

**Department of Health and Human Services  
Budget No. 325  
House Bill No. 1623**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
2025-27 legislative appropriations - Regular session	2,688.35	\$2,227,783,063	\$3,590,253,907	\$5,818,036,970
2025-27 legislative appropriations - January 2026 special session	0.00	0	397,873,940	397,873,940
<b>Total 2025-27 legislative appropriations</b>	<b>2,688.35</b>	<b>\$2,227,783,063</b>	<b>\$3,988,127,847</b>	<b>\$6,215,910,910</b>
2025-27 base budget	2,483.83	2,011,427,547	3,541,730,000	5,553,157,547
Legislative increase (decrease) to base budget	204.52	\$216,355,516	\$446,397,847	\$662,753,363

**SUMMARY OF LEGISLATIVE CHANGES TO THE BASE BUDGET DURING THE JANUARY 2026 SPECIAL LEGISLATIVE SESSION**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
The legislative action:				
Added \$397,873,940 of federal funds related to the federal rural health transformation program (House Bill No. 1623)	0.00	\$0	\$397,873,940	\$397,873,940
<b>Total</b>	<b>0.00</b>	<b>\$0</b>	<b>\$397,873,940</b>	<b>\$397,873,940</b>

**Other Sections in House Bill No. 1623**

**Rural Health Loan Program** - Section 4 transfers up to \$40 million of Bank of North Dakota profits to the Medical Facility Infrastructure Loan Fund for a newly created Rural Health Loan Program (Section 6) to provide short-term gap financing to grant recipients under the federal Rural Health Transformation Program. To be eligible for a loan, a medical facility must have an approved project and a demonstrated financial need. The loans are limited to 3 years and have a maximum interest rate of 2 percent. The principal portion of any loan repayments is used to replenish any Bank profits while the interest portion of any loan repayments remains in the fund. Section 3 provides an appropriation of \$600,000 from the Bank of North Dakota Operating Fund to administer a Rural Health Loan Program and authorizes 4 FTE positions.

**Contingent authorization to increase appropriation authority** - Section 5 provides an exemption to allow the Office of Management and Budget, if the Department of Health and Human Services awards federal rural health transformation funds to another state agency or institution, to adjust the state agency or institution's federal funds appropriation authority by the amount of the award.

**Exemptions for the Rural Health Transformation Program** - Section 7 provides for the following exemptions:

- North Dakota Century Code Section 54-27-12 does not apply to the erection or improvement of any public building or structure or the purchase of real property utilizing Rural Health Transformation Program funding.
- Notwithstanding Chapter 54-44.7, an agency or governing body may use the process outlined in Section 37-10-03.6 for consultants in the areas of architecture, engineering, construction management, land surveying, and related matters when using the Rural Health Transformation Program funding for public improvements to meet the requirements of Section 48-01.2-02.
- Equipment or supplies purchased by the state with Rural Health Transformation Program funding may be transferred to other entities or individuals in accordance with the requirements of the Rural Health Transformation Program.

- Notwithstanding subsection 7 of Section 54-44.4-13, cooperative purchasing may be made available to entities eligible to receive Rural Health Transformation Program funding in accordance with the requirements of the Rural Health Transformation Program.
- Section 32-12.2-15 does not apply to any routine or standardized products that contain adhesive contract terms in shrink wrap documents, third-party end user licenses, or clickthrough agreements that are not consistent with Section 32-12.2-15 for purchases using Rural Health Transformation Program funding if the purchase involves training, training and testing materials, reference materials, access to online information, online services, memberships, licensure, conferences, or travel, and the purchase or use does not require the disclosure of confidential information or personally identifiable information as defined in Chapter 51-30 and does not impact data or system security. For purposes of this section, "routine or standardized products" means products commercially available to the public.

**Grant recipient acknowledgement and reporting** - Section 8 provides that Rural Health Transformation Program funds are limited duration federal funds allocated to the state through the federal Rural Health Transformation Program. The Department of Health and Human Services shall require grant recipients to acknowledge in any grant agreement that the funding awarded is from funding that will not continue beyond the duration of the federal rural health transformation program. The department may require grant recipients to submit process and outcome measures to the department for programs and services receiving Rural Health Transformation Program funds.

**Legislative management report** - Section 9 requires the Department of Health and Human Services to provide periodic reports to the Legislative Management regarding the status of funding allocations, programs, outcomes, and other requested information associated with the federal Rural Health Transformation Program grant.

#### **Related Legislation**

**Presidential Physical Fitness Test** - House Bill No. 1621 requires the Presidential Physical Fitness Test in physical education courses in elementary, middle, and high schools and provides for exceptions to the test.

**Physician assistant licensure compact** - House Bill No. 1622 provides the requirements of the physician assistants privileged to practice under the physician assistant licensure compact agreement. It allows medical services to be provided by physician assistants, via the mutual recognition of the licensee's qualifying license by other compact participating states. The compact becomes effective on the date on which this compact statute is enacted into law in the seventh participating state.

**Physician continuing education requirements** - Senate Bill No. 2401 provides the North Dakota Board of Medicine will require a minimum of 1 hour of continuing education on nutrition and metabolic health each renewal cycle in the physician continuing education requirements. It also provides legislative intent for the health-related occupation boards to consider requiring licensees to complete nutrition-related continuing education for the prevention and reduction of chronic disease.

**Pharmacist scope of practice** - Senate Bill No. 2402 allows a licensed pharmacist to independently prescribe drugs, drug categories, and devices as provided in the bill.