

**FIRST ENGROSSMENT  
with Conference Committee Amendments**

**ENGROSSED HOUSE BILL NO. 1015**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions  
2 under the supervision of the director of the office of management and budget; to provide for  
3 various transfers and financial transactions; to provide an exemption from the provisions of  
4 section 54-44.1-11 of the North Dakota Century Code; to create and enact two new sections to  
5 House Bill No. 1286, as approved by the fifty-ninth legislative assembly, and a new section to  
6 Senate Bill No. 2012, as approved by the fifty-ninth legislative assembly, relating to open  
7 records requests and to interpretation of provisions relating to refunds of certain fuels taxes  
8 paid by native Americans; to amend and reenact sections 4-01-21, 15.1-02-02, 15.1-06-06,  
9 26.1-01-09, 27-02-02, 27-05-03, 49-01-05, 54-03-20, 54-09-05, 54-10-10, 54-11-13, 54-12-11,  
10 54-44.1-06, 54-44.1-06.1, 57-01-04, and 57-40.6-02 of the North Dakota Century Code and  
11 section 5 of House Bill No. 1518, section 12 of Senate Bill No. 2015, and section 20 of House  
12 Bill No. 1043, as approved by the fifty-ninth legislative assembly, relating to salaries of elected  
13 officials, school calendars, lodging reimbursement for members of the legislative assembly,  
14 preparation of the budget data, voter approval of imposition of fees for emergency services  
15 communication systems, the state wheat commission levy, a legislative council study of the  
16 department of corrections and rehabilitation, and the effective date of streamlined sales tax  
17 agreement complying amendments; to repeal section 9 of Senate Bill No. 2015, as approved by  
18 the fifty-ninth legislative assembly, relating to composite schedules for teacher salaries; to  
19 provide for a legislative council study; to provide legislative intent; and to declare an  
20 emergency.

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

22 **SECTION 1. BASE LEVEL FUNDING INFORMATION.** The amounts identified in this  
23 section represent the base level funding component appropriated to the office of management  
24 and budget in section 3 of this Act as follows:

Fifty-ninth  
Legislative Assembly

|   |                                    |                  |
|---|------------------------------------|------------------|
| 1 | Salaries and wages                 | \$15,388,231     |
| 2 | Operating expenses                 | 11,328,756       |
| 3 | Capital assets                     | 733,000          |
| 4 | Grants                             | <u>179,000</u>   |
| 5 | Total all funds - Base level       | \$27,628,987     |
| 6 | Less estimated income - Base level | <u>7,888,476</u> |
| 7 | Total general fund - Base level    | \$19,740,511     |

8           **SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION.** The  
9 amounts identified in this section represent the funding adjustments or enhancements to the  
10 base funding level for the office of management and budget which are included in the  
11 appropriation in section 3 of this Act as follows:

|    |  |                  |
|----|--|------------------|
| 12 | Salaries and wages                               | (\$1,892,438)    |
| 13 | Operating expenses                               | (12,350)         |
| 14 | Capital assets                                   | 111,000          |
| 15 | Grants   | 210,000          |
| 16 | Prairie public broadcasting                      | <u>1,337,138</u> |
| 17 | Total all funds - Adjustments/enhancements       | (\$221,950)      |
| 18 | Less estimated income - Adjustments/enhancements | <u>(410,608)</u> |
| 19 | Total general fund - Adjustments/enhancements    | \$188,658        |

20           **SECTION 3. APPROPRIATION.** The funds provided in this section, or so much of the  
21 funds as may be necessary, are appropriated out of any moneys in the general fund in the state  
22 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
23 other income, to the office of management and budget for the purpose of defraying the  
24 expenses of that agency, for the biennium beginning July 1, 2005, and ending June 30, 2007,  
25 as follows:

|    |                             |                  |
|----|-----------------------------|------------------|
| 26 | Salaries and wages          | \$13,495,793     |
| 27 | Operating expenses          | 11,341,106       |
| 28 | Capital assets              | 844,000          |
| 29 | Grants                      | 389,000          |
| 30 | Prairie public broadcasting | <u>1,337,138</u> |
| 31 | Total all funds             | \$27,407,037     |

|   |                                  |                  |
|---|----------------------------------|------------------|
| 1 | Less estimated income            | <u>7,477,868</u> |
| 2 | Total general fund appropriation | \$19,929,169     |

3           **SECTION 4. CAPITOL BUILDING FUND.** The amount of \$25,000, or so much of the  
4 sum as may be necessary, included in the estimated income line item in section 3 of this Act, is  
5 to be spent by the administration division from the capitol building fund for capitol grounds  
6 planning, during the biennium beginning July 1, 2005, and ending June 30, 2007.

7           **SECTION 5. EXEMPTION.** The amount appropriated for the fiscal management  
8 division, as contained in section 1 of chapter 36 of the 2003 Session Laws is not subject to the  
9 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available  
10 for continued development and operating costs of the accounting, management, and payroll  
11 systems, during the biennium beginning July 1, 2005, and ending June 30, 2007.

