funds	0	0	0
Total Gas Chromatograph/Mass Spectrometer		127,308	0	127,308
Intoxilyzer 8000 Breath Alcohol Instruments	General Fund	0	0	0
	Federal Funds	85,950	0	85,950
	Special Funds	0	0	0
Total Intoxilyzer 8000 Breath Alcohol Instruments		85,950	0	85,950
Intoxilyzer 9000 Breath Alcohol Instrument	General Fund	0	0	0
	Federal Funds	8,150	0	8,150
	Special Funds	0	0	0
Total Intoxilyzer 9000 Breath Alcohol Instrument		8,150	0	8,150
Leica Scan Station PS30	General Fund	0	0	0

EQUIPMENT OVER \$5,000

00125 Office of the Attorney General

Version: 2019R0200125

Description	Funding	2019-21 Request	2019-21 Optional Request	2019-21 Budget Recommendation
	Federal Funds	101,301	0	101,301
	Special Funds	0	0	0
Total Leica Scan Station PS30		101,301	0	101,301
MaxPrep Liquid Handler RSC Robotic System	General Fund	0	0	0
	Federal Funds	84,810	0	84,810
	Special Funds	0	0	0
Total MaxPrep Liquid Handler RSC Robotic System		84,810	0	84,810
Maxwell RSC 48 System	General Fund	0	0	0
	Federal Funds	61,000	0	61,000
	Special Funds	0	0	0
Total Maxwell RSC 48 System		61,000	0	61,000
Optional Request - UC Replacement Vehicles	General Fund	0	300,000	300,000
	Federal Funds	0	0	0
	Special Funds	0	0	0
Total Optional Request - UC Replacement Vehicles		0	300,000	300,000
Pen register system with smart bugs	General Fund	0	0	0
	Federal Funds	345,000	0	345,000
	Special Funds	0	0	0
Total Pen register system with smart bugs		345,000	0	345,000
SceneBeacon Dual Pistol Grip Laser	General Fund	0	0	0
	Federal Funds	22,500	0	22,500
	Special Funds	0	0	0
Total SceneBeacon Dual Pistol Grip Laser		22,500	0	22,500
TruNarc testing equipment	General Fund	0	0	0
	Federal Funds	114,000	0	114,000
	Special Funds	0	0	0
Total TruNarc testing equipment		114,000	0	114,000
Tube Writer System for DNA Sample Vials	General Fund	0	0	0
	Federal Funds	44,000	0	44,000
	Special Funds	0	0	0
Total Tube Writer System for DNA Sample Vials		44,000	0	44,000

Agency Totals

EQUIPMENT OVER \$5,000

00125 Office of the Attorney General

Version: 2019R0200125

Description	Funding	2019-21 Request	2019-21 Optional Request	2019-21 Budget Recommendation
	General Fund	0	300,000	300,000
	Federal Funds	1,652,956	0	1,652,956
	Special Funds	0	0	0
	Agency Total	1,652,956	300,000	1,952,956

IT EQUIPMENT OVER \$5,000

00125 Office of the Attorney General

Version: 2019R0200125

Description	Funding	2019-21 Request	2019-21 Optional Request	2019-21 Budget Recommendation
Automated Fingerprint Information System Upgrade	General Fund	0	0	0
	Federal Funds	0	158,000	158,000
	Special Funds	0	158,000	158,000
Total Automated Fingerprint Information System Upgrade		0	316,000	316,000
Cellebrite UFED Upgrades	General Fund	0	0	0
	Federal Funds	90,000	0	90,000
	Special Funds	0	0	0
Total Cellebrite UFED Upgrades		90,000	0	90,000
CoBrA Software Update	General Fund	0	0	0
	Federal Funds	17,000	0	17,000
	Special Funds	0	0	0
Total CoBrA Software Update		17,000	0	17,000
Forensic PCs	General Fund	0	0	0
	Federal Funds	72,000	0	72,000
	Special Funds	0	0	0
Total Forensic PCs		72,000	0	72,000
Forensic Servers	General Fund	0	0	0
	Federal Funds	20,000	0	20,000
	Special Funds	0	0	0
Total Forensic Servers		20,000	0	20,000
Agency Totals				
	General Fund	0	0	0
	Federal Funds	199,000	158,000	357,000
	Special Funds	0	158,000	158,000
Agency Total		199,000	316,000	515,000

SB 2003
 March 18th 2019
 Attachment 1

2019 LEGISLATIVE SESSION BILLS IMPACTING THE OFFICE OF ATTORNEY GENERAL

	DESCRIPTION	GENERAL FUND TOTAL	APPROPRIATION ADDED?	
<i>ENGROSSED HOUSE BILL 1254</i>	AUTHORIZED SPORTS BETTING	1,257,816	NO	
<i>ENGROSSED HOUSE BILL 1286</i>	CLEAR/CONVINCING EVIDENCE/ CIVIL FORFEITURES TO AG ASSET FORFEITURE FUND - REPORTING SYSTEM NEEDED	211,680	NO	
<i>ENGROSSED HOUSE BILL HB 1313</i>	MISSING PERSONS REPOSITORY	75,000	NO	
<i>ENGROSSED HOUSE BILL 1533</i>	CREATES A CHARITABLE GAMING TECHNOLOGY FUND WITH A CONTINUING APPROPRIATION		YES	SENATE INCLUDED \$400,000 IN ENGR. SB 2003
<i>ENGROSSED SENATE BILL 2347</i>	FALSE CLAIMS ACT REQUIRED TO TAKE ACTION ON STATE MEDICAID FRAUD		YES	SENATE ADDED APPROPRIATION TO ENGR. SB 2003
TOTAL FISCAL IMPACT OF ABOVE BILLS		1,544,496		

OFFICE OF ATTORNEY GENERAL 2017-19 VS. 2019-21 GENERAL FUND CHANGES

2017-19 BIENNIUM APPROPRIATION	46,365,905
EXECUTIVE RECOMMENDATION LESS SALARY/BENEFIT INCREASES	41,873,969
DIFFERENCE	(4,491,936)
% DIFFERENCE	-10%

2019-21 ENGROSSED SENATE BILL 2003 GENERAL FUND TOTALS	
2019-21 OAG REQUESTED SENATE BUDGET	42,098,469
DIFFERENCE	(4,267,436)
% DIFFERENCE	-9%

