

# ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

## STATUTORY FRAMEWORK FOR COMMISSION

The Advisory Commission on Intergovernmental Relations occupies a unique status among committees with legislative membership. The commission differs from usual Legislative Council interim committees in its membership, its permanent status, and its statutory authority to determine its own study priorities.

The powers and duties of the commission are provided in North Dakota Century Code (NDCC) Section 54-35.2-02. Under this section, the commission is free to establish its own study agenda and to accept suggestions from groups or individuals for study.

Under this section, the Advisory Commission on Intergovernmental Relations specifically is required to:

1. Serve as a forum for the discussion of resolution of intergovernmental problems.
2. Engage in activities and studies relating to the following subjects:
  - a. Local governmental structure.
  - b. Fiscal and other powers and functions of local governments.
  - c. Relationships between and among local governments and the state or any other government.
  - d. Allocation of state and local resources.
  - e. Interstate issues involving local governments, including cooperation with appropriate authorities of other states.
  - f. Statutory changes required to implement commission recommendations.
3. Present reports and recommended legislative bills to the Legislative Council for consideration in the same manner as interim Legislative Council committees.
4. Prepare model ordinances or resolutions for consideration by officials of political subdivisions.

In conjunction with NDCC Section 54-35.2-02(4), Section 54-40.3-03 provides that a political subdivision entering a joint powers agreement may file a copy of the agreement and the explanatory material with the commission to assist other political subdivisions in exploring cooperative arrangements.

In addition to its statutory powers and duties, the commission was assigned one study and delegated the duty to receive one report. Senate Bill No. 2372 required the Legislative Council to study the feasibility and desirability of establishing an organization or ombudsman to support and coordinate federal, tribal, state, including institutions of higher education, and local government and private efforts to discourage destructive behavior, including alcohol and drug abuse and tobacco use. The Legislative Council delegated to the commission the duty to receive a report from the North Dakota Association of Counties before April 1 of each even-numbered year regarding how each county has

used the county's document preservation fund during the preceding two fiscal years.

Under NDCC Section 54-35.2-01(1), the commission consists of 12 members:

- The North Dakota League of Cities Executive Committee appoints two members.
- The North Dakota Association of Counties Executive Committee appoints two members.
- The North Dakota Township Officers Association Executive Board of Directors appoints one member.
- The North Dakota Recreation and Park Association Executive Board appoints one member.
- The North Dakota School Boards Association Board of Directors appoints one member.
- The Governor or the Governor's designee is a member.
- The Legislative Council appoints four members of the Legislative Assembly as members.

The Legislative Council designates the chairman of the commission. All members of the commission serve a term of two years. Commission members were Representatives Scot Kelsh (Chairman) and Chuck Damschen; Senators Dwight Cook and Constance Triplett; North Dakota Recreation and Park Association representative Randy Bina; North Dakota Association of Counties representatives Karin Boom and Barry Cox; North Dakota School Boards Association representative Jon Martinson; North Dakota League of Cities representatives Mary Lee Nielson and Greg Sund; North Dakota Township Officers Association representative Ken Yantes; and Governor John Hoeven.

The commission submitted this report to the Legislative Council at the biennial meeting of the Council in November 2006. The Council accepted the report for submission to the 60th Legislative Assembly.

## LEGISLATIVE HISTORY

In 1989 the Legislative Assembly enacted NDCC Chapter 54-35.2, which provides for the commission. In 1991 the Legislative Assembly enacted Section 54-35.2-02.1, which provided for administration by the commission of local government efficiency planning grants. In 1991 the Legislative Assembly also provided an appropriation of \$250,000 for these grants. The commission spent the majority of its time during the 1991-92 interim developing guidelines and procedures, reviewing grant requests, and monitoring grant projects. The commission approved grant awards for 15 grant projects in the total amount of \$198,558.34, leaving \$51,441.66 unexpended from the \$250,000 appropriated for grants for the 1991-93 biennium.

In 1993 the Legislative Assembly amended NDCC Section 54-35.2-02.1, changing the objects for which grants could be provided, allowing the commission to directly expend all or a portion of the appropriated

amount for research and studies, and providing that unexpended grant funds that are returned are to be deposited in the state aid distribution fund. The Legislative Assembly also provided an appropriation of \$51,400 to the commission for distribution in local government efficiency planning grants. During the 1993-94 interim, the commission received final reports from grant recipients from the previous interim and returned \$1,466.14 in unexpended grant funds to the state from grant recipients that had completed their grant projects. The commission also authorized two grants of \$24,999 each.

In 1995 the Legislative Assembly did not appropriate any funds for continuation of the local government efficiency planning grant program. During the 1995-96 interim, the commission received reports from the two grant recipients from the previous interim.

In 1997 the Legislative Assembly did not appropriate any funds for the continuation of the local government efficiency planning grant program.

During the 1997-98 interim, the commission found that, although the local government efficiency planning grant program served an important purpose, the program probably will not receive funding in the future; therefore, the law establishing the program was no longer necessary. As a result, the commission recommended Senate Bill No. 2028 to repeal NDCC Section 54-35.2-02.1 relating to the local government efficiency planning grant program. In 1999 the Legislative Assembly enacted Senate Bill No. 2028.

In 2001 the Legislative Assembly amended NDCC Section 54-35.2-02 to include on the commission a member appointed by the North Dakota School Boards Association Board of Directors.

In 2003 the Legislative Assembly considered House Bill No. 1333, which as introduced would have repealed NDCC Chapter 54-35.2 and Section 54-40.3-03, with the effect of abolishing the commission. As passed by the House of Representatives, House Bill No. 1333 retained Chapter 54-35.2 but removed the commission's authority to recommend proposed legislation to the Legislative Council. The bill failed to pass the Senate.

In 2005 the Legislative Assembly enacted Senate Bill No. 2024. The bill removed the June 30, 2005, expiration date for the document preservation fund and continued the additional fees imposed for the purpose of funding the document preservation fund. Revenue in the fund may be used only for contracting for and purchasing equipment and software for a document preservation, storage, and retrieval system; training employees to operate the system; maintaining and updating the system; and contracting for offsite storage of microfilm or electronic duplicates of documents for the county recorder's office. The bill required each recorder, before March 1 of each even-numbered year, to prepare a report that specifies how the county used the county's document preservation funds during the preceding two fiscal years, how the county's use of the document preservation funds has furthered the goal of document preservation, and the county's general strategic plans for its document preservation. The county reports must be submitted to the North Dakota Association of Counties

for compilation and submittal to the Legislative Council. The Legislative Council designated the Advisory Commission on Intergovernmental Relations as the entity to receive the reports.

