

Department of Health and Human Services - Public Health Division
Budget No. 325
House Bill Nos. 1004 and 1477; Senate Bill No. 2344

	FTE Positions	General Fund	Other Funds	Total
2023-25 legislative appropriations	215.50	\$44,782,455	\$305,304,218	\$350,086,673
2023-25 base budget	210.50	38,575,155	129,409,112	167,984,267
Legislative increase (decrease) to base budget	5.00	\$6,207,300	\$175,895,106	\$182,102,406

ONGOING AND ONE-TIME GENERAL FUND APPROPRIATIONS

	Ongoing General Fund Appropriation	One-Time General Fund Appropriation	Total General Fund Appropriation
2023-25 legislative appropriations	\$44,782,455	\$0	\$44,782,455
2021-23 legislative appropriations	38,575,155	5,528,276	44,103,431
2023-25 legislative increase (decrease) to 2021-23 appropriations	\$6,207,300	(\$5,528,276)	\$679,024
Percentage increase (decrease) to 2021-23 appropriations	16.1%	(100.0%)	1.5%

SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET AND MAJOR FUNDING ITEMS
Changes to Base Budget

	FTE Positions	General Fund	Other Funds	Total
The legislative action:				
Adjusted funding for base payroll changes		\$103,733	\$216,068	\$319,801
Adjusted funding for base budget changes, including federal funds and adjustments to transfer funding between the former State Department of Health and former Department of Human Services budgets		1,692,991	106,147,341	107,840,332
Added funding to provide employee salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024		656,026	2,019,554	2,675,580
Added funding for employee health insurance premiums to reflect a revised premium estimate of \$1,643 per month		260,470	846,616	1,107,086
Transferred funding for new FTE positions and estimated savings from vacant FTE positions to a new and vacant FTE funding pool in the Office of Management and Budget (OMB)		(634,154)	(1,804,873)	(2,439,027)
Added funding to convert 1 temporary position to 1 FTE autopsy technician IV position	1.00	65,094		65,094

Added funding to convert 4 temporary positions to 4 FTE program management III positions	4.00		50,008	50,008
Added funding for Information Technology Department rate increases		191,302	1,050,392	1,241,694
Increased funding for operating expenses in injury prevention		31,000		31,000
Increased funding to maintain public health registries		701,553		701,553
Added funding to expand the biomedical cache		20,000		20,000
Added funding for emergency response and preparedness training and exercise		385,000		385,000
Added funding from the community health trust fund to increase local public health state aid to provide a total of \$8,000,000, of which \$4,725,000 is from the general fund and \$3,275,000 is from the community health trust fund			2,750,000	2,750,000
Increased funding for domestic violence prevention to provide a total of \$5,936,285, of which \$4,596,285 is from the general fund, \$1,000,000 is from the community health trust fund, and \$340,000 is from the domestic violence and sexual assault prevention fund		2,686,285	1,000,000	3,686,285
Increased funding from the community health trust fund for domestic violence offender treatment to provide a total of \$1 million from the community health trust fund			700,000	700,000
Added funding from the community health trust fund for a NDQuits cessation program with pharmacies			500,000	500,000
Added funding from the community health trust fund for youth vaping prevention grants			300,000	300,000
Added one-time funding from the federal State Fiscal Recovery Fund for a new laboratory building shared with the Department of Environmental Quality			55,120,000	55,120,000
Added funding from the community health trust fund to aid the functions and operations of rural emergency medical services and rural ambulance service districts (House Bill No. 1477)			7,000,000	7,000,000
Added funding for 4 slots for registered nurses in the health care professional student loan repayment program (Senate Bill No. 2344)		48,000		48,000
Total	<u>5.00</u>	<u>\$6,207,300</u>	<u>\$175,895,106</u>	<u>\$182,102,406</u>

FTE Changes

The Legislative Assembly approved 215.5 FTE positions for the Department of Health and Human Services (DHHS) - Public Health Division for the 2023-25 biennium, an increase of 5 FTE positions from the 2021-23 biennium. The Legislative Assembly converted 5 temporary positions to 1 FTE autopsy technician IV position and 4 FTE program management III positions.

