



The Council

Legislative Task Force on Government Efficiency

The Legislative Task Force on Government Efficiency held its seventh meeting of the interim on September 29 to receive information from the Boards Review Task Force regarding recommendations for minimizing and streamlining government operations through consolidation or elimination of boards, commissions, committees, councils, and task forces; from the Department of Health and Human Services regarding the department's program integrity, performance, and data metrics, and internal audit efforts; from the Department of Water Resources regarding the department's recent government efficiency efforts and the process of evaluating water projects; and from the Legislative Council regarding historical state program performance measure efforts and a bill draft related to state program performance measures and outcomes.

The task force recommended a bill draft be forwarded to Legislative Management relating to state agency program performance measures and outcomes. The bill would provide for the Appropriations Committees to designate select new or expanded programs administered by state agencies for legislative monitoring for the following interim. State agencies would be required to provide information on the select programs to the Legislative Council. The Legislative Council would be required to evaluate program results to program expectations and provide reports on the evaluation results to the Legislative Assembly or the Legislative Management.

Tax Reform and Relief Advisory Committee

The Tax Reform and Relief Advisory Committee held its final meeting on September 29. As part of the committee's property tax reform and relief study, the committee received primary residence credit statistics, information regarding the estimated funding available from the Legacy Earnings Fund to support property tax relief, and updates on implementation of the taxing district levy limitation. Related to the taxing district levy limitation, the North Dakota Association of Counties indicated at least one county intends to seek voter approval to exceed the 3 percent cap.

The committee reviewed and discussed the property tax reform and relief study, including potential legislator proposals, as well as the economic development tax incentive study and the stripper well oil extraction tax exemption study. The committee's only recommendation to the Legislative Management is a bill draft relating to the required content of property tax statements and a supplemental property tax information grant program.

Upcoming Meetings

October

6 Artificial Intelligence and
Data Center

Health Care

Higher Education Funding Review

7-8 Energy Development and
Transmission

13 Emergency Response Services

November

12-13 Legislative Management



Budget Section

The Budget Section met on September 30 to receive updates on the state budget, consider Emergency Commission requests, receive preliminary 2027-29 biennium revenue forecasts, and receive reports. Reports were received regarding the 2025-27 biennium new and vacant FTE funding pools, State Treasurer outstanding checks, the Department of Corrections and Rehabilitation prison population management plan, the status of pipeline capacity agreements, the status of Department of Commerce grants programs, the status of workforce training center grants, the status of law enforcement technology grants, the status of the investment performance of the Board of University and School Lands, and estimated federal funds to be received by state agencies. The Budget Section recommended a resolution draft to authorize the Budget Section to hold public legislative hearings required for receipt of federal block grant funds during the period from the recess or adjournment of the 70th Legislative Assembly through September 30, 2029.



Budget Section - Government Operations Division

On September 30, the Budget Section - Government Operations Division received information from the Adjutant General regarding the North Dakota National Guard and the Department of Emergency Services. The committee received information regarding organizational charts, major programs, funding amounts and sources, the status of major capital projects, critical infrastructure state matching funds, recent disaster and emergency response activities, the Safeguarding Tomorrow through Ongoing Risk Mitigation Act Program, wildland fire disaster assistance, the status of the Dakota Access Pipeline response loan and related contingent appropriation, and items included in the agency's 2027-29 budget request.

Budget Section - Leadership Division

The Budget Section - Leadership Division's final meeting on September 30 included presentations and discussions regarding the status of and future plans for the Rural Health Transformation Program, activities of the Legislative Task Force on Government Efficiency, activities of the Cash Management Board, and the status of Bank of North Dakota lines of credit for state agencies, including anticipated outstanding balances for June 30, 2027. The division also received a Legislative Council presentation of a preliminary state budget outlook for the 2027-29 biennium and several agricultural outlook presentations, including crop production and prices from the Wheat Commission, outlook of the cattle industry from the North Dakota Stockmen's Association, and a Legislative Council report on federal program impacts on farm income.