## **HISTORICAL AREAS OF STUDY**

During the 1999-2000 interim, the commission focused on 12 areas of interest:

1. Park district mill levy consolidation - Resulting in passage of House Bill No. 1031.
2. The membership of the commission - Resulting in passage of House Bill No. 1032.
3. Tobacco education and cessation - Resulting in passage of Senate Bill No. 2024.
4. Clarification of definition of institutions of public charity exempt from property taxation - Resulting in Senate Concurrent Resolution No. 4001, which the Legislative Council did not prioritize for study.
5. Collection of municipal court fines.
6. Creation of a disaster relief fund.
7. Status of the Leadership Initiative for Community Strategic Planning.
8. Provisions of government services at the local level, including receipt of a report from the Child Support Enforcement Division of the Department of Human Services regarding the status of the child support state disbursement unit and the provision of child support services at the local level, receipt of a report on the provision of judicial services at the local level from the North Dakota Supreme Court, and receipt of a report from the Driver and Vehicle Services Division of the Department of Transportation regarding vehicle registration services in branch offices.
9. Funding of maintenance of local roads.
10. Census 2000 and areas of possible state and local government interest.
11. History of revenue sharing and personal property tax replacement.
12. Status of taxing e-commerce.

During the 2001-02 interim, in addition to the assigned study of the feasibility and desirability of creating cost-sharing mechanisms for the unexpected discovery of cultural and paleontological resources within local road projects, the commission focused on eight areas of interest:

1. County mill levy consolidation - Resulting in passage of House Bill No. 1024.
2. Revenue sharing and personal property tax replacement - Resulting in passage of House Bill No. 1025.
3. Tobacco education and cessation.
4. Homeland security.
5. E-commerce taxation.
6. Public school funding and taxation.
7. Tool chest legislation update.
8. Wind energy.

During the 2003-04 interim, the commission focused on seven areas of interest:

1. Mill levy consolidation. The commission recommended House Bill No. 1025, which failed

to pass the House. The bill would have revised the county general fund levy under NDCC Section 57-15-06.10, removing from the consolidated general fund the specific mill levies for the industrial development organization, county parks and recreation, library fund, weed board and weed control, and weather modification; decreasing the maximum general fund levy from 134 to 118 mills; and removing the general fund levy increase limitations that are based on the consumer price index.

2. Delinquent property tax. The commission recommended House Bill No. 1026, which failed to pass the House. The bill would have decreased from approximately five years to approximately three years the period of time in which foreclosure will take place for delinquent property taxes and would have allowed a board of county commissioners to waive all or part of the penalties or interest on delinquent real estate taxes if a board determines the reduced period for foreclosure of tax liens creates a hardship for similarly situated taxpayers.
3. Document preservation fund. The commission recommended, as previously explained, Senate Bill No. 2024, which became effective July 1, 2005.
4. Motor vehicle branch offices.
5. Sheriff service of process.
6. Emergency preparedness.
7. Wind turbine siting.

## 2005-06 INTERIM AREAS OF STUDY

During the 2005-06 interim, in addition to the assigned study of the feasibility and desirability of establishing an organization or ombudsman to support and coordinate governmental and private efforts to discourage destructive behavior, the commission focused on eight areas of interest.

1. Charitable organizations' property tax exemptions.
2. Tax levy authority.
3. Township levy limitation.
4. City and county development impact fees.
5. Legal services for the indigent.
6. Uniform Environmental Covenants Act.
7. Extraterritorial zoning jurisdiction.
8. Jail administration.

## CHARITABLE ORGANIZATIONS' PROPERTY TAX EXEMPTIONS

### Legal Framework

The Constitution of North Dakota provides in Article X, Section 5, that ". . . property used exclusively for schools, religious, cemetery, charitable or other public purposes shall be exempt from taxation."

North Dakota Century Code Section 57-02-08(8) provides an exemption for:

All buildings belonging to institutions of public charity, including public hospitals and nursing homes licensed pursuant to section 23-16-01

under the control of religious or charitable institutions, used wholly or in part for public charity, together with the land actually occupied by such institutions not leased or otherwise used with a view to profit . . . .

The statutory requirement that buildings and land, to be exempt, must be property "belonging to" institutions of public charity requires that the property must be owned by the institution of public charity to be eligible for the exemption and ownership by an individual renders property ineligible for the charitable property tax exemption. Vacant lots owned by institutions of public charity are not exempt because the lots are not "actually occupied" by a charitable institution.

In *Riverview Place, Inc. v. Cass County*, 448 N.W.2d 635 (N.D. 1989), the Supreme Court of North Dakota said:

[T]he determination of whether an institution falls within the exemption is, essentially, a two-step process in which it must be determined "whether the organization claiming the exemption is in fact a charitable one, and whether the property on which the exemption is claimed is being devoted to charitable purposes." . . . ownership of the property in question by an institution of public charity does not, by that fact alone, exempt the property from taxation . . . it is the **use** made of the property . . . which determines whether the property is exempt from taxation. [emphasis in text] The property's use must be devoted to charitable purposes and it must actually be used in carrying out the charitable purposes of the organization claiming the exemption.

The following conclusions have been reached in application of the exemption by the Attorney General and the Tax Commissioner:

1. Only the amount of land which is reasonably required for a site for the buildings and improvements used for charitable purposes is eligible for the exemption. Excess land used to pasture cattle is "used with a view to profit."
2. The meaning commonly given to "not used with a view to profit" is that no individual stockholder or investor will receive any kind of profit or gain or dividend from the operation of the charity. It does not mean that the charity cannot make some type of charge for certain services.
3. Occasional rental of property owned by a public charity and rented for nonexempt purposes does not destroy the tax-exempt status of the property.
4. If a charitable organization leases a building to another charitable organization at rent substantially below market rental rates so as to constitute financial assistance to the lessee charitable organization, then a charitable use by the lessor can be established.
5. A used clothing store operated by a public charity is not exempt because it is used for profit rather than the charitable uses of the charitable institution.

## **Legislative History**

In 1997 two bills were introduced which would have amended NDCC Section 57-02-08(8)--House Bill Nos. 1460 and 1289. Both failed to pass in the House.

House Bill No. 1460 would have changed the test to determine if a building is exempt from property taxation on charitable grounds to provide that if the building belongs to "an organization organized and operated exclusively for charitable purposes, but any portion of that building is not exempt if it is not used exclusively for charitable purposes." In addition, the bill provided that "[a]n organization is not organized and operated exclusively for charitable purposes if it . . . pays wages . . . exceeding seventy-five thousand dollars to any person employed in this state during the taxable year."

