

Department 125 - Attorney General
Senate Bill No. 2003

Executive Budget Comparison to Base Level

	General Fund	Other Funds	Total
2023-25 Executive Budget	\$64,587,832	\$43,921,436	\$108,509,268
2023-25 Base Level	42,646,718	42,509,719	85,156,437
Increase (Decrease)	\$21,941,114	\$1,411,717	\$23,352,831

Selected Budget Changes Recommended in the Executive Budget

	General Fund	Other Funds	Total
1. Adds funding for state employee salary and benefit increases of which \$3,800,196 is for salary increases and \$1,207,912 is for health insurance increases	\$3,033,536	\$1,974,572	\$5,008,108
2. Adjusts funding for prior biennium Bureau of Criminal Investigation (BCI), Medicaid Fraud Control Unit (MFCU), and State Crime Laboratory salary equity increases from the Attorney General refund fund to the general fund	\$2,404,289	(\$2,404,289)	\$0
3. Adds funding for 2 FTE attorney positions, of which \$548,296 is for salaries and wages, \$83,540 is for ongoing operating expenses, and \$12,520 is for one-time operating expenses	\$644,356	\$0	\$644,356
4. Adds funding for 2 FTE BCI cybercrime positions, of which \$451,570 is for salaries and wages and \$108,421 is for ongoing operating expenses. The remaining \$185,999 is for one-time operating expenses (\$83,799) and capital assets (\$102,200).	\$745,990	\$0	\$745,990
5. Adds funding for 2 FTE MFCU positions, of which \$508,361 is for salaries and wages and \$91,092 is for ongoing operating expenses. The remaining \$69,273 is for one-time operating expenses (\$18,173) and capital assets (\$51,100). Of the total, \$501,543 is from federal funds, of which \$449,588 is ongoing funding and \$51,955 is one-time funding .	\$167,183	\$501,543	\$668,726
6. Adds funding for 4 FTE State Crime Laboratory positions, of which \$712,904 is for salaries and wages, \$120,365 is for ongoing operating expenses, and \$243,712 is for an ongoing increase in maintenance contracts for equipment. The remaining \$186,338 is for one-time operating expenses.	\$1,263,319	\$0	\$1,263,319
7. Adjusts funding for MFCU salaries and operating expenses by \$341,747 from federal funds to the general fund and for Information Technology Division and Criminal Justice Information System (CJIS) operating expenses by \$856,262 from the Attorney General refund fund to the general fund	\$1,198,009	(\$1,198,009)	\$0
8. Adds funding for BCI, State Crime Laboratory, and Gaming Division inflationary increases, of which \$145,000 is ongoing funding from the general fund (\$125,000) and charitable gaming operating fund (\$20,000) and \$156,463 is one-time funding from the general fund	\$281,463	\$20,000	\$301,463
9. Adds one-time funding for State Crime Laboratory capital assets, including \$754,677 from federal funds	\$886,000	\$754,677	\$1,640,677
10. Adds one-time funding for gaming and consumer protection investigator vehicles and radios (\$102,200), of which \$51,100 is from the Attorney General refund fund and \$51,100 is from the charitable gaming operating fund, and gaming, licensing, and deposit software (\$876,000), of which \$177,000 is from the general fund and \$699,000 is from the charitable gaming operating fund	\$177,000	\$801,200	\$978,200
11. Adds one-time funding to replace 10 undercover BCI vehicles	\$200,000	\$0	\$200,000
12. Adds one-time funding for the statewide litigation funding pool, including \$442,252 of funding remaining in the gaming and excise tax allocation fund	\$4,557,748	\$442,252	\$5,000,000
13. Adds one-time funding for back the blue grants	\$5,000,000	\$0	\$5,000,000

A summary of the executive budget changes to the agency's base level appropriations is attached as an appendix.

A copy of the draft appropriations bill containing the executive budget recommendations is attached as an appendix.

Selected Bill Sections Recommended in the Executive Budget

Exemption - Attorney General refund fund - Section 4 would allow the Attorney General to retain the balance in the Attorney General refund fund at the end of the 2021-23 biennium to be used during the 2023-25 biennium, rather than transferring the balance to the general fund.

