

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;
 2 ~~to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating~~
 3 ~~to the creation of an opioid settlement fund~~; to amend and reenact sections 53-12.1-09 and
 4 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund
 5 to the multijurisdictional drug task force grant fund and the salary of the attorney general; to
 6 provide a transfer; to provide an exemption; ~~to provide for a report; and~~ to provide for a
 7 legislative management study; and to declare an emergency.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 10 as may be necessary, are appropriated out of any moneys in the general fund in the state
 11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 12 other income, to the attorney general for the purpose of defraying the expenses of the attorney
 13 general, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

	Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>
16 Salaries and wages	\$50,832,646	\$5,642,965	\$56,475,611
17 Operating expenses	15,237,498	2,450,937	17,688,435
18 Capital assets	648,055	2,912,522	3,560,577
19 Grants	3,903,440	0	3,903,440
20 Human trafficking victims grants	1,101,879	9,601	1,111,480
21 Forensic nurse examiners grants	250,691	2,181	252,872
22 Statewide litigation funding pool	0	5,000,000	5,000,000
23 Litigation fees	127,500	0	127,500
24 Medical examinations	660,000	0	660,000

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1	North Dakota lottery	5,254,844	178,602	5,433,446
2	Arrest and return of fugitives	8,500	0	8,500
3	Gaming commission	7,489	0	7,489
4	Criminal justice information sharing	4,074,968	471,677	4,546,645
5	Law enforcement	3,048,927	4,145,778	7,194,705
6	Total all funds	\$85,156,437	\$20,814,263	\$105,970,700
7	Less estimated income	42,509,719	(125,870)	42,383,849
8	Total general fund	\$42,646,718	\$20,940,133	\$63,586,851
9	Full-time equivalent positions	253.00	7.00	260.00
10	Salaries and wages	\$50,832,646	(\$537,204)	\$50,295,442
11	Operating expenses	15,237,498	3,503,607	18,741,105
12	Capital assets	648,055	4,585,572	5,233,627
13	Grants	3,903,440	400,000	4,303,440
14	Human trafficking victims grants	1,101,879	3,525	1,105,404
15	Forensic nurse examiners grants	250,691	791	251,482
16	Statewide litigation funding pool	0	5,000,000	5,000,000
17	Litigation fees	127,500	0	127,500
18	Medical examinations	660,000	0	660,000
19	Children's forensic interviews	0	304,560	304,560
20	North Dakota lottery	5,254,844	61,790	5,316,634
21	Arrest and return of fugitives	8,500	0	8,500
22	Gaming commission	7,489	0	7,489
23	Criminal justice information sharing	4,074,968	412,169	4,487,137
24	Law enforcement	3,048,927	82,770	3,131,697
25	Total all funds	\$85,156,437	\$13,817,580	\$98,974,017
26	Less estimated income	42,509,719	4,836,388	47,346,107
27	Total general fund	\$42,646,718	\$8,981,192	\$51,627,910
28	Full-time equivalent positions	253.00	13.00	266.00

29 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
30 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

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1 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the
2 one-time funding items included in the appropriation in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
4	Criminal history improvement system	\$400,000	\$0
5	Automated biometric identification system	300,000	0
6	Charitable gaming technology system	475,000	0
7	Additional income	250,000	0
8	Missing persons database	300,000	0
9	Prosecuting case management system	1,000,000	0
10	Charitable gaming tax information technology costs	50,000	0
11	Capital assets	1,111,706	2,818,877
12	<u>State crime laboratory capital improvements</u>	<u>0</u>	<u>250,000</u>
13	Statewide litigation funding pool	4,650,000	5,000,000
14	Staff operating and equipment costs	0	792,090
15	Inflationary increases	0	156,463
16	Back the blue grants	0	3,500,000
17	<u>Anti-methamphetamine program</u>	<u>0</u>	<u>1,772,038</u>
18	Law enforcement resiliency grants	<u>0</u>	<u>400,000</u>
19	Total all funds	\$8,536,706	\$12,667,430
20	Total other funds	8,536,706	2,050,084
21	Total general fund	\$0	\$10,617,346
22	<u>Total all funds</u>	<u>\$8,536,706</u>	<u>\$11,189,468</u>
23	<u>Total other funds</u>	<u>8,536,706</u>	<u>6,582,122</u>
24	<u>Total general fund</u>	<u>\$0</u>	<u>\$4,607,346</u>

25 The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget
26 for the 2025-27 biennium. The attorney general shall report to the appropriations committees of
27 the sixty-ninth legislative assembly on the use of this one-time funding for the biennium
28 beginning July 1, 2023, and ending June 30, 2025.