Government Finance Committee

The Government Finance Committee's final meeting on October 1 included a review of state budget information, presentations and discussion regarding building permits and fire inspections for state buildings, a report on state agency fees, and plans for future legislative space needs. The committee considered a revised bill draft relating to updates to the state agency fees study, a bill draft relating to an increase to driver's license fees, and a revised bill draft relating to grant funding for fixed-route city transportation services. The committee recommended the bill drafts relating to updates to the state agency fees study and an increase to driver's license fees.

Budget Section - Education and Environment Division

The Budget Section - Education and Environment Division met on September 30 to receive information regarding dual-credit costs and tuition waivers awarded by North Dakota University System institutions. The division also received information from the Department of Water Resources regarding the department, including appropriation authority from prior bienniums continued into the 2025-27 biennium and the status of the 2025-27 biennium budget.

The division was informed University System institutions charge two tuition rates for dual credit, a subsidized rate for courses taught in a high school by a teacher employed by the high school and an unsubsidized rate for courses taught by an employee of the college or university. The tuition rates are the same for every course, regardless of the institution and program of study.

The University of North Dakota reported total tuition waivers of \$13.8 million for the 2024-25 academic year, including \$3.4 million mandated by law or State Board of Higher Education policy, \$5.1 million for graduate assistants, \$2.6 million for specific work, and \$2.7 million for merit scholarships and other waivers. North Dakota State University reported total tuition waivers of \$19.2 million for the 2025-26 academic year, including \$2.9 million mandated by law or board policy, \$5.9 million for graduate assistants, \$8.6 million for merit scholarships, and \$1.8 million for partnerships and other waivers.

The Department of Water Resources reported \$570.1 million of appropriation authority carried over from prior bienniums, \$315.7 million has been expended, \$219.1 million is obligated for various projects, and \$35.3 million, primarily appropriated for flood control, is unobligated. The division also was informed the department has not drawn on the \$260 million Bank of North Dakota line of credit available for water projects but has drawn \$54.9 million from the \$100 million line of credit authorized to support the Water Infrastructure Revolving Loan Fund.

Budget Section - Human Resources Division

The Budget Section - Human Resources Division met on September 30 and received updates on the status of behavioral health facility projects, behavioral health workforce initiatives, staffing at the Heart River Correctional Center, and Department of Corrections and Rehabilitation facility planning studies. The Department of Health and Human Services provided information regarding the federal Rural Health Transformation Program, efforts to reduce the payment error rate under the federal Supplemental Nutrition Assistance Program, and the status of the self-service portal and consolidated eligibility system information technology project.

Protection and Victim Services Committee

The Protection and Victim Services Committee held its final meeting of the interim on October 1. The committee discussed, approved, and recommended to the Legislative Management four bill drafts related to its study of criminal conduct against children. Bill drafts recommended by the committee include the provision of federal Maternal, Infant, and Early Childhood Home Visiting Program funding, updating references to child sexual abuse material, prohibition of child sex dolls, and criminalization of child sexual grooming.

The committee received reports from the Attorney General's office regarding the status and results of the Human Trafficking Victims Grant Program, the Missing Indigenous People Task Force regarding the task force's activities, and the Office of Guardianship and Conservatorship regarding the office's operations.

Employee Benefits Programs Committee

The Employee Benefits Programs Committee held its third meeting of the interim on October 1 to receive information from the Office of Management and Budget regarding a statutory report of bonuses provided to state employees and information regarding recent compensation and benefits surveys; to receive information from the Public Employees Retirement System on the status of the defined contribution retirement plan; and to receive actuarial reports and other information on bill drafts in which the committee has taken jurisdiction.

The committee received information on 17 bill drafts, including 2 bill drafts that were withdrawn by the bill sponsor. Of the remaining 15 bill drafts, the committee approved motions to provide a favorable recommendation on 10 bill drafts and no recommendation on 5 bill drafts. No unfavorable recommendations were provided. The committee will meet in late October 2026, to receive reports on the July 1, 2026, actuarial valuations of the Public Employees Retirement System Fund, Highway Patrolmen's Retirement System Fund, public safety funds, Job Service North Dakota Retirement System Fund, Retiree Health Insurance Credit Program Fund, and the Teachers' Fund for Retirement.