

2025 HOUSE APPROPRIATIONS

HB 1005

**DEPARTMENT 120 - STATE TREASURER
2025-27 BASE-LEVEL BUDGET**

Base Budget - Summary

	<u>Base Level</u>
Salaries and wages	\$1,605,584
Operating expenses	265,346
Coal severance payments	<u>118,000</u>
Total general fund	\$1,988,930
Full-time equivalent (FTE) positions	7.00

Selected Base Budget Information

	General Fund	Other Funds	Total
1. Includes funding for state employee salaries and benefits for 7 FTE positions	\$1,605,584	\$0	\$1,605,584
2. Includes funding for operating expenses, primarily related to information technology (IT) costs (\$124,700) and the new Capitol space rent model (\$82,936)	\$265,346	\$0	\$265,346
3. Includes funding for coal severance payments to reimburse a coal county for coal severance tax revenue paid to a non-coal-producing county pursuant to North Dakota Century Code Section 57-62-02	\$118,000	\$0	\$118,000

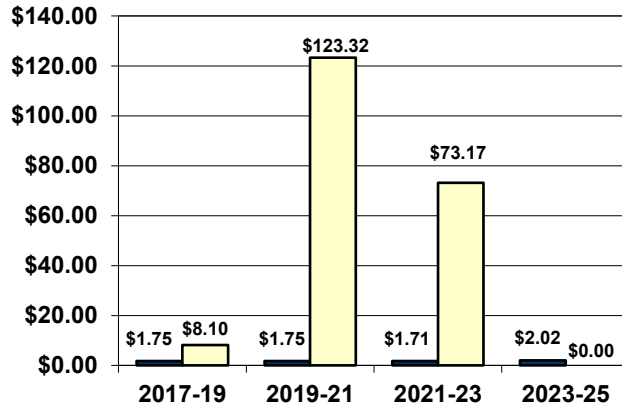
Continuing Appropriations

There are no continuing appropriations for this agency.

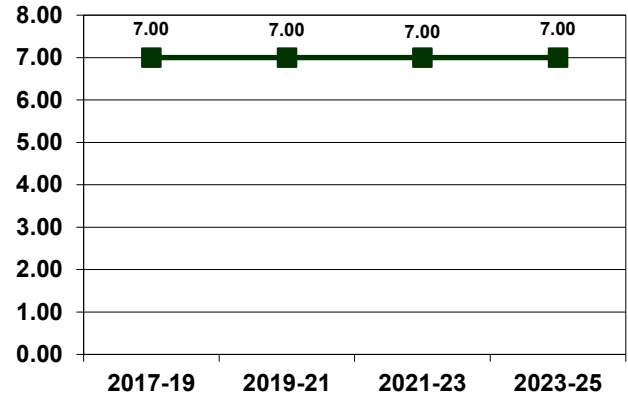
Historical Appropriations Information

Agency Appropriations and FTE Positions

Agency Funding (Millions)



FTE Positions



■ General Fund □ Other Funds

Ongoing General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
Ongoing general fund appropriations	\$1,856,899	\$1,747,399	\$1,746,370	\$1,705,918	\$1,988,930
Increase (decrease) from previous biennium	N/A	(\$109,500)	(\$1,029)	(\$40,452)	\$283,012
Percentage increase (decrease) from previous biennium	N/A	(5.9%)	(0.1%)	(2.3%)	16.6%
Cumulative percentage increase (decrease) from 2015-17 biennium	N/A	(5.9%)	(6.0%)	(8.1%)	7.1%

Major Increases (Decreases) in Ongoing General Fund Appropriations

2017-19 Biennium

1. Removed 1 FTE deputy state treasurer position and reduced funding for temporary staff (\$132,696)
2. Added funding for operating expenses primarily related to IT costs \$50,646
3. Decreased funding for coal severance shortfall payments (\$48,952)

2019-21 Biennium

1. Decreased funding for operating expenses primarily related to IT costs (\$59,031)
2. Decreased funding for the estimated coal severance payments related to the phase-in of the allocation formula change in Section 4 of House Bill No. 1005 (2017) (\$9,000)

2021-23 Biennium

1. Decreased funding for operating expenses primarily related to IT costs (\$47,577)
2. Decreased funding for the estimated coal severance payments related to the allocation formula change in Section 4 of House Bill No. 1005 (2017) (\$53,000)

2023-25 Biennium

1. Increased funding for operating expenses related to IT rate increases (\$10,802), travel to professional development events (\$12,000), a new Capitol space rent model (\$82,936), and an electronic form subscription for political subdivision reports (\$2,160) \$107,898

One-Time General Fund Appropriations

	2015-17	2017-19	2019-21	2021-23	2023-25
One-time general fund appropriations	\$241,166,699	\$0	\$0	\$0	\$27,825

Major One-Time General Fund Appropriations

2017-19 Biennium	
None	\$0
2019-21 Biennium	
None	\$0
2021-23 Biennium	
None	\$0
2023-25 Biennium	
1. Information technology programming costs	\$27,825



EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Executive budget recommendation	13.00	\$5,543,838	\$921,300	\$6,465,138
Base level	7.00	1,988,930	0	1,988,930
Increase (decrease)	6.00	\$3,554,908	\$921,300	\$4,476,208
Percentage increase (decrease)	85.7%	178.7%	N/A	225.1%

NOTE:

More detailed information on the executive budget recommendation is attached as Appendix A.

A copy of the draft appropriations bill reflecting the executive budget recommendation is attached as Appendix B.

Selected Highlights

- Salary increases of up to 4 percent effective July 1, 2025, and 3 percent effective July 1, 2026
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds salary equity funding of \$100,000
- Transfers \$858,397 of special funds and 4 FTE unclaimed property positions from the Department of Trust Lands to transfer the administration of unclaimed property
- Adds \$597,551 from the general fund and 2 FTE cash management positions and provides \$500,000 from the general fund for cash management software, including \$400,000 of one-time funding
- Adds \$50,000 of one-time funding from the general fund for an office remodel to accommodate the new FTE positions
- Adds \$2 million from the general fund for payments in lieu of taxes related to carbon dioxide pipelines

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

There are no significant audit findings for this agency.

Agency Fees

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 11 fees. The agency did not recommend any changes to the fees.

Major Related Legislation

As of the date of this report, there is no major related legislation for this agency.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930
2025-27 Ongoing Funding Changes				
Salary increase		\$104,589	\$38,882	\$143,471
Health insurance increase		54,048	24,021	78,069
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090
Salary equity funding		100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0
FTE unclaimed property positions	4.00		858,397	858,397
FTE cash management positions	2.00	597,551		597,551
Cash management software fees		100,000		100,000
Information technology rate adjustments		13,630		13,630
Coal severance shortfall payments		4,000		4,000
Carbon dioxide in lieu of tax payments		2,000,000		2,000,000
Total ongoing funding changes	6.00	\$2,994,908	\$921,300	\$3,916,208
One-Time Funding Items				
Information technology projects		\$110,000		\$110,000
Cash management software setup		400,000		400,000
Office remodel for new FTE positions		50,000		50,000
Total one-time funding changes	0.00	\$560,000	\$0	\$560,000
Total Changes to Base Level Funding	6.00	\$3,554,908	\$921,300	\$4,476,208
2025-27 Total Funding	13.00	\$5,543,838	\$921,300	\$6,465,138

Federal funds included in other funds \$0

Total ongoing changes - Percentage of base level 85.7% 150.6% N/A 196.9%

Total changes - Percentage of base level 85.7% 178.7% N/A 225.1%

Other Sections in State Treasurer - Budget No. 120

Section Description	Executive Budget
Salary of State Treasurer	Section 3 would provide the statutory changes necessary to increase the State Treasurer's salary by 4 percent on July 1, 2025, and by 3 percent on July 1, 2026.
Full-time equivalent (FTE) position adjustments	Section 4 would authorize the State Treasurer to increase or decrease authorized FTE positions subject to the availability of funds.
Transfer of unclaimed property administration	Sections 5 through 16 would change the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.