12           **SECTION 6. INTENT.** Within the authority included in section 3 of this Act are the  
13 following grants and special items:

|    |  |           |
|----|--|-----------|
| 14 | Boys and girls clubwork                | \$53,000  |
| 15 | State contingencies                    | 500,000   |
| 16 | State memberships and related expenses | 477,860   |
| 17 | Firefighter's association              | 126,000   |
| 18 | Unemployment insurance                 | 1,500,000 |
| 19 | Capitol grounds planning commission    | 25,000    |
| 20 | State consultant                       | 120,000   |

21           **SECTION 7. TRANSFER.** During the biennium beginning July 1, 2005, and ending  
22 June 30, 2007, the director of the office of management and budget is authorized to transfer  
23 special funds from the lands and minerals trust fund to the general fund in the amount of  
24 \$6,800,000.

25           **SECTION 8. FIRE AND TORNADO FUND.** The amount of \$126,000, or so much of  
26 the amount as is necessary, included in the estimated income line item in section 3 of this Act,  
27 is from the fire and tornado fund.

28           **SECTION 9. BANK OF NORTH DAKOTA TRANSFERS TO STATE GENERAL**  
29 **FUND.** During the biennium ending June 30, 2007, the industrial commission shall transfer to  
30 the state general fund up to \$60,000,000 from the current earnings and the accumulated  
31 undivided profits of the Bank of North Dakota. The moneys shall be transferred in the amounts

1 and at such times as requested by the director of the office of management and budget. Any  
2 transfer authorized may only be made to the extent the transfer does not reduce the Bank's  
3 capital structure below \$150,000,000.

4 **SECTION 10. AMENDMENT.** Section 4-01-21 of the North Dakota Century Code, as  
5 amended by House Bill No. 1009, as approved by the fifty-ninth legislative assembly, is  
6 amended and reenacted as follows:

7 **4-01-21. Salary of agriculture commissioner.** The annual salary of the agriculture  
8 commissioner is ~~seventy-one~~ seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars  
9 through June 30, 2006, and ~~seventy-four~~ seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~  
10 seventy-six dollars thereafter.

11 **SECTION 11. AMENDMENT.** Section 15.1-02-02 of the North Dakota Century Code,  
12 as amended by House Bill No. 1013, as approved by the fifty-ninth legislative assembly, is  
13 amended and reenacted as follows:

14 **15.1-02-02. Salary.** The annual salary of the superintendent of public instruction is  
15 ~~seventy-nine~~ eighty thousand ~~seven~~ five hundred ~~fifty-seven~~ thirty-one dollars through June 30,  
16 2006, ~~eighty-two~~ and eighty-three thousand ~~nine~~ seven hundred ~~forty-seven~~ fifty-three dollars  
17 thereafter.

18 **SECTION 12. AMENDMENT.** Section 15.1-06-06 of the North Dakota Century Code,  
19 as amended and reenacted by House Bill No. 1154, as approved by the fifty-ninth legislative  
20 assembly, is amended and reenacted as follows:

21 **15.1-06-06. Approval of public and nonpublic schools.** Each public and nonpublic  
22 school in this state offering elementary or secondary education to students must be approved  
23 by the superintendent of public instruction. Except as otherwise provided by law, the  
24 superintendent may not approve a school unless:

- 25 1. Each classroom teacher is licensed to teach by the education standards and  
26 practices board or approved to teach by the education standards and practices  
27 board;
- 28 2. Each classroom teacher is teaching only in those course areas or fields for which  
29 the teacher is licensed or for which the teacher has received an exception under  
30 section 2 of House Bill No. 1076, as approved by the fifty-ninth legislative  
31 assembly;

1           3.    The students are offered all subjects required by law; and

2           4.    ~~The school is in compliance with the calendar requirements set forth in section~~  
3           ~~15.1-06-04; and~~

4           ~~5.~~    The school is in compliance with all local and state health, fire, and safety laws.

5           **SECTION 13. AMENDMENT.** Section 26.1-01-09 of the North Dakota Century Code,  
6 as amended by House Bill No. 1010, as approved by the fifty-ninth legislative assembly, is  
7 amended and reenacted as follows:

8           **26.1-01-09. Salary of commissioner.** The annual salary of the commissioner is  
9 seventy thousand ~~forty-nine~~ seven hundred thirty-nine dollars through June 30, 2006, and  
10 ~~seventy-two~~ seventy-three thousand ~~eight~~ five hundred ~~sixty-one~~ sixty-eight dollars thereafter.

11          **SECTION 14. AMENDMENT.** Section 27-02-02 of the North Dakota Century Code, as  
12 amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is  
13 amended and reenacted as follows:

14          **27-02-02. Salaries of justices of supreme court.** The annual salary of each justice of  
15 the supreme court is one hundred ~~two~~ three thousand ~~ninety-six~~ eighty-seven dollars through  
16 June 30, 2006, and one hundred ~~six~~ seven thousand ~~one~~ two hundred ~~eighty~~ ten dollars  
17 thereafter. The chief justice of the supreme court is entitled to receive an additional ~~two~~ three  
18 thousand ~~nine hundred eighty-six~~ fifteen dollars per annum through June 30, 2006, and three  
19 thousand one hundred ~~five~~ thirty-six dollars per annum thereafter.