House Bill No. 1289 would have required a charitable exemption to be specifically approved by the governing body of the city, if the property is located within city limits, or by the governing body of the county in which the property is located, if not within city limits. The bill would have grandfathered existing exemptions so that city or county approval was not required to continue the exemption.

In 1999 the interim Taxation Committee recommended House Bill No. 1051 to allow imposition of special assessments by cities against exempt property of charitable organizations. The bill would have allowed a city to establish a special assessment district composed only of property of charitable organizations. The bill would have allowed imposition of special assessments by the governing body of a city for the proportionate share of costs of police and fire protection and infrastructure expenditures paid from the budget of the city. The bill would have limited the amounts that may be levied against subject properties based on comparison of the value of those properties to the value of taxable property in a city. Committee members said the bill would provide local flexibility in determining whether and at what level special assessments would be imposed. The bill would have given cities an option to require charitable organizations to pay for the value of certain city services in the same manner they pay special assessments for property improvements under existing law because the services contribute to the value of the property. House Bill No. 1051 failed to pass in the House.

## **Testimony and Discussion**

The commission received testimony on the use of the phrase "in part," as used in "used wholly or in part for public charity," as it applies to charitable organizations' property tax exemptions. A letter from the Tax Commissioner's office to the Grand Forks state's attorney in 1979 stated that "If a property is used partly for the charitable purposes of the public charity owner of the building and partly for other uses, the dominant use determines the use of the property." The commission was informed that the use of the words "in part" are inherently unclear; however, if the standard were "used wholly" for charitable purposes, there may be difficulty in having support for that proposition.

Whether a property is exempt from property taxation is first decided by the local assessor and then the claim is appealed up the chain. Most of the decisions relating to the use of the term "in part" are handled at the local level and there is lack of uniformity among the local decisionmakers. The commission was informed that although there may be flexibility in the terms for political reasons, flexibility can result in inequity and everyone in the same circumstance should be treated the same regarding taxation.

The commission was informed that the purpose of a charity may not be monetary, but a charity may make money. For example, a secondhand store that sells clothing but is staffed by the developmentally disabled may have a dominant purpose of providing training to the developmentally disabled to enter retail employment. The commission was informed that there are controversies in other states over whether hospitals and YMCAs should have charitable status. A major issue as of late is whether assisted living facilities are charitable. Commission discussion included that another issue is development of university campuses which extends the exemption for the educational use beyond what seems to be the original intent of the exemption.

## **TAX LEVY AUTHORITY**

The commission considered, but does not recommend, a bill draft that would have allowed a taxing district to increase the amount levied in dollars in the base year as adjusted by the consumer price index. The commission received information on the consumer price index. The commission also considered, but does not recommend, a version of the first bill draft which also would have clarified language to include ordinances as well as resolutions that increase the levy.

The commission received testimony in support of the bill draft. The commission was informed the change would allow budget flexibility that would allow a city's budget to keep up with inflation. It appears all cities and 46 counties are taxing the maximum tax levy and with inflation, prices increase and cities and counties are limited to offering fewer services with the same amount of money. The limitation creates complications with county budgeting because county social services employees receive raises when state employees receive raises and counties pay increases in automation costs based upon the consumer price index without increased revenues.

The commission was informed that under NDCC Section 57-15-01.1, the general fund limit may be exceeded. In 2005, 256 cities and 25 counties had exceeded the general fund limit for those subdivisions. Under present law, a city would need to vote on a tax increase to exceed the dollars levied in the base year. The primary beneficiaries of the bill draft would be smaller cities that do not have other revenue sources besides property taxes and do not have increasing values in real estate. However, commission discussion included that if small cities are having trouble, their citizens are most likely not going to be able to pay more.

The commission received testimony in opposition to the bill draft. Substantial increases in valuation have

increased tax revenues and the bill draft compounds the increase. The bill draft includes all political subdivisions and this bill draft would be an increase on top of recent increases made during the 2005 legislative session. The procedure for creating a county budget is that the board of county commissioners creates a budget, tabulates income, and fills in the rest with property taxes. It was argued this procedure is backwards in comparison to how an individual creates a budget. It was argued that taxpayers should have an opportunity to vote on tax increases and most people want property tax relief, not an increase.

Commission discussion included that there are increases in the cost of services that political subdivisions provide, such as fuel. It was argued that political subdivisions need to be able to increase taxes to meet the costs. Commission discussion included that budgets are tight and getting tighter and more services are being required. It was argued that an increase should be allowed if it is reasonable. Commission discussion included that a flat mill levy is a decrease in taxes as inflation goes up. It was clarified that the bill draft allows an increase and if valuations are increasing, then a political subdivision would not need to use this authority.

Commission discussion included that taxation is a three-legged stool with legs of property tax, sales tax, and income tax. It was argued that the property tax leg is too long and there may need to be an increase in sales or income taxes. Commission discussion included that the first step in changing the taxation structure is to balance taxes and the second step is to keep them in balance. Commission discussion included that the commission should delay action on the bill draft because the bill draft may be premature and should be considered as part of a larger plan. The commission was informed that the interim Finance and Taxation Committee is studying property tax reduction.

## **TOWNSHIP LEVY LIMITATION**

The commission received a resolution from the North Dakota Township Officers Association in support of an increase in the general mill levy limitation from 18 to 30 mills. The commission was informed that funding for township services has not kept up with the inflation of the costs of the services provided by the townships. At present, a township may increase the mill levy limitation from 18 to 27 mills as an excess levy under NDCC Chapter 57-17. The excess levy is limited to 50 percent over the general mill levy limitation. Most of the townships that are using excess levies are located around major cities.

The commission received testimony regarding a major expenditure of townships--roads. The approximately 56,000 miles of township roads in this state must be certified to the county auditor to be considered township roads. Township roads do not include farm trails but could include dirt roads.

Commission discussion included the example of a township that operates on a \$7,500 budget. Considering the average cost for graveling a mile of road is between \$2,500 and \$3,000, the township does not have enough

money. Commission discussion included that considering the work of the interim Finance and Taxation Committee, the commission should not address this issue.

## **CITY DEVELOPMENT IMPACT FEES**

In 2005, Senate Bill No. 2390 was introduced to allow for impact fees and as passed allowed for a study of impact fees. The Legislative Council did not prioritize the study.