Appropriation - Transfer - Attorney General refund fund to Department of Health and Human Services - Opioid addiction prevention and treatment program - Section 5 would authorize the Office of Management and Budget to transfer up to \$30 million from opioid-related lawsuit settlement proceeds deposited in the Attorney General refund fund to the Department of Health and Human Services (DHHS), which is appropriated to DHHS for an opioid addiction prevention and treatment program. The funding is considered a one-time funding item.

Transfer - Statewide litigation funding pool to state agencies - Section 6 would require the Attorney General to transfer funds appropriated in the statewide litigation funding pool line item in Section 1 to eligible state agencies for litigation expenses during the 2023-25 biennium.

Appropriation - Additional federal funds or other funds - Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2023-25 biennium. The Attorney General would be required to report to the Office of Management and Budget and Legislative Council on the availability of this funding.

Amendment - Lottery fund transfers - Section 13 would amend North Dakota Century Code Section 53-12.1-09 to increase transfers from the lottery operating fund to the multijurisdictional drug task force grant fund by \$50,000, from \$200,000 to \$250,000 each quarter.

Exemption - Concealed weapon rewrite project - Section 15 would allow the Attorney General to continue any remaining funding appropriated from the general fund during the 2015-17 biennium and continued into the 2017-19, 2019-21, and 2021-23 bienniums for a concealed weapon rewrite project into the 2023-25 biennium.

Exemption - Criminal history improvement project - Section 16 would allow the Attorney General to continue any remaining funding appropriated from the Attorney General refund fund during the 2021-23 biennium for the criminal history improvement project into the 2023-25 biennium.

Exemption - Coronavirus emergency supplemental funding - Section 17 would allow the Attorney General to continue any remaining funding appropriated from federal COVID-19 funds during the 2019-21 biennium and continued into the 2021-23 biennium for justice assistance grants into the 2023-25 biennium.

Exemption - Federal State Fiscal Recovery Fund - Section 18 would allow the Attorney General to continue any remaining funding appropriated from the federal State Fiscal Recovery Fund during the 2021-23 biennium for a missing persons database, the replacement of the prosecuting case management system, and charitable gaming information technology costs into the 2023-25 biennium.

Continuing Appropriations

Assets forfeiture fund - Section 54-12-14 - To pay costs related to law enforcement activities of the Attorney General's office.

Lottery operating fund - Section 53-12.1-09 - To pay costs of operating the lottery.

Refund fund - Section 54-12-18 - To pay costs of the Consumer Protection and Antitrust Division and the Gaming Division.

Special operations team reimbursement fund - Section 54-12-23 - To reimburse city and county governments that provide special operations team services to rural areas.

24/7 sobriety program fund - Section 54-12-29 - To pay costs of administering and operating the 24/7 sobriety program.

Multijurisdictional drug task force fund - Section 54-12-26 - To provide support for the narcotics enforcement efforts of the state.

Deficiency Appropriations

Prosecution witness fees - The executive budget includes a recommendation to provide a \$75,000 general fund deficiency appropriation to the Attorney General for prosecution witness fee reimbursements to counties during the 2021-23 biennium.

Significant Audit Findings

Operational audit - The operational audit of the Attorney General conducted by the State Auditor's office for the period ending June 30, 2020, identified one finding related to breath alcohol toxicology results. The State Auditor reviewed if toxicology results were accurate and performed by certified operators. The audit revealed the breath alcohol toxicology results were performed by certified operators but 34 of 8,925 tests performed during the audit period were performed using expired or unapproved gas standard canisters, resulting in potentially invalid tests. The State Auditor recommended either the Director of the State Crime Laboratory direct field inspectors to ensure gas canisters are approved and replaced prior to the expiration dates or the Attorney General establish other measures to prevent unapproved or expired gas canisters from being used to perform breath alcohol tests.

The Attorney General disagreed with the audit finding and recommendation. The Attorney General stated corrective actions related to field inspectors ensuring gas canisters are approved and replaced prior to the expiration dates were implemented in prior years.

In Section 4 of House Bill No. 1003 (2021), the Legislative Assembly appropriated \$100,000 from federal funds to the Attorney General for the replacement of 61 of 119 drug analyzers. The funding was to replace Intoxilyzer 8000 models with Intoxilyzer 9000 models that will prevent unapproved or expired gas canisters from being used. The Attorney General reported there may be a request during the 2023 legislative session for funding to replace the remaining 58 Intoxilyzer 8000s.

