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Sixty-eighth
Legislative Assembly
of North Dakota

SENATE BILL NO. 2184

Introduced by

Senators Lee, Burckhard, K. Roers

Representatives Mitskog, Weisz

A BILL for an Act to create and enact a new chapter to title 43 of the North Dakota Century Code, relating to uniform regulation of occupations and professions; to amend and reenact subsection 2 of section 54-10-01 and section 54-10-27 of the North Dakota Century Code, relating to the duties of the state auditor; to provide a penalty; to provide for a legislative management study; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new chapter to title 43 of the North Dakota Century Code is created and enacted as follows:

Definitions.

As used in this chapter:

1. "Board" means a board, commission, or other agency of state government created or identified in this title to regulate an occupation or profession.
2. "Foreign license" means a license, certificate, permit, or similar authorization to practice an occupation or profession which is issued by a government agency in another state or jurisdiction that imposes requirements for obtaining and maintaining a license to practice the same occupation or profession.
3. "Foreign practitioner" means an individual who holds and maintains a foreign license in good standing to engage in an occupation or profession in a state or jurisdiction other than this state and who is not the subject of a pending disciplinary action in any state or jurisdiction.
4. "Good standing" means a foreign practitioner holds a foreign license that is not issued on a temporary or restricted basis, is not encumbered or on probation, and is not suspended or revoked.

5. "Occupation or profession" means activity for which a license is required from a board or similar activity for which a foreign license is required in another state or jurisdiction.

Boards - Duties - Powers.

Notwithstanding law to the contrary:

1. A board shall:
   a. Adopt rules to implement this chapter.
   b. Establish a fee schedule designed to fund the activities of the board.
2. A board may:
   a. Establish continuing education requirements, which may include board-approval requirements.
   b. Provide education for licensees or individuals who may be interested in pursuing the regulated occupation or profession.

Board membership - Appointment - Terms.

Notwithstanding law to the contrary:

1. The governor shall appoint the members of a board.
   a. The regular term of a board member is three years and begins on August first following the appointment. An individual may not serve more than two consecutive full terms as a member on a board, after which an individual may not be reappointed until the expiration of three years.
   b. A board member serves at the pleasure of the governor. Upon the expiration of a term, a board member shall continue to serve until the governor makes an appointment to fill that position.
   c. In addition to any practitioner requirements, a board member must be at least eighteen years old and must be a resident of this state.
   d. Each board must have at least five and no more than thirteen voting members, at least two of whom shall serve as lay members.
2. Each member of a board, except for a state employee serving as an ex officio member, is entitled to receive from the board compensation of one hundred seventy-seven dollars per day spent in actual attendance at board meetings and reimbursement for mileage and travel expenses at the same rate as provided for state employees and officials.

3. Each member of a board shall maintain the qualifications for appointment for the duration of the appointment.

Regulation - Terms of licensure - Renewal.

Notwithstanding law to the contrary:

1. Other than an initial license, which may be valid for a shorter period, a license issued by the board is valid for one year from the date of issuance.
2. Annually, a licensee may renew a license upon submitting:
   a. Fees for licensure renewal in an amount established by the board.
   b. Proof of completion of continuing education as required by the board.
3. A licensee who does not renew a license timely may not practice in this state until the license is renewed or reissued. Within three months following the date of licensure renewal, a practitioner may renew a license without incurring additional renewal expenses. After three months following the date of licensure renewal, a board may charge a late fee for licensure renewal. If a practitioner fails to renew a license before the end of the year of licensure, the board may require the practitioner to reapply for future licensure.

Licensure of foreign practitioners - Compacts.

1. Notwithstanding law to the contrary, a board shall issue a license to an applicant who is a foreign practitioner, unless the board determines the issuance of the license would jeopardize the health and safety of the residents of this state. If the board determines licensure under this section would jeopardize the health and safety of the residents of this state, the board may deny the application or may issue a provisional license, issue a restricted license, or otherwise authorize limited practice to protect the health and safety of the residents of this state.
2. Notwithstanding contrary law under this chapter, a board may issue a license to an applicant through an adopted compact.

Discipline - Penalty.

