

**SECOND ENGROSSMENT  
with House Amendments**

Sixty-first  
Legislative Assembly  
of North Dakota

**REENGROSSED SENATE BILL NO. 2013**

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 commissioner of  
2 university and school lands; to provide for distribution amounts from permanent funds; to  
3 provide a transfer to the general fund; and to amend and reenact section 15-05-09 of the North  
4 Dakota Century Code, relating to board of university and school lands oil and gas leases.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much the  
7 funds as may be necessary, are appropriated from special funds derived from the state lands  
8 maintenance fund and the oil and gas impact grant fund in the state treasury, to the  
9 commissioner of university and school lands for the purpose of defraying the expenses of the  
10 commissioner of university and school lands, for the biennium beginning July 1, 2009, and  
11 ending June 30, 2011, as follows:

		Adjustments or	
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$2,500,324	\$593,432	\$3,093,756
15 Operating expenses	675,700	64,252	739,952
16 Capital assets	10,000	0	10,000
17 Grants	5,888,100	3,889,659	9,777,759
18 Contingencies	<u>50,000</u>	<u>0</u>	<u>50,000</u>
19 Total special funds	\$9,124,124	\$4,547,343	\$13,671,467
20 Full-time equivalent positions	18.75	2.00	20.75

21 **SECTION 2. GRANTS.** Section 54-44.1-11 does not apply to appropriations made for  
22 oil impact grants in section 1 of the Act.

23 **SECTION 3. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the  
24 board of university and school lands, the commissioner of university and school lands may

transfer from the contingencies line item in section 1 of this Act to all other line items. The commissioner shall notify the office of management and budget of each transfer made pursuant to this section.

**SECTION 4. DISTRIBUTIONS TO STATE INSTITUTIONS.** Notwithstanding section

15-03-05.2, the board of university and school lands shall distribute during the biennium beginning July 1, 2009, and ending June 30, 2011, the following amounts, or so much income as may be available, from the permanent funds managed for the benefit of the following entities:

Common schools	\$77,000,000
North Dakota state university	1,230,000
University of North Dakota	1,114,000
Youth correctional center	438,000
School for the deaf	356,000
State college of science	410,000
State hospital	480,000
Veterans' home	276,000
Valley City state university	260,000
North Dakota vision services - school for the blind	234,000
Mayville state university	178,000
Minot state university - Bottineau	28,000
Dickinson state university	28,000
Minot state university	<u>28,000</u>
Total	\$82,060,000

**SECTION 5. TRANSFER TO GENERAL FUND FROM LANDS AND MINERALS**

**TRUST FUND.** During the biennium beginning July 1, 2009, and ending June 30, 2011, the director of the office of management and budget may transfer special funds from the lands and minerals trust fund to the general fund in the amount of \$35,000,000.

**SECTION 6. FULL-TIME EQUIVALENT AUTHORIZATION.** One full-time equivalent position relating to minerals management included in section 1 of this Act is authorized only for the biennium beginning July 1, 2009, and ending June 30, 2011.

1           **SECTION 7. AMENDMENT.** Section 15-05-09 of the North Dakota Century Code is  
2 amended and reenacted as follows:

3           **15-05-09. Leases for oil, gas, and other products.** The board of university and  
4 school lands may lease ~~any~~ lands under its control believed to contain oil, gas, coal, cement  
5 materials, sodium sulfate, sand and gravel, road material, building stone, chemical substances,  
6 metallic ores, or colloidal or other clays and may ~~make and establish~~ adopt rules and  
7 ~~regulations~~ for development and drilling operations. The commissioner of university and school  
8 lands shall review each oil and gas lease held by production on the effective date of this Act  
9 and take the steps necessary to sever those lands outside the spacing unit of the well holding  
10 the lease by production from the leasehold.