Investigative report on lease property - In response to a June 2022 request from the Legislative Audit and Fiscal Review Committee, the State Auditor issued an investigative report in September 2022 related to a 10-year lease agreement and remodel costs of a facility leased by the Attorney General's office. The State Auditor was asked to investigate the lease and excess costs of approximately \$1.74 million for renovations to the leased facility.

The investigation included a review of the lease entered by the Attorney General for the property located at 1720 Burlington Drive in Bismarck; interviews with representatives of the Attorney General's office, the Office of Management and Budget, Stealth Properties, Parkway Property Management, and Frontier Contracting, LLC; a review of emails made available by each interested party; and other records, including floor plans, invoices, and banking information.

The investigation revealed:

- Attorney General division directors were not consulted in the initial plans to relocate staff to the Burlington Drive facility, resulting in numerous remodeling changes necessary to accommodate staff which increased the cost to the Attorney General.
- The total cost to the Attorney General's office to relocate to the Burlington Drive facility was \$2.4 million. Of the total, \$1.74 million is considered excess costs to renovate and relocate to the facility. Of the \$1.74 million, \$1.34 million was paid by the Attorney General at the end of the 2019-21 biennium from existing funds remaining in the agency's operating expenses (\$470,187), law enforcement (\$197,900), CJIS (\$325,876), and North Dakota Lottery (\$348,247) line items. The remaining \$400,000 has been included in the ongoing lease cost beginning in the 2021-23 biennium.
- The Burlington Drive facility contains 2,600 fewer square feet than facilities the Attorney General leased before relocating.
- Invoices from Frontier Contracting, LLC included building maintenance-related services that appear to be the landlord's responsibility.
- Invoices from Frontier Contracting, LLC were for services that had occurred more than a year prior to the issuance of the invoice and the invoices lacked detail regarding the services performed.
- Parkway Property Management does not have invoices to support renovation costs. The State Auditor considers these questioned costs.
- After the emails of Attorney General Wayne Stenehjem were deleted in January 2021, the Information Technology Department indicated the emails could not be recovered. Information from Microsoft indicated data from the emails may not be completely lost.

Major Related Legislation

House Bill No. 1114 - This bill amends Section 53-06.1-11.2 related to funding in the charitable gaming operating fund in excess of funding appropriated from the fund for the subsequent biennium being transferred to the general fund and provides the Attorney General a continuing appropriation for the \$10,000 transferred from the charitable gaming operating fund to the gambling disorder prevention and treatment fund each quarter.

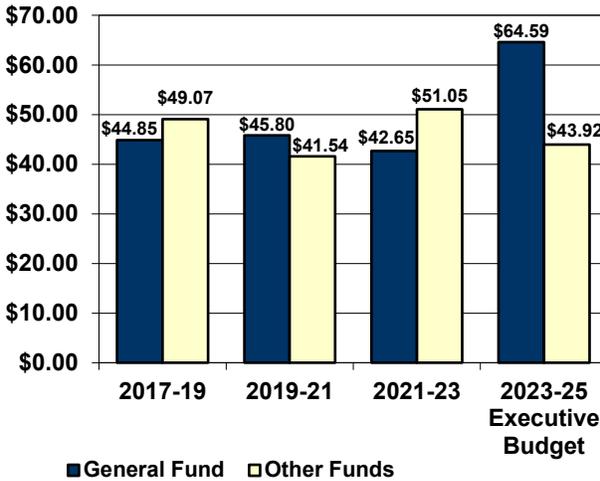
Senate Bill No. 2131 - This bill amends Section 54-12-24 to remove the requirement for the State Crime Laboratory and BCI to be administered separately.

Senate Concurrent Resolution No. 3002 - This resolution authorizes sports betting and allows for the licensing and regulation of sports betting by the state.