The commission received testimony in support of city development impact fees. Impact fees place the cost of new development in the purchase price of the lots, not in special assessments. Impact fees place the risk of development on developers and the increased costs on the people causing the increase--the people in a new development. It was argued that impact fees discourage urban sprawl by putting the cost of developing far away from existing development on developers. It was argued that a city acts as a banker for new development when special assessments are used to fund development. The commission was informed that the administrative cost for special assessments is 25 to 35 percent; whereas, developers have development costs of around 11 percent.

The commission considered, but does not recommend, a bill draft that would have allowed for city development impact fees. The commission also considered, but does not recommend, a bill draft that would have allowed for city and county development impact fees and would have included more requirements and suggestions for what is in an impact fee ordinance. In particular, the bill draft would have placed a 15 percent limit on administrative costs charged by a city or county. An opinion was expressed that the bill draft should be amended to include public facilities owned or operated by a park district as well as a city.

The commission was informed that the limitation on administrative fees of 15 percent was an arbitrary level placed in the bill draft to limit "taxing" authority.

The commission received testimony on impact fees in Dickinson. Dickinson does very little upfront work as part of imposing impact fees. A developer does most of the work so the city does not charge administrative fees, only actual costs. The commission was informed that there have not been any challenges to the impact fees in Dickinson because of the good relationship between the developers and the city.

Commission discussion included that there have not been any complaints about impact fees because developers have had input in the beginning and have a successful partnership with the cities that impose impact fees. It was argued the bill draft may tamper with the successful partnership that is now in place. The bill draft could encourage cities to adopt impact fees without working with developers to address problems as the problems arise.

The commission was informed legislation is not required to provide for an impact fee ordinance in home rule cities. Home rule cities have general authority in the cities' home rule charters to make ordinances that encompass impact fee ordinances. Commission

discussion included a hesitation to support the bill draft because it may make ambiguous the authority of home rule cities to impose impact fees. It was argued that the bill draft may solve a problem that does not need to be solved.

The commission was informed that there are no statutory limitations on impact fees. The commission was informed that there may need to be some limitation on impact fees so cities do not unrealistically mark up the price of services. The commission was informed that the bill draft places all cities on the same playing field.

The commission received testimony in opposition to the bill draft. The commission was informed that impact fees are becoming less popular because impact fees make development difficult for small developers and affect the affordability of housing by affecting the number of people qualifying for mortgages. It was argued that impact fees and any limits on impact fees should be dealt with at the local level because each community is different. It was argued that impact fees are an unknown variable which have not produced a positive effect on development in other states.

### **LEGAL SERVICES FOR THE INDIGENT**

The commission was informed that counties use the same procedure for applying for indigent counsel for civil matters and criminal matters. It was argued that this creates the appearance that the state should likewise be paying for the civil matters.

The Commission on Legal Counsel for Indigents does not fund several matters for which there is not a constitutional right to counsel but for which indigent individuals are provided legal services at no cost. These instances are civil commitments, child custody investigations, and appointments of guardians ad litem. The cost of indigent counsel in these civil matters is the responsibility of the counties.

The commission received information on indigent defense costs paid by counties for 2001-02 and 2003-04 for sexual predator commitment proceedings, mental illness proceedings, guardian ad litem proceedings, and custody investigations. The total estimate of costs for these services was \$390,300 per biennium.

The commission received testimony on the problems with counties providing indigent defense. The commission was informed that the costs for counties are sporadic and some are especially costly, e.g., for the commitment of a sexual predator. In particular, this cost is borne by the county to which the predator is released after prison regardless of whether the county has a connection to the predator. The commission was informed that there has been an increase in costs for custody hearings as a result of a federal law that requires a quicker process and more use of guardianships when a child is removed from a home. The commission was informed that there is a conflict of interest when a county hires someone to represent an individual in a legal proceeding against the state's attorney who is a county official. It was argued that although the transfer of these legal services to the state would save the counties money, the conflict of interest

and difficulty in budgeting are satisfactory and independent reasons for the transfer.

### **UNIFORM ENVIRONMENTAL COVENANTS ACT**

The commission received testimony on the Uniform Environmental Covenants Act. The commission compared the Uniform Environmental Covenants Act to 2005 House Bill No. 1279. The commission was informed the Uniform Environmental Covenants Act was included in one of the drafts for House Bill No. 1279 but was removed. Even though the Uniform Environmental Covenants Act was removed, House Bill No. 1279 allows for environmental covenants. However, House Bill No. 1279 does not provide as many particulars as to environmental covenants as the Uniform Environmental Covenants Act, especially as to the relation of the covenant to adverse possession, tax lien foreclosures, zoning changes, and marketable title statutes.

Commission discussion included that it appears House Bill No. 1279 and the Uniform Environmental Covenants Act address the same type of problem. House Bill No. 1279 was created by many stakeholders in this state over a long period of time to address the problems of contaminated property. As such, it was argued the commission should monitor House Bill No. 1279 and, if needed, make changes instead of pursuing the Uniform Environmental Covenants Act.

### **EXTRATERRITORIAL ZONING JURISDICTION**

The commission received testimony on the reduction of city extraterritorial zoning jurisdiction and the concern of some political subdivisions with the four-mile reach of city zoning jurisdiction. The four-mile reach is for cities with a population of 25,000 people or more--Bismarck, Fargo, Grand Forks, and Minot. Minot is the only one of the four which has not exercised this jurisdiction. Eight cities may increase their extraterritorial zoning jurisdiction up to two miles and 345 cities may increase their extraterritorial zoning jurisdiction from one-half mile to one mile.

Commission discussion included the example of the city of Grand Forks that extended the city's extraterritorial jurisdiction over the objection of the county, township, and people living in an area. The zoning rules require at least 40 acres per residence, so development has been shut down. This may cause a ring of development over four miles outside the city to develop.

### **JAIL ADMINISTRATION**

The commission considered, but does not recommend, a bill draft that would have allowed the board of county commissioners to provide for the administration of county jails. A recent Attorney General's opinion stated that the Burleigh County Board of County Commissioners could not hire an administrator of the jail. The opinion said the administration of the jail was the sheriff's duty. The commission was informed that a recent Attorney General's opinion calls into

question the practice of having a separate jail administrator and sheriff as is the case in Grand Forks County. Grand Forks County has had a separate sheriff and jail administrator for approximately 20 years.

The commission was informed that a regional jail may hire an administrator who is not a sheriff. As such, the Grand Forks County Board of County Commissioners had two choices--agree with another political subdivision to establish a regional facility or seek to clarify the law. Commission discussion included that it is interesting that two counties can agree to exclude the sheriff from being the administrator of a jail, but one county may not exclude the sheriff.