29 **SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT.** In addition to the
30 amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from
31 federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the

1 attorney general for the purposes of defraying the expenses of the office, for the biennium
2 beginning July 1, 2023, and ending June 30, 2025. The attorney general shall notify the office of
3 management and budget and the legislative council of any funding made available pursuant to
4 this section.

5 **SECTION 4. TRANSFER - LOTTERY OPERATING FUND TO GAMING AND EXCISE TAX**
6 **ALLOCATION FUND - STATEWIDE LITIGATION FUNDING POOL.** Notwithstanding sections
7 53-12.1-09 and 53-12.1-10, the attorney general shall transfer \$2,760,000 from the lottery
8 operating fund to the gaming and excise tax allocation fund by June 30, 2023, for the purpose
9 of defraying litigation expenses of the state through the statewide litigation funding pool during
10 the period beginning with the effective date of this Act, and ending June 30, 2025.

11 **SECTION 5. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE**
12 **AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND.** The
13 statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which
14 ~~\$4,557,748~~ \$1,797,748 is from the general fund and ~~\$442,252~~ \$3,202,252 is from the gaming
15 and excise tax allocation fund, which the attorney general shall transfer to eligible state
16 agencies for litigation expenses during the biennium beginning July 1, 2023, and ending
17 June 30, 2025. The attorney general may not use funding from the statewide litigation funding
18 pool to pay judgments under section 32-12-04.

19 **SECTION 6. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -**
20 **CHARITABLE GAMING OPERATING FUND.** The estimated income line item in section 1 of
21 this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses
22 related to the continued development and implementation of the charitable gaming technology
23 system.

24 **SECTION 7. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -**
25 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes
26 ~~\$1,111,480~~ \$1,105,404 from the general fund for the purpose of providing grants to
27 organizations involved in providing prevention and treatment services related to human
28 trafficking victims and related administrative costs for the biennium beginning July 1, 2023, and
29 ending June 30, 2025. The attorney general may provide grants for the development and
30 implementation of direct care emergency or long-term crisis services, residential care, training
31 for law enforcement, support of advocacy services, and programs promoting positive outcomes

1 for victims. Any organization that receives a grant under this section shall report to the attorney
2 general and the appropriations committees of the sixty-ninth legislative assembly on the use of
3 the funds received and the outcomes of its program. The attorney general shall report to the
4 legislative management during the 2023-24 interim on the status and results of the grant
5 program.

6 **SECTION 8. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS.** The
7 forensic nurse examiners grants line item in section 1 of this Act includes ~~\$252,872~~\$251,482
8 from the general fund for the purpose of providing forensic nurse examiner program grants for
9 community-based or hospital-based sexual assault examiner programs and related
10 administrative costs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any
11 organization that receives a grant under this section shall report to the attorney general and the
12 appropriations committees of the sixty-ninth legislative assembly on the use of the funds
13 received and the outcomes of its programs. The attorney general shall report to the
14 appropriations committees of the sixty-ninth legislative assembly on the number of nurses
15 trained, the number and location of nurses providing services related to sexual assault nurse
16 examiner programs, and documentation of collaborative efforts to assist victims which includes
17 nurses, the hospital or clinic, law enforcement, and state's attorneys.