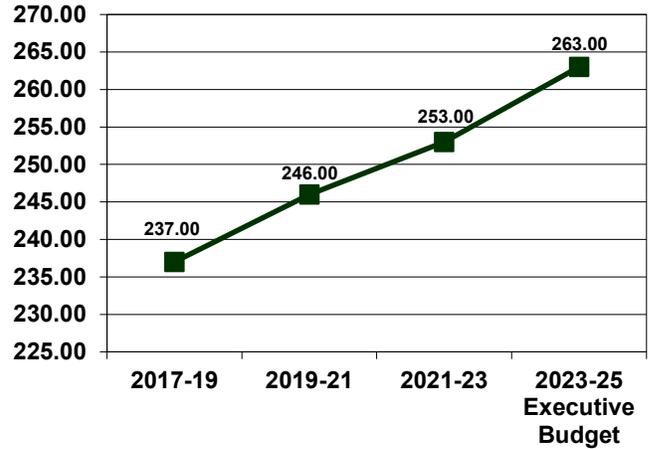
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
Ongoing general fund appropriations	\$48,466,861	\$44,695,840	\$45,604,596	\$42,646,718	\$53,208,446
Increase (decrease) from previous biennium	N/A	(\$3,771,021)	\$908,756	(\$2,957,878)	\$10,561,728
Percentage increase (decrease) from previous biennium	N/A	(7.8%)	2.0%	(6.5%)	24.8%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(7.8%)	(5.9%)	(12.0%)	9.8%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

1. Removed 13 FTE undesignated positions (\$130,782)
2. Reduced salaries and wages in anticipation of savings from vacant positions and employee turnover (\$929,297)
3. Changed funding source for 8 FTE positions from the general fund to federal and other funds (\$1,120,322)
4. Reduced funding for CJIS to provide total funding of \$3,391,562 (\$188,741)
5. Reduced funding for law enforcement programs (\$219,348)
6. Added funding to provide grants to organizations involved in providing prevention and treatment services related to human trafficking victims \$125,000

2019-21 Biennium

1. Removed 4 FTE positions, including 1 paralegal position, 1 criminal records specialist II position, 1 assistant attorney general position, and 1 administrative assistant II position (\$641,089)
2. Added 1 FTE forensic scientist position \$224,500
3. Transferred 2 FTE CJIS positions, including \$372,555 of salaries and wages and \$9,388 of operating expenses from the Adjutant General - Department of Emergency Services to BCI. The total amount transferred was \$381,943, including \$111,766 from other funds. \$270,177
4. Added funding for the human trafficking victims grants program to provide total funding of \$1.4 million from the general fund \$1,275,000
5. Added funding for a forensic nurse examiners grant program \$250,000

2021-23 Biennium

- 1. Added funding for a State Crime Laboratory data scientist position, of which \$200,162 is for salaries and wages and \$42,570 is for operating expenses \$242,732
- 2. Reduced funding for temporary salaries, including \$146,009 for IT temporary salaries and \$100,000 for agencywide temporary salaries (\$246,009)
- 3. Adjusted funding for the Gaming Division from the general fund to the charitable gaming operating fund to provide total funding of \$5,926,068 from the charitable gaming operating fund for the Gaming Division, of which \$4,125,469 is for salaries and wages, \$1,043,110 is for operating expenses, \$750,000 is for grants to political subdivisions, and \$7,489 is for Gaming Commission expenses (\$1,710,042)
- 4. Adjusted funding for operating expenses, including general fund decreases primarily for IT contractual services and repairs, IT software and supplies, travel, operating fees, rent, and increases from the Attorney General operating fund (\$185,464) and Attorney General refund fund (\$584,373) primarily for IT software, IT supplies, and IT contractual services and repairs (\$1,699,628)
- 5. Reduced funding for human trafficking victims grants to provide a total of \$1,101,879 from the general fund, of which \$1,100,000 is for grants and \$1,879 is for administration of the program (\$300,000)
- 6. Added funding for CJIS, for a common statute tables project (\$40,000), CJIS portal upgrades (\$75,000), broker maintenance costs (\$50,000), and law enforcement records and jail management system maintenance (\$217,662) \$382,662
- 7. Adjusted funding for CJIS IT expenses from the general fund to the Attorney General refund fund to provide total CJIS funding of \$4,074,968, of which \$2,952,761 is from the general fund, \$650,000 is from federal funds, and \$472,207 is from the Attorney General refund fund (\$271,889)
- 8. Adjusted funding from the general fund to the Attorney General refund fund for law enforcement operating expenses, of which \$279,850 relates to BCI, \$34,377 relates to the State Crime Laboratory, and \$26,133 are administrative law enforcement operating expenses. Total funding in the law enforcement line item is \$3,048,927, of which \$2,475,393 is from the general fund, \$229,796 is from federal funds, and \$343,738 is from the Attorney General refund fund. (\$340,360)