20          **SECTION 15. AMENDMENT.** Section 27-05-03 of the North Dakota Century Code, as  
21 amended by Senate Bill No. 2002, as approved by the fifty-ninth legislative assembly, is  
22 amended and reenacted as follows:

23          **27-05-03. Salaries and expenses of district judges.** The annual salary of each  
24 district judge is ~~ninety-three~~ ninety-four thousand ~~three~~ two hundred ~~ninety-one~~ ninety-eight  
25 dollars through June 30, 2006, and ~~ninety-seven~~ ninety-eight thousand ~~one hundred~~  
26 ~~twenty-seven~~ seventy dollars thereafter. Each district judge is entitled to travel expenses  
27 including mileage and subsistence while engaged in the discharge of official duties outside the  
28 city in which the judge's chambers are located. The salary and expenses are payable monthly  
29 in the manner provided by law. A presiding judge of a judicial district is entitled to receive an  
30 additional two thousand seven hundred ~~fifty-two~~ seventy-nine dollars per annum; through June  
31 30, 2006, and two thousand eight hundred ~~sixty-two~~ ninety dollars thereafter.

1           **SECTION 16. AMENDMENT.** Section 49-01-05 of the North Dakota Century Code, as  
2 amended by House Bill No. 1008, as approved by the fifty-ninth legislative assembly, is  
3 amended and reenacted as follows:

4           **49-01-05. Salary of commissioners.** The annual salary of a commissioner is  
5 ~~seventy-one~~ seventy-two thousand ~~nine~~ six hundred ~~seventy~~ sixty-nine dollars through  
6 June 30, 2006, and ~~seventy-four~~ seventy-five thousand ~~eight~~ five hundred ~~forty-nine~~  
7 seventy-six dollars thereafter. All fees received or charged by any commissioner for any act or  
8 service rendered in any official capacity must be accounted for and paid over by the  
9 commissioner monthly to the state treasurer and must be credited to the general fund of the  
10 state.

11           **SECTION 17. AMENDMENT.** Section 54-03-20 of the North Dakota Century Code, as  
12 amended by section 1 of Senate Bill No. 2059 as approved by the fifty-ninth legislative  
13 assembly, is amended and reenacted as follows:

14           **54-03-20. Compensation and expense reimbursement of members of the**  
15 **legislative assembly.**

16           1. Each member of the legislative assembly is entitled to receive as compensation for  
17 services the sum of one hundred twenty-five dollars for each calendar day during  
18 any organizational, special, or regular legislative session and for each day that  
19 member attends a meeting of a legislative committee between the organizational  
20 session and the regular session as authorized by legislative rule.

21           2. a. Each member of the legislative assembly is entitled to receive reimbursement  
22 for lodging, which may not exceed a maximum of nine hundred dollars per  
23 calendar month for lodging in state, at the rates and in the manner provided in  
24 section 44-08-04 for each calendar day during the period of any  
25 organizational, special, or regular session.

26           b. Notwithstanding subdivision a:

27           (1) A member of the legislative assembly may elect to be reimbursed for  
28 less than the amount to which the legislator is entitled under this  
29 subsection by claiming the lesser amount on a voucher submitted with  
30 the receipt required by section 44-08-04.

1                   (2) The legislative council may establish guidelines that may result in a  
2                               reduced maximum reimbursement for a single dwelling in which two or  
3                               more legislators share lodging and the total rent for that dwelling  
4                               exceeds the amount to which a legislator is entitled under  
5                               subdivision a.

6           3. a. Members of the legislative assembly who receive reimbursement for lodging  
7                               are also entitled to reimbursement for travel for not to exceed one round trip  
8                               taken during any calendar week, or portion of a week, the legislative  
9                               assembly is in session, between their residences and the place of meeting of  
10                              the legislative assembly, at the rate provided for state employees with the  
11                              additional limitation that reimbursement for travel by common carrier may be  
12                              only at the cost of coach fare and may not exceed one and one-half times the  
13                              amount the member would be entitled to receive as mileage reimbursement  
14                              for travel by motor vehicle.

15           b. A member of the legislative assembly who does not receive reimbursement  
16                              for lodging and whose place of residence in the legislative district that the  
17                              member represents is not within the city of Bismarck is entitled to  
18                              reimbursement at the rate provided for state employees for necessary travel  
19                              for not to exceed one round trip taken per day between the residence and the  
20                              place of meeting of the legislative assembly when it is in session and may  
21                              receive reimbursement for lodging at the place of meeting of the legislative  
22                              assembly as provided in section 44-08-04 for each calendar day for which  
23                              round trip travel reimbursement is not claimed, provided that the total  
24                              reimbursement may not exceed nine hundred dollars per month.

25           4. The amount to which each legislator is entitled must be paid following the  
26                              organizational session in December and following each month during a regular or  
27                              special session.

28           5. If during a special session, the legislative assembly adjourns for more than three  
29                              days, a member of the legislative assembly is entitled to receive compensation  
30                              during those days only while in attendance at a standing committee if the legislator  
31                              is a member of that committee, a majority or minority leader, or a legislator who is

1 not on that committee but who has the approval of a majority or minority leader to  
2 attend.

