

**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:

	<u>Base Level</u>	<u>Adjustments or 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

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

4 **SECTION 4. DISTRIBUTIONS TO STATE INSTITUTIONS.** Notwithstanding section
5 15-03-05.2, the board of university and school lands shall distribute during the biennium
6 beginning July 1, 2009, and ending June 30, 2011, the following amounts, or so much income
7 as may be available, from the permanent funds managed for the benefit of the following
8 entities:

9 Common schools	\$77,000,000
10 North Dakota state university	1,230,000
11 University of North Dakota	1,114,000
12 Youth correctional center	438,000
13 School for the deaf	356,000
14 State college of science	410,000
15 State hospital	480,000
16 Veterans' home	276,000
17 Valley City state university	260,000
18 North Dakota vision services - school for the blind	234,000
19 Mayville state university	178,000
20 Minot state university - Bottineau	28,000
21 Dickinson state university	28,000
22 Minot state university	<u>28,000</u>
23 Total	\$82,060,000

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

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

28 **SECTION 6. FULL-TIME EQUIVALENT AUTHORIZATION.** One full-time equivalent
29 position relating to minerals management included in section 1 of this Act is authorized only for
30 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.