2023-25 Biennium (Executive Budget Recommendation)

- 1. Adjusts funding for prior biennium BCI, MFCU, and State Crime Laboratory salary equity increases from the Attorney General refund fund to the general fund \$2,404,289
- 2. Adds funding for 2 FTE attorney positions, of which \$548,296 is for salaries and wages and \$83,540 is for operating expenses \$631,836
- 3. Adds funding for 2 FTE BCI cybercrime positions, of which \$451,570 is for salaries and wages and \$108,421 is for operating expenses \$559,991
- 4. Adds funding for 4 FTE State Crime Laboratory positions, of which \$712,904 is for salaries and wages, \$120,365 is for operating expenses, and \$243,712 is for an increase in maintenance contracts for equipment \$1,076,981
- 5. Adjusts funding for MFCU salaries and operating expenses by \$341,747 from federal funds to the general fund and for Information Technology Division and CJIS operating expenses by \$856,262 from the Attorney General refund fund to the general fund \$1,198,009

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25 Executive Budget
One-time general fund appropriations	\$3,282,824	\$150,000	\$200,000	\$0	\$11,379,386

Major One-Time General Fund Appropriations

2017-19 Biennium

- 1. Prosecution witness fees \$50,000
- 2. DOS-based deposit system rewrite \$100,000

2019-21 Biennium

- 1. Undercover vehicles \$200,000

2021-23 Biennium

- None \$0

2023-25 Biennium (Executive Budget Recommendation)

1. State Crime Laboratory capital assets	\$886,000
2. Replacement of 10 undercover BCI vehicles	\$200,000
3. Statewide litigation funding pool	\$4,557,748
4. Back the blue grants	\$5,000,000

Attorney General - Budget No. 125
Senate Bill No. 2003
Base Level Funding Changes

	Executive Budget Recommendation			
	FTE Positions	General Fund	Other Funds	Total
2023-25 Biennium Base Level	253.00	\$42,646,718	\$42,509,719	\$85,156,437
2023-25 Ongoing Funding Changes				
Adds funding for the cost to continue salary increases		\$392,026	\$151,470	\$543,496
Salary increase		2,297,062	1,503,134	3,800,196
Health insurance increase		736,474	471,438	1,207,912
Retirement contribution increase				0
Adds funding for salary equity increases			22,368	22,368
Adjusts funding for prior biennium BCI, MFCU, and State Crime Laboratory salary equity increases		2,404,289	(2,404,289)	0
Adds funding for FTE attorney positions	2.00	631,836		631,836
Adds funding for FTE BCI cybercrime positions	2.00	559,991		559,991
Adds funding for FTE MFCU positions	2.00	149,865	449,588	599,453
Adjusts funding for the MFCU		341,747	(341,747)	0
Adds funding for FTE State Crime Laboratory positions	4.00	1,076,981		1,076,981
Reduces funding for operating expenses			(22,368)	(22,368)
Adjusts funding for IT Division and CJIS operating expenses		856,262	(856,262)	0
Adds funding for IT rate increases		54,245	7,301	61,546
Adds funding for increased software maintenance and subscription costs		419,297		419,297
Adds funding for sexual assault kit tracking system software maintenance			180,000	180,000
Adds funding for the automated biometric identification system and data extraction software		384,000	144,000	528,000
Adds funding for legal case search software		100,000		100,000
Adds funding for BCI, State Crime Laboratory, and Gaming Division inflationary increases		125,000	20,000	145,000
Adds funding for gaming, licensing, and deposit projects operating expenses		37,000	37,000	74,000
Adds funding for a new Capitol space rent model		259,708		259,708
Reduces funding for bond payments		(318,055)		(318,055)
Adds funding to replace IT servers		54,000		54,000
Total ongoing funding changes	10.00	\$10,561,728	(\$638,367)	\$9,923,361
One-Time Funding Items				
Adds one-time funding for FTE attorney position operating expenses		\$12,520		\$12,520
Adds one-time funding for BCI cybercrime operating and capital assets		185,999		185,999
Adds one-time funding for MFCU operating and capital assets		17,318	\$51,955	69,273
Adds one-time funding for State Crime Laboratory operating expenses		186,338		186,338
Adds one-time funding for State Crime Laboratory capital assets		886,000	754,677	1,640,677
Adds one-time funding for BCI, State Crime Laboratory, and Gaming Division inflationary increases		156,463		156,463
Adds one-time funding for gaming and consumer protection investigator vehicles and radios			102,200	102,200
Adds one-time funding for gaming, licensing, and deposit software		177,000	699,000	876,000
Adds one-time funding to replace undercover BCI vehicles		200,000		200,000
Adds one-time funding for the statewide litigation funding pool		4,557,748	442,252	5,000,000
Adds one-time funding for back the blue grants		5,000,000		5,000,000
Total one-time funding changes	0.00	\$11,379,386	\$2,050,084	\$13,429,470
Total Changes to Base Level Funding	10.00	\$21,941,114	\$1,411,717	\$23,352,831
2023-25 Total Funding	263.00	\$64,587,832	\$43,921,436	\$108,509,268
<i>Federal funds included in other funds</i>			\$14,569,773	
<i>Total ongoing changes as a percentage of base level</i>	4.0%	24.8%	(1.5%)	11.7%
<i>Total changes as a percentage of base level</i>	4.0%	51.4%	3.3%	27.4%

