

Introduced by

Senators Davison, Bekkedahl

Representatives Beadle, Schreiber-Beck

1 A BILL for an Act to create and enact two new sections to chapter 57-36 of the North Dakota
2 Century Code, relating to a reading program grant fund and a school Medicaid matching grant
3 fund; to amend and reenact section 57-36-31 of the North Dakota Century Code, relating to the
4 allocation of cigarette taxes; to provide a continuing appropriation; and to provide an effective
5 date.

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

7 **SECTION 1. AMENDMENT.** Section 57-36-31 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **57-36-31. Transfer and allocation of revenues –~~Appropriation.~~**

- 10 1. All moneys received by the tax commissioner under the provisions of this chapter must
11 be transmitted to the state treasurer at the end of each month and deposited in the
12 state treasury to the credit of the general fund, except as hereinafter provided.
- 13 2. All moneys received from the levy and assessment of one and one-half mills on each
14 of the classes of cigarettes provided in this chapter ~~are appropriated and~~ must be
15 distributed on or before the thirtieth day of June and the thirty-first day of December of
16 each year on a per capita basis to the incorporated cities for ~~such~~the purposes ~~as are~~
17 ~~now or may be~~ hereafter authorized by law, the allocation to be based upon the
18 population of each incorporated city according to the last official federal census, or the
19 census taken in accordance with the provisions of chapter 40-02 in the case of a city
20 incorporated subsequent to the last federal census, and warrants must be drawn
21 payable to the treasurers of ~~such~~those cities.
- 22 3. Each biennium all moneys received from ten of the seventeen mills levied and
23 assessed on each cigarette under section 57-36-32 must be distributed as follows:
- 24 a. Two hundred thousand dollars to the reading program grant fund:

1 **b.** Three million dollars to the school medicaid matching grant fund; and

2 **c.** Any additional revenues to the general fund.

3 **SECTION 2.** A new section to chapter 57-36 of the North Dakota Century Code is created
4 and enacted as follows:

5 **Reading program grant fund - Department of commerce - Continuing appropriation.**

6 There is created in the state treasury the reading program grant fund. The fund consists of
7 all moneys deposited in the fund under section 57-36-31. All moneys in the fund are
8 appropriated to the department of commerce on a continuing basis for the purpose of providing
9 grants to an organization in the state to promote reading fundamentals.

10 **SECTION 3.** A new section to chapter 57-36 of the North Dakota Century Code is created
11 and enacted as follows:

12 **School Medicaid matching grant fund - Department of public instruction - Continuing**
13 **appropriation.**

14 There is created in the state treasury the school Medicaid matching grant fund. The fund
15 consists of all moneys deposited in the fund under section 57-36-31. All moneys in the fund are
16 appropriated to the department of public instruction on a continuing basis for the purpose of
17 providing grants to schools as matching funds for Medicaid payments.

18 **SECTION 4. EFFECTIVE DATE.** Section 1 of this Act is effective for taxable events
19 occurring after June 30, 2019.