

Sixty-first
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1046

Introduced by

Legislative Council

(Public Safety Committee)

1 A BILL for an Act to create and enact three new sections to chapter 37-17.1 of the North Dakota
2 Century Code, relating to the creation of an emergency response and recovery commission and
3 an emergency response and recovery fund; to amend and reenact section 21-10-06 of the
4 North Dakota Century Code, relating to investment of the emergency response and recovery
5 fund; to provide an appropriation; and to provide a continuing appropriation.

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

7 **SECTION 1. AMENDMENT.** Section 21-10-06 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **21-10-06. Funds under management of board - Accounts.**

10 1. The board is charged with the investment of the following funds:

- 11 ~~1.~~ a. State bonding fund.
- 12 ~~2.~~ b. Teachers' fund for retirement.
- 13 ~~3.~~ c. State fire and tornado fund.
- 14 ~~4.~~ d. Workforce safety and insurance fund.
- 15 ~~5.~~ e. National guard tuition trust fund.
- 16 ~~6.~~ f. Public employees retirement system.
- 17 ~~7.~~ g. Insurance regulatory trust fund.
- 18 ~~8.~~ h. State risk management fund.
- 19 ~~9.~~ i. Veterans' cemetery trust fund.
- 20 ~~10.~~ j. Health care trust fund.
- 21 ~~11.~~ k. Cultural endowment fund.
- 22 l. Emergency response and recovery fund.

2. Separate accounting must be maintained for each of the ~~above~~ funds under subsection 1. When it is deemed advantageous, the moneys of the individual funds may be commingled for investment purposes.

3. The state investment board may provide investment services to, and manage the money of, any agency, institution, or political subdivision of the state, subject to agreement with the industrial commission. The scope of services to be provided by the state investment board to the agency, institution, or political subdivision must be specified in a written contract. The state investment board may charge a fee for providing investment services and any revenue collected must be deposited in the state retirement and investment fund.

SECTION 2. A new section to chapter 37-17.1 of the North Dakota Century Code is created and enacted as follows:

Emergency response and recovery commission. The emergency response and recovery commission consists of the governor or the governor's designee, the director of the department of human services or the director's designee, the director of the department of emergency services or the director's designee, the state health officer or the officer's designee, and a representative of a political subdivision who must be appointed by the governor. The governor shall serve as chairman of the commission. The commission shall review and approve rules developed by the department of emergency services with respect to the emergency response and recovery fund, approve disbursement of funds from the emergency response and recovery fund, and monitor the balance of the emergency response and recovery fund.

SECTION 3. A new section to chapter 37-17.1 of the North Dakota Century Code is created and enacted as follows:

Emergency response and recovery fund - Administration - Continuing appropriation.

1. The emergency response and recovery fund is a special fund in the state treasury administered by the department of emergency services. The state investment board shall invest in the fund in accordance with chapter 21-10. Any earnings or interest upon moneys in the fund are appropriated on a continuing basis for the purposes provided in subsection 2. Section 54-44.1-11 does not apply to the fund.

The department may deduct annually up to two percent of the earnings or interest of the fund as an administration fee.

2. On a quarterly basis, the earnings and interest of the fund must be placed in a special operating account that may be used by the emergency response and recovery commission to assist individuals, political subdivisions, and Indian tribes in paying the costs of responding to and recovering from a disaster or emergency declared by the governor which did not qualify for a presidential disaster declaration.

3. Whenever the amount in the special operating account exceeds two million dollars, any additional earnings or interest must be transferred to the state general fund.

SECTION 4. A new section to chapter 37-17.1 of the North Dakota Century Code is created and enacted as follows:

Emergency response and recovery fund - Rules.

1. The department of emergency services, subject to approval by the emergency response and recovery commission, shall adopt rules that include eligibility guidelines and procedures for the disbursement of funds from the emergency response and recovery fund.
2. The rules must provide that a political subdivision or a tribal government that has entered a mutual aid agreement and executed the agreement may be eligible for assistance from the emergency response and recovery fund to reimburse the political subdivision or tribal government for public infrastructure losses if the political subdivision or tribal government has adopted before the disaster or emergency a multihazard mitigation plan approved by the federal emergency management agency.
3. The rules must provide that an individual may be eligible for assistance from the emergency response and recovery fund for a disaster or emergency if the individual has immediate financial needs for housing, shelter, or sustenance as a result of a disaster or emergency.
4. The rules must provide that a political subdivision or tribal government may be eligible for assistance from the emergency response and recovery fund to pay a portion of the cost of reimbursing another political subdivision or any fire

department, law enforcement agency, emergency medical services operation, or
other responder to a disaster or emergency that is located outside the jurisdiction
of the disaster or emergency.

SECTION 5. APPROPRIATION. There is appropriated out of any moneys in the
general fund in the state treasury, not otherwise appropriated, the sum of \$11,000,000, or so
much of the sum as may be necessary, to the department of emergency services for deposit in
the emergency response and recovery fund for the purpose of emergency and disaster relief
and recovery, for the biennium beginning July 1, 2009, and ending June 30, 2011. Of the
amount appropriated under this section, \$1,000,000 must be deposited in the special operating
account created under section 3 of this Act. The remaining amount must be deposited in the
emergency response and recovery fund, but only earnings and interest on that amount may be
spent pursuant to sections 2 through 4 of this Act.