Other Sections in Attorney General - Budget No. 125

	Executive Budget Recommendation
Attorney General salary	Section 3 would amend Section 54-12-11 to provide for the Attorney General's annual salary to increase from \$169,162 to \$179,312 effective July 1, 2023, and \$186,484 effective July 1, 2024, to reflect the 6 percent and 4 percent annual recommended salary increases.
Exemption - Attorney General refund fund	Section 4 would allow the Attorney General to retain the balance in the Attorney General refund fund at the end of the 2021-23 biennium to be used during the 2023-25 biennium, rather than transferring the balance to the general fund.
Appropriation - Transfer - Attorney General refund fund to Department of Health and Human Services - Opioid addiction prevention and treatment program - One-time funding	Section 5 would authorize the Office of Management and Budget to transfer up to \$30 million from opioid-related lawsuit settlement proceeds deposited in the Attorney General refund fund to DHHS, which is appropriated to DHHS for an opioid addiction prevention and treatment program. The Attorney General is required to notify the Legislative Council and Office of Management and Budget of any lawsuit settlement proceeds that become available for transfer to DHHS for the program. The funding is considered a one-time funding item.

Other Sections in Attorney General - Budget No. 125

Transfer - Statewide litigation funding pool to state agencies

Transfer - Statewide litigation funding pool to state agencies - Gaming and excise tax allocation fund - One-time funding

Appropriation - Additional federal funds or other funds

Criminal history record checks - Fees

Estimated income - Charitable gaming technology system - Charitable gaming operating fund

Human trafficking victims grant program - Requirements - Reports

Forensic nurse examiners grant program - Reports

Amendment - Lottery fund transfers

Exemption - Contingent fee arrangement

Exemption - Concealed weapon rewrite project

Exemption - Criminal history improvement project

Exemption - Coronavirus emergency supplemental funding

Executive Budget Recommendation

Section 6 would require the Attorney General to transfer funds appropriated in the statewide litigation funding pool line item in Section 1 to eligible state agencies for litigation expenses during the 2023-25 biennium.

Section 7 would identify \$442,252 appropriated in the estimated income line item in Section 1 for the statewide litigation funding pool is one-time funding from the gaming excise tax allocation fund, which the Attorney General shall transfer to eligible state agencies for litigation expenses during the 2023-25 biennium.

Section 8 would appropriate \$250,000 from federal or other funds to the Attorney General, for the purpose of defraying the expenses of the Attorney General for the 2023-25 biennium. The Attorney General would be required to report to the Office of Management and Budget and Legislative Council on the availability of this funding.

Section 9 would require any person or entity requesting a criminal record check from BCI to pay a reasonable fee as determined by the Attorney General. The funding must be deposited in the general fund during the 2023-25 biennium.