Sixty-ninth
Legislative Assembly
of North Dakota

HOUSE BILL NO. 1005
(Governor's Recommendation)

Introduced by

Appropriations Committee

(At the request of the Governor)

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; to amend and reenact sections 54-11-13 of the North Dakota Century Code, relating to the salary of the state treasurer, to amend and reenact subsection 2, 7 and 9 of section 47-30.2-01, section 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section 47-30.2-28, subsection 2 of section 47-30.2-44, subdivision c of subsection 2 of section 47-30.2-50, subsection 1 of section 47-30.2-56, subdivision c of subsection 2 of section 47-30.2-57, subsection 1 and subsection 2 of section 47-30.2-66, and subsection 4 of section 47-30.2-67, and to provide an exemption.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury not otherwise appropriated, and from special funds derived from other income, to the state treasurer for the purpose of defraying the expenses of that agency, for the biennium beginning July 1, 2025, and ending June 30, 2027, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$1,605,584	\$1,812,950	\$3,418,534
Operating expenses	265,346	659,258	924,604
In lieu of tax payments	0	2,000,000	2,000,000
Coal severance payments	<u>118,000</u>	<u>4,000</u>	<u>122,000</u>
Total all funds	<u>\$1,988,930</u>	<u>\$4,476,208</u>	<u>\$6,465,138</u>
Less estimated income	<u>0</u>	<u>921,300</u>	<u>921,300</u>
Total general fund	<u>\$1,988,930</u>	<u>\$3,554,908</u>	<u>\$5,543,838</u>
Full-time Equivalent Positions	7.00	6.00	13.00

SECTION 2. ONE-TIME FUNDING. The following amounts reflect the one-time funding items approved by the sixty-eighth legislative assembly for the 2023-25 biennium and the 2025-27 biennium one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2023-25</u>	<u>2025-27</u>
Information technology costs	\$27,825	\$110,000
Cash management system	0	400,000
Office remodeling costs	<u>0</u>	<u>50,000</u>
Total all funds	<u>\$27,825</u>	<u>\$560,000</u>
Less estimated income	<u>0</u>	<u>0</u>
Total general fund	<u>\$27,825</u>	<u>\$560,000</u>

SECTION 3. AMENDMENT. Section 54-11-13 of the North Dakota Century Code is amended and reenacted as follows:

54-11-13. Salary of state treasurer. The annual salary of the state treasurer is one hundred ~~thirty-four~~ thousand six hundred eight dollars through June 30, ~~2024~~2026, and one hundred ~~thirty-five~~thirty-five thousand ~~two~~eight hundred ~~twenty-six~~ dollars thereafter.

SECTION 4. EXEMPTION - FULL-TIME EQUIVALENT POSITION ADJUSTMENTS. Notwithstanding any other provisions of law, the state treasurer may increase or decrease authorized full-time equivalent positions as needed, subject to availability of funds, during the biennium beginning July 1, 2025, and ending June 30, 2027. The state treasurer shall report to the office of management and budget and legislative council any adjustments made pursuant to this section.

SECTION 5. AMENDMENT. Subsection 2, 7 and 9 of section 47-30.2-01 of North Dakota Century Code is amended and reenacted as follows:

2. "Administrator's agent" means a person with which the ~~commissioner~~treasurer contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62 on behalf of the administrator. The term includes an independent contractor of the person and each individual participating in the examination on behalf of the person or contractor.

7. "~~Commissioner~~Treasurer" means the ~~commissioner of university and school lands~~state treasurer.

9. "Department" means the ~~department of trust lands~~office of the state treasurer.

SECTION 6. AMENDMENT. Section 47-30.2-03 of North Dakota Century Code is amended and reenacted as follows:

The ~~commissioner~~treasurer may adopt rules to implement and administer this chapter.

SECTION 7. AMENDMENT. Subdivision j of subsection 1 of section 47-30.2-22 of North Dakota Century Code is amended and reenacted as follows:

j. Contain other information the ~~commissioner~~treasurer prescribes by rules.

SECTION 8. AMENDMENT. Subsection 4 of section 47-30.2-23 of North Dakota Century Code is amended and reenacted as follows:

4. The ~~commissioner~~treasurer may grant an extension of the reporting date for good cause in the event of a national or state emergency.

SECTION 9. AMENDMENT. Subsection 1 of section 47-30.2-24 of North Dakota Century Code is amended and reenacted as follows:

1. A holder required to file a report under section 47-30.2-21 shall retain records for ten years after the later of the date the report was filed or the last date a timely report was due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~treasurer.

SECTION 10. AMENDMENT. Subdivision b of subsection 3 of section 47-30.2-28 of North Dakota Century Code is amended and reenacted as follows:

b. Maintain a website or database accessible by the public and electronically searchable which contains the names reported to the administrator of apparent owners for whom property that meets or exceeds the searchable value as set by the ~~commissioner~~treasurer is being held by the administrator. Property that does not meet or exceed the searchable value must continue to be held by the administrator but may not appear in the searchable website or database.

SECTION 11. AMENDMENT. Subsection 2 of section 47-30.2-44 of North Dakota Century Code is amended and reenacted as follows:

2. The department shall maintain an account with an amount of funds the ~~commissioner~~treasurer reasonably estimates is sufficient to pay claims allowed under this chapter.

SECTION 12. AMENDMENT. Subdivision c of subsection 2 of section 47-30.2-50 of North Dakota Century Code is amended and reenacted as follows:

- c. The property has a value as provided by rules adopted by the ~~commissioner~~treasurer.

SECTION 13. AMENDMENT. Subsection 1 of section 47-30.2-56 of North Dakota Century Code is amended and reenacted as follows:

1. The ~~commissioner~~treasurer shall adopt rules governing an examination under section 47-30.2-55, including rules for use of an estimation, extrapolation, and statistical sampling in conducting an examination. An examination commenced after adoption of rules under this subsection must comply with the rules.

SECTION 14. AMENDMENT. Subdivision c of subsection 2 of section 47-30.2-57 of North Dakota Century Code is amended and reenacted as follows:

- c. May be disclosed at the discretion of the ~~commissioner~~treasurer, on request, to the person that administers the unclaimed property law of another state for that state's use in circumstances equivalent to circumstances described in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information is disclosed shall maintain the confidentiality and security of information obtained in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and 47-30.2-73;

SECTION 15. AMENDMENT. Subsection 1 and subsection 2 of section 47-30.2-66 of North Dakota Century Code is amended and reenacted as follows:

1. If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the ~~commissioner~~treasurer may require the holder to pay the administrator, in addition to interest as provided in subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is evaded or the duty is not performed, up to a cumulative maximum amount of twenty-five thousand dollars, plus twenty-five percent of the amount or value of property that should have been, but was not reported, paid, or delivered as a result of the evasion or failure to perform.

2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~treasurer may require the holder to pay to the administrator, in addition to interest under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day from the date the report was made until corrected, up to a cumulative maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or value of any property that should have been reported, but was not included in the report or was underreported.

SECTION 16. AMENDMENT. Subsection 4 of section 47-30.2-67 of North Dakota Century Code is amended and reenacted as follows:

4. The ~~commissioner~~treasurer may waive up to twenty-five thousand dollars of the penalty or reduce interest. A request for a waiver or reduction of penalty in excess of twenty-five thousand dollars must be presented to the board, with the ~~commissioner's~~treasurer's recommendation, for review and decision.



**REVISED EXECUTIVE BUDGET RECOMMENDATION
2025-27 BIENNIUM**

Budget Summary

	FTE Positions	General Fund	Other Funds	Total
Burgum budget recommendation	13.00	\$5,543,838	\$921,300	\$6,465,138
Revisions - Increase (decrease)	(6.00)	(1,202,194)	(921,300)	(2,123,494)
Armstrong budget recommendation	7.00	\$4,341,644	\$0	\$4,341,644
Base level	7.00	1,988,930	0	1,988,930
Increase (decrease)	0.00	\$2,352,714	\$0	\$2,352,714
Percentage increase (decrease)	0.0%	118.3%	N/A	118.3%

NOTE:

More detailed information on the revised executive budget recommendation is attached as an appendix.

Selected Highlights

- **Salary increases of up to 3 percent effective July 1, 2025, and 3 percent effective July 1, 2026**
- Health insurance increase of \$250 per month (15.23 percent), from \$1,643 to \$1,893, per employee
- Adds salary equity funding of \$100,000
- Adds \$2 million from the general fund for payments in lieu of taxes related to carbon dioxide pipelines

Deficiency Appropriations

There are no deficiency appropriations for this agency.

Significant Audit Findings

As reported to the Legislative Management, pursuant to North Dakota Century Code Section 54-35-27, this agency has 11 fees. The agency did not recommend any changes to the fees.

Major Related Legislation

House Bill No. 1329 - Government spending database - Appropriates \$350,000 from the general fund to establish a government spending database.

Senate Bill No. 2151 - County and township bridge fund - Appropriates \$80 million from a newly created county and township bridge fund for grants to eligible counties for county and township bridge repair and replacement projects.

NOTE:

Please see the Fiscal Impact Report for additional information regarding bills under consideration which contain either a state revenue impact, an appropriation, or a state fiscal impact.



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Armstrong Executive Budget			
	FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930
2025-27 Ongoing Funding Changes				
Salary increase		\$61,957		\$61,957
Health insurance increase		42,037		42,037
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090
Salary equity funding		100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0
Information technology rate adjustments		13,630		13,630
Coal severance shortfall payments		4,000		4,000
Carbon dioxide in lieu of payments		2,000,000		2,000,000
Total ongoing funding changes	0.00	\$2,242,714	\$0	\$2,242,714
One-Time Funding Items				
Information technology projects		\$110,000		\$110,000
Total one-time funding changes	0.00	\$110,000	\$0	\$110,000
Total Changes to Base Level Funding	0.00	\$2,352,714	\$0	\$2,352,714
2025-27 Total Funding	7.00	\$4,341,644	\$0	\$4,341,644

Federal funds included in other funds

\$0

Total ongoing changes - Percentage of base level

0.0%

112.8%

N/A

112.8%

Total changes - Percentage of base level

0.0%

118.3%

N/A

118.3%

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
1/13/2025

To provide an appropriation for defraying the expenses of the state treasurer.
--

10:00 a.m. Chairman Monson opened the hearing.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representative Bosch, Representative Fischer, Representative Meier, Representative Pyle

Members Absent: Representative Kempenich

Discussion Topics:

- Executive Budget
- Budget requests
- Governor budget
- State Treasurer Agency overview
- Financial Literacy
- Cryptocurrency scams

10:01 a.m. Thomas Beadle, ND State Treasurer, testified and submitted testimony in favor #28613, #28614, #28615 and #28616.