2019-21 SENATE VERSION LESS SALARY/BENEFIT INCREASES	44,026,567
2017-19 VS. 2019-21 SENATE VERSION	(2,339,338)
% DIFFERENCE	-5%

SENATE GENERAL FUND CHANGES TO SB 2003 NOT REQUESTED BY OAG				
MFCU	HT	SANE	CHARITABLE GAMING SYSTEM REWRITE	TOTAL SENATE GF ADDITIONS
181,733	1,500,000	250,000	400,000	2,331,733

March 28, 2019

SB2003

att A

NDLA, H APP GO - Lewis, Sheri

From: Roll, Kathy S.
Sent: Thursday, March 21, 2019 11:29 AM
To: Vigesaa, Donald W.; Brandenburg, Michael D.; Beadle, Thomas R.; Bellew, Larry D.; Howe, Michael C.; Kempenich, Keith A.; Mock, Corey R.; NDLA, H APP GO - Lewis, Sheri
Cc: Deichert, Becky J.; Kinnischtzke, Levi
Subject: Requested information 3/21/19

State funding for the Marsy's Law measure which enhances the Statewide Automated Victim Identification Notification System came from remaining oil funding appropriated in 2015 House Bill 1176.

Medicaid Fraud Control Unit recoveries from providers will be deposited in the general fund. Here's an email from Rhonda Obrigewitch from DHS:

Hi Kathy, initially all collections are deposited into the DHS operating fund, and as staff work through them the appropriate amounts are credited back to the state and federal programs. So yes, eventually they will get back to the state general fund.

If you have further questions let me know.

Rhonda Obrigewitch
Accounting Manager
Fiscal Administration
ND Department of Human Services
robriegewitch@nd.gov
(701) 328-4585

March 28, 2019

SB2003

att B

19.0216.03004
Title.

Prepared by the Legislative Council staff for
Representative Delzer
March 27, 2019

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

Page 1, line 2, replace the second "and" with a comma

Page 1, line 2, after "54-12-11" insert ", and 54-27-25"

Page 1, line 4, replace the first "and" with a comma

Page 1, line 4, after "general" insert ", and tobacco settlement fund allocations"

Page 4, after line 13, insert:

"SECTION 6. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses. (Effective through June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal fifty-five percent of total annual transfers from the tobacco settlement trust fund. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.

3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

Tobacco settlement trust fund - Interest on fund - Uses. (Effective after June 30, 2019)

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to the fund and deposited in the fund. The principal and interest of the fund may be appropriated to the attorney general for the purpose of enforcing the master settlement agreement and any disputes with the agreement. All remaining principal and interest of the fund must be allocated as follows:
 - a. ~~Transfers~~ Moneys in the fund must be transferred within thirty days of receipt by the state to a community health trust fund to be administered by the state department of health. The state department of health may use funds as Moneys in the fund may be appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund.
 - b. ~~Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.~~
 - c. ~~Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.~~
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be used as appropriated by the legislative assembly.
3. ~~Transfers to the funds under this section must be made within thirty days of receipt by the state."~~

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

March 28, 2019

SB2003

att B

This amendment adds a section amending Section 54-27-25 to allocate money in the tobacco settlement trust fund only to the community health trust fund rather than the community health trust fund, the common schools trust fund, and the water development trust fund.

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

/ SB 2003
 4-17-19
 PJ1

	Senate Version				House Version				House Changes to Senate Version Increase (Decrease) - Senate Version			
	FTE Position	General Fund	Other Funds	Total	FTE Position	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total
2019-21 Biennium Base Level	237.00	\$44,695,840	\$30,647,320	\$75,343,160	237.00	\$44,695,840	\$30,647,320	\$75,343,160	0.00	\$0	\$0	\$0
2019-21 Ongoing Funding Changes												
Base payroll changes		(\$1,492,594)	(\$250,559)	(\$1,743,153)		(\$1,492,594)	(\$250,559)	(\$1,743,153)				\$0
Salary increase		1,033,650	373,193	1,406,843		1,052,155	363,310	1,415,465		18,505	(9,883)	8,622
Health insurance increase		808,957	295,408	1,104,365		807,619	278,898	1,086,517		(1,338)	(16,510)	(17,848)
Removes various FTE positions	(4.00)	(641,089)		(641,089)	(4.00)	(641,089)		(641,089)				0
Adds 1 FTE forensic scientist position	1.00	224,500		224,500	1.00	224,500		224,500				0
Adds 2 Social Security Administration program FTE positions	2.00		661,888	661,888	2.00		661,888	661,888				0
Adjusts funding for salaries		(182,457)	2,348,217	2,165,760		(182,457)	2,348,217	2,165,760				0
Adds Medicaid Fraud Control Unit positions	7.00	133,372	1,200,345	1,333,717	4.00	76,261	686,352	762,613	(3.00)	(57,111)	(513,993)	(571,104)
Adds funding for Medicaid Fraud Control Unit operating and capital expenses		48,361	435,248	483,609		28,419	255,770	284,189		(19,942)	(179,478)	(199,420)
Adds 1 FTE Fire Marshal administrative assistant position	1.00		128,716	128,716	1.00		128,716	128,716				0
Adds funding for 1 unfunded FTE Deputy Fire Marshal position			169,924	169,924	(1.00)		0	0	(1.00)		(169,924)	(169,924)
Adds funding for Fire Marshal operating expenses			124,888	124,888			124,888	124,888				0
Adds funding for Microsoft Office 365 license expenses		168,000		168,000		168,000		168,000				0
Reduces funding for operating expenses from the general fund		(775,404)		(775,404)		(775,404)		(775,404)				0
Reduces funding for operating expenses from special funds			(1,363,506)	(1,363,506)			(1,363,506)	(1,363,506)				0
Removes funding from the tobacco settlement trust fund			(200,000)	(200,000)			(200,000)	(200,000)				0
Adds funding for operating expenses from various federal funds			519,778	519,778			519,778	519,778				0
Adds federal funding for SMART operating expenses			650,000	650,000			650,000	650,000				0
Adds federal funding for the Project Safe Neighborhood program			291,232	291,232			291,232	291,232				0
Adds funding for the lottery narcotics task force			756,664	756,664			756,664	756,664				0
Reduces funding for crime laboratory bond payments		(118,512)		(118,512)		(118,512)		(118,512)				0
Reduces funding for capital assets		(83,450)	(1,892,910)	(1,976,360)		(83,450)	(1,892,910)	(1,976,360)				0
Adds federal funding for community oriented policing grants			1,021,237	1,021,237			1,021,237	1,021,237				0
Reduces funding for other federal grants			(73,797)	(73,797)			(73,797)	(73,797)				0
Reduces funding for North Dakota lottery operating expenses			(375,097)	(375,097)			(375,097)	(375,097)				0
Adds funding for the human trafficking victims grant program		1,500,000		1,500,000		875,000		875,000		(625,000)		(625,000)
Adds funding for a forensic nurse examiners grant program		250,000		250,000		250,000		250,000				0
Adds funding for Criminal Justice Information Sharing improvements			140,000	140,000			140,000	140,000				0
Transfers 2 FTE from the Department of Emergency Services			0	0	2.00	270,177	111,766	381,943	2.00	270,177	111,766	381,943
Total ongoing funding changes	7.00	\$873,334	\$4,960,869	\$5,834,203	5.00	\$458,625	\$4,182,847	\$4,641,472	(2.00)	(\$414,709)	(\$778,022)	(\$1,192,731)
One-time funding items												
Adds funding for a criminal history improvement project			\$400,000	\$400,000			\$400,000	\$400,000				\$0
Adds funding for capital assets			1,851,956	1,851,956			1,851,956	1,851,956				0
Adds funding for undercover vehicles		\$300,000		300,000		\$150,000		150,000		(150,000)		(150,000)
Adds funding for an automated finger identification system replacement			316,000	316,000			316,000	316,000				0
Adds one-time funding for additional income from other sources			250,000	250,000			0	0			(250,000)	(250,000)
Adds funding for a charitable gaming technology system			400,000	400,000			400,000	400,000				0
Total one-time funding changes	0.00	\$300,000	\$3,217,956	\$3,517,956	0.00	\$150,000	\$2,967,956	\$3,117,956	0.00	(\$150,000)	(\$250,000)	(\$400,000)
Total Changes to Base Level Funding	7.00	\$1,173,334	\$8,178,825	\$9,352,159	5.00	\$608,625	\$7,150,803	\$7,759,428	(2.00)	(\$564,709)	(\$1,028,022)	(\$1,592,731)
2019-21 Total Funding	244.00	\$45,869,174	\$38,826,145	\$84,695,319	242.00	\$45,304,465	\$37,798,123	\$83,102,588	(2.00)	(\$564,709)	(\$1,028,022)	(\$1,592,731)

