

**Sixty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 7, 2025**

SENATE BILL NO. 2028
(Legislative Management)
(Government Finance Committee)

AN ACT to amend and reenact sections 6-01-01.1, 6-01-04, 6-01-10, 6-01-11, and 6-01-16 of the North Dakota Century Code, relating to the budget approval process and reports of the department of financial institutions; to provide a continuing appropriation; to provide for a report; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 6-01-01.1 of the North Dakota Century Code is amended and reenacted as follows:

6-01-01.1. Regulatory fund established - Uses - ~~Appropriation~~Continuing appropriation.

1. There is created a special fund designated as the financial institutions regulatory fund. The amounts received under the following chapters, and any other moneys received by the department of financial institutions, must be deposited into this fund: chapters 6-01, 6-03, 6-05, 6-06, 6-10, 13-04.1, 13-05, 13-08, 13-09.1, 13-10, and 13-11.
2. All moneys deposited in the financial institutions regulatory fund are reserved for use by the department of financial institutions to defray the expenses of the department in the discharge of its administrative and regulatory powers and duties as prescribed by law, subject to the applicable laws relating to ~~the appropriation of state funds and to~~ the deposit and expenditure of state moneys.
3. All moneys in the financial institutions regulatory fund are appropriated on a continuing basis to the department of financial institutions to carry out its administrative and regulatory powers and duties within the limits of an annual or biennial budget approved by the state banking board and state credit union board.
4. The department of financial institutions is responsible for the proper ~~expenditures~~expenditure of these moneys as provided by law and shall document the revenues and expenditures of the fund at the time and in the manner required by the office of management and budget.
- ~~3-5.~~ Any cash balance in the financial institutions regulatory fund after all current biennium expenditures are met must be carried forward in the financial institutions regulatory fund for the next succeeding biennium.
- ~~4-6.~~ All moneys derived from the investment of any portion of the financial institutions regulatory fund must be credited to the fund.

SECTION 2. AMENDMENT. Section 6-01-04 of the North Dakota Century Code is amended and reenacted as follows:

6-01-04. Powers and duties of the state banking board and state credit union board.

1. The state banking board may adopt rules for the government of financial institutions and trust companies mentioned in section 6-01-01 to the extent the rules do not conflict with any law of this state or of the United States. The state banking board shall make and enforce such orders as are necessary or proper to protect the public and the depositors or creditors of those financial institutions and trust companies.

2. The same powers are given to the state credit union board with reference to credit unions as are granted to the state banking board with reference to financial institutions and trust companies named in this chapter.
3. The state banking board and state credit union board shall hold a joint meeting to consider any budget recommendations from the commissioner. Upon consideration of a budget recommendation, the boards shall approve an annual or biennial budget for the department of financial institutions, including the number of full-time equivalent positions. A majority of the members of each board must be present to constitute a quorum for the joint meeting, and approval by a majority of the members present of each board is required to approve an annual or biennial budget for the department of financial institutions.

SECTION 3. AMENDMENT. Section 6-01-10 of the North Dakota Century Code is amended and reenacted as follows:

6-01-10. Commissioner to keep records and make reports - Biennial report - Report to the legislative assembly.

1. The assistant commissioner shall act as secretary and keep all proper records and files pertaining to the duties and work of the department of financial institutions and the proceedings of the board. The commissioner shall report to the board annually, touching on all the commissioner's official acts and those of the deputy examiners, giving abstracts of statistics and of the conditions of the various institutions to which the commissioner's duties relate, and making such recommendations and suggestions as the commissioner may determine proper.
2. The state banking board shall submit a biennial report to the governor and the secretary of state in accordance with section 54-06-04. In addition to any requirements established pursuant to section 54-06-04, the banking board's report must include a summary or abstract of the reports of the commissioner.
3. The commissioner shall report to the state credit union board annually in the same manner as this section provides for the commissioner's report to the state banking board. The state credit union board shall submit a biennial report to the governor and the secretary of state in accordance with section 54-06-04, and in addition, the credit union board's report must include a summary or abstract of the reports of the commissioner.
4. The biennial reports of the state banking board and the state credit union board shall be published in the form of a combined biennial report of the department of financial institutions. The biennial report of the department shall be submitted to the governor and the secretary of state in accordance with section 54-06-04. The biennial report of the department must include all other biennial reports which the commissioner or the boards are required by law to submit to the governor and the office of management and budget.
5. The commissioner shall prepare and present a report to the house and senate appropriations committees of the legislative assembly during each regular legislative session at the time and in the manner directed by the chairmen of the committees. The report must include a summary of the department's activities during the current biennium, a statement of the department's revenues and expenditures for the prior biennium and the current biennium to date, and any other information requested by the chairmen of the committees.

SECTION 4. AMENDMENT. Section 6-01-11 of the North Dakota Century Code is amended and reenacted as follows:

6-01-11. Salary of commissioner.

The salary of the commissioner must be within the ~~amount appropriated for salaries by the legislative assembly~~ budget approved by the boards. The commissioner is allowed, in addition to the

commissioner's salary, the commissioner's necessary and actual expenses incurred in the discharge of the commissioner's official duties within the budget approved by the boards. The commissioner's salary and expenses must be audited and paid in the manner in which the salary and expenses of other state officers are paid.

SECTION 5. AMENDMENT. Section 6-01-16 of the North Dakota Century Code is amended and reenacted as follows:

6-01-16. Salaries of commissioner's deputies.

The salary of the assistant commissioner and the salary of each other deputy must be fixed by the commissioner within the ~~limits of the legislative appropriation for such salaries~~budget approved by the boards. In addition to the amounts herein specified, each deputy must be allowed the deputy's actual and necessary traveling expenses when engaged in the discharge of the deputy's duties. The salaries of all clerks, stenographers, and other assistants must be fixed by the commissioner within the ~~limits of the legislative appropriation therefor~~budget approved by the boards.

SECTION 6. EXPIRATION DATE. This Act is effective through June 30, 2029, and after that date is ineffective.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-ninth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2028.

Senate Vote: Yeas 43 Nays 4 Absent 0

House Vote: Yeas 59 Nays 34 Absent 1

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2025.

Approved at _____ M. on _____, 2025.

Governor

Filed in this office this _____ day of _____, 2025,

at _____ o'clock _____ M.

Secretary of State