One-Time Funding

In Section 2 of House Bill No. 1004, the Legislative Assembly identified \$55.12 million of one-time funding from the State Fiscal Recovery Fund for a new laboratory building shared with the Department of Environmental Quality.

Emergency Medical Services Funding

The base budget for the 2023-25 biennium for DHHS - Public Health Division included a total of \$7,721,000, of which \$6,596,000 is from the general fund and \$1,125,000 is from the insurance tax distribution fund, for rural emergency medical services grants, including emergency medical services rural assistance grants of \$6,875,000, of which \$5,750,000 is from the general fund and \$1,125,000 is from the insurance tax distribution fund, and emergency medical services training grants of \$846,000 from the general fund. The Legislative Assembly, in House Bill No. 1477 increased funding for emergency medical services by providing \$7,000,000 from the community health trust fund to aid the functions and operations of rural emergency medical services and rural ambulance service districts, to provide a total of \$14,721,000 for emergency medical services, of which \$6,596,000 is from the general fund, \$7,000,000 is from the community health trust fund, and \$1,125,000 is from the insurance tax distribution fund, for the 2023-25 biennium.

Tobacco Prevention and Control Funding

The Legislative Assembly, in House Bill No. 1004 provided \$14,224,257, of which \$75,000 is from the general fund, \$12,093,000 is from the community health trust fund, and \$2,056,257 is from federal funds, for tobacco prevention and control, \$814,235 more than the 2021-23 biennium. This level of funding represents an increase from the from the community health trust fund of \$800,000 and from federal funds of \$14,235. The Legislative Assembly added funding from the community health trust fund for a NDQuits cessation program with pharmacies (\$500,000) and youth vaping prevention grants (\$300,000). In addition, funding from the community health trust fund provides \$6,250,000 for grants to local public health units for tobacco prevention and control programs and \$5,043,000 for community health tobacco programs, including the Tobacco Quitline, cessation grants, other program grants, and operating expenses.

Local Public Health Unit Funding

The Legislative Assembly provided a total of \$8,000,000, of which \$4,725,000 is from the general fund and \$3,275,000 is from the community health trust fund, for grants to local public health units. The Legislative Assembly provided \$2,750,000 more from the community health trust fund for grants to local public health units compared to the 2021-23 biennium appropriation of \$4,725,000 from the general fund and \$525,000 from the community health trust fund.

Medical Marijuana Division

In November 2016, voters approved Initiated Statutory Measure No. 5 (North Dakota Compassionate Care Act) relating to medical marijuana and created Chapter 19-24. In Senate Bill No. 2344 (2017), the Legislative Assembly repealed Chapter 19-24 and created and enacted Chapter 19-24.1 to provide for the legalization of medical marijuana. Senate Bill No. 2344 required DHHS to establish and implement a medical marijuana program to allow for the production, processing, and sale of marijuana for medical use. In Section 19-24.1-40, the Legislative Assembly established a medical marijuana fund. The department must deposit all fees related to medical marijuana into the fund and must administer the fund. Money in the fund is appropriated to the department on a continuing basis for use in administering the medical marijuana program. Therefore, the Legislative Assembly does not include an appropriation for the Medical Marijuana Division in DHHS's budget. The department presented a budget, funded through the continuing appropriation, totaling \$1,746,384, including 5 FTE positions for the 2023-25 biennium. The Legislative Assembly approved health insurance increases and salary adjustments of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, totaling \$95,747. In addition, the Legislative Assembly also approved Senate Bill No. 2201 (2023) which decreased revenue by \$45,000 and increased expenditures by \$26,400 during the 2023-25 biennium. Indirect cost allocations were also increased by \$2,499 from the proposed budget. Expenditures from the medical marijuana fund are estimated to total \$1,871,030 for the 2023-25 biennium.