3 6. A day, or portion of a day, spent in traveling to or returning from an organizational,  
4 special, or regular session or a legislative committee meeting must be included as  
5 a calendar day during a legislative session or as a day of a legislative committee  
6 meeting for the purposes of this section.

7 7. a. In addition, each member is entitled to receive during the term for which the  
8 member was elected, as compensation for the execution of public duties  
9 during the biennium, the sum of two hundred fifty dollars a month, which is  
10 payable every six months or monthly, at the member's option.

11 b. If a member dies or resigns from office during the member's term, the  
12 member may be paid only the allowances provided for in this section for the  
13 period for which the member was actually a member.

14 c. The majority and minority leaders of the house and senate and the chairman  
15 of the legislative council, if the chairman is not a majority or minority leader,  
16 are each entitled to receive as compensation, in addition to any other  
17 compensation or expense reimbursement provided by law, the sum of two  
18 hundred fifty dollars per month during the biennium for their execution of  
19 public duties.

20 8. Attendance at any organizational, special, or regular session of the legislative  
21 assembly by any member is a conclusive presumption of entitlement as set out in  
22 this section and compensation and expense allowances must be excluded from  
23 gross income for income tax purposes to the extent permitted for federal income  
24 tax purposes under section 127 of the Economic Recovery Tax Act of 1981  
25 [Pub. L. 97-34; 95 Stat. 202; 26 U.S.C. 162(i)].

26 **SECTION 18. AMENDMENT.** Section 54-09-05 of the North Dakota Century Code, as  
27 amended by House Bill No. 1002, as approved by the fifty-ninth legislative assembly, is  
28 amended and reenacted as follows:

29 **54-09-05. Salary of secretary of state.** The annual salary of the secretary of state is  
30 seventy thousand ~~forty-nine~~ seventy-three thousand eight hundred dollars through June 30, 2006, and  
31 ~~seventy-two~~ seventy-three thousand eight hundred dollars thereafter.

1           **SECTION 19. AMENDMENT.** Section 54-10-10 of the North Dakota Century Code, as  
2 amended by House Bill No. 1004, as approved by the fifty-ninth legislative assembly, is  
3 amended and reenacted as follows:

4           **54-10-10. Salary of state auditor.** The annual salary of the state auditor is seventy  
5 thousand ~~five~~ nine ~~seven~~ hundred thirty-nine dollars through June 30, 2006, ~~seventy-two~~ and  
6 ~~seventy-three~~ thousand eight five ~~hundred~~ ~~sixty-one~~ sixty-eight dollars thereafter.

7           **SECTION 20. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code, as  
8 amended by House Bill No. 1005, as approved by the fifty-ninth legislative assembly, is  
9 amended and reenacted as follows:

10          **54-11-13. Salary of state treasurer.** The annual salary of the state treasurer is  
11 sixty-six thousand ~~one~~ eight hundred ~~sixty~~ two dollars through June 30, 2006, and ~~sixty-eight~~  
12 ~~sixty-nine~~ thousand eight four hundred ~~six~~ seventy-four dollars thereafter.

13          **SECTION 21. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code, as  
14 amended by House Bill No. 1003, as approved by the fifty-ninth legislative assembly, is  
15 amended and reenacted as follows:

16          **54-12-11. Salary of attorney general.** The annual salary of the attorney general is  
17 ~~seventy-six~~ seventy-seven thousand ~~nine~~ six hundred ~~eight~~ fifty-five dollars through June 30,  
18 2006, and ~~seventy-nine~~ eighty thousand ~~nine~~ seven hundred ~~eighty-four~~ sixty-one dollars  
19 thereafter.

20          **SECTION 22. AMENDMENT.** Section 54-44.1-06 of the North Dakota Century Code,  
21 as effective after June 30, 2005, is amended and reenacted as follows:

22          **54-44.1-06. (Effective after June 30, 2005) Preparation of the budget data -**

23 **Contents.** The director of the budget, through the office of the budget, shall prepare budget  
24 data which must contain and include the following:

- 25           1. Summary statements of the financial condition of the state, accompanied by the  
26 detailed schedules of assets and liabilities as the director of the budget determines  
27 desirable, which must include the following:
- 28           a. Summary statements of fund balances and assets showing in detail for each  
29 fund the surplus or deficit at the beginning of each of the two fiscal years of  
30 the previous biennium and the first fiscal year of the present biennium, the