The commission received testimony in support of the bill draft. The commission was informed the bill draft recognizes that generally sheriffs administer jails; however, boards of county commissioners may make exceptions.

The commission received testimony in opposition to the bill draft. The commission was informed that sheriffs are not opposed to what Grand Forks County is doing but are opposed to the bill draft because the bill draft could affect other sheriffs. The commission was informed that politics should not be part of running a jail. It was argued that giving a board of county commissioners authority to remove the duty of administering a jail from a sheriff allows for improper influence. In short, it was argued if a sheriff does not get along with county commissioners, the commissioners should not be able to hold jail administration over the sheriff to influence the sheriff. It was argued that county commissioners are not educated in corrections, sheriffs are educated in corrections, and sheriffs need to control programs and staffing.

## **SUPPORT AND COORDINATION OF PUBLIC AND PRIVATE EFFORTS TO DISCOURAGE DESTRUCTIVE BEHAVIOR STUDY**

Senate Bill No. 2372 required a study of the feasibility and desirability of establishing an organization or ombudsman to support and coordinate federal, tribal, state, including institutions of higher education, and local government and private efforts to discourage destructive behavior, including alcohol and drug abuse and tobacco use.

### **Legislative History**

Senate Bill No. 2372, as introduced, would have created a five-member Responsible Choices Commission, funded by an increase in taxes on beer. The commission would have had authority to contract with or grant funds to entities within this state to discourage impaired driving, alcohol and drug abuse, tobacco use, and other destructive behavior. The commission would have worked with state agencies, political subdivisions, and higher education institutions to provide a network for the dissemination of information and materials to further its mission. The commission would have been authorized to provide funding for programs aimed at creating effective strategies to

discourage destructive behavior. The bill was amended in the Senate to remove the tax increase and to allow the commission to accept grants, gifts, goods, and services from public or private sources and to allow the commission to spend any obtained funding.

The legislative history for Senate Bill No. 2372 reveals that proponents of the bill wanted to provide a funding source for alcohol prevention and the beer tax was targeted because the National Highway Traffic Safety Administration had suggested that the tax be adjusted because beer is taxed at a lower rate than distilled spirits based on alcohol content. In addition, this state's alcohol tax rate has not been raised since 1967. However, the opponents to the beer tax pointed out that the federal tax on beer was doubled in 1991. Opponents of the beer tax increase were against the increase on a number of grounds. First, the opponents found the increase too large. The present beer tax provides approximately \$2.7 million a year in excise tax collections and the increase would have increased collections by approximately \$3.6 million a year. Other arguments against the beer tax increase included that it was unfair because the increased tax was only on beer, the increased tax created an unfair playing field with surrounding states, and the increased tax would be regressive.

The legislative history reveals that the main proponent for Senate Bill No. 2372 was Students Against Destructive Decisions (SADD). This group favored the tax because the tax would have provided a predictable funding source. When the beer tax increase was removed from Senate Bill No. 2372, the Responsible Choices Commission was left without a dedicated funding source. The commission was limited to accepting grants, gifts, equipment, supplies, material, or services from government or private sources. Although the testimony revealed that the beer industry would donate money to SADD, SADD will not take money directly from the beer industry.

Therefore, the bill, as passed, provided solely for this study.

### **Other Coordinating Entities**

Under NDCC Section 15.1-24-01, the Superintendent of Public Instruction is required to develop a plan for the coordination of services relating to chemical abuse prevention programs with other agencies, including the Department of Human Services, the State Department of Health, the Department of Transportation, and law enforcement agencies. Under this section, the Superintendent is required to adopt rules for the implementation of chemical abuse prevention programs in this state's schools. In short, the rules relate to the coordination of chemical abuse prevention efforts of school-age individuals.

Under NDCC Section 54-56-01, the Children's Services Coordinating Committee is created and consists of the Governor, the Superintendent of Public Instruction, a representative of the juvenile courts, the executive director of the Department of Human Services, the State Health Officer, the director of the Department of Corrections and Rehabilitation, the director of the

State Board for Career and Technical Education, and a representative of the Indian Affairs Commission. As part of the Children's Services Coordinating Committee's powers under Section 54-56-03, the committee may coordinate delivery of services to children who are abused, neglected, emotionally disturbed, mentally ill, medically disabled, runaways, homeless, deprived, school dropouts, school-age parents, chemical or alcohol abusers, unruly, or delinquent. In addition, the committee may foster primary prevention ideas and strategies.

In 2005 the Legislative Assembly passed Senate Bill No. 2349, which provides for an Office of Faith-Based and Community Initiatives within the Governor's office. An advisory commission was created to, among other things, make recommendations to the government regarding faith-based and community organizations concerning the future of existing state programs and initiatives. The principle functions of the Office of Faith-Based and Community Initiatives include coordination of community programs and expansion of the role of those efforts in communities; coordination of public education activities designed to mobilize public support through volunteerism, special projects, demonstration pilots, and public and private partnerships; and encouraging nonprofit organizations and civic initiatives.

In 2002 the Governor created the North Dakota Commission on Drugs and Alcohol to evaluate substance abuse in this state by exploring the interrelationship among substance abuse prevention, education, and enforcement programs; design procedures to coordinate resources in the substance abuse area; and ensure future coordination of resources designed to address substance abuse issues. The commission has representatives from law enforcement, state's attorneys, the Legislative Assembly, the Governor's office, the Department of Public Instruction, the Attorney General's office, the Bureau of Criminal Investigation, the Indian Affairs Commission, the Department of Human Services, the State Department of Health, the judiciary, public schools, the Mercy Recovery Center, the North Dakota Higher Education Consortium for Substance Abuse Prevention, and the United States Attorney's Office.

The United States Department of Health and Human Services was provided grants through the Substance Abuse and Mental Health Services Administration to states to create a state prevention framework. To receive the grant, the state must have a North Dakota prevention advisory council. The council may use up to 15 percent of the funds for administration, including assessment, training, planning, implementation, monitoring, and evaluation. A North Dakota state prevention framework infrastructure chart has been created for the application for the grant. The general scheme is to implement model programs in a coordinated effort through community coalitions.

### **State Programs for Alcohol, Drug, Tobacco, and Risk-Associated Behaviors**

The government programs for discouraging destructive behavior are directed mainly at drugs,

alcohol, and tobacco. The main state agencies addressing these behaviors are the State Department of Health, Department of Human Services, and Superintendent of Public Instruction.