10:12 a.m. Nicole Krivoruchka, ND Treasurer's Director of Finance, answered questions for the committee.

11:48 a.m. Chairman Monson adjourned the meeting.

Madaline Cooper, Committee Clerk



HB 1005
OFFICE OF THE STATE TREASURER
House Appropriations Hearing



January 13, 2025

Chairman Monson,

Thank you for the opportunity to present our budget to you today. I look forward to working with you and members of the committee and our office is happy to be of assistance to any of you should any questions arise over the course of this session.

HB 1005 is the Budget for the Office of State Treasurer. Included in my testimony is the information that has been requested by Legislative Council, as well as some information and requests that we hope the committee will consider.

Over the last few years our team has worked to streamline our operations and improve our technology, while maintaining a very small and simple budget. We worked with Governor Burgum's office and OMB in crafting the executive budget recommendation for our office. We support their recommendations but do have some additional requests based on information that has been received since that budget preparation process concluded. In my presentation today I will highlight those requests that were included in Governor Burgum's executive recommendation, highlight the additional requests that we have, and go through the requested information that Legislative Council asked us to prepare.

With me today is the Director of Finance for our office, Nicole Krivoruchka. If you have any questions for us today, or as you work through your budget process please don't hesitate to reach out.

With gratitude,

A handwritten signature in black ink, appearing to read "T. Beadle".

Thomas Beadle
State Treasurer

Summary of requested budget items:

- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our Salary and Benefits line
- **ITD Projects 25-27 Biennium**
 - Adds \$110,000 to support ITD projects for the 25-27 biennium
 - Adds \$7,000 as per OMB's adjustments for ITD programming cost changes
- **CO2 Payment in Lieu of Taxes appropriation**
 - Add \$2 million in General Fund Dollars for disbursement to impacted counties
- **Coal Severance Payment Increase**
 - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted political subdivisions

- **Burgum Executive Budget Recommendations**
 - Cash Management Study Implementation Needs
 - Add \$1.1 million in General Fund Dollars
 - Includes 2 FTEs and \$400,000 in one-time general fund appropriation for software and setup costs
 - Move Unclaimed Property from Land Department to the Office of State Treasurer
 - Includes \$858,388 from Special Funds and 4 FTEs, along with adding \$50,000 in one-time dollars from the General Fund for office remodeling

- **Remove requested \$5,224 for DC Plan Estimated Costs**
 - This was added in error but has been approved so was included in the Executive Recommendation

AGENCY OVERVIEW

Article V, Section 2, of the North Dakota Constitution created the Office of State Treasurer and provides that the powers and duties of the state treasurer shall be prescribed by law. Chapter 54-11 of the North Dakota Century Code prescribes the powers, duties, and responsibilities of the state treasurer. The mission of the Office of State Treasurer is *“to fulfill our constitutional and statutory responsibilities, to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government.”*

We have five key management functions within the Office of the Treasurer:

- 1. Cash management** – We collect all deposits and payables from state agencies. It is our expertise that manages the daily cash flow within the state operating fund. The forecasting and cash management done by our agency is necessary to ensure the availability of sufficient funds to cover the obligations/payables while optimizing investment opportunities. The millions and billions invested in the immediate short term are where we work diligently, making wise investment decisions ensuring the State is always “making money.”
- 2. Accounting** – The Office of State Treasurer is responsible for paying all warrants (payables) or checks drawn against the state. We manage over a dozen bank accounts which are reconciled daily to ensure enough funds are available to pay all outstanding warrants/payables. We also process void check requests and stop payments. All state funds/deposits received by state agencies are deposited through the Office of State Treasurer for investment into the operating fund account. Our agency reconciles daily in three primary areas: our accounts held with the Bank of North Dakota to the State’s accounting software, PeopleSoft; state agency deposits to PeopleSoft; and Certificate of Deposit (CD) interest income between our records and the bank’s.
- 3. Investments** – Our agency serves as the custodian for all state funds, and we are responsible for the investment of the state’s general and numerous special funds, including state agriculture commodity groups and the Veterans Postwar Trust.
- 4. Revenue Collection** – The State Treasurer is responsible for the collection of various revenues from political subdivisions. Revenues include, but are not limited to, the Assessed Communications Services Fee, Civil Filing Fees, Criminal Administration Fees, Indigent Defense Administrative Fund, Medical Center Levy, Domestic Violence Prevention Fund, and numerous other district court costs.
- 5. Revenue Distribution** – The State Treasurer oversees disbursing over 30 tax distributions to political subdivisions. The office’s web-based, Tax Distribution and Outstanding Checks (TDOC) system, pulls data from a variety of sources, which streamlines our distributions and ensures greater accuracy, transparency, and efficiency.

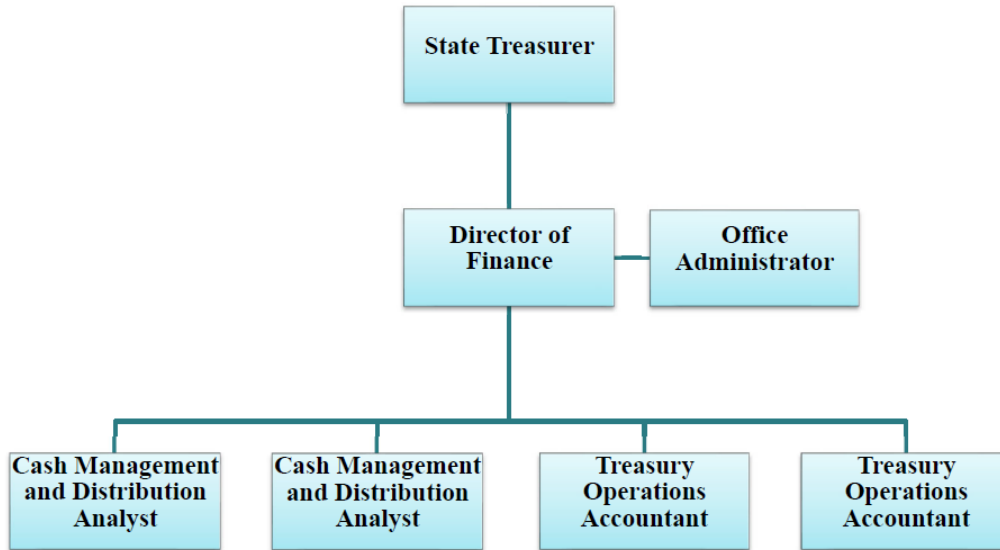
Revenue distributions assigned to the Office of State Treasurer for distribution to political subdivisions include:

Airline	Electric Generation Transmission	Primary Residence Tax Credit
Carbon Dioxide Payment In Lieu of Taxes	Flood Control	Prepaid Wireless E-911 Fee
City Cigarette Tax	Forest Service	Senior Mill Levy
City Motor Vehicle Rental Tax	Highway Tax Distribution Fund	Special Highway
City/County Occupancy Tax	Homestead Tax Credit	Special Township Road
City/County Restaurant/Lodging Tax	Legacy Earnings Highway Distribution Fund	State Aid
City & County Sales Tax	Legacy Earnings Township Highway Aid Fund	Taylor Grazing
Coal Conversion Tax	Medical Center Levy	Telecommunication Carriers
Coal Conversion Shortfall	Mineral Management	Township Road & Bridge Fund
Coal Severance Tax	Motorboat	Tribal Alcohol Tax
Coal Severance Shortfall - Tipple Share Reimbursement	Municipal Infrastructure	Tribal Cigarette Tax
County & Township Infrastructure	New Jobs Program	Tribal Highway Fund
County Aid	Oil and Gas Gross Production Tax	Tribal Sales Tax
Disabled Veterans Homestead Tax Credit	Oil Extraction/Gross Production Tax-Tribal	

The Office of State Treasurer provides analysis, data, and education of various tax distributions and state laws to legislators, employees of other state agencies, officials and employees of local political subdivisions, and the general public.

OFFICE OF STATE TREASURER ORGANIZATIONAL CHART

OFFICE OF STATE TREASURER ORGANIZATIONAL CHART



BOARDS

In addition to the responsibilities of the office, as required by statute or Constitution, the State Treasurer serves on six Boards: State Investment Board, Teachers Fund for Retirement, Board of University and School Lands, State Board of Tax Equalization, State Historical Board, and the State Canvassing Board.

Following an executive order by Governor Burgum, Treasurer Beadle also serves as Co-Chair of the statewide Financial Literacy Commission.

FINANCIAL AUDIT FINDINGS

Our agency performs all our responsibilities with tremendous pride and accuracy, and we have consistently received a “clean” audit since 2009. Our most recent audit was completed in June of 2024 for the biennium ended June of 2023, with no findings. That report can be found at nd.gov/auditor/2023-treasurer-office-state.