- 1 actual revenue for those years, the total appropriations for the previous and  
2 present biennium, and the total expenditures for those fiscal years; and
- 3 b. Similar summary statements of the estimated fund balances and assets for  
4 the current fiscal year and each of the fiscal years of the next biennium.
- 5 Summary statements may include a comparative consolidated balance sheet  
6 showing all the assets and liabilities of the state and the surplus or deficit, as the  
7 case may be, at the close of the first fiscal year of the current biennium.
- 8 2. Statements of actual revenue for the previous biennium, the first year of the  
9 present biennium, and the estimated revenue of the current fiscal year and of the  
10 next biennium, and a statement of unappropriated surplus expected to have  
11 accrued in the state treasury at the beginning of the next fiscal year. The  
12 statement of unappropriated surplus for the general fund must reflect any projected  
13 deficiency appropriations relating to expenditures from the general fund for the  
14 present biennium. The statements of revenue and estimated revenue must be  
15 classified by sources and by budget unit collecting them. Existing sources of  
16 revenue must be analyzed as to their equity, productivity, and need for revision,  
17 and any proposed new sources of revenue must be explained.
- 18 3. Summary statements of expenditures of the previous biennium and first year of the  
19 present biennium, itemized by budget units and classified as prescribed by the  
20 director of the budget.
- 21 4. Detailed comparative statements of expenditures and requests for appropriations  
22 by funds, budget units and classification of expenditures, showing the expenditures  
23 for the previous biennium, the first fiscal year of the present biennium, the budget  
24 of the current biennium, and the governor's recommendation for appropriations for  
25 each budget unit for the next biennium, all distributed according to the prescribed  
26 classification of expenditures. Following the lists of actual and proposed  
27 expenditures of each budget unit there must be a brief explanation of the functions  
28 of the unit and comments on its policies and plans and on any considerable  
29 differences among the amounts recommended, with any descriptive, quantitative,  
30 comparative, and other data as to work done, unit costs, and like information as  
31 may be considered necessary or desirable. For capital outlay expenditures

- 1 involving construction projects to be completed in two or more fiscal years, there  
2 must be shown the total estimated cost of each such project and the amount  
3 thereof recommended to be appropriated and expended in each ensuing fiscal  
4 year until completion of the project. Capital outlay needs may be projected for at  
5 least two years beyond the period covered by the budget.
- 6 5. A detailed statement showing the estimate of all moneys required to be raised or  
7 appropriated for the payment of interest upon the funded debt of the state and its  
8 other obligations bearing interest, and the amount of money required to be  
9 contributed in the two next ensuing fiscal years to the general sinking funds  
10 maintained for the redemption and payment of the debts of the state.
- 11 6. A summary statement of the unappropriated fund balance estimated to be  
12 available at the beginning of the next biennium, and the estimated revenue of the  
13 next biennium, as compared with the total recommended amounts of appropriation  
14 for all classes of expenditures for the next biennium, and if the total of the  
15 recommended expenditures exceeds the total of the estimated resources,  
16 recommendations as to how the deficiency is to be met and estimates of any  
17 proposed additional revenue.
- 18 7. Drafts of a proposed ~~general appropriations act and special~~ appropriations acts for  
19 executive branch departments, agencies, and institutions, including institutions of  
20 higher education, providing the same funding as approved by the most recently  
21 adjourned special or regular session of the legislative assembly and amendments  
22 to the drafts of appropriations acts embodying the budget data and  
23 recommendations of the governor for appropriations for the next biennium and  
24 drafts of such revenues and other acts recommended by the governor for putting  
25 into effect the proposed financial plan. ~~The recommended general appropriation~~  
26 ~~for each budget unit must be specified in a separate section of the general~~  
27 ~~appropriations act.~~
- 28 8. A list of every individual asset or service, excluding real estate, with a value of at  
29 least fifty thousand dollars and every group of assets and services comprising a  
30 single system with a combined value of at least fifty thousand dollars acquired  
31 through a capital or operating lease arrangement or debt financing arrangement by

1 a state agency or institution. The list must include assets or services acquired in  
2 the current biennium and anticipated assets or services to be acquired in the next  
3 biennium.

4 9. A financial plan for a prospective period of six years, including the executive  
5 budget recommendation for the next biennium, estimates of anticipated general  
6 fund and non-general fund revenues prepared for an additional period of four  
7 years, and estimates of the general fund and non-general fund appropriations  
8 required for each major program for an additional period of four years. In  
9 preparing the financial plan, the office of management and budget may utilize  
10 estimates prepared by state agencies or such other information as may be  
11 deemed necessary.

12 10. Any other information as the director of the budget determines desirable or as is  
13 required by law.

14 **SECTION 23. AMENDMENT.** Section 54-44.1-06.1 of the North Dakota Century Code  
15 is amended and reenacted as follows:

16 **54-44.1-06.1. Contents of capital construction bill.** The office of management and  
17 budget shall continue to prepare capital construction budgets and a capital construction bill. ~~All~~  
18 ~~future~~ The capital construction bills bill may only include projects involving bonding. All other  
19 capital projects funded with general fund moneys or special funds must be included in draft  
20 amendments to the appropriate agency's appropriation bill.

21 **SECTION 24. AMENDMENT.** Section 57-01-04 of the North Dakota Century Code, as  
22 amended by House Bill No. 1006, as approved by the fifty-ninth legislative assembly, is  
23 amended and reenacted as follows:

24 **57-01-04. Salary.** The annual salary of the state tax commissioner is seventy-six  
25 thousand ~~thirty-six~~ seventy-seven hundred seventy-four dollars through June 30, 2006, and  
26 seventy-nine thousand ~~seventy-seven~~ eight hundred forty-five dollars thereafter.