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4-17-19
pg 2

Other Sections for Attorney General - Budget No. 125

	Senate Version	House Version
Exemption - Attorney General refund fund	Section 3 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.	Section 3 allows the Attorney General to retain the balance in the attorney general refund fund at the end of the 2017-19 biennium to be used during the 2019-21 biennium, rather than transferring the balance to the general fund.
Lottery operating fund transfer	Section 4 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.	Section 4 increases the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
Attorney General salary	Section 5 amends Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$160,149 effective July 1, 2019, and \$164,954 effective July 1, 2020.	Section 5 amends Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$157,009 to \$159,409 effective July 1, 2019, and \$163,394 effective July 1, 2020.
Appropriation - Additional federal funds or other funds	Section 6 appropriates one-time funding of \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2019-21 biennium. The Attorney General is required to report to the Office of Management and Budget and the Legislative Council on the availability of this funding.	
Criminal history record checks - Fees	Section 7 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees are required to be deposited in the general fund.	Section 6 would authorize the Attorney General to charge a reasonable fee set by the Attorney General for criminal history record checks conducted by the Bureau of Criminal Investigation, as a result of legislation enacted by the 66th Legislative Assembly. The fees are required to be deposited in the general fund.
Statewide automated victim information and notification program - Exemption	Section 8 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.	Section 7 provides that any unexpended other fund appropriation authority provided to the Attorney General during the 2017-19 biennium for the statewide automated victim information and notification program is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.
Human trafficking victims grant program - Requirements - Reports	Section 9 identifies \$1.625 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.	Section 8 identifies \$1 million from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims. The Attorney General may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the Legislative Management during the 2019-20 interim on the status and results of the grant program.

Other Sections for Attorney General - Budget No. 125

Forensic nurse examiners grant program - Reports

Senate Version

Section 10 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

House Version

Section 9 identifies \$250,000 from the general fund for the purpose of providing forensic nurse examiner grants for community-based or hospital-based sexual assault examiner programs. Any organization receiving a grant under this section is required to report to the Attorney General and the appropriations committees of the 67th Legislative Assembly on the use of the funds received and the outcomes of its programs. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and states attorneys.

Charitable gaming technology system - Exemption

Section 11 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

Section 10 identifies \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming system. The section allows the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund for this purpose during the 2019-21 biennium, rather than depositing the revenue in the general fund as provided for in Section 53-06.1-12.

Concealed weapon rewrite project - Exemption

Section 12 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Section 11 provides that any unexpended general fund appropriation authority provided to the Attorney General during the 2015-17 biennium and continued into the 2017-19 biennium for the concealed weapon rewrite project is not subject to the provisions of Section 54-44.1-11 and may be continued and expended during the 2019-21 biennium.

Prosecution witness fees - Legislative intent - Report to 67th Legislative Assembly

Section 12 identifies \$150,000 in the operating expenses line item from the general fund for prosecution witness fees. It is the intent of the 66th Legislative Assembly that if the funding provided for prosecution witness fees is insufficient, the attorney general reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the 2019-21 biennium. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the use of funding for prosecution witness fees during the 2019-21 biennium.

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4-17-19
B1

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Funding Summary

	Base Budget	Senate Version	House Changes	House Version
Attorney General				
Salaries and wages	\$41,179,043	\$45,354,323	(\$753,043)	\$44,601,280
Operating expenses	15,977,281	16,453,262	(150,660)	16,302,602
Capital assets	2,742,372	3,272,336	(198,760)	3,073,576
Grants	2,440,000	4,418,440		4,418,440
Litigation fees	150,000	150,000		150,000
Intellectual property attorney	426,924	444,761	(2,676)	442,085
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454
Arrest and return of fugitives	10,000	10,000		10,000
Gaming commission	7,490	7,489		7,489
Criminal justice information sharing	3,386,645	3,631,014	382,364	4,013,378
Law enforcement	2,901,608	2,979,744	2,540	2,982,284
Human trafficking victims grants	125,000	1,625,000	(625,000)	1,000,000
Additional expenses		250,000	(250,000)	
Forensic nurse examiners grants		250,000		250,000
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00
Bill total				
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$4,175,280	\$45,354,323
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000
Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,352,159	\$84,695,319
Less estimated income	30,647,320	8,178,825	38,826,145
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