Section 10 would identify \$736,000 appropriated in the estimated income line item in Section 1 is from the charitable gaming operating fund for the continued development and implementation of the charitable gaming technology system.

Section 11 would identify \$1,102,815 appropriated from the general fund in Section 1 is for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the 2023-25 biennium. The Attorney General would be allowed to provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section would be required to report to the Attorney General and the Appropriations Committees of the 69th Legislative Assembly on the use of the funds received and the outcomes of its program.

Section 12 would identify \$250,889 appropriated from the general fund in Section 1 is for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the 2023-25 biennium. Any organization that receives a grant under this section would be required to report to the Attorney General and the Appropriations Committees of the 69th Legislative Assembly on the use of the funds received and the outcomes of its programs.

Section 13 would amend Section 53-12.1-09 to increase transfers from the lottery operating fund to the multijurisdictional drug task force grant fund by \$50,000, from \$200,000 to \$250,000 each quarter.

Section 14 would provide, notwithstanding Section 54-12-08.1, the Attorney General may contract for legal services that are compensated by a contingent fee arrangement, relating to ongoing multi-state technology litigation, during the period beginning with the effective date of this Act and ending June 30, 2025.

Section 15 would allow the Attorney General to continue any remaining funding appropriated from the general fund during the 2015-17 biennium and continued into the 2017-19, 2019-21, and 2021-23 bienniums for a concealed weapon rewrite project into the 2023-25 biennium.

Section 16 would allow the Attorney General to continue any remaining funding of \$400,000 appropriated from the Attorney General refund fund during the 2021-23 biennium for the criminal history improvement project into the 2023-25 biennium.

Section 17 would allow the Attorney General to continue any remaining funding of the \$2,082,871 appropriated from federal COVID-19 funds during the 2019-21 biennium and continued into the 2021-23 biennium for justice assistance grants into the 2023-25 biennium.

Other Sections in Attorney General - Budget No. 125

Exemption - Federal State Fiscal Recovery Fund

Executive Budget Recommendation

Section 18 would allow the Attorney General to continue any remaining funding appropriated from the federal State Fiscal Recovery Fund during the 2021-23 biennium for a missing persons database (\$300,000), the replacement of the prosecuting case management system (\$1 million), and charitable gaming information technology costs (\$50,000) into the 2023-25 biennium.

**SENATE BILL NO. 2003
(Governor's Recommendation)**

Introduced by

Appropriations Committee

(At the request of the Governor)

A bill for an act to provide an appropriation for defraying the expenses of the attorney general; to provide exemptions; to provide a transfer; to amend and reenact section 54-12-11 of the North Dakota Century Code, relating to the salary of the attorney general; to amend section 53-12.1-09 of the North Dakota Century Code, relating to the transfer of proceeds.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and Wages	\$50,832,646	\$7,181,207	\$58,013,853
Operating Expenses	15,237,498	2,454,270	17,691,768
Capital Assets	648,055	2,708,122	3,356,177
Grants	3,903,440	0	3,903,440
Human Trafficking Victims Grants	1,101,879	11,339	1,113,218
Forensic Nurse Examiner Grants	250,691	2,579	253,270
Litigation Fees	127,500	0	127,500
Statewide Litigation Pool	0	5,000,000	5,000,000
Medical Examinations	660,000	0	660,000
North Dakota Lottery	5,254,844	212,342	5,467,186
Arrest and Return of Fugitives	8,500	0	8,500
Gaming Commission	7,489	0	7,489
Criminal Justice Info Sharing	4,074,968	488,971	4,563,939
Law Enforcement	<u>3,048,927</u>	<u>5,294,001</u>	<u>8,342,928</u>
Total All Funds	\$85,156,437	\$23,352,831	\$108,509,268
Less Estimated Income	<u>42,509,719</u>	<u>1,411,718</u>	<u>43,921,436</u>
Total General Fund	\$42,646,718	\$21,941,113	\$64,587,832
Full-time Equivalent Positions	253.00	10.00	263.00