In general, the State Department of Health administers the programs and funding relating to tobacco. Under NDCC Section 23-38-01, the department is to establish a community health grant program to prevent or reduce tobacco usage. These programs are funded mainly through tobacco master settlement funds that go to public health units for preventative services in schools and communities. Forty percent of the funds are to be used by public health units in coordination with school boards to reduce student tobacco use. Forty percent are to be used by the public health units for a unitwide plan concerning preventative health programs. Twenty percent are to be used by the public health units to supplement existing state aid from other sources.

The Department of Human Services has a Division of Mental Health and Substance Abuse Services with programs addressing substance abuse. Under NDCC Section 54-38-05, the department is to study alcoholism and drug abuse and related problems and disseminate information on the subject of alcoholism and drug abuse for the prevention of alcoholism and drug abuse to the public and government agencies. The Department of Human Services receives a substance abuse prevention and treatment grant, which allows it to plan, carry out, and evaluate activities to prevent increased substance abuse. The Division of Mental Health and Substance Abuse Services operates the North Dakota Prevention Resource Center, which is a clearinghouse of alcohol and other drug information, including pamphlets, brochures, booklets, posters, bookmarkers, and stickers. These materials are available free of charge. In addition, each of the eight human service centers and four tribal regions have a coordinator to develop local coalitions to address substance abuse.

The Superintendent of Public Instruction has coordinated school health and drug-free programs that support programs that prevent violence in and around schools; prevent the illegal use of alcohol, tobacco, and drugs; involve parents; and coordinate with other related federal, state, and community efforts and resources. The programs mainly address destructive behavior in kindergarten through grade 12. The North Dakota Higher Education Consortium for Substance Abuse Prevention mainly addresses the coordination of substance abuse prevention at the collegiate level.

During the 2001-02 interim, the Budget Committee on Government Services studied programs dealing with prevention and treatment of alcohol, tobacco, and drug abuse and other kinds of risk-associated behavior which are operated by various state agencies. The committee studied whether better coordination among the programs within those agencies might lead to more effective and cost-efficient ways of operating the programs and providing services. A survey of agency alcohol, drug, tobacco, and risk-associated behavior programs was conducted and the results were placed in a table. That information was updated during the 2003-04 interim by



the Budget Committee on Government Services as part of that committee's study of the state's long-term prison needs and the needs of individuals with mental illness, drug and alcohol addictions, and physical or developmental disabilities.

On November 14, 2005, a letter was sent to the relevant agencies requesting an update of the table for the Advisory Commission on Intergovernmental Relations. In particular, the letter requested that the information be updated and narrowed to address programs that discourage destructive decisions. Discouraging destructive decisions includes prevention, education, awareness, and early intervention. In July 2006 the Advisory Commission on Intergovernmental Relations requested the information for the 2005-06 interim be narrowed to only include prevention programs and the money in each program that goes to local chapters of SADD to students against destructive decisions be identified. Table A at the end of this report notes changes to the original table presented to the commission for the 2005-06 interim. Underscored language is new and overstruck language is old.

### **Testimony and Discussion**

The commission received testimony from SADD and was informed that SADD needs stable funding. Grant money is unpredictable and grants are limited to a certain purpose for a limited period of time. Federal grants are designed to build programs, not sustain programs. The commission was informed that because of the impending loss of federal funding, SADD does not have the luxury of time to find a stable funding source. For the past several years SADD has received three grants for approximately \$85,000. One grant is in the final year, one has one year left, and one is year to year.

The commission received testimony from young adults representing SADD on the positive effects of SADD on the lives of young people in this state. The commission was informed that SADD is cost-effective and provides an alternative to drugs and alcohol. There are approximately 70 chapters of SADD in this state. Individual chapters raise their own money for their own programs. Commission discussion included that SADD effectively involves youth in preventing destructive behavior in other youth.

The commission received testimony on sources of stable funding. The commission was informed that the majority of states fund SADD through federal highway safety funds. The commission was informed that there is a short supply of these funds in this state because of the low population.

The commission was informed that grants require long-term local planning and local groups have relied heavily on regional and tribal children's services coordinating committees in the past. Because of the termination of children's services coordinating committees, the plans used by local entities may have become outdated and these entities may be unable to meet federal requirements.

Commission discussion included that grants are not applied for because the writing of the application and the administration of the grants have to be done within an

organization's budget. Most organizations do not have the administration and grant-writing expertise to receive grants. Commission discussion included that grants that are applied for by a professional grant writer appear more professional and have a greater chance of success than grants written by a layperson. It was argued that the commission should consider a centralized office to aid private groups in applying for grants and to apply for grants to pass through to private groups.

The commission received testimony regarding the Office of Faith-Based and Community Initiatives. The commission was informed that there are no financial resources for the office and the office has been absorbed into the Governor's office. The commission was informed the office was in its infancy and there appeared to be some opportunity for the office to be able to receive grants. Commission discussion included that the office may be able to access funding for addressing destructive behavior, especially in obtaining funding for SADD.

The commission was informed that in an effort to provide stable funding, SADD was considering an initiated measure. The commission received testimony on the proposed initiated measure. In 2005, Senate Bill No. 2372 would have increased all beer taxes to 25 cents per gallon and would have raised \$1.7 million per year. The proposed initiated measure, which is based on Senate Bill No. 2372, would have raised the tax on beer cans and bottles to 24 cents per gallon and bulk sales to 16 cents per gallon. The total funds raised under the proposed initiated measure would be approximately \$1.3 million per year.

The commission received testimony on use of the funds from the proposed initiated measure. Presently, the state SADD office operates on approximately \$80,000 per year. To meet the needs of the state, SADD wanted approximately \$225,000 per year at the state level. One of the goals of SADD at a state level is to have community coordinators throughout the state. The remaining money would be allocated by the Responsible Choices Commission and could be used for, among other things, a media campaign.

Commission discussion included support of the efforts of SADD and for funding for the types of programs supported by SADD. It was argued that the future savings as a result of people not engaged in destructive decisions at a young age would be enormous. It was argued that the commission should support a dedicated funding source for SADD.

The commission received testimony in opposition to a dedicated beer tax to fund SADD. It was argued the main problem with Senate Bill No. 2372 and the proposed initiated measure was the tax would not be fiscally responsible because a beer tax is regressive. Commission discussion included that the purpose of state funding of SADD through increased beer taxes was to launder money for SADD. It was argued that this should not be the purpose of a tax. Commission discussion included a philosophical problem with using a tax on beer to support programs that discourage drinking.