AGENCY ACCOMPLISHMENTS

- **Tax Distributions** – Continue to make tweaks to our distribution platforms to account for statutory changes and to improve functionality.
- **“Prairie Dog” Funds** –Successful collection of 303 municipal reports and 45 county reports for dollars distributed during the 21-23 biennium. Unfortunately, despite our best efforts 12 municipalities did not submit reports and will be ineligible from the 23-35 biennium’s distribution of these funds.

- **Process Updates** – Updated office processes to allow for efficient and effective remote work which provides added flexibility to our team and increases efficiency and effectiveness of the whole office.

AGENCY CHALLENGES

- **Turnover and Compensation** – We are a small agency. When we have vacancies, whether they be due to employee time off or due to a departure, it hits our office hard. This past biennium we worked through this challenge, but we've had to do so with what feels like one hand behind our back. I've attached a compensation analysis study that was put together by HRMS that highlights this challenge for our office.
- **IT Costs** – One of the major challenges we face relates to our day-to-day IT costs. We continue to receive excellent service from ITD, but we want to make you aware that what feels like minor and obvious adjustments to our systems does have a significant impact on our budget.

Throughout session, we will continue to monitor bills that will affect our agency and analyze the potential IT costs which may be associated with implementing a formula change or new distribution.

2025-2027 BUDGET

As with prior biennia, the Office of State Treasurer's budget consists of two major items – salaries and information technology fees. The vast majority of our current biennium costs have fallen into one of those two categories and from an operations standpoint that will continue. Our office relies heavily on our people and on the technology needed to help them do their jobs efficiently and effectively.

There are four primary adjustments being requested in our 25-27 biennium budget from the 23-25 budget that were requested by our office in the Decision Package and accepted in the Executive Budget recommended by Governor Burgum.

First, our office has had an analysis done by the Human Resources team at OMB evaluating our current positions and the correlated salaries. This was prompted due to challenges we've faced with turnover and the risk that our current employee compensation levels pose to future turnover. Over the last year, our office has experienced a turnover rate of 34.8%, compared to state average of 11%. This rate is skewed a bit as it is primarily one position that has continued to turn over, but it highlights a potentially critical problem that we face. Due to the size of our agency and our focused budget, we do not have wiggle room to reflect the current market when hiring, provide compensation adjustments or reward current, tenured employees. Over the years, we have been blessed with good retention because we have family atmosphere, and our team has been willing to step up and help each other. Per the engagement survey done by HRMS and Gallup, the Office of State Treasurer has an employee engagement mean of 4.69 out of 5 and our office ranks higher than 91% of those in the Gallup Overall database. We know we

can provide an environment in which team members excel, however due to our continued lean budget, compensation has not kept us in line with the market. Analysis performed by HRMS; our team significantly lags the median compared to other state agencies. In fact, our current salaries fall short of the starting wages other agencies can offer, despite our average length of employment with our agency being 7 years. The current system incentivizes job hopping, and that's not something that we can afford to handle without seeing significant impacts to our ability to perform critical services. As a result, we are requesting a \$250,000 adjustment to our base funding level for the biennium to address this gap.

Second, you will see two separate requests for ITD dollars in our decision package. \$110,000 was added to support projects throughout the 25-27 biennium, and \$7,000 was added to cover continuing cost changes as a result of ITD updating their rate schedule.

Third, you will see a request for \$2.0 million from the General Fund for a statutorily required payment to counties to cover a payment in lieu of taxes for Carbon Dioxide (CO2) pipelines as per NDCC 57-06-17.1 and 57-06-17.2. This has been in statute for decades, but we haven't had a project qualify for 15 years. The dollar amount we have requested for this upcoming biennium is based off an estimate provided by the Tax Department as plans should be finalized for another company to qualify for the exemption. Currently, two counties qualify and will receive distribution in February 2025. We did receive Emergency Commission and Budget Section approval to cover a shortfall for the amount certified by the Tax Department in December of '24.

Fourth, our decision package included a request for an additional \$4,000 to increase the Coal Severance Shortfall payment to political subdivisions to more closely reflect the dollars owed. This brings the total payment to \$122,000 for the 25-27 biennium.

There were two additional recommendations that were included in the Executive Budget that were not a part of our Decision Package request.

First, our office played a significant role in the Cash Management study that was completed throughout the interim. One of the key results of this was that we have an opportunity to improve earnings for the people of North Dakota, but that will require an improvement in the current process. In the Burgum administration's budget, our office was provided with 2 new FTEs and \$1.1 million in General Fund appropriations to support the advancement of the state's cash management practices. This included \$400,000 of one-time funds for software and setup costs.

Second, Governor Burgum's budget made the recommendation to move the unclaimed property division from the Land Department to the Office of State Treasurer. This is a recommendation that came out of the red tape reduction task force. There are some natural fits for them to join our team, in large part because the National Association of Unclaimed Property Administrators falls under the umbrella of the National Association of State Treasurers. Putting the division under an elected official ensures that leadership has a vested

interest in returning the dollars that are held in trust back to the rightful owners. Governor Burgum's budget recommended moving the 4 FTEs in that division over to our office, along with the correlated \$921,300 in special funds appropriations and an additional \$50,000 in one-time general fund dollars to assist with office remodeling to make it happen.

There was one item that was included in the Decision Package that we submitted and approved in the Executive recommendation that is not needed. We had requested an increase of \$5,224 into our salaries and benefits line because there was an error in the computation for the potential impacts of the DC plan as employees start onboarding onto that. We asked OMB to remove it, but at that point it was too late to pull that request, so we are bringing it to your attention.

SALARIES AND WAGES:

Our agency consists of seven full time employees, including the Treasurer. We are not requesting any adjustments to our number of FTEs this biennium. The current fiscal staff is made up of two Cash Management and Distribution Analysts, two Treasury Operations Accountants, and a Director of Finance. As a testament to the complexity of the work we perform, all fiscal positions require a minimum of a four-year college degree and varying levels of work experience to be qualified. With the timing and complexity of everything we do in our office, we are very fortunate to have an excellent team that is eager to cross train and work collaboratively with each other.

With the duties required of our office, this level of staffing is vitally important not only to be able to perform these duties, but also to provide the essential checks and balances so that one person is not handling all stages of a process. This is true not only with daily depositing to and reconciling of the state's checkbook, but also with our revenue distribution processes for all the funds we send out to the political subdivisions.

OPERATING EXPENSES:

Our operating expenses consist mainly of amounts paid for data processing and other services provided by ITD. These costs primarily include data processing, desktop support, and telecommunication service charges from ITD. Our office has always been heavily reliant on this technology and improvements over the last few years have allowed for efficient and effective remote work which provides added flexibility to our team and increases efficiency and effectiveness of the whole office.

COAL SEVERANCE SHORTFALL:

As a separate line in our budget, NDCC 57-62-02(5) requires the Office of State Treasurer to include in our biennial budget request funds for the purpose of reimbursing coal-producing counties for 30% of coal severance tax funds paid to non-coal-producing counties from coal-producing counties.

The 2023-25 amount was set at \$118,000. During the 2017 session, the statute pertaining to this payment was modified to reduce the annual amount paid. This phased-in change in statute

is now fully implemented. Because of this, the total needed to pay the statutorily mandated amounts has been reduced significantly from previous biennia. The Office of State Treasurer did request adding \$4,000 to this line to bring it up to \$122,000 to provide the support to the impacted political subdivisions

2023-2025 ONE-TIME FUNDING REQUESTS

The Office of State Treasurer was provided with \$27,825 in one-time general fund appropriations during the 23-25 biennium for information technology programming costs. Unfortunately, these dollars did not go as far as projected. We were able to accomplish the priority items related to implementing the new distributions and update to infrastructure reporting but were unable to complete some smaller items.

2025-2027 ONE-TIME FUNDING REQUESTS

The Office of State Treasurer has requested \$110,000 in one-time funding from the general fund for multiple ITD projects related to TDOC and making our current processes more effective saving time and reducing touchpoints.

As always, we also are monitoring for any potential one-time funding needs related to costs associated with coding changes required by any statutory changes made by the 69th Legislative Assembly in respect to distributions or other activities performed by our office. Substantive changes to distribution formulas generally require some level of rewriting of our Tax Distribution and Outstanding Checks (TDOC) system to comply with the changes made to statute. These would include changes to the oil and gas gross production tax distribution, the highway tax distribution, and any of the other distributions we currently administer. This would also be true for any new distributions added to our statutory responsibilities.

AGENCY COLLECTIONS

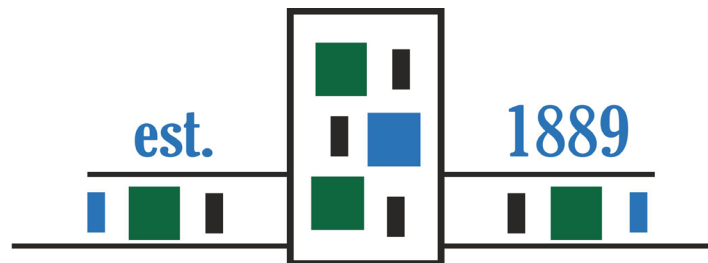
Our office is responsible for the collection of various revenues from political subdivisions throughout the state. Mainly court fines and fees collected by the County Clerks of Court and Assessed Communication fees and Medical Center Levy tax revenues collected by County Auditors. Of these, a significant number are deposited directly into the general fund while others are deposited into special funds. Due to the nature of these collections, we do not anticipate any significant changes in revenue amounts for the coming biennium.