18 ~~**SECTION 8. BACK THE BLUE GRANT PROGRAM - MATCHING REQUIREMENT -**~~

19 ~~**REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in~~
20 ~~section 1 of this Act includes \$3,500,000 from the general fund for the purpose of providing~~
21 ~~back the blue grants to assist local law enforcement agencies with workforce recruitment and~~
22 ~~retention, for the biennium beginning July 1, 2023, and ending June 30, 2025. Of the funding~~
23 ~~available under this program, \$1,500,000 is available exclusively to local law enforcement~~
24 ~~agencies employing ten or fewer employees working in a law enforcement capacity.~~

25 ~~1. To be eligible for a grant under this section, a law enforcement agency must have~~
26 ~~incurred workforce recruitment and retention-related expenditures. Eligible~~
27 ~~expenditures include:~~

28 ~~a. Bonuses paid to new and current law enforcement officers;~~

29 ~~b. Tuition and fee payments made on behalf of law enforcement trainees; and~~

30 ~~c. Costs to upgrade law enforcement equipment.~~

1 ~~2. Law enforcement agencies seeking reimbursement for workforce recruitment and~~
2 ~~retention-related expenditures must submit a report of actual expenditures incurred to~~
3 ~~the attorney general with the grant application.~~

4 ~~3. The attorney general:~~

5 ~~a. May spend the funds for this program only to the extent the applicant has~~
6 ~~secured one dollar of matching funds from nonstate sources for every four dollars~~
7 ~~provided by the attorney general;~~

8 ~~b. Shall reimburse each eligible applicant fifty percent of allowable expenditures;~~

9 ~~c. May not award funding for this program to state or federal law enforcement~~
10 ~~entities; and~~

11 ~~d. Shall report to the sixty-ninth legislative assembly regarding the number of grants~~
12 ~~awarded under this section.~~

13 **SECTION 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO**

14 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The ~~law enforcement~~grants line item in section 1 of
15 this Act includes \$400,000 from the general fund for the purpose of providing law enforcement
16 resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025.
17 Funding provided under this Act must be used to defray administrative, therapeutic, training,
18 and outreach-related costs of providing mental health and wellness support services to current
19 and retired correctional and law enforcement personnel. The attorney general shall establish
20 guidelines to award funding under this section. Any organization that receives a grant under this
21 section shall report to the attorney general and the attorney general shall report to the
22 appropriations committees of the sixty-ninth legislative assembly on the use of the funds
23 received and the outcomes of its programs.

24 ~~**SECTION 10.** A new section to chapter 50-06 of the North Dakota Century Code is created~~
25 ~~and enacted as follows:~~

26 ~~**Opioid settlement fund:**~~

27 ~~There is created in the state treasury an opioid settlement fund. The fund consists of opioid~~
28 ~~litigation funds received by the state. Moneys received by the state as a result of opioid litigation~~
29 ~~must be deposited in the fund. Moneys in the fund may be used as authorized by legislative~~
30 ~~appropriation. The legislative assembly shall consult with the governor in determining the use of~~
31 ~~the moneys in the fund. As used in this section, "opioid litigation" means civil litigation, demand,~~

~~or settlement in lieu of litigation alleging unlawful conduct related to the marketing, sale, or distribution of opioids in this state or other alleged illegal actions that contributed to the excessive use of opioids.~~

SECTION 10. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;

1 c. Starting July 1, 2019~~2023~~, two hundred fifty thousand dollars must be transferred
2 to the state treasurer each quarter for deposit in the attorney general
3 multijurisdictional drug task force grant fund; and

4 d. The balance of the net proceeds, less holdback of any reserve funds the director
5 may need for continuing operations, must be transferred to the state treasurer on
6 at least an annual basis for deposit in the state general fund.

7 **SECTION 11. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 **54-12-11. Salary of attorney general.**

10 The annual salary of the attorney general is one hundred ~~sixty-five~~seventy-five~~seventy-nine~~
11 thousand ~~eight~~nine~~three~~ hundred ~~forty-five~~twenty-eight~~twelve~~ dollars through June 30,
12 ~~2022~~2024, and one hundred ~~sixty-nine~~eighty-two~~eighty-six~~ thousand ~~one~~nine~~four~~ hundred
13 ~~sixty-two~~sixty-five~~eighty-four~~ dollars thereafter.

14 **SECTION 12. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity
15 requesting a criminal history record check from the bureau of criminal investigation, as a result
16 of legislation enacted by the sixty-eighth legislative assembly, shall pay a reasonable fee
17 established by the attorney general to the attorney general to be deposited in the general fund
18 for the biennium beginning July 1, 2023, and ending June 30, 2025.