The commission received testimony on other sources of funding. The commission was informed of state, federal, and private foundation funding for alcohol abuse and related activities in this state. In addition, each of the 16 wholesalers in this state contribute approximately \$10,000 each to Responsible Choices Commission campaigns and this money usually is matched by brewers. The commission was informed that the use of materials provided by wholesalers in schools has a positive response from schools. The commission was informed that the industry has been involved with promoting responsible decisions for the last 20 years and there has been a significant decline in alcohol abuse.

The commission was informed that although SADD had a proposed initiated measure approved for circulation, SADD was not actively pursuing the proposed measure because the Governor's office has offered support for a general fund appropriation. The commission was informed that the assurance of a general fund appropriation did not include an assurance of a specific dollar amount. The commission was informed that SADD wanted a \$1 million per year general appropriation to be used for multiple purposes, including funding SADD. The commission was informed that an appropriation could go to the Prevention Advisory Committee because of its similarity to the Responsible Choices Commission.

The commission was informed that changing the funding to general fund money as a means of supporting a private organization is relatively unprecedented and would be a major change in policy. Commission

discussion also included some support for funding SADD with a general fund appropriation.

## **REPORT ON COUNTY DOCUMENT PRESERVATION FUNDS**

The Legislative Council delegated to the commission the duty to receive the report from the North Dakota Association of Counties before April 1, 2006, regarding how each county has used the county's document preservation fund during the preceding two fiscal years.

Before a survey was sent to each county on the use of the fund, the Association of Counties provided information on the survey to the commission. The Association of Counties then provided a written report of how each county has used the county's preservation funds during the preceding two fiscal years. As a result of accepting federal Department of Emergency Management money, each county must microfilm all records. A copy of each land record is stored onsite in each county. The largest problem with Internet access to records was high fees, which have been cut in half. The commission was informed there is reason to believe that all counties will join the single web access system by the next legislative session. The system charges a \$100 setup charge and a monthly service fee of \$25. Grand Forks charges a setup fee of \$200 and monthly services of \$100. Grand Forks has an independent system that was started due to the flood in 1997.

**TABLE A**

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
State Department of Health Community health grant program: To SADD through local public health		<del>\$4,700,000</del> <u>\$4,671,700</u> 28,300	\$4,700,000	Tobacco master settlement funds (10%) through the community health trust fund	Funds go to local public health units for preventive health services in schools and communities with an emphasis on tobacco control	Majority of funds for tobacco prevention and control in schools and communities - Estimated 20 to 25% will fund other preventive health services
Statewide tobacco cessation quitline for primary prevention		<del>884,000</del> <u>68,016</u>	<del>884,000</del> <u>68,016</u>	Tobacco master settlement funds	Funds support a statewide toll-free telephone counseling and referral quitline	100% of funds will support the statewide tobacco cessation quitline
Tobacco prevention and control - Centers for Disease Control and Prevention (CDC)		2,463,495	2,463,495	Centers for Disease Control and Prevention	Restricted to tobacco control; cannot be used for direct services or cessation services	100% for tobacco control
Abstinence education grant program: To state SADD chapter		<del>405,583</del> <u>355,789</u> 49,794	405,583	Health Resources and Services Administration - Section 510 abstinence education grant program	Funds go to the regional/tribal children's services coordinating committees and public health units within the four tribal and eight regions of North Dakota	70% of funds are used for abstinence education in their respective commu- nities and the other is used for administrative services \$22,000 appropriation received, funding not secured
Comprehensive sexually transmitted disease prevention systems (CSPS) for primary prevention		<del>553,092</del> <u>27,655</u>	<del>553,092</del> <u>27,655</u>	Centers for Disease Control and Prevention	Limited to prevention of syphilis, gonorrhea, and chlamydia	.9 full-time equivalent (FTE) position for grant administration and 1.5 FTE positions for sexually transmitted disease counseling and intervention. Funding to support chlamydia testing in high-risk individuals <u>approximately 3 to 5%</u> of funds are directed to risky behavior recognition/reduction. Funding is generally used for disease intervention.
Injury prevention program		463,301	463,301	Department of Transportation and Title V (maternal and child health block grant)	Department of Transportation funds are restricted for child passenger safety projects for preschool and school-age populations	Department of Transportation funds are for purchase of car seats, training, and projects designed to increase child restraint and seatbelt use by young children. Title V funding may be used for suicide prevention. No specific funds are dedicated for programs addressing destructive decisions in the adolescent population relating to motor vehicle crashes or suicides.
Title X family planning program base funding and Title V supplement - The primary focus of the program identified above is to provide and enhance family planning		334,053	334,053	Title X family planning	Funds to be used for the provision of family planning medical, laboratory, and counseling services	100% for the provisions of clinical, laboratory, contra- ceptive supplies, and counseling family planning services to

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
services for women and men in North Dakota. A portion of the funds identify and address alcohol, tobacco, drug use and abuse issues, and risky sexual behavior through short-term counseling and referral services. No treatment services are provided. It is estimated that 15% of family planning funding addresses risky behaviors.					Special initiative funds for one-time projects restricted to the goal workplan of that project	men and women  Special initiative funds to address: Subsidizing the cost of contraceptives for low-income clients  Community education and outreach about family planning services  Services to incarcerated women  Enhance networks to address family and intimate partner violence
<b>Total State Department of Health</b>		\$12,217,228 \$8,462,103	\$12,217,228 \$8,462,103			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>Attorney General's office</b> CounterAct program - Drug prevention programs aimed at grades 4 through 6. The fund is used to train local law enforcement officers and to provide classroom materials.		\$60,000	\$60,000	Safe and drug-free schools program, United States Department of Education - Passthrough from the Department of Human Services	Funds must be used to train/certify law enforcement officers on CounterAct materials for presentation to grades 5 and 6 students	Train law enforcement and purchase materials for students - 100% program operations
<b>Total Attorney General's office</b>		\$60,000	\$60,000			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>Department of Human Services</b> Prevention related to substance abuse		\$2,353,702	\$2,353,702	SAPT block grant - \$2,353,702	Funds are limited to <b>primary</b> prevention activities only  See additional restrictions for SAPT grant	To develop and implement a comprehensive prevention program which includes a broad array of prevention strategies directed at individuals not