Loan Repayment Programs

The Legislative Assembly provided funding as follows for various professional loan repayment programs administered by DHHS during the 2023-25 biennium:

Loan Repayment Program	General Fund	Special Funds (Community Health Trust Fund)	Federal Funds	Total
Dental loan repayment program	\$225,200	\$360,000		\$585,200
Medical personnel loan repayment program	645,500			645,500
Behavioral health loan repayment program	293,980	234,500		528,480
Veterinarian loan repayment program	480,000			480,000
Registered nurse loan repayment program	48,000			48,000
Federal/state loan repayment program			\$1,500,000	1,500,000
Total	\$1,692,680	\$594,500	\$1,500,000	\$3,787,180

Other Sections in House Bill No. 1004

Funding transfer authorization - Line items of House Bill No. 1004 and Senate Bill No. 2012 (2023) - Section 3 provides an exemption to allow DHHS to transfer funding between line items in House Bill No. 1004, subdivisions 1, 2, and 3 of Section 1 of Senate Bill No. 2012, and any remaining appropriation authority for DHHS approved by the 68th Legislative Assembly. The department is required to notify the Legislative Council of any transfers and report to the Budget Section after June 30, 2024, any transfer made in excess of \$50,000. The department is also required to report any transfers to the 69th Legislative Assembly.

Funding transfer authorization - Line items of House Bill No. 1004 and select subdivisions of Senate Bill No. 2012 to county social services in Senate Bill No. 2012 - Section 4 provides an exemption to allow DHHS to transfer funding from the line items in House Bill No. 1004, subdivisions 1, 2, and 3 of Section 1 of Senate Bill No. 2012, and any remaining appropriation authority for DHHS approved by the 68th Legislative Assembly to subdivision 4 of Section 1 of Senate Bill No. 2012. The department is required to notify the Legislative Council of any transfers and report to the Budget Section after June 30, 2024, any transfer made in excess of \$50,000. The department is also required to report any transfers to the 69th Legislative Assembly.

Transfer of appropriation authority - Section 5 requires OMB to combine the appropriation authority contained in Section 1 of House Bill No. 1004, Section 1 of Senate Bill No. 2012, and any remaining appropriation authority for DHHS in other bills approved by the 68th Legislative Assembly, into one budget for DHHS on July 1, 2023. The section also requires DHHS to submit one budget request for the 2025-27 biennium.

Insurance tax distribution fund - Section 6 identifies \$1,125,000 from the insurance tax distribution fund for rural emergency medical services grants during the 2023-25 biennium.

Community health trust fund - Section 7 identifies \$20,072,324 provided from the community health trust fund for the following programs:

	Community Health Trust Fund 2023-25 Biennium
Behavioral risk factor survey	\$200,000
Behavioral health loan repayment	234,500
Domestic violence offender treatment	1,000,000
Domestic violence prevention	1,000,000
Women's way	329,500
Dentists' loan repayment	360,000
Local public health state aid	3,275,000
Cancer programs	580,324
Forensic examiner contract	1,000,000
Tobacco cessation grants	500,000
Youth vaping prevention grants	300,000
Tobacco prevention and control	5,043,000
Tobacco prevention and control grants to local public health units	6,250,000
Total provided to the Public Health Division from the community health trust fund	\$20,072,324

State Fiscal Recovery Fund - Public health laboratory capital project - Section 8 identifies \$55.12 million from the State Fiscal Recovery Fund for a new laboratory building shared with the Department of Environmental Quality during the 2023-25 biennium. Section 14 provides an exemption to allow the department to continue any unexpended funding provided from the State Fiscal Recovery Fund during the 2021 special legislative session for the public health laboratory capital project. The section provides any unexpended funds remaining of the \$15 million one-time funding appropriation are available for the public health laboratory capital project during the 2023-25 biennium.

JUUL Labs, Inc., settlement funds - Community health trust fund - Section 9 provides the statutory changes to require 80 percent of the funds received by the state as a result of the JUUL Labs, Inc., settlement be deposited in the community health trust fund.