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Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes ¹	Adds Funding for Salary and Benefit Increases ²	Adjusts Funding for Various FTE Positions ³	Adds Funding for a Social Security Investigation Program ⁴	Adjusts Funding for Salaries ⁵	Adds Funding for a Medicaid Fraud Control Unit Program ⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$2,150,861	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$2,165,760	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,348,217	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

	Adds Funding for the State Fire Marshal Office ⁷	Adjusts Base Level Funding ⁸	Adds Funding for Microsoft Office 365 Licenses ⁹	Removes Funding from the Tobacco Settlement Trust Fund ¹⁰	Adds Funding for the Lottery Narcotics Task Force ¹¹	Adds Funding for the Human Trafficking Victims Grant Program ¹²
Salaries and wages	\$298,640					
Operating expenses	124,888	(\$953,900)	\$168,000	(\$200,000)	\$1,664	
Capital assets		(2,094,872)				
Grants		1,223,440			755,000	
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

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	Adds Funding for a Forensic Nurse Examiners Grant Program ¹³	Adds Funding for Criminal Justice Information Sharing Improvements ¹⁴	Adds One- Time Funding for a Criminal History Improvement Project ¹⁵	Adds One- Time Funding for Capital Assets ¹⁶	Adds One- Time Funding for Undercover Vehicles ¹⁷	Adds One- Time Funding for Finger Identification System Replacement ¹⁸
Salaries and wages						
Operating expenses			\$400,000			
Capital assets				\$1,851,956	\$300,000	\$316,000
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One- Time Funding for a Charitable Gaming Technology System ¹⁹	Adds One- Time Funding for Additional Income from Other Sources ²⁰	Total Senate Changes
Salaries and wages			\$4,175,280
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,352,159
Less estimated income	400,000	250,000	8,178,825
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

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	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	224,500
Total	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,348,217 from other funds, of which \$163,121 is from federal funds, \$355,935 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	0.00	8,480	76,320	84,800
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	0	(375,097)	(375,097)
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.

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Senate Bill No. 2003 - Attorney General - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$41,179,043	\$45,354,323	(\$753,043)	\$44,601,280
Operating expenses	15,977,281	16,453,262	(150,660)	16,302,602
Capital assets	2,742,372	3,272,336	(198,760)	3,073,576
Grants	2,440,000	4,418,440		4,418,440
Litigation fees	150,000	150,000		150,000
Intellectual property attorney	426,924	444,761	(2,676)	442,085
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454
Arrest and return of fugitives	10,000	10,000		10,000
Gaming commission	7,490	7,489		7,489
Criminal justice information sharing	3,386,645	3,631,014	382,364	4,013,378
Law enforcement	2,901,608	2,979,744	2,540	2,982,284
Human trafficking victims grants	125,000	1,625,000	(625,000)	1,000,000
Additional expenses		250,000	(250,000)	
Forensic nurse examiners grants		250,000		250,000
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00

Department 125 - Attorney General - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Removes 1 FTE Deputy Fire Marshal Position ⁴	Reduces Funding for the Human Trafficking Victims Grant Program ⁵	Reduces One- Time Funding for Undercover Vehicles ⁶
Salaries and wages	(\$12,015)	(\$571,104)		(\$169,924)		
Operating expenses		(150,660)				
Capital assets		(48,760)				(\$150,000)
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	421		\$381,943			
Law enforcement	2,540					
Human trafficking victims grants					(\$625,000)	
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$9,226)	(\$770,524)	\$381,943	(\$169,924)	(\$625,000)	(\$150,000)
Less estimated income	(26,393)	(693,471)	111,766	(169,924)	0	0
General fund	\$17,167	(\$77,053)	\$270,177	\$0	(\$625,000)	(\$150,000)
FTE	0.00	(3.00)	2.00	(1.00)	0.00	0.00

	Removes One-Time Funding for Additional Income from Other Sources ⁷	Total House Changes
Salaries and wages		(\$753,043)
Operating expenses		(150,660)
Capital assets		(198,760)
Grants		
Litigation fees		
Intellectual property attorney		(2,676)
Medical examinations		
North Dakota lottery		2,504
Arrest and return of fugitives		
Gaming commission		
Criminal justice information sharing		382,364
Law enforcement		2,540
Human trafficking victims grants		(625,000)
Additional expenses	(\$250,000)	(250,000)
Forensic nurse examiners grants		
Total all funds	(\$250,000)	(\$1,592,731)
Less estimated income	(250,000)	(1,028,022)
General fund	\$0	(\$564,709)
FTE	0.00	(2.00)

¹ Funding of \$8,622 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,415,465, of which \$1,052,155 is from the general fund and \$363,310 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding of \$17,848, of which \$1,338 is from the general fund and \$16,510 is from other funds, for health insurance premiums related to the House removing 3 FTE Medicaid Fraud Control Unit positions and 1 FTE Deputy Fire Marshal position previously authorized by the Senate.

² Funding of \$770,524, of which \$77,053 is from the general fund and \$693,471 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,046,802 for the program, of which \$104,680 is from the general fund and \$942,122 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The reduction includes the removal of 3 FTE positions, including 1 attorney, 1 auditor, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions.

⁴ Funding of \$169,924 from the Attorney General's operating fund is removed for 1 FTE Deputy Fire Marshal position. The Senate authorized funding of \$169,924 for the position. The position was unfunded during the 2017-19 biennium.

⁵ Funding of \$625,000 from the general fund is reduced for the human trafficking victims grant program, to provide a total of \$1 million from the general fund for the program. The Senate approved a total of \$1,625,000 from the general fund for the program.

⁶ One-time funding from the general fund is reduced by \$150,000 for the replacement of Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$150,000 from the general fund. The Senate approved total one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles.

⁷ One-time funding of \$250,000 included in the Senate version is removed by the House for additional federal or

other funds received during the 2019-21 biennium. This amount was appropriated by the Senate in a separate section of the bill. This amendment removes that section.

This amendment also:

- Amends a section related to the Attorney General's salary for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program to provide a total appropriation of \$1 million from the general fund for the program compared to the Senate version of \$1,625,000 for the program.
- Adds a section identifying \$150,000 in the operating expenses line item for prosecution witness fees, which includes a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and to decrease other operating expenses by \$55,000. The section provides legislative intent that if the funding provided for prosecution witness fees is insufficient, the Attorney General further reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the 2019-21 biennium. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the use of this funding.

