

Sixty-ninth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT
with Senate Amendments**

ENGROSSED HOUSE BILL NO. 1018

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state historical
2 society; to authorize a Bank of North Dakota line of credit; to amend and reenact section
3 55-01-02.1 of the North Dakota Century Code, relating to jurisdiction of the heritage center; and
4 to declare an emergency.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
7 as may be necessary, are appropriated out of any moneys in the general fund in the state
8 treasury, not otherwise appropriated, and from other funds derived from special funds and
9 federal funds, to the state historical society for the purpose of defraying the expenses of the
10 state historical society, for the biennium beginning July 1, 2025, and ending June 30, 2027, as
11 follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$16,832,853	\$3,313,454	\$20,146,307
15 New and vacant FTE pool	0	934,276	934,276
16 Operating expenses	3,443,236	2,084,415	5,527,651
17 Capital assets	1,330,184	82,267,649	83,597,833
18 Grants	928,340	1,842,500	2,770,840
19 Cultural heritage grants	500,000	(500,000)	0
20 America 250 th celebration	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
21 Total all funds	\$23,034,613	\$90,942,294	\$113,976,907
22 Less other funds	<u>2,434,264</u>	<u>88,131,416</u>	<u>90,565,680</u>

1	Total general fund	\$20,600,349	\$2,810,878	\$23,411,227
2	Full-time equivalent positions	83.50	2.00	85.50

3 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**

4 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding
5 items included in the appropriation in section 1 of this Act which are not included in the entity's
6 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
7 committees of the seventieth legislative assembly regarding the use of this funding:

8	<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
9	Temporary staff salaries and operating	\$10,225	\$52,011	\$62,236
10	Repatriation compliance costs	100,000	0	100,000
11	Pembina state museum exhibits	0	638,000	638,000
12	Underrepresented community program	0	75,000	75,000
13	Military gallery expansion project	0	77,944,524	77,944,524
14	Inspiration gallery updates	0	700,000	700,000
15	Medora area planning	0	2,000,000	2,000,000
16	State archive storage updates	207,500	0	207,500
17	Historical structures and buildings	0	3,000,000	3,000,000
18	improvements			
19	Paul Bruhn historical revitalization grants	0	750,000	750,000
20	Historic theater restoration grant	0	250,000	250,000
21	Historic opera house restoration grant	0	250,000	250,000
22	Historic museum repairs grant	0	200,000	200,000
23	Historic movie theater improvement grant	0	250,000	250,000
24	Historic armory restoration grant	0	100,000	100,000
25	America 250 th celebration	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
26	Total	\$317,725	\$87,209,535	\$87,527,260

27 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
28 state historical society may not spend funds appropriated in the new and vacant FTE pool line
29 item in section 1 of this Act, but may request the office of management and budget to transfer
30 funds from the new and vacant FTE pool line item to the salaries and wages line item in

1 accordance with the guidelines and reporting provisions included in House Bill No. 1015, as
2 approved by the sixty-ninth legislative assembly.

3 **SECTION 4. APPROPRIATION - REVOLVING FUND.** All fees collected by the state
4 historical society and deposited in the revolving fund established pursuant to section 55-03-04
5 are appropriated to the state historical society for the purposes provided in chapter 55-03, for
6 the biennium beginning July 1, 2025, and ending June 30, 2027.

7 **SECTION 5. APPROPRIATION - GIFTS, GRANTS, AND BEQUESTS.** All gifts, grants,
8 devises, bequests, donations, and assignments received by the state historical society and
9 deposited with the state treasurer pursuant to section 55-01-04 are appropriated to the state
10 historical society for the purposes provided in section 55-01-04, for the biennium beginning
11 July 1, 2025, and ending June 30, 2027.