27 **SECTION 25. AMENDMENT.** Section 57-40.6-02 of the North Dakota Century Code is  
28 amended and reenacted as follows:

29 **57-40.6-02. Authority of counties or cities to impose fee on telephone exchange**  
30 **access service and on wireless service - Procedure.** The governing body of a county or city

1 may impose a fee on the use of telephone exchange access service and on the use of wireless  
2 service in accordance with the following requirements:

3 1. The governing body shall adopt a resolution that proposes the adoption of the fee  
4 permitted under this section. The resolution must specify an effective date for the  
5 fee which is no more than two years before the expected implementation date of  
6 the emergency services communication system to be funded by the fee. The  
7 resolution must include a provision for submitting the proposed fee to the electors  
8 of the county or city before the imposition of the fee is effective. The resolution  
9 must specify a fee that does not exceed one dollar per month per telephone  
10 access line and per wireless access line.

11 2. The question of the adoption of the fee must be submitted on a ballot on which the  
12 ballot title of the proposition includes the maximum monthly rate of the proposed  
13 fee authorized under subsection 1. The question of the adoption of the fee may be  
14 submitted to electors at a general, primary, or special election or at a school district  
15 election if the boundaries of the school district are coterminous with the boundaries  
16 of the governing body adopting the resolution proposing the adoption of the fee.  
17 The fee is not effective unless it is approved by a majority of the electors voting on  
18 the proposition. The ballot must be worded so that a "yes" vote authorizes  
19 imposition of the fee for an initial six-year period.

20 3. If the electors have approved imposition of a fee under this section before July 1,  
21 2005, and the governing body of the city or county has not implemented that fee by  
22 June 30, 2005, the approval by the electors remains valid until the fee is  
23 implemented and, upon implementation, the fee may be imposed for a six-year  
24 period and is subject to reimposition under subsection 4.

25 4. Any political subdivision that desires to increase the fee, subject to the limitations  
26 in subsection 1, before the end of the six-year term, must use the same ballot  
27 procedure originally used to authorize the fee. The new ballot question may apply  
28 to only the proposed increase and not to the original amount or the original term. If  
29 the increase is approved, the new amount may be collected for the balance of the  
30 original six-year term. If the fee authorized by this section is approved by the

1 electors, the fee may be reimposed for six additional years without resubmitting the  
2 question to the electors.

3 ~~4.~~ 5. In any geographic area, only one political subdivision may impose the fee and  
4 imposition must be based on the subscriber service address.

5 ~~5.~~ 6. In the interest of public safety, where the subscriber's telephone exchange access  
6 service boundary and the boundary of the political subdivision imposing the fee do  
7 not coincide, and where all of the political subdivisions within the subscriber's  
8 telephone exchange access service boundary have not complied with  
9 subsection 1, and where a majority of the E911 subscribers within the subscriber's  
10 telephone exchange access service boundary have voted for the fee, a telephone  
11 exchange access service subscriber whose subscriber service address is outside  
12 the political subdivision may receive E911 services by signing a contract  
13 agreement with the political subdivision providing the emergency services  
14 communications system. The telephone exchange access service provider may  
15 collect an additional fee, equal in amount to the basic fee on those subscribers  
16 within the exchange boundary. The additional fee amounts collected must be  
17 remitted as provided in this chapter.

18 ~~6.~~ 7. A fee imposed under this section before August 1, 2001, may be extended to all  
19 wireless service at each subscriber service address within the area in which the  
20 fee is imposed only if that extension of the fee has been approved by a majority  
21 vote of the governing body of the city or county upon at least thirty days' prior  
22 notice in the official newspaper of the city or county that the governing body will  
23 consider the issue or by majority vote of the electors of the city or county voting on  
24 the question upon placement of the question on the ballot by the governing body of  
25 the city or county at a regular or special city or county election.

26 **SECTION 26. AMENDMENT.** Section 5 of House Bill No. 1518, as approved by the  
27 fifty-ninth legislative assembly, is amended and reenacted as follows:

28 **SECTION 5. EFFECTIVE DATE.** The increase in the levy imposed by section 2  
29 of this Act applies to all sales occurring on and after ~~the day of the next calendar quarter~~  
30 ~~occurring at least thirty days after the effective date of this Act~~ July 1, 2005.

1           **SECTION 27. REPEAL.** Section 9 of Senate Bill No. 2015, as approved by the  
2 fifty-ninth legislative assembly, is repealed.

3           **SECTION 28. LEGISLATIVE COUNCIL - STATE EMPLOYEE COMPENSATION**

4           **STUDY.** The legislative council shall study, during the 2005-06 interim, issues related to state  
5 employee compensation. The legislative council shall report its findings and recommendations,  
6 together with any legislation required to implement the recommendations, to the sixtieth  
7 legislative assembly. The study must include the following issues, which do not limit the scope  
8 of the legislative council's study of the state employee compensation system:

- 9           1. Total state employee compensation, including wages and salaries, annual leave,  
10           pay grades, classification, disaster or emergency services volunteers' leave,  
11           employee assistance program benefits, family and medical leave, funeral leave,  
12           holidays, hours of work, jury and witness leave, leave without pay, the merit  
13           system, military leave, overtime compensation, retirement benefits, health  
14           insurance benefits, severance pay, sick leave, benefits for temporary employees,  
15           time off to vote, and veterans' preferences.
- 16           2. The human resources system, including the development and determination of pay  
17           grades, classifications, and the relevance and appropriateness of utilizing  
18           information from the central states compensation association and job service North  
19           Dakota, as opposed to intrastate private sector employers in determining  
20           appropriate compensation levels and job classifications.
- 21           3. Retirement benefits.
- 22           4. Health insurance benefits, including the availability of health savings accounts,  
23           self-insurance, healthy lifestyle incentives, and the appropriateness of current  
24           health insurance benefits.
- 25           5. The feasibility and desirability of implementing equity pay, merit pay, and pay for  
26           performance compensation systems.