Notwithstanding law to the contrary:

1. A board shall conduct a disciplinary proceeding in accordance with chapter 28-32.
2. A board may deny, limit, revoke, encumber, or suspend a license; may reprimand, place on probation, or otherwise discipline a licensee; may deny admission to

licensure or examination; require evidence of evaluation or treatment; or issue a nondisciplinary letter of concern to a licensee if the person:

a. Has been arrested for, charged with, convicted by a court of, or has entered a plea of nolo contendere to a crime in any jurisdiction which relates adversely to the practice of the occupation or profession and has not demonstrated sufficient rehabilitation.

b. Has been the subject of a disciplinary action in a foreign jurisdiction relating to the practice of the occupation or profession.

c. Has violated this chapter or rules adopted under this chapter.

d. Has engaged in a practice inconsistent with the person's occupational or professional standards.

3. It is a class B misdemeanor for a person to willfully practice an occupation or profession in violation of this chapter or to willfully employ a person to practice an occupation or profession in violation of this chapter.

SECTION 2. AMENDMENT. Subsection 2 of section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

2. The state auditor may:

a. Conduct any work required by the federal government.

b. Within the resources available to the state auditor, perform or provide for performance audits of state agencies, including occupational and professional boards, as determined necessary by the state auditor.

c. Audit the International Peace Garden at the request of the board of directors of the International Peace Garden.

d. Contract with a private certified public accountant or other qualified professional to conduct or assist with an audit, review, or other work the state auditor is authorized to perform or provide for under this section or section 54-10-27. Before entering any contract, the state auditor shall present information to the legislative audit and fiscal review committee on the need for the contract and its estimated cost and duration. Except for performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection and except for audits of occupational or professional boards, the state auditor shall execute the

contract and any executive branch agency, including higher education institutions, shall pay the fees of the contractor. For performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection, the state auditor may charge a state agency or board for the cost of a contract relating to an audit, subject to approval by the legislative assembly or the legislative audit and fiscal review committee if the legislative assembly is not in session. When considering a request, the legislative audit and fiscal review committee shall consider the effect of the audit cost on the agency or board being audited, the necessity of the contract, and the potential benefit to the state resulting from the contract. The state auditor shall notify the affected agency or board of the potential cost before requesting approval from the legislative assembly or the legislative audit and fiscal review committee.

SECTION 3. AMENDMENT. Section 54-10-27 of the North Dakota Century Code is amended and reenacted as follows:

54-10-27. Occupational and professional boards - Audits and reports.

~~The governing board of any~~

1. Biennially, the state auditor shall conduct annual audits of occupational or professional ~~board shall provide for an audit once every two years by a certified public accountant or licensed public accountant. The accountant conducting the audit shall submit the audit report to the state auditor's office. If the report is in the form and style prescribed by the state auditor, the state auditor may not audit that board. An occupational or professional board may request the state auditor to conduct its audit, and if the state auditor agrees to conduct the audit, the~~boards. The state auditor shall deposit the fees charged to the occupational or professional board into the state auditor operating account.

2. Instead of providing for an audit every two years, an occupational or professional board that has less than two hundred thousand dollars of annual receipts may submit an annual report to the state auditor. The report must contain the information required by the state auditor. The state auditor also may make any additional examination or audit determined necessary in addition to the annual report. When a report is not filed, the state auditor may charge the occupational or professional board an amount equal

to the fair value of the additional examination or audit and any other services rendered. The state auditor may charge an occupational or professional board a fee not to exceed eighty-six dollars an hour for the costs of reviewing the annual report.

3. If an audit report or annual report shows the amount of the unobligated and undesignated balance of a board's operating fund exceeds two hundred fifty thousand dollars, the report must include a statement from the board regarding the board's plans for handling this excess amount.

SECTION 4. LEGISLATIVE MANAGEMENT STUDY - OCCUPATIONAL AND PROFESSIONAL REGULATION. During the 2023-24 interim, the legislative management shall consider studying the state's system for regulating occupations and professions, including consideration of the powers, duties, and membership of occupational and professional boards; licensure requirements; and disciplinary actions. The study must include consultation with occupational and professional boards. The study may include consideration of apprenticeships, internships, and board collaboration with primary and secondary education. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 5. EFFECTIVE DATE. Sections 1, 2, and 3 of this Act become effective January 1, 2026.