AGENCY REQUEST VS. EXECUTIVE BUDGET

As previously mentioned, the two primary items added in the Executive Budget that went beyond our Agency request were to allow us to implement changes recommended by the Cash Management Study, and for the transfer of the Unclaimed Property Division from Land into our office.

The only additional items that I'd highlight are that OMB did include back the dollars that had been removed from our budget for the New and Vacant FTE funding pool. We will be requesting all our dollars back for the 23-25 biennium that had been removed. In the Executive Budget OMB did not include salary dollars for the cost to continue, and so we trimmed our

already tight operating line by \$14,372 to try and make up for that difference when we submitted our budget for consideration. This was largely completed by reducing travel (\$5,742), IT software and supplies (\$2,160), and lease-rental operating expenses (\$3,500). We would greatly appreciate the restoration of those dollars.



OFFICE OF STATE

TREASURER

NORTH DAKOTA

Thomas Beadle
State Treasurer

Agenda



- Summary of primary budget requests
- Agency Overview
- Comparison to 23-25 Biennium and Executive Budget

Primary Request Overview



- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our Salary line to fairly compensate employees
- **ITD Projects 25-27 Biennium**
 - Adds \$110,000 to support ITD projects for the 25-27 biennium
 - Adds \$7,000 as per OMB's adjustments for the ITD programming cost changes
- **CO2 Payment in Lieu of Taxes appropriation**
 - Add \$2 million in General Fund Dollars for disbursement to impacted counties
- **Coal Severance Payment Increase**
 - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted counties

Primary Request Overview



Burgum's Executive Budget Recommendation

- **Cash Management Study Needs**

- Add \$1.1 million in General Fund Dollars to advance Cash Management Study recommendations
 - Includes 2 FTEs and \$400,000 in one-time funds for software and setup costs

- **Transfer of Unclaimed Property**

- Move Unclaimed Property from Land Department to the Office of State Treasurer
 - Includes \$858,388 from Special Funds and 4 FTEs, along with adding \$50,000 in one-time dollars from the General Fund for office remodeling

- **Item to remove**

- \$5,224 requested for DC Plan estimated costs no longer necessary

Agency Overview



Article V, Section 2, of the North Dakota Constitution created the Office of State Treasurer and provides that the powers and duties of the state treasurer shall be prescribed by law. Chapter 54-11 of the North Dakota Century Code prescribes the powers, duties, and responsibilities of the state treasurer.

The Office of State Treasurer (OST) serves as custodian of all state funds, managing cash flow, investments, and timely tax distributions to over 500 political subdivisions.

Our mission is *“to fulfill our constitutional and statutory responsibilities, to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government.”*

Agency Duties



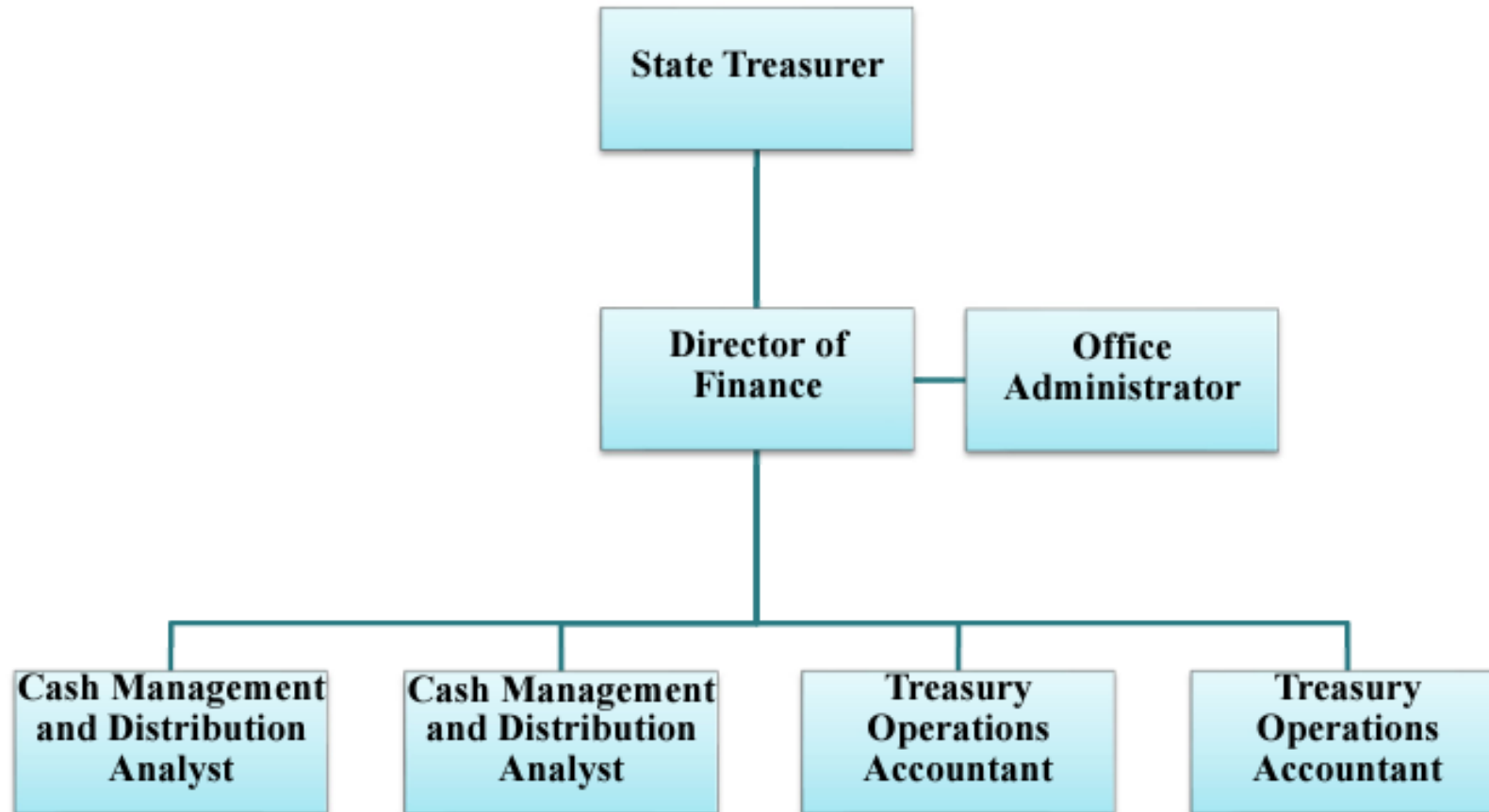
- Accounting
 - Paying all warrants or checks drawn against the state
 - Manage deposits and reconcile bank balances daily
- Tax Collections and Distributions
 - Manages disbursement of tax distributions to political subdivisions
 - Provide data, analysis, and education to stakeholders
- Financial Literacy
 - Collaborates with agencies on statewide Financial Literacy initiatives
 - Co-Chairs the Financial Literacy Commission established in 2024

Agency Duties



- Cash Management
 - Work with agencies to gather information regarding collection, disbursement and balances
 - Heavy involvement in statewide Cash Management study that looks to improve this process
- Investments
 - Responsible for the investment of the State's general and special funds
 - Invested through CD's with the Bank of North Dakota, as well as various banks and credit unions across the state

Office Organization



Treasurer Boards



In addition to the responsibilities of the office, as required by statute or Constitution, the State Treasurer serves on six Boards: State Investment Board, Teachers Fund for Retirement, Board of University and School Lands, State Board of Tax Equalization, State Historical Board, and the State Canvassing Board.

Following an executive order by Governor Burgum, Treasurer Beadle also serves as Co-Chair of the statewide Financial Literacy Commission.

Treasurer Beadle also currently serves as President for the National Association of State Treasurers for 2025.