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Cont Com

**PROSECUTION WITNESS FEES FOR THE 2017-19
BIENNIUM THROUGH MARCH 2019**

Last Updated

COUNTY	ENTITY TOTALS
ADAMS	101.30
BARNES	0.00
BENSON	1,369.65
BILLINGS	0.00
BOTTINEAU	0.00
BOWMAN	28,303.53
BURKE	0.00
BURLEIGH	24,653.70
CASS	11,109.24
CAVALIER	467.78
DICKEY	348.14
DIVIDE	41.35
DUNN	109.29
EDDY	0.00
EMMONS	0.00
FOSTER	0.00
GOLDEN VALLEY	0.00
GRAND FORKS	0.00
GRANT	459.75
GRIGGS	95.85
HETTINGER	0.00
KIDDER	25.00
LAMOURE	0.00
LOGAN	0.00
MCHENRY	0.00
MCINTOSH	0.00
MCKENZIE	1,544.33
MCLEAN	1,868.22
MERCER	0.00
MORTON	1,937.82
MOUNTRAIL	1,679.52
NELSON	0.00
OLIVER	0.00
PEMBINA	2,525.19
PIERCE	0.00
RAMSEY	20,812.05
RANSOM	526.54
RENVILLE	0.00
RICHLAND	682.33
ROLETTE	0.00
SARGENT	0.00
SHERIDAN	0.00
SIOUX	0.00
SLOPE	0.00
STARK	3,307.95
STEELE	0.00
STUTSMAN	5,678.92
TOWNER	0.00
TRAILL	0.00
WALSH	0.00
WARD	36,778.74
WELLS	6,752.92
WILLIAMS	15,534.76
	0.00
Indigent Witness Fee	50.00
Reimbursement	0.00
Federal Witness Fee	0.00
	0.00
CITY	
BISMARCK	0.00
GRAND FORKS	0.00
TOTAL	156,916.23

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PROSECUTION WITNESS FEES FOR THE 2015-17
BIENNIUM

Last Updated

4-23-19

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Conf. Conc.

COUNTY	ENTITY TOTALS
ADAMS	322.88
BARNES	0.00
BENSON	2,009.61
BILLINGS	0.00
BOTTINEAU	0.00
BOWMAN	0.00
BURKE	0.00
BURLEIGH	25,528.06
CASS	52,208.50
CAVALIER	91.70
DICKEY	186.40
DIVIDE	101.38
EDDY	2,207.12
EMMONS	1,734.97
FOSTER	0.00
GOLDEN VALLEY	0.00
GRAND FORKS	11,124.56
GRANT	212.63
GRIGGS	0.00
HETTINGER	0.00
KIDDER	514.80
LAMOURE	0.00
LOGAN	0.00
MCHENRY	267.75
MCINTOSH	533.82
MCKENZIE	6,650.10
MCLEAN	4,398.72
MERCER	0.00
MORTON	7,828.33
MOUNTRAIL	276.00
NELSON	1,425.87
OLIVER	0.00
PEMBINA	0.00
PIERCE	0.00
RAMSEY	5,944.92
RANSOM	1,652.20
RENVILLE	0.00
RICHLAND	808.70
ROLETTE	1,077.60
SARGENT	0.00
SHERIDAN	0.00
SIOUX	0.00
SLOPE	0.00
STARK	8,978.49
STEELE	0.00
STUTSMAN	8,269.19
TOWNER	86.72
TRAILL	0.00
WALSH	0.00
WARD	72,003.05
WELLS	11,007.75
WILLIAMS	29,610.49
	0.00
Indigent Witness Fee	0.00
Reimbursement	0.00
Federal Witness Fee	0.00
	0.00
CITY	
BISMARCK	0.00
GRAND FORKS	0.00
TOTAL	257,062.31

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**PROSECUTION WITNESS FEES
FOR THE 2013-15 BIENNIUM**

Last Updated

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#1
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conf com.

COUNTY	ENTITY TOTALS
ADAMS	0.00
BARNES	5,440.73
BENSON	1,538.67
BILLINGS	0.00
BOTTINEAU	127.50
BOWMAN	4,581.67
BURKE	903.87
BURLEIGH	19,601.82
CASS	11,066.68
CAVALIER	0.00
DICKEY	1,565.43
DIVIDE	0.00
DUNN	2,170.62
EDDY	2,095.20
EMMONS	221.63
FOSTER	2,670.12
GOLDEN VALLEY	0.00
GRAND FORKS	3,923.55
GRANT	0.00
GRIGGS	171.68
HETTINGER	0.00
KIDDER	3,212.37
LAMOURE	2,372.06
LOGAN	1,294.26
MCHENRY	336.94
MCINTOSH	2,752.52
MCKENZIE	2,132.47
MCLEAN	4,398.36
MERCER	0.00
MORTON	7,940.95
MOUNTRAIL	905.79
NELSON	749.28
OLIVER	0.00
PEMBINA	0.00
PIERCE	0.00
RAMSEY	2,416.82
RANSOM	1,446.74
RENVILLE	25.00
RICHLAND	1,641.53
ROLETTE	1,107.62
SARGENT	0.00
SHERIDAN	173.92
SIOUX	0.00
SLOPE	0.00
STARK	7,023.97
STEELE	0.00
STUTSMAN	14,514.25
TOWNER	0.00
TRAILL	0.00
WALSH	579.22
WARD	64,053.68
WELLS	5,576.03
WILLIAMS	22,159.15
	0.00
Indigent Witness Fee	0.00
Reimbursement	0.00
Federal Witness Fee	160.00
	0.00
CITY	
BISMARCK	180.00
GRAND FORKS	0.00
TOTAL	203,157.10

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SB 2003

ITEMS FOR RE-ENGROSSED SENATE BILL 2003

STATEMENT OF PURPOSE OF AMENDMENT

THE \$1.2 MILLION (WELLS FARGO) SETTLEMENT RECEIVED BY THE CONSUMER PROTECTION DIVISION OF THE OFFICE OF ATTORNEY GENERAL WILL BE USED TO PROVIDE ATTORNEY SALARY INCREASES IN THE AMOUNT OF ONE-THIRD OF THE TOTAL SETTLEMENT OVER THREE BIENNIA. THIS AMOUNT WILL BE INVESTED WITH THE STATE INVESTMENT BOARD.

