

SENATE BILL NO. 2040

Introduced by

Legislative Council

(Higher Education Committee)

1 A BILL for an Act to amend and reenact section 54-14-03.1 of the North Dakota Century Code,
2 relating to reports to the budget section of the legislative council of irregularities noted in fiscal
3 practices of state agencies and institutions.

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

5 **SECTION 1. AMENDMENT.** Section 54-14-03.1 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 **54-14-03.1. Reports to legislative council budget section.** The office of the budget,
8 in the course of the preaudit of claims against the state, or in otherwise carrying out its duties,
9 shall note irregularities in the fiscal practices of the state and its departments, agencies, and
10 institutions and areas where more uniform and improved fiscal procedures are desirable, and it
11 shall further note expenditures and governmental activities that it may believe to be contrary to
12 law or to the intent of the legislative assembly. "Irregularities" as used in this section includes
13 the use of state funds to provide bonuses, cash incentive awards, and temporary salary
14 adjustments for state employees, excluding employees of the North Dakota university system.

15 The office of the budget shall submit a detailed written report accompanied by adequate
16 documentation to the budget section of the legislative council, or any division of the budget
17 section designated for that purpose, setting out the irregularity, expenditure, or activity. The
18 report must be presented at the next scheduled meeting of the budget section following the
19 discovery of the irregularity, expenditure, or activity.