Audit Findings



- The biennial audit for the period ending June 30, 2023, found no errors, internal control weaknesses, or potential violations of law.
- That report can be found at nd.gov/auditor/2023-treasurer-office-state

Accomplishments and Goals



Accomplishments:

- Distributed over \$1.5 billion to political subdivisions in 2024.
- Implemented changes that saved 424 hours through internal process adjustments

Challenges:

- **Turnover and Compensation** – small agency that is hit hard by vacancies.
- **IT Costs** – always a challenge, difficult to keep up with needs

Accomplishments and Goals



Goals for 2025-27:

- Enhance the TDOC (Tax Distribution Outstanding Check) system for smoother operations.
- Overhaul the distribution platform to reduce manual data entry.
- Cash Management Study Implementation
- Website upgrades
- Expand financial education initiatives

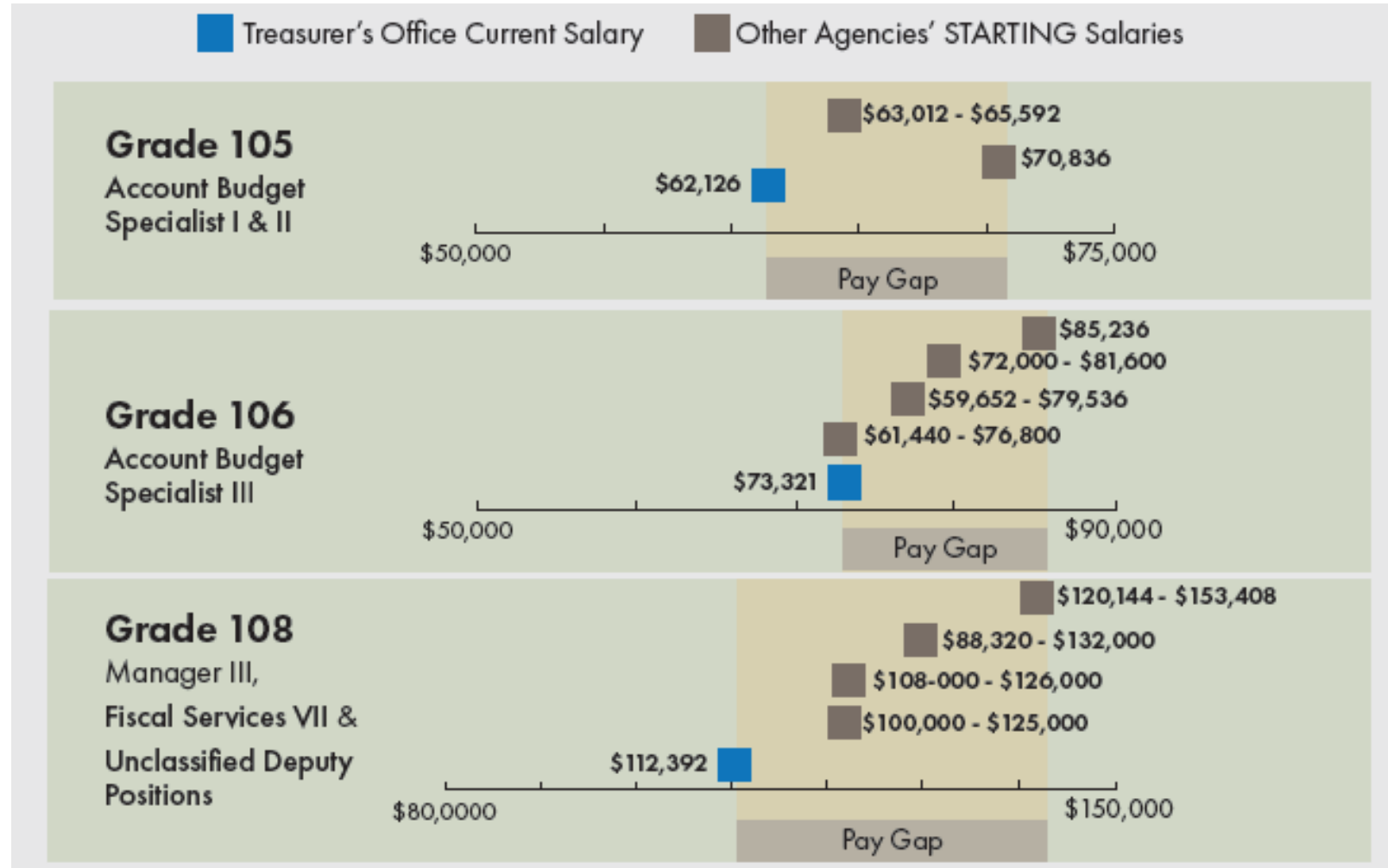
Budget Comparison



Changes from 23-25 Budget

- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our salary and benefit line
 - The Office of State Treasurer is requesting additional dollars for our salary line in order to create a more competitive market when needing to hire and increase current employees salaries to be more equitable for the workload increases and incentivize employee retention. We are thankful for the target market equity dollars we received of 2%, however we also loss salary dollars to the FTE Funding Pool for the 2023-2025 Biennium.

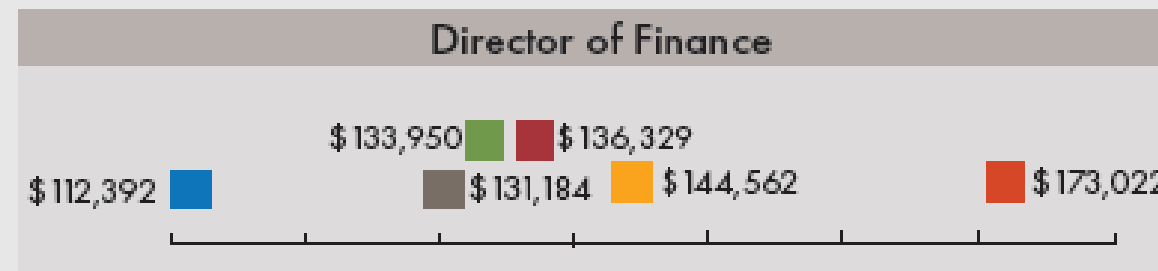
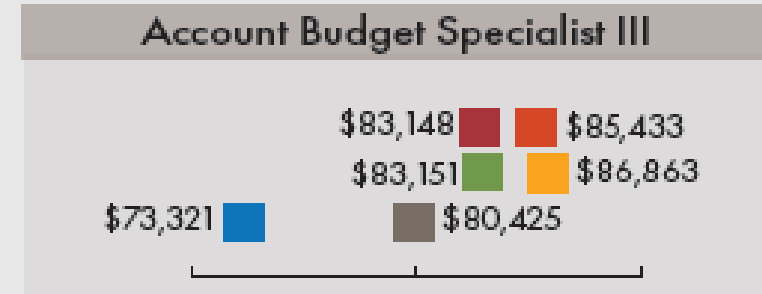
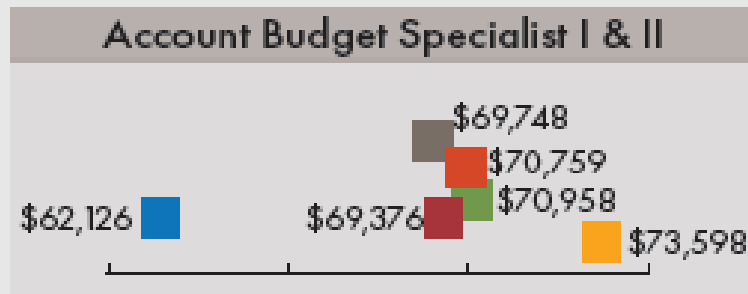
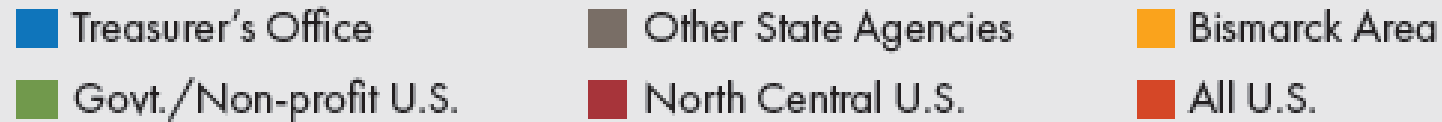
Budget Comparison



Budget Comparison

NATIONAL & REGIONAL SALARY COMPARISON

The following charts show a comparison between various national and regional data using the mean salary for each.



North Central U.S.: IA, ND, WY, IL, IN, MI, OH, WI, MN, MT, NE, MO, SD, KY, and KS. Sources: Gallagher, Economic Research Institute, Mercer

Budget Comparison



Changes from 23-25 Budget

- **ITD Project Costs**

- Add \$110,000 to support ITD projects for the 25-27 biennium
- Adds \$7,000 to reflect adjustments in ITD's rate schedule
 - The ITD projects would have a great impact on daily processes, tax distributions, and certification processes. We would like to update Tax Distribution and Check Processing platform (TDOC) processes allow for more uploads, enhance search and filtering parameters in TDOC, and updates to our website. We feel these updates would reduce touchpoints, decreases the chance for error, reduce manual inputs and save a substantial amount of time.

Budget Comparison



Changes from 23-25 Budget

- **Payment in Lieu of Taxes**

- Add \$2,000,000 of General Fund dollars for the biennium
 - Dollars requested to make payment per NDCC 57-06-17.2 which states "the state treasurer shall make the required payment to each county not later than March first of the following year.." For the 25-27 biennium, it is anticipated that additional pipelines will qualify. Currently this estimate is based on historical payments and communication with the Tax Department.

Budget Comparison



Changes from 23-25 Budget

- **Coal Severance Payment Increase**

- Add \$4,000 of General Fund dollars for the biennium
 - Requesting additional funding in order to make whole the dollars as calculated due to the county related to repayment of 30% of the loss related to Coal Severance for the Coal Severance Shortfall distribution as stated in NDCC 57-62-02(3)b(5). The amount paid to the county, city, and school districts has been allocated based on the dollar amount appropriated and last biennium we fell short, and we were short again this biennium.