PROSECUTION AND JUVENILE COURT WITNESS FEES AND EXPENSES REIMBURSED BY THE OFFICE OF ATTORNEY GENERAL TO A COUNTY ARE LIMITED TO A MAXIMUM OF \$20,000 FOR A BIENNIUM. (THIS WILL NEED TO BE A STATUTORY CHANGE – STATUTE ATTACHED).

including any
interest earnings

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p1
cont
come.

p1

Sixty-sixth
Legislative Assembly
of North Dakota

REENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

#1
P1
conf
comm

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;
2 to amend and reenact sections 31-01-16, 53-12.1-09, and 54-12-11 of the North Dakota
3 Century Code, relating to prosecution witness fees, transfers from the lottery operating fund to
4 the multijurisdictional drug task force grant fund, and the salary of the attorney general; to
5 provide an exemption; to provide a statement of legislative intent; and to provide for a report.

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

7 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
8 as may be necessary, are appropriated out of any moneys in the general fund in the state
9 treasury, not otherwise appropriated, and from special funds derived from federal funds and
10 other income, to the attorney general for the purpose of defraying the expenses of the attorney
11 general, for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

12		Adjustments or		
13		<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14	Salaries and wages	\$41,179,043	\$4,175,280	\$45,354,323
15	Operating expenses	15,977,281	475,981	16,453,262
16	Capital assets	2,742,372	529,964	3,272,336
17	Grants	2,440,000	1,978,440	4,418,440
18	Litigation fees	150,000	0	150,000
19	Intellectual property attorney	426,924	17,837	444,761
20	Medical examinations	660,000	0	660,000
21	North Dakota lottery	5,336,797	(147,847)	5,188,950
22	Arrest and return of fugitives	10,000	0	10,000
23	Gaming commission	7,490	(1)	7,489
24	Criminal justice information sharing	3,386,645	244,369	3,631,014

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1	Law enforcement	2,901,608	78,136	2,979,744	#1
2	Human trafficking victims grants	125,000	1,500,000	1,625,000	P2
3	Forensic nurse examiners grants	0	250,000	250,000	cont
4	Total all funds	\$75,343,160	\$9,102,159	\$84,445,319	coru
5	Less estimated income	30,647,320	7,928,825	38,576,145	
6	Total general fund	\$44,695,840	\$1,173,334	\$45,869,174	
7	Full-time equivalent positions	237.00	7.00	244.00	
8	Salaries and wages	\$41,179,043	\$4,775,938	\$45,954,981	
9	Operating expenses	15,977,281	411,365	16,388,646	
10	Capital assets	2,742,372	429,964	3,172,336	
11	Grants	2,440,000	1,978,440	4,418,440	
12	Litigation fees	150,000	0	150,000	
13	Intellectual property attorney	426,924	15,161	442,085	
14	Medical examinations	660,000	0	660,000	
15	North Dakota lottery	5,336,797	(145,343)	5,191,454	
16	Arrest and return of fugitives	10,000	0	10,000	
17	Gaming commission	7,490	(1)	7,489	
18	Criminal justice information sharing	3,386,645	244,476	3,631,121	
19	Law enforcement	2,901,608	80,676	2,982,284	
20	Human trafficking victims grants	125,000	1,275,000	1,400,000	
21	Forensic nurse examiners grants	0	250,000	250,000	
22	Total all funds	\$75,343,160	\$9,315,676	\$84,658,836	
23	Less estimated income	30,647,320	8,206,920	38,854,240	
24	Total general fund	\$44,695,840	\$1,108,756	\$45,804,596	
25	Full-time equivalent positions	237.00	8.00	245.00	

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

SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2017-19	2019-21
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cost

1	SAVIN cost share program	\$315,000	\$0
2	Uniform crime reporting rewrite	280,000	0
3	DOS-based deposit system rewrite	100,000	0
4	Pipeline protest law enforcement support	200,000	0
5	Court ordered payments	15,872,000	0
6	Forensic nurse examiner grants	150,000	0
7	Additional income	250,000	0
8	SAVIN program enhancements	500,000	0
9	Criminal history improvement project	0	400,000
10	Capital assets	0	1,851,956
11	Undercover vehicles	0	300,000
12	Finger identification system replacement project	0	316,000
13	Charitable gaming technology system	0	400,000
14	Total all funds	\$17,667,000	\$3,267,956
15	Total other funds	17,567,000	2,967,956
16	Total general fund	\$100,000	\$300,000
17	SAVIN cost-share program	\$315,000	\$0
18	Uniform crime reporting rewrite	280,000	0
19	DOS-based deposit system rewrite	100,000	0
20	Pipeline protest law enforcement support	200,000	0
21	Court-ordered payments	15,872,000	0
22	Forensic nurse examiner grants	150,000	0
23	Additional income	250,000	0
24	SAVIN program enhancements	500,000	0
25	Criminal history improvement project	0	400,000
26	Capital assets	0	1,851,956
27	Undercover vehicles	0	200,000
28	Finger identification system replacement project	0	316,000
29	Charitable gaming technology system	0	400,000
30	Total all funds	\$17,667,000	\$3,167,956

1	Total other funds	17,567,000	2,967,956
2	Total general fund	\$100,000	\$200,000

3 The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget
4 for the 2021-23 biennium. The attorney general shall report to the appropriations committees of
5 the sixty-seventh legislative assembly on the use of this one-time funding for the biennium
6 beginning July 1, 2019, and ending June 30, 2021.

7 **SECTION 3. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding
8 section 54-12-18, the attorney general may retain the balance in the attorney general refund
9 fund which would otherwise be transferred to the general fund on June 30, 2019.

10 **SECTION 4. AMENDMENT.** Section 31-01-16 of the North Dakota Century Code is
11 amended and reenacted as follows:

12 **31-01-16. Compensation and mileage and travel expense of witness.**

13 A witness in a civil or criminal case is entitled to receive:

- 14 1. A sum of twenty-five dollars for each day necessarily in attendance before the district
15 court or before any other board or tribunal, except municipal court.
- 16 2. A sum for mileage and travel expense reimbursement equal to the reimbursement
17 rates provided for state employees in sections 44-08-04 and 54-06-09.

18 In all criminal cases in district court, the attorney general shall pay prosecution witness fees and
19 expenses, in an amount not to exceed twenty-five thousand dollars per county per biennium,
20 and the commission on legal counsel for indigents shall pay witness fees and expenses for
21 witnesses in those cases in which counsel has been provided by the commission. Prisoners
22 may not be compensated as witnesses under this section.