27           **SECTION 29. LEGISLATIVE COUNCIL STUDY - DEPARTMENT OF CORRECTIONS**

28           **AND REHABILITATION EMPLOYEE SALARIES.** The legislative council shall consider  
29 studying, during the 2005-06 interim, employee salaries of the department of corrections and  
30 rehabilitation. The study must include:

- 1           1.    Input from the office of management and budget human resource management  
2                    services division regarding a salary comparison of the department's employees to  
3                    market, the impact on the salary comparison of the salary increases and equity  
4                    adjustments authorized for the 2005-07 biennium, and a review of the same  
5                    information from 1995 through 2005, including a comparison of the salaries for the  
6                    department of corrections and rehabilitation employees to market and any salary  
7                    increases and equity adjustments provided during that time.
- 8           2.    Input from the department of corrections and rehabilitation regarding employee  
9                    salary increases provided by job classification from 1995 through 2005, employee  
10                   turnover by job classification, salary equity funding requested and provided, and  
11                   other relevant information.
- 12          3.    A review by the legislative council of reasons relating to the divergence of salaries  
13                   for the department of corrections and rehabilitation employees from market,  
14                   including the related impact of demands on the department's budget due to growth  
15                   in inmate populations, increase in contract housing of inmates, budget reductions,  
16                   and agency turnback.

17   The legislative council shall report its findings and recommendations, together with any  
18   legislation required to implement the recommendations, to the sixtieth legislative assembly.

19           **SECTION 30. LEGISLATIVE INTENT - RESTORATION OF PILLARS IN THE**  
20 **MEMORIAL HALL.** It is the intent of the fifty-ninth legislative assembly that the office of  
21   management and budget restore the pillars in the memorial hall of the state capitol prior to  
22   December 1, 2006.

23           **SECTION 31. HIGHWAY FUND TRANSFER TO SPECIAL ROAD FUND.** The  
24   department of transportation shall transfer from the state highway fund to the special road fund  
25   the amount necessary to provide \$500,000 in the special road fund for projects, for the  
26   biennium beginning July 1, 2005, and ending June 30, 2007.

27           **SECTION 32. TRANSFER.** During the biennium beginning July 1, 2005, and ending  
28   June 30, 2007, the director of the office of management and budget shall transfer \$55,300,000  
29   from the permanent oil tax trust fund to the general fund.

30           **SECTION 33. APPROPRIATION - JUDICIAL BRANCH.** There is appropriated out of  
31   any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of

1 \$114,925, or so much of the sum as may be necessary, to the judicial branch for the purpose of  
2 providing additional compensation to elected judges and justices, for the biennium beginning  
3 July 1, 2005, and ending June 30, 2007.

4 **SECTION 34. APPROPRIATION - NORTH DAKOTA VISION SERVICES - SCHOOL**  
5 **FOR THE BLIND.** There is appropriated out any moneys in the general fund in the state  
6 treasury, not otherwise appropriated, the sum of \$20,000, or so much of the sum as may be  
7 necessary, to the North Dakota vision services - school for the blind for the purpose of  
8 providing additional funding for temporary salaries, for the biennium beginning July 1, 2005,  
9 and ending June 30, 2007.

10 **SECTION 35. APPROPRIATION.** There is appropriated out of any moneys in the  
11 general fund in the state treasury, not otherwise appropriated, for the biennium beginning  
12 July 1, 2005, and ending June 30, 2007, such amounts as may be necessary, but not to exceed  
13 the additional general fund revenues that will become available pursuant to the sale of oil put  
14 options as provided for in section 1 of chapter 491 of the 2003 Session Laws, to the office of  
15 management and budget to purchase oil put options through the state investment board.

16 **SECTION 36. APPROPRIATION.** There is appropriated out of any moneys in the  
17 general fund in the state treasury, not otherwise appropriated, the sum of \$65,000, or so much  
18 of the sum as may be necessary, to the department of human services for providing additional  
19 incentive money to the Lake Region child support enforcement unit, for the biennium beginning  
20 July 1, 2005, and ending June 30, 2007.

21 **SECTION 37. APPROPRIATION - LEGISLATIVE ASSEMBLY.** There is appropriated  
22 out of any moneys in the water development trust fund in the state treasury, not otherwise  
23 appropriated, the sum of \$20,000, or so much of the sum as may be necessary, to the  
24 legislative assembly for the purpose of paying North Dakota's contribution to the legislators'  
25 forum for Manitoba, Minnesota, North Dakota, and South Dakota, for the biennium beginning  
26 July 1, 2005, and ending June 30, 2007.