JUUL Labs, Inc., settlement funds - Community health trust fund transfer - Section 10 requires the Attorney General transfer 80 percent of the JUUL Labs, Inc., settlement proceeds received during the 2021-23 biennium and deposited in the Attorney General refund fund to the community health trust fund.

Federal COVID-19 public health crisis response grant - Use of funds - Section 11 requires the department to first make available \$870,000 from the federal COVID-19 public health crisis response grant to local public health units. Funding not requested by December 31, 2023, will be available to the department for workforce efforts pursuant to grant guidance.

Laboratory Building Steering Committee membership - Section 12 provides the Laboratory Building Steering Committee include representation from DHHS, Department of Environmental Quality, OMB, the Governor's office, and the Legislative Assembly. Legislative Assembly members assigned to the committee must include one member of the Senate, appointed by the Senate Majority Leader; one member of the House, appointed by the House Majority Leader; and one member of the minority party from either the Senate or the House, appointed by the Minority Leaders of the Senate and House.

Exemption - Statewide health strategies initiative - 2021-23 biennium carryover - Section 13 provides an exemption to allow the department to continue \$3 million of one-time funding, of which \$1.5 million is from the community health trust fund and \$1.5 million is from other funds secured as matching funds, provided for a statewide health strategies initiative during the 2021-23 biennium to the 2023-25 biennium. The amount appropriated from the community health trust fund is contingent on the department securing dollar-for-dollar matching funds.

Related Legislation

House Bill No. 1207 (2023) - Vaccine adverse event reporting system - Requires DHHS prominently display, on a website maintained by the department, a link to the federal vaccine adverse event reporting system, along with instructions regarding how to report an adverse event and how to access state-specific data.

House Bill No. 1294 (2023) - Ambulance service operations state financial assistance distribution - Provides for the distribution of state financial assistance to eligible ambulance service operations.

House Bill No. 1365 (2023) - Emergency medical services and county emergency medical service levies - Relates to state financial assistance for emergency medical services and county emergency medical service levies.

House Bill No. 1477 - Rural emergency medical services and rural ambulance service district grants - Appropriates \$7 million from the community health trust fund to DHHS for grants to rural emergency medical services and rural ambulance service districts.

House Bill No. 1478 (2023) - Medical use of marijuana - Allows an individual admitted into the hospice program to submit medical records in place of a written certification in the online qualifying patient application for medical use of marijuana.

Senate Bill No. 2015 (2023) - Funding pools - Includes funding pools from which DHHS - Public Health Division may receive allocations, including the:

- Employer retirement contribution pool from which the agency is to receive \$205,479, of which \$49,333 is from the general fund and \$156,146 is from other funds in accordance with provisions of Section 23 of Senate Bill No. 2015 for the 1 percent employer retirement contribution increase provided for in House Bill No. 1040 (2023);
- New and vacant FTE funding pool from which the agency may request funding when hiring new FTE positions or if the agency does not realize sufficient savings from vacant FTE positions in accordance with provisions of Section 22 of Senate Bill No. 2015; and
- Targeted market equity pool from which the agency may receive an allocation as determined by OMB in accordance with provisions of Section 20 of Senate Bill No. 2015.

Senate Bill No. 2153 (2023) - Local public health units - Requires local public health units to provide certain services.

Senate Bill No. 2201 - Medical marijuana program fees - Reduces the maximum qualifying patient application fee, reduces the fee for additional plants, requires DHHS to pay the costs of criminal history record checks, modifies fee language, and includes a possible study of the administrative costs of certifying a compassion center. A fiscal note prepared by DHHS estimates medical marijuana fees would be reduced by \$45,000 and expenses would be increased by \$26,400.

Senate Bill No. 2227 (2023) - Health Council - Adjusts the membership of the state Health Council.

Senate Bill No. 2344 (2023) - Health care professional student loan repayment program - Appropriates \$48,000 from the general fund to DHHS for the health care professional student loan repayment program. Funding is provided for four registered nurse loan slots.