23 **SECTION 5. AMENDMENT.** Section 53-12.1-09 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **53-12.1-09. Operating fund - Continuing appropriation - Authorization of**
26 **disbursements - Report - Net proceeds.**

27 There is established within the state treasury the lottery operating fund into which must be
28 deposited all revenue from the sale of tickets, interest received on money in the fund, and all
29 other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket
30 paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund
31 appropriated by the legislative assembly for administrative and operating costs of the lottery

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1 under section 53-12.1-10, all other money in the fund is continuously appropriated for the
2 purposes specified in this section. During each regular session, the attorney general shall
3 present a report to the appropriations committee of each house of the legislative assembly on
4 the actual and estimated operating revenue and expenditures for the current biennium and
5 projected operating revenue and expenditures for the subsequent biennium authorized by this
6 section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made
7 only against the fund or money collected from a retailer on the sale of a ticket. A disbursement
8 from the fund must be for the following purposes:

- 9 1. Payment of a prize as the director deems appropriate to the owner of a valid, winning
10 ticket;
- 11 2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly
12 offset by cosponsorship funds collected;
- 13 3. Payment of a gaming system or related service expense, retailer record and credit
14 check fees, game group dues, and retailer commissions; and
- 15 4. Transfer of net proceeds:
 - 16 a. Eighty thousand dollars must be transferred to the state treasurer each quarter
17 for deposit in the gambling disorder prevention and treatment fund;
 - 18 b. An amount for the lottery's share of a game's prize reserve pool must be
19 transferred to the multistate lottery association;
 - 20 c. Starting July 1, 2007~~2019~~, ~~one~~two hundred five thousand six hundred twenty-five
21 dollars must be transferred to the state treasurer each quarter for deposit in the
22 attorney general multijurisdictional drug task force grant fund; and
 - 23 d. The balance of the net proceeds, less holdback of any reserve funds the director
24 may need for continuing operations, must be transferred to the state treasurer on
25 at least an annual basis for deposit in the state general fund.

26 **SECTION 6. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **54-12-11. Salary of attorney general.**

29 The annual salary of the attorney general is ~~one hundred fifty-two thousand four hundred~~
30 ~~thirty-six dollars through June 30, 2016~~one hundred sixty thousand one hundred forty-nine
31 dollarsone hundred fifty-nine thousand four hundred nine dollars through June 30, 2020, and

~~one hundred fifty-seven thousand nine dollars~~ ~~one hundred sixty-four thousand nine hundred~~
~~fifty-four dollars~~ one hundred sixty-three thousand three hundred ninety-four dollars thereafter.

SECTION 7. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 8. CRIMINAL HISTORY RECORD CHECKS - FEES. Any individual or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from ~~the general fund~~ other funds appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 10. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes ~~\$1,625,000~~ \$1,400,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds

received and the outcomes of its program. The attorney general shall report to the legislative management during the 2019-20 interim on the status and results of the grant program.

SECTION 11. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 12. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 13. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 14. LEGISLATIVE INTENT - ATTORNEY SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND. It is the intent of the sixty-sixth legislative assembly that the attorney general use up to \$425,000 from moneys deposited in the attorney general

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1 refund fund relating to an April 2019 lawsuit settlement of \$1,215,561 and investment earnings
2 on the settlement amount for providing salary equity increases to attorney positions in the
3 attorney general's office for the biennium beginning July 1, 2019, and ending June 30, 2021. It
4 is further the intent of the legislative assembly that the remaining settlement proceeds and
5 investment earnings on the remaining proceeds be retained in the attorney general refund fund
6 and be used for the cost to continue the salary equity increases provided during the 2019-21
7 biennium during the 2021-23 and 2023-25 bienniums, subject to legislative appropriations.

8 **SECTION 15. ATTORNEY GENERAL - INVESTMENT OF LAWSUIT SETTLEMENT**

9 **PROCEEDS - STATE INVESTMENT BOARD.** The attorney general may invest up to
10 \$1,215,561 of lawsuit settlement proceeds received by the attorney general and deposited in
11 the attorney general refund fund during the biennium beginning July 1, 2017, and ending
12 June 30, 2019, under the supervision of the state investment board for the period beginning
13 July 1, 2019, and ending June 30, 2025.

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PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003

That the House recede from its amendments as printed on pages 1479-1482 of the Senate Journal and pages 1670-1674 of the House Journal and that Reengrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after "sections" insert "31-01-16,"

Page 1, line 2, after "53-12.1-09" insert a comma

Page 1, line 3, after the first "to" insert "prosecution witness fees,"

Page 1, line 4, after "fund" insert a comma

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$4,775,938	\$45,954,981
Operating expenses	15,977,281	411,365	16,388,646
Capital assets	2,742,372	429,964	3,172,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,476	3,631,121
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	1,275,000	1,400,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$9,315,676	\$84,658,836
Less estimated income	30,647,320	8,206,920	38,854,240
Total general fund	\$44,695,840	\$1,108,756	\$45,804,596
Full-time equivalent positions	237.00	8.00	245.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	200,000

Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,167,956
Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$200,000"

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Page 3, after line 3, insert:

"SECTION 4. AMENDMENT. Section 31-01-16 of the North Dakota Century Code is amended and reenacted as follows:

31-01-16. Compensation and mileage and travel expense of witness.

A witness in a civil or criminal case is entitled to receive:

1. A sum of twenty-five dollars for each day necessarily in attendance before the district court or before any other board or tribunal, except municipal court.
2. A sum for mileage and travel expense reimbursement equal to the reimbursement rates provided for state employees in sections 44-08-04 and 54-06-09.

In all criminal cases in district court, the attorney general shall pay prosecution witness fees and expenses, in an amount not to exceed twenty-five thousand dollars per county per biennium, and the commission on legal counsel for indigents shall pay witness fees and expenses for witnesses in those cases in which counsel has been provided by the commission. Prisoners may not be compensated as witnesses under this section."