27 **SECTION 38.** Two new sections to House Bill No. 1286, as approved by the fifty-ninth  
28 legislative assembly, are created and enacted as follows:

29 **SECTION 13. EFFECTIVE DATE.** Section 7 of this Act is effective for records  
30 requests made after December 31, 2004.

31 **SECTION 14. EMERGENCY.** This Act is declared to be an emergency measure.

1           **SECTION 39.** A new section to Senate Bill No. 2012, as approved by the fifty-ninth  
2 legislative assembly, is created and enacted as follows:

3           **LEGISLATIVE INTENT REGARDING INTERPRETATION.** Sections 13 and 16 of this  
4 Act may not be construed to preclude claims for motor vehicle and special fuel tax refunds by  
5 tribal members or tribal entities for taxes on purchases made before January 1, 2005.

6           **SECTION 40. AMENDMENT.** Section 20 of House Bill No. 1043, as approved by the  
7 fifty-ninth legislative assembly, is amended and reenacted as follows:

8           **SECTION 20. EFFECTIVE DATE - EXPIRATION DATE.** Section 13 of this Act is  
9 effective for taxable events occurring from ~~January 1, 2006~~ October 1, 2005, through  
10 June 30, 2007, and is thereafter ineffective. The remainder of this Act is effective for  
11 taxable events occurring after ~~December 31~~ September 30, 2005.

12           **SECTION 41. AMENDMENT.** Section 12 of Senate Bill No. 2015, as approved by the  
13 fifty-ninth legislative assembly, is amended and reenacted as follows:

14           **SECTION 12. LEGISLATIVE COUNCIL STUDY - STRATEGIC PLAN FOR**  
15 **DEPARTMENT OF CORRECTIONS AND REHABILITATION'S INCARCERATION**  
16 **AND CORRECTIONAL FACILITY NEEDS.**

17           1. The legislative council shall appoint an interim committee, during the 2005-06  
18 interim, to develop a legislative strategic plan, including site and facilities'  
19 plans, for the department of corrections and rehabilitation's incarceration and  
20 correctional facility needs.

21           2. ~~The legislative council shall appoint a minimum of ten members of the house~~  
22 ~~of representatives and a minimum of five members of the senate. The~~  
23 ~~legislative council shall appoint the chairman of the appropriations committee~~  
24 ~~of the house of representatives or the senate or the assistant majority leader~~  
25 ~~of the house of representatives or the senate as the chairman of the~~  
26 ~~committee.~~

27           3. The committee shall:

28           a. Receive information from the department of corrections and  
29 rehabilitation, regional authorities with regional corrections centers,  
30 counties with county jails, cities with city jails, corporations operating  
31 private correctional facilities, and others the committee considers

- 1 necessary to develop a strategic plan for the state's incarceration and  
2 correctional facility needs for the next twenty years.
- 3 b. Consider using existing facilities; other available state facilities; and  
4 county, local, or private facilities.
- 5 c. Consider any cost and benefits of replacing all or parts of existing  
6 correctional facilities or other state property with a modern  
7 all-encompassing facility.
- 8 d. Consider state-operated facilities compared to contract-operated state  
9 facilities.
- 10 e. Consider contracting with a private entity to provide all or part of the  
11 state's correctional and rehabilitation needs.
- 12 f. Consider the impact to the department of corrections and rehabilitation  
13 of changing sentencing guidelines, increasing fines as an alternative to  
14 incarceration for nonviolent or minor drug offenders, and utilizing  
15 alternatives to incarceration and treatment programs, including  
16 receiving information regarding the efficiency of treatment programs.
- 17 g. Develop a strategic plan based on the information received by the  
18 committee.
- 19 ~~4.~~ 3. The legislative council shall report its findings and recommendations, together  
20 with any legislation required to implement the recommendations, to the  
21 sixtieth legislative assembly.

22 **SECTION 42. DEPARTMENT OF HUMAN SERVICES - STATE HOSPITAL**

23 **EMPLOYEE POSITIONS.** The fifty-ninth Legislative Assembly authorizes up to twenty-one  
24 additional full-time equivalent employee positions at the state hospital relating to the provisions  
25 of Senate Bill No. 2373, subject to approval by the emergency commission and the budget  
26 section.

27 **SECTION 43. LAKE REGION STATE COLLEGE NORTH HALL.** Lake region state  
28 college is authorized to change the scope of the project approved by the 2003 legislative  
29 assembly to allow for the renovation of the north hall residence facility to include complete  
30 remodeling of the entire facility.

1           **SECTION 44. UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND**  
2 **HEALTH SCIENCES - PERFORMANCE AUDIT.** Notwithstanding North Dakota Century Code  
3 section 54-10-01, the state auditor may not conduct a performance audit during the 2005-07  
4 biennium of the university of North Dakota school of medicine and health sciences until the  
5 completion of the school's accreditation process.

6           **SECTION 45. EMERGENCY.** Section 38 of this Act and section 8 of Senate Bill  
7 No. 2012, as approved by the fifty-ninth legislative assembly, is declared to be an emergency  
8 measure.