19 **SECTION 13. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding
20 section 54-12-08.1, the attorney general may contract for legal services compensated by a
21 contingent fee arrangement for ongoing multistate technology litigation during the biennium
22 beginning July 1, 2023, and ending June 30, 2025.

23 **SECTION 14. EXEMPTION - GAMING TAX REVENUE GRANTS.** Notwithstanding section
24 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and
25 counties relating to the seventh and eighth quarters of the 2021-23 biennium through
26 October 31, 2023.

27 **SECTION 15. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding
28 section 54-12-18, the attorney general may retain the balance in the attorney general refund
29 fund which would otherwise be transferred to the general fund on June 30, 2023.

30 **SECTION 16. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT.** The amount
31 appropriated to the attorney general from the general fund for a concealed weapon rewrite

1 project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the
2 2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section
3 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general
4 for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and
5 ending June 30, 2025.

6 **SECTION 17. EXEMPTION - LEGAL CASE MANAGEMENT SYSTEM.** The amount
7 appropriated to the attorney general from other funds for the statewide automated victim
8 information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017
9 Session Laws, continued into the 2019-21 biennium for the statewide automated victim
10 information and notification system, and continued into the 2021-23 biennium for the legal case
11 management system, is not subject to the provisions of section 54-44.1-11. Any unexpended
12 funds from this appropriation are available to the attorney general for the legal case
13 management system during the biennium beginning July 1, 2023, and ending June 30, 2025.

14 **SECTION 18. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT.** The
15 amount of \$400,000 appropriated from the attorney general refund fund in the operating
16 expenses line item for the criminal history improvement project in section 1 of chapter 3 of the
17 2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during
18 the biennium beginning July 1, 2023, and ending June 30, 2025.

19 **SECTION 19. EXEMPTION - AUTOMATED BIOMETRIC IDENTIFICATION SYSTEM.** The
20 amount of \$300,000 appropriated from federal funds to upgrade the automated biometric
21 identification system during the 2021-23 biennium in section 1 of chapter 3 of the 2021 Session
22 Laws is not subject to section 54-44.1-11 and is available for the system during the biennium
23 beginning July 1, 2023, and ending June 30, 2025.

24 **SECTION 20. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS.** The
25 amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice
26 assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the
27 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section
28 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and
29 ending June 30, 2025.

30 **SECTION 21. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amount
31 of ~~\$1,350,000~~ \$1,000,000 appropriated from federal funds derived from the state fiscal recovery

1 fund, ~~of which \$300,000 was for a missing persons database, \$1,000,000 was~~ for the
2 replacement of the prosecuting case management system, ~~and \$50,000 was for charitable~~
3 ~~gaming information technology costs, in subsections 19, in subsection 20, and 42~~ of section 1 of
4 chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and
5 is available for the program during the biennium beginning July 1, 2023, and ending June 30,
6 2025.

7 **SECTION 22. LEGISLATIVE MANAGEMENT STUDY - STATE CRIME LABORATORY.**

8 During the 2023-24 interim, the legislative management shall study the services and needs of
9 the North Dakota state crime laboratory, including staffing and equipment needs; the need for
10 forensic scientists with training in firearms and fingerprint analysis; the feasibility and desirability
11 of remodeling current state crime laboratory facilities, acquiring other vacant laboratory facilities
12 in the state, and operating additional state crime laboratory facilities in the state; services the
13 state crime laboratory should have the capability of providing to support law enforcement
14 entities in the state; and whether the state crime laboratory should be administratively separate
15 from the bureau of criminal investigation. The legislative management shall report its findings
16 and recommendations, together with any legislation required to implement the
17 recommendations, to the sixty-ninth legislative assembly.

18 **SECTION 23. ATTORNEY COST-SAVINGS - REPORT TO SIXTY-NINTH LEGISLATIVE**

19 **ASSEMBLY.** The attorney general shall report to the appropriations committees of the
20 sixty-ninth legislative assembly regarding any cost-savings realized by hiring full-time equivalent
21 attorney positions instead of contracting for third-party legal counsel during the 2023-25
22 biennium.

23 **SECTION 24. EMERGENCY.** The \$250,000 appropriated from the general fund in the
24 capital assets line item in section 1 for state crime laboratory capital improvements and
25 sections 4 and 14 of this Act are declared to be an emergency measure.