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
Governor's fund for safe and drug-free schools and communities - Funding is provided as grants to high-risk areas for enforcement and education: SADD statewide mentoring		<del>917,394</del> <u>853,394</u>  <u>64,000</u>	917,394	Safe and drug-free schools and communities grant	At least 10% of this amount shall be used for law enforcement education partnerships. No more than 5% of this amount can be used for administrative costs.	<p>identified to be in need of treatment. Implementation shall use a variety of strategies, including: Regional prevention coordination College-forward strategies</p> <p>Program operations - \$541,583/23% Grants/contracts - \$1,812,119/77%</p> <p>To provide drug and violence prevention programs and activities through grants to parent groups, community action/job training agencies, community-based organizations, and other entities</p> <p>Priority shall be given to programs and activities for: Children and youth not normally served by state or local educational agencies Populations that need special or additional resources</p> <p>Grants/contracts - 100%</p>
Department of Justice underage drinking grant - Funding is used for underage drinking prevention programs.		720,000	720,000	Enforcing underage drinking laws grant - This program is funded by the Department of Justice.	<p>Cannot be used to supplant state or local funds</p> <p>Funding can be suspended if: Failure to adhere to requirements or conditions placed on grant Failure to submit timely reports Filing a false certification Other good cause shown</p>	<p>To support and enhance state efforts, in cooperation with local jurisdictions, to enforce laws prohibiting the sale of alcoholic beverages to or the consumption of alcoholic beverages by minors</p> <p>Activities may include: Statewide task forces of state and local law enforcement and prosecutorial agencies Public advertising programs to educate establishments about statutory prohibitions and sanctions Innovative programs to prevent and combat underage drinking</p>

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
						Operating expenses - \$4,600/.6%
						Grants/contracts - \$715,400/99.4%
<b>Total Department of Human Services</b>		\$20,471,943 \$3,991,096	\$30,985,940 \$3,991,096			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>Department of Transportation</b> 402 highway traffic safety: Funding is used for fake ID training Teen court Students against drunk driving and the cops in shops programs College-based programs Safe community programs Alcohol Forum Conference		\$270,000  \$30,000 53,500  3,700 350,000 15,000 452,200 400,000	\$270,000     452,200 400,000	402 funding is allocated to each state from the National Highway Traffic Safety Administration and is based on a formula	402 funds must be used for projects involving highway safety issues. A portion of the funding within the North Dakota highway safety plan is dedicated to alcohol counter- measures and youth projects.	402 funds only 20%, administration 80% - Grants to local agencies primarily for youth prevention efforts
410 alcohol incentive grant - Funding is used for alcohol countermeasure activities and other programs discouraging drinking and driving Parents LEAD program		500,000 80,000	500,000 80,000	410 funding is an incentive grant available to states that meet certain criteria, such as law, programs, and data elements. The criteria for this grant will be changing in fiscal year 2006.	410 funds must be used for alcohol countermeasure projects, such as saturation patrols, checkpoints, and drugged driving training	410 funds only: 8% administration  28% public information  48% law enforcement overtime  1% training  15% youth activities
<b>Total Department of Transportation</b>	\$0	\$1,170,000 \$532,200	\$1,170,000 \$532,200			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>Department of Public Instruction</b> Title IV safe and drug-free schools and communities program - Funding for reducing alcohol, drug, and tobacco use through education and prevention activities <sup>1</sup>		\$1,708,024	\$1,708,024	Department of Education	For prevention activities and early intervention - Not to be used for treatment or entertainment	\$3,411,322 (93%) - Local education agencies' grants  \$146,724 (4%) - Technical assistance to local education agencies

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
21st century community learning centers provide funds for out-of-school programs, including academics, enhanced academic programming, arts, and recreation <sup>1</sup>		9,663,995	9,663,995	Department of Education	Must serve students attending school with 40% or greater free and reduced lunch, must have a community-based partner, and must occur when school is not in session	\$110,042 (3%) - Administration 95% to local education agencies and community-based organizations 3% for technical assistance 2% for administration
<b>Total Department of Public Instruction</b>	\$0	\$11,372,019	\$11,372,019			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>National Guard</b> State military counterdrug operations - Supports law enforcement agencies in interdiction efforts with intelligence analysis and aviation reconnaissance, along with supporting state and local coalitions and school education and prevention programs <sup>2</sup>		\$2,600,000 \$300,000	\$2,600,000 \$300,000	Department of Defense through the National Guard Bureau		
<b>Total National Guard</b>		\$2,600,000 \$300,000	\$2,600,000 \$300,000			

Alcohol, Drug, Tobacco, and Other Risk-Associated Behavior Programs	2005-07 Biennium Amount and Funding Source for Each Program			Detail of Sources of Federal and Special Funds	Restrictions on Uses of Funds	Anticipated Uses of Funds
	General Fund	Federal and Special Funds	Total Funds			
<b>North Dakota Higher Education Consortium for Substance Abuse Prevention</b> Coordinates and supports the prevention efforts and programs of each campus NDCORE federal and special funds Outreach coordinator	\$150,000	\$17,000 130,000	\$150,000 17,000 130,000	Department of Transportation grant Department of Human Services passthrough federal block grant		Salary  For NDCORE alcohol and drug survey For outreach coordination for local campuses
<b>Total North Dakota Higher Education Consortium for Substance Abuse Prevention</b>	\$150,000	\$147,000	\$297,000 <sup>3</sup>			

Agency Summary Report	2003-05 Biennium Amount and Funding Source for Each Agency			2005-07 Biennium Amount and Funding Source for Each Agency		
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds
State Department of Health	\$13,000	\$8,982,425	\$8,995,425		\$8,462,103	\$8,462,103
Attorney General's office	4,786,436	60,000	60,000		60,000	60,000

Agency Summary Report	2003-05 Biennium Amount and Funding Source for Each Agency			2005-07 Biennium Amount and Funding Source for Each Agency		
	General Fund	Federal and Special Funds	Total Funds	General Fund	Federal and Special Funds	Total Funds
Department of Corrections and Rehabilitation	4,712,666	7,493,002	12,205,668	\$16,952,066	3,910,833	20,862,899
Department of Human Services	9,427,739	3,480,081	3,480,081		3,991,096	3,991,096
Department of Transportation		694,000	694,000		532,200	532,200
Department of Public Instruction		8,904,408	8,904,408		11,372,019	11,372,019
Supreme Court	89,799	318,617	408,416	215,904	471,096	387,000
National Guard		250,000	250,000		300,000	300,000
North Dakota Higher Education Consortium for Substance Abuse Prevention				\$150,000	147,000	297,000
Total all agencies	\$13,000	\$22,370,914	\$22,383,914	\$150,000	\$24,864,418	\$25,014,418
<sup>1</sup> Funds may go to SADD through local entity.						
<sup>2</sup> Estimated.						
<sup>3</sup> Each campus in the University System funds prevention efforts through various sources, including fines, community grants, donations, and the general fund. The amounts range from no specific budget at Valley City State University to \$101,000 at the University of North Dakota.						