SECTION 2. ONE-TIME FUNDING – EFFECT ON BASE BUDGET – REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the 2023-25 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
Crime Lab Equipment	\$1,111,706	\$ 1,640,677
IT Projects	1,175,000	0
Federal Authority	250,000	0
Undercover Vehicle Replacement	0	200,000
Charitable Gaming Technology	0	876,000
Operating for New FTE	0	351,931
Vehicles for New Agents	0	204,400
Inflationary Increase	0	156,463
Back the Blue Grant	0	5,000,000
Statewide Litigation Pool	<u>4,650,000</u>	<u>5,000,000</u>
Total All Funds	\$3,167,956	\$13,429,471
Total Special Funds	<u>2,967,956</u>	<u>2,050,084</u>
Total General Fund	\$ 200,000	\$11,379,387

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

SECTION 3. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general. The annual salary of the attorney general is ~~one hundred sixty-five thousand eight hundred forty five dollars through June 30, 2022~~ one hundred seventy-nine thousand three hundred twelve dollars through June 30, 2024, and one hundred sixty-nine thousand one hundred sixty two dollars one hundred eighty-six thousand four hundred eighty-four dollars thereafter.

SECTION 4. ATTORNEY GENERAL REFUND TRANSFER TO THE GENERAL FUND - EXEMPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2023.

SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID ADDICTION PREVENTION AND TREATMENT PROGRAM - APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - ONE-TIME FUNDING - REPORT. The office of management and budget shall transfer up to \$30,000,000 from opioid-related lawsuit settlement proceeds deposited in the attorney general refund fund to the department of health and human services which is appropriated to the department of health and human services for the purpose of defraying the expenses of an opioid addiction prevention and treatment program during the biennium beginning July 1, 2023, and ending June 30, 2025. The department of health and human services shall consult with the attorney general on the use of funding for the program. The attorney general shall notify the legislative council and office of management and budget of any lawsuit settlement proceeds that become available for transfer to the department of health and human services for this program. This funding is considered a one-time funding item.

SECTION 6. TRANSFER – LITIGATION POOL TO STATE AGENCIES. The attorney general shall transfer funds from the statewide litigation pool line item appropriated in section 1 of this Act to eligible state agencies for litigation expenses during the biennium beginning July 1, 2023 and ending June 30, 2025. The attorney general may not use funding from the litigation pool to pay judgments under section 32-12-04.

SECTION 7. GAMING AND EXCISE TAX ALLOCATION FUND - TRANSFER - ONE-TIME FUNDING. The statewide litigation funding pool line item in section 1 of this Act includes \$442,252 from the gaming and excise tax allocation fund, which the attorney general shall transfer to eligible state agencies for litigation expenses during the biennium beginning July 1, 2023, and ending June 30, 2025. This funding is considered a one-time funding item.

SECTION 8. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2023 and ending June 30, 2025. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 9. CRIMINAL HISTORY RECORD CHECKS - FEES. Any person or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2023 and ending June 30, 2025.

SECTION 10. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - CHARITABLE GAMING OPERATING FUND. The estimated income line item in section 1 of this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses related to the continued development and implementation of the charitable gaming technology system.

SECTION 11. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,102,815 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2023 and ending June 30, 2025. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-ninth legislative assembly on the use of the funds received and the outcomes of its program.

SECTION 12. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,889 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-ninth legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 13. 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;
 - c. Starting July 1, ~~2019~~2023, two hundred fifty thousand dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and

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

SECTION 14. EXEMPTION - CONTINGENT FEE ARRANGEMENT. Notwithstanding section 54-12-08.1, the attorney general may contract for legal services compensated by a contingent fee arrangement for ongoing multistate technology litigation during the period beginning with the effective date of this Act and ending June 30, 2025.

SECTION 15. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 16. EXEMPTION – CRIMINAL HISTORY IMPROVEMENT PROJECT. The amount appropriated to the attorney general from the attorney general refund fund for a criminal history improvement project as contained in section 1 of chapter 3 of the 2021 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the criminal history improvement project, during the biennium beginning July 1, 2023, and ending June 30, 2025

SECTION 17. EXEMPTION – CORONAVIRUS EMERGENCY SUPPLEMENTAL FUNDING. The amount appropriated to the attorney general from federal funds for coronavirus emergency supplemental funding, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 18. EXEMPTION – STATE FISCAL RECOVERY FUND. The amount appropriated to the attorney general from federal funds for state fiscal recovery funding, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general during the biennium beginning July 1, 2023, and ending June 30, 2025.