12 **SECTION 6. OTHER FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**
13 **FUND - MATCHING FUNDS REQUIREMENT.**

14 1. The other funds line item in section 1 of this Act includes the sum of \$27,238,000 from
15 the strategic investment and improvements fund, of which \$638,000 is for Pembina
16 state museum exhibit designs and objects, \$15,000,000 is for the military gallery
17 expansion project, \$4,200,000 is for the repayment of a Bank of North Dakota line of
18 credit for the military gallery expansion project from the 2023-25 biennium, \$350,000 is
19 for an update to the inspiration gallery at the North Dakota heritage center, \$2,000,000
20 is for Medora area planning, \$3,000,000 is for improvements to historical structures
21 and buildings, \$250,000 is for a historic theater restoration grant, \$250,000 is for a
22 historic opera house restoration grant, \$200,000 is for a historic museum repairs grant,
23 \$250,000 is for a historic movie theater improvement grant, \$100,000 is for a historic
24 armory restoration grant, and \$1,000,000 is for America 250th celebration activities in
25 Medora.

26 2. The state historical society may spend funds appropriated for the historic theater
27 restoration grant program only to the extent the organization has secured one dollar of
28 matching funds from nonstate sources for every one dollar provided by the state
29 historical society. The state historical society may spend funds appropriated for the
30 historic opera house restoration grant, historic museum repairs grant, historic movie
31 theater improvement grant, and historic armory restoration grant programs only to the

1 extent the organizations have secured one dollar of matching funds from nonstate
2 sources for every two dollars provided by the state historical society. The state
3 historical society may accept matching funds raised during or prior to the 2025-27
4 biennium for programs under this subsection.

5 3. The state historical society may access the \$15,000,000 appropriated from the
6 strategic investment and improvements fund for the military gallery expansion project
7 in section 1 of this Act only upon certification from the director of the state historical
8 society to the office of management and budget that at least fifty percent, or
9 \$19,372,262, of the \$38,744,524 appropriated from donations for the military gallery
10 expansion project in section 1 of this Act, has been pledged from nonstate sources for
11 the project.

12 **SECTION 7. OTHER FUNDS - BANK OF NORTH DAKOTA LINE OF CREDIT - MILITARY**
13 **GALLERY EXPANSION PROJECT.** The other funds line item in section 1 of this Act includes
14 the sum of \$20,000,000, which the state historical society may borrow through a line of credit
15 from the Bank of North Dakota during the biennium beginning July 1, 2025, and ending
16 June 30, 2027. The interest rate on the line of credit may not exceed the prevailing interest rate
17 charged to North Dakota governmental entities. If the state historical society accesses the line
18 of credit, the state historical society shall request a deficiency appropriation from the seventieth
19 legislative assembly to repay the line of credit.

20 **SECTION 8. OTHER FUNDS - DONATIONS.** The other funds line item in section 1 of this
21 Act includes the sum of \$39,094,524 from other funds derived from donations, of which
22 \$38,744,524 is for the military gallery expansion project and \$350,000 is for an update to the
23 inspiration gallery at the North Dakota heritage center.

24 **SECTION 9. OTHER FUNDS - DEPARTMENT OF TRANSPORTATION GRANT.** The other
25 funds line item in section 1 of this Act includes \$100,000 of grant funding from the department of
26 transportation for the purpose of defraying the expenses of the Lewis and Clark interpretive
27 center.

28 **SECTION 10. AMENDMENT.** Section 55-01-02.1 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **55-01-02.1. Society to have jurisdiction over heritage center.**

2 The society has jurisdiction over the administration and operations of the North Dakota
3 heritage center building. The director of the office of management and budget is responsible for
4 maintenance of the heritage center building. The adjutant general is responsible for all public
5 displays, signage, and museum content for the military gallery within the North Dakota heritage
6 center building, which must be managed by the North Dakota national guard. The society shall
7 maintain the collections displayed and stored at the heritage center and shall provide, or
8 arrange, for the security of those collections. The society shall establish a policy that authorizes
9 the consumption of alcoholic beverages, including distilled spirits as defined in section 5-01-01,
10 at the heritage center during an event that is open only to invited guests and if the alcoholic
11 beverages are dispensed by a qualified alcoholic beverage licensee.

12 **SECTION 11. EMERGENCY.** The \$4,200,000 appropriated from the strategic investment
13 and improvements fund in section 1 of this Act to repay a Bank of North Dakota line of credit for
14 the military gallery expansion project is declared to be an emergency measure.