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

Page 4, line 12, replace the first "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,400,000"

Page 6, after line 9, insert:

"SECTION 14. LEGISLATIVE INTENT - ATTORNEY SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND. It is the intent of the sixty-sixth legislative assembly that the attorney general use up to \$425,000 from moneys deposited in the attorney general refund fund relating to an April 2019 lawsuit settlement of \$1,215,561 and investment earnings on the settlement amount for providing salary equity increases to attorney positions in the attorney general's office for the biennium beginning July 1, 2019, and ending June 30, 2021. It is further the intent of the legislative assembly that the remaining settlement proceeds and investment earnings on the remaining proceeds be retained in the attorney general refund fund and be used for the cost to continue the salary equity increases provided

during the 2019-21 biennium during the 2021-23 and 2023-25 bienniums, subject to legislative appropriations.

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SECTION 15. ATTORNEY GENERAL - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$1,215,561 of lawsuit settlement proceeds received by the attorney general and deposited in the attorney general refund fund during the biennium beginning July 1, 2017, and ending June 30, 2019, under the supervision of the state investment board for the period beginning July 1, 2019, and ending June 30, 2025."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$41,179,043	\$45,354,323	\$600,658	\$45,954,981	\$44,601,280	\$1,353,701
Operating expenses	15,977,281	16,453,262	(64,616)	16,388,646	16,302,602	86,044
Capital assets	2,742,372	3,272,336	(100,000)	3,172,336	3,073,576	98,760
Grants	2,440,000	4,418,440		4,418,440	4,418,440	
Litigation fees	150,000	150,000		150,000	150,000	
Intellectual property attorney	426,924	444,761	(2,676)	442,085	442,085	
Medical examinations	660,000	660,000		660,000	660,000	
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454	5,191,454	
Arrest and return of fugitives	10,000	10,000		10,000	10,000	
Gaming commission	7,490	7,489		7,489	7,489	
Criminal justice information sharing	3,386,645	3,631,014	107	3,631,121	4,013,378	(382,257)
Law enforcement	2,901,608	2,979,744	2,540	2,982,284	2,982,284	
Human trafficking victims grants	125,000	1,625,000	(225,000)	1,400,000	1,000,000	400,000
Additional expenses		250,000		250,000		250,000
Forensic nurse examiners grants		250,000		250,000	250,000	
Total all funds	\$75,343,160	\$84,695,319	\$213,517	\$84,908,836	\$83,102,588	\$1,806,248
Less estimated income	30,647,320	38,826,145	278,095	39,104,240	37,798,123	1,306,117
General fund	\$44,695,840	\$45,869,174	(\$64,578)	\$45,804,596	\$45,304,465	\$500,131
FTE	237.00	244.00	1.00	245.00	242.00	3.00

Department 125 - Attorney General - Detail of Conference Committee Changes

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	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Reduces Funding for the Human Trafficking Victims Grant Program ⁴	Reduces One- Time Funding for Undercover Vehicles ⁵	Adds Funding for Attorney Salary Increases ⁶
Salaries and wages	\$17,805	(\$214,702)	\$372,555			\$425,000
Operating expenses		(74,004)	9,388			
Capital assets					(\$100,000)	
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	107					
Law enforcement	2,540					
Human trafficking victims grants				(\$225,000)		
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$20,280	(\$288,706)	\$381,943	(\$225,000)	(\$100,000)	\$425,000
Less estimated income	1,165	(259,836)	111,766	0	0	425,000
General fund	\$19,115	(\$28,870)	\$270,177	(\$225,000)	(\$100,000)	\$0
FTE	0.00	(1.00)	2.00	0.00	0.00	0.00

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	Total Conference Committee Changes
Salaries and wages	\$600,658
Operating expenses	(64,616)
Capital assets	(100,000)
Grants	
Litigation fees	
Intellectual property attorney	(2,676)
Medical examinations	
North Dakota lottery	2,504
Arrest and return of fugitives	
Gaming commission	
Criminal justice information sharing	107
Law enforcement	2,540
Human trafficking victims grants	(225,000)
Additional expenses	
Forensic nurse examiners grants	
Total all funds	\$213,517
Less estimated income	278,095
General fund	(\$64,578)
FTE	1.00

¹ Funding of \$24,742 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,431,585, of which \$1,053,211 is from the general fund and \$378,374 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding by \$4,462, of which \$446 is from the general fund and \$4,016 is from other funds, for health insurance premiums related to the Conference Committee removing 1 FTE Medicaid Fraud Control

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Unit attorney position.

² Funding of \$288,706, of which \$28,870 is from the general fund and \$259,836 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,528,620 for the program, of which \$152,863 is from the general fund and \$1,375,757 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The House approved a total of \$1,046,802, of which \$104,680 was from the general fund and \$942,122 was from federal funds.

The reduction includes the removal of 1 FTE attorney position to provide for 6 FTE positions, including 1 attorney, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The House approved 4 FTE positions, including 1 attorney, 1 auditor, and 2 criminal investigators.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions. The House also provided for this transfer.

⁴ Funding for the human trafficking victims grant program is reduced by \$225,000 from the general fund, to provide a total of \$1,400,000 from the general fund for the program. The Senate approved \$1,625,000 and the House approved \$1,000,000 from the general fund for the program.

⁵ One-time funding from the general fund is reduced by \$100,000 for the replacement of 8 Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$200,000 from the general fund. The Senate approved one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles. The House approved one-time funding of \$150,000 from the general fund for the replacement of 6 undercover vehicles.

⁶ One-time funding of \$425,000 is added from the Attorney General refund fund to provide salary equity increases for attorneys during the 2019-21 biennium. Of this amount, \$400,000 relates to a lawsuit settlement received by the Consumer Protection Division of the Attorney General's office and \$25,000 relates to anticipated interest and earnings on the settlement amount.

The House removed \$169,924 from the Attorney General's operating fund for 1 FTE Deputy Fire Marshal position. The Conference Committee did not remove funding for the position, the same as the Senate.

The House removed \$250,000 for additional federal or other funds received during the 2019-21 biennium. The Conference Committee did not remove this funding, the same as the Senate.

This amendment also:

- Amends the section providing for the Attorney General's salary increase for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program.
- Adds a section of legislative intent regarding salary equity increases for attorneys in the Attorney General's office for the 2019-21 biennium.
- Adds a section authorizing the Attorney General to invest certain lawsuit settlement proceeds deposited in the refund fund under the supervision of the State Investment Board.
- Adds statutory sections to limit the amount of prosecution witness fees the Attorney General can reimburse to each county to \$25,000 in a biennium. The House added a section regarding prosecution witness fees that identified \$150,000 in the operating expenses line item for prosecution witness fees, which included a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and decreased other operating expenses by \$55,000. The Conference Committee did not include the House's section related to prosecution witness fees.