Budget Comparison



Governor Burgum's budget recommendation

Cash Management Study Implementation

- \$1.1 million appropriated from the general fund, including \$400,000 in one-time funds for software and setup
- Authorization for 2 FTEs to fulfill additional workload demands

Budget Comparison



Governor Burgum's budget recommendation

Unclaimed Property

- \$921,300 in special funds and \$50,000 in one-time general fund dollars to support the 4 FTEs moving from the Land Department to the Office of State Treasurer
- Recommendation that Governor Burgum included in his budget and was a recommendation that came from the red-tape reduction task force.

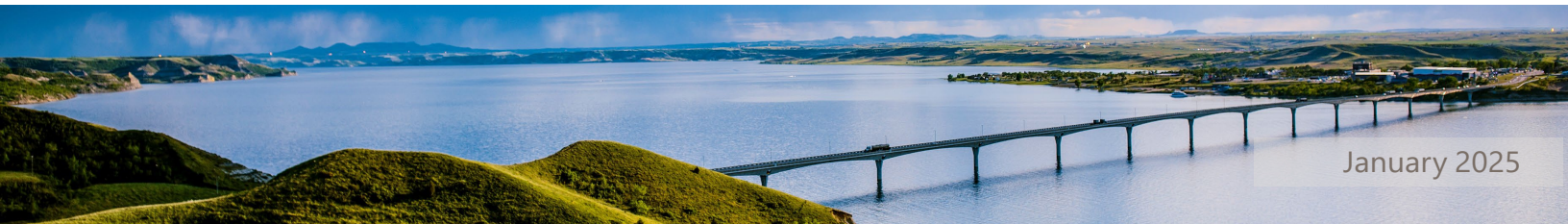
Questions?



Thomas Beadle, State Treasurer – tbeadle@nd.gov
Nicole Krivoruchka, Director of Finance – nkrivoruchka@nd.gov

Office of the State Treasurer
State Capitol Building, Third Floor
600 E Boulevard Avenue, Dept 120
Bismarck, ND 58505-0600

treasurer@nd.gov | 701-328-2643



January 2025

OFFICE OF STATE TREASURER

WHO WE ARE

07

Full-time Team Members

WHAT WE'RE ABOUT

Mission: To fulfill our constitutional and statutory responsibilities to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government

Values: Accuracy, efficiency, and transparency

WHO WE SERVE

State Agencies



Assist financial professionals from other state agencies with many functions including daily cash deposits, transfers, and check and ach payments.

Political Subdivisions



Distribute funds to counties, cities, townships and school districts in the state monthly. Provide support for audits and various inquiries.

General Public



Provide analysis, data, and explanations of various tax distributions and other State Treasurer duties to the public

State Legislators



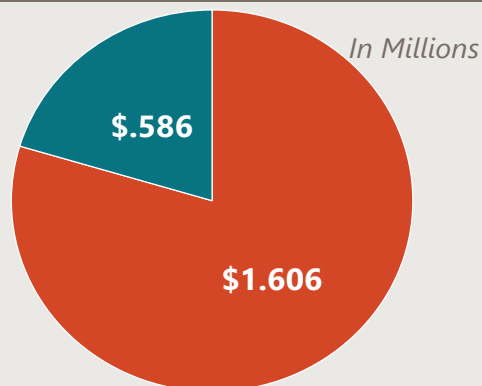
Monitor and assist state legislature to ensure proposed legislation is feasible and will accomplish its intended results

HOW WE DO IT

2023-2025 Biennium Total Agency Budget: \$2,191,754.83

- General: \$2,191,754.83
- Special: \$0.00
- Federal: \$0.00

- Salary
- Operating



OFFICE OF STATE TREASURER

WHAT WE'RE PROUD OF

Efficiency & Accuracy

As workload has grown, we have harnessed technology and continually increase efficiency within our process allowing us to remain at the same FTE level as in 2007. We perform our duties & responsibilities with tremendous accuracy.

Small Staff-Large Impact

Hard working, growth mindset, and cross trained team members have created a hub for helping other agencies with financial tasks, assisting political subdivisions in a timely manner, and supporting each other in events of unplanned & planned absences

Implementation of Change

Team members are willing and encouraging of change. Consistent review of internal policies, procedures, and adapting to agency needs to promote efficiencies. Seamlessly operating in a hybrid work environment.

"Operation
Prairie Dog"
distribution to

360

political
subdivisions in
'23

Distributed
over

\$1.5B

to political
subs in '24

Administer &
maintain

30+

types of
distributions

Collected
over

\$23 M

in revenues
in '24

424

hours saved
by adjusting
internal
processes

WHAT WE DO



Cash Management

Systematic gathering of state collection, disbursement, and fund balance information to manage state's cash flow



Revenue Collection

Collect various revenues from political subdivisions including several court filing fees and other assessed service fees



Investments

Responsible for investment of the state's general and special funds. Also maintain several trust and ag commodity funds.



Revenue Distributions

Disburse & maintain over 30 distributions to political subdivisions in North Dakota including Oil & Gas, Highway & State Aid



Accounting

Daily reconciliation of state's bank accounts to PeopleSoft ensuring accuracy and accountability of all cash transactions

HOW WE MEASURE SUCCESS

Customer Service

We want everyone that interacts with our office to find they answers they are searching. Whether that answer comes from our agency or somewhere else in state government, we take pride in getting them a proper response

Timeliness of Actions

Ability of staff to perform effectively and efficiently in all aspects of the Office's job duties no matter the task assigned. Political subdivisions rely on us to distribute funds to them on a regular and consistent basis.

Staff Retention

An excellent team is the backbone of the Office. Between 6 team members, there is nearly 47 years of combined experience with our office. A wealth of knowledge exists that is shared throughout the state and supports all of Team ND.

Accuracy

The agency has had no formal recommendations for the last 10 years. This shows the teams detail to attention, keen record keeping, and accuracy. We continuously review processes to ensure we perform duties as accurate as possible.



COMPENSATION ANALYSIS

ABOUT

The small seven-person Office of the State Treasurer staff is committed to maintaining the highest standards of financial oversight and transparency of public funds. We serve North Dakota state agencies, cities, counties, school districts and citizens.

Our team includes an office administrator and fiscal and accounting staff members, as well as the State Treasurer, who all play a crucial role in achieving our mission. These positions demand a high level of professional experience and a strong educational background in fiscal and accounting disciplines.

COMPENSATION CHALLENGE

Our current compensation structure significantly lags behind both other state agencies and the private sector for these roles. This disparity poses a serious challenge in:

- recruiting new talent.
- retaining our dedicated and highly skilled staff.

To ensure we continue to fulfill our mission effectively, it is imperative that we address this compensation gap.

ADDRESSING THE GAP

By providing fair and competitive salaries, we can attract and retain the talent necessary to perform specialized accounting and fiscal duties, think critically, and analyze complex data. Based on market analysis, \$250,000 is needed to address the gap in order to:

Retain experienced staff.

Ensure equity across Team ND.

Attract a high level of quality professionals.

Allow for workload & responsibility increases.

STAFF FACTS



83%

of classified staff have 5+ years of service with the state



7 YEARS

of average tenure with the state with current classified staff



34.8%

turnover rate to date for 2024

Compared to 11.0% average for Team ND

MOST CHALLENGING POSITIONS TO FILL & RETAIN:

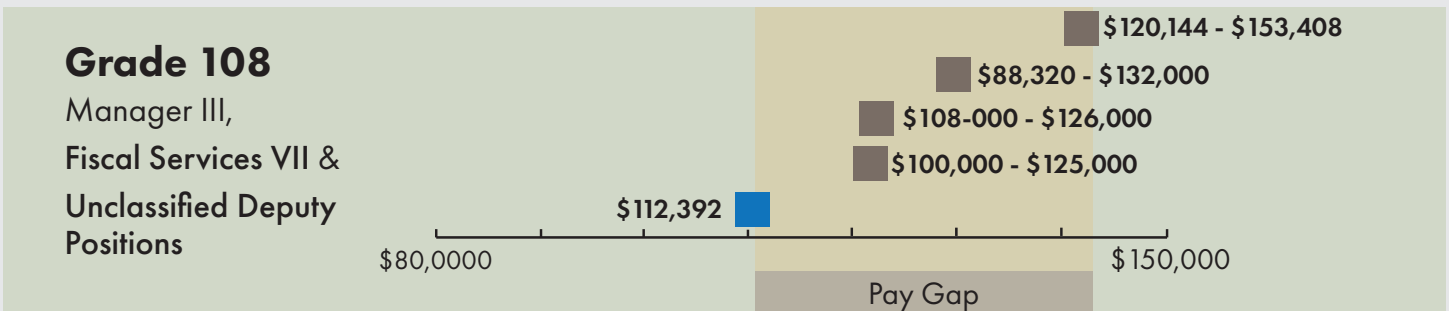
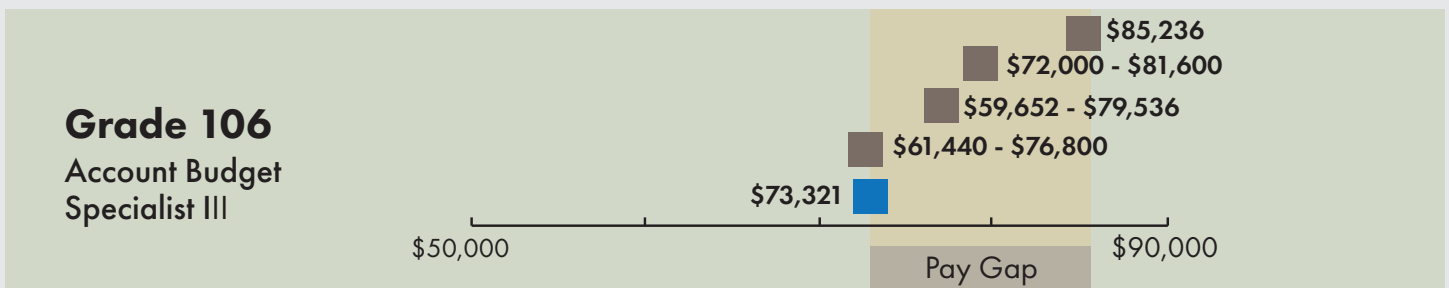
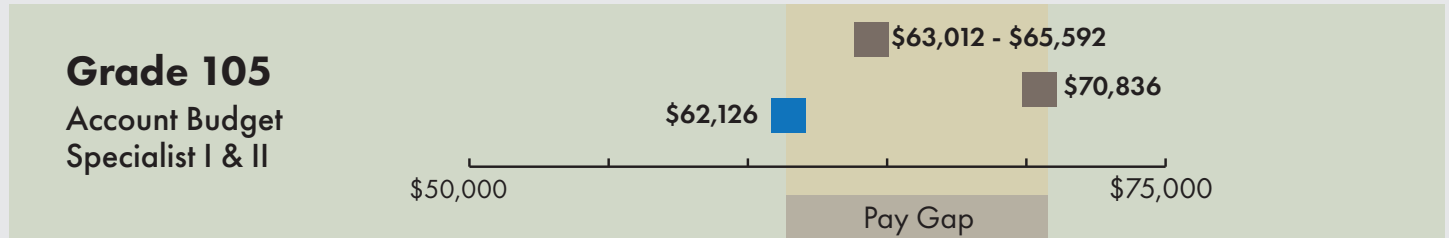
Accounting & Fiscal Positions within the Agency

COMPENSATION ANALYSIS

SALARY COMPARISON VS OTHER STATE AGENCIES

The following charts show a comparison between the current salaries of our current team members vs the STARTING salaries of comparable positions at other state agencies. New hires at other agencies are being offered higher salaries compared to our current staff, who possess more experience and longer tenure.

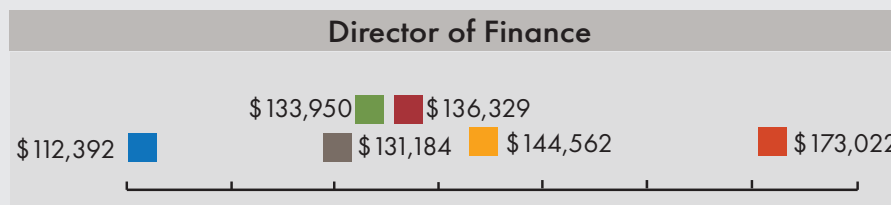
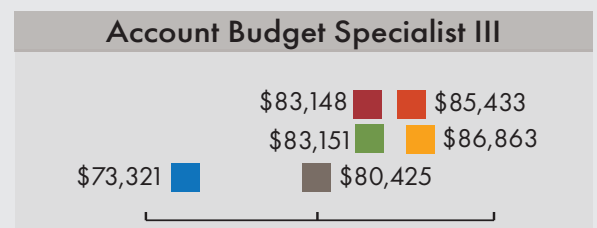
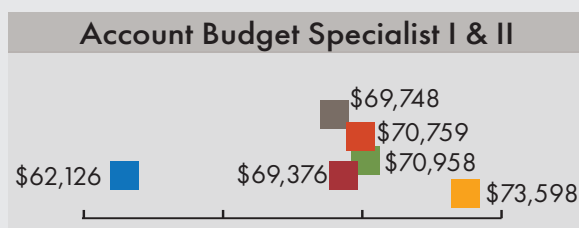
■ Treasurer's Office Current Salary ■ Other Agencies' STARTING Salaries



NATIONAL & REGIONAL SALARY COMPARISON

The following charts show a comparison between various national and regional data using the mean salary for each.

■ Treasurer's Office ■ Other State Agencies ■ Bismarck Area
 ■ Govt./Non-profit U.S. ■ North Central U.S. ■ All U.S.



2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
1/21/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

10:14 a.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fischer, Kempenich, Meier, Pyle.

Discussion Topics:

- State Treasurer's Budget Overview
- Armstrong Budget for State Treasurer
- State Treasurer FTEs
- Budget for State Treasurer's rent
- ND Cash management
- Coal Severance budget request
- Carbon Dioxide budget requests and impacts

10:16 a.m. Thomas Beadle, ND State Treasurer, testified and submitted testimony in favor #30512.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Counsel, provided neutral testimony #30146.

11:17 a.m. Chairman Monson adjourned the meeting.

Madaline Cooper, Committee Clerk



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Burgum Budget				Armstrong Budget				Armstrong Budget Compared to Burgum Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$104,589	\$38,882	\$143,471		\$61,957		\$61,957		(\$42,632)	(\$38,882)	(\$81,514)
Health insurance increase		54,048	24,021	78,069		42,037		42,037		(12,011)	(24,021)	(36,032)
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
Salary equity funding		100,000		100,000		100,000		100,000				0
Transfers \$14,372 from operating to salaries - Base				0				0				0
FTE unclaimed property positions	4.00		858,397	858,397				0	(4.00)		(858,397)	(858,397)
FTE cash management positions	2.00	597,551		597,551				0	(2.00)	(597,551)		(597,551)
Cash management software fees		100,000		100,000				0		(100,000)		(100,000)
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		2,000,000		2,000,000				0
Total ongoing funding changes	6.00	\$2,994,908	\$921,300	\$3,916,208	0.00	\$2,242,714	\$0	\$2,242,714	(6.00)	(\$752,194)	(\$921,300)	(\$1,673,494)
One-Time Funding Items												
Information technology projects		\$110,000		\$110,000		\$110,000		\$110,000				\$0
Cash management software setup		400,000		400,000				0		(\$400,000)		(400,000)
Office remodel for new FTE positions		50,000		50,000				0		(50,000)		(50,000)
Total one-time funding changes	0.00	\$560,000	\$0	\$560,000	0.00	\$110,000	\$0	\$110,000	0.00	(\$450,000)	\$0	(\$450,000)
Total Changes to Base Level Funding	6.00	\$3,554,908	\$921,300	\$4,476,208	0.00	\$2,352,714	\$0	\$2,352,714	(6.00)	(\$1,202,194)	(\$921,300)	(\$2,123,494)
2025-27 Total Funding	13.00	\$5,543,838	\$921,300	\$6,465,138	7.00	\$4,341,644	\$0	\$4,341,644	(6.00)	(\$1,202,194)	(\$921,300)	(\$2,123,494)

Federal funds included in other funds

\$0

\$0

\$0

Total ongoing changes - Percentage of base level

85.7%

150.6%

N/A

196.9%

0.0%

112.8%

N/A

112.8%

N/A

N/A

N/A

N/A

Total changes - Percentage of base level

85.7%

178.7%

N/A

225.1%

0.0%

118.3%

N/A

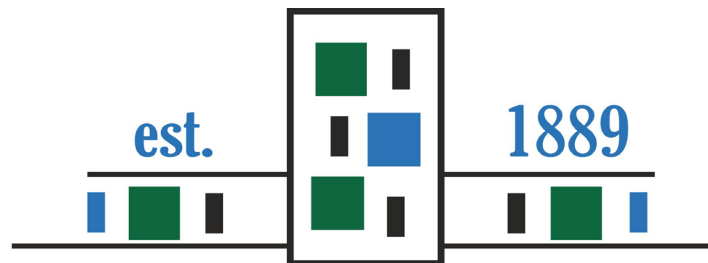
118.3%

N/A

N/A

N/A

N/A



OFFICE OF STATE

TREASURER

NORTH DAKOTA

Thomas Beadle
State Treasurer

Agenda



- Budget Comparisons
- Bills impacting OST Budget

Budget Comparison



Description	2023-25	OST		Burgum		Armstrong	
	Legislative Base	2025-27		2025-27		2025-27	
		Increase (Decrease) from 23-25	Requested Budget	Increase (Decrease) from 23-25	Executive Budget	Increase (Decrease) from 23-25	Executive Budget
By Line Item							
Salaries and Wages	1,605,584	290,686	1,896,270	1,812,950	3,418,534	239,456	1,845,040
Operating Expenses	265,346	109,258	374,604	659,258	924,604	109,258	374,604
Technology Project Carryover	-	-	-	-	-	-	-
In Lieu of Tax Payments	-	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Transportation Funding	-	-	-	-	-	-	-
Coal Severance Payments	118,000	4,000	122,000	4,000	122,000	4,000	122,000
Non-Oil Producing Counties	-	-	-	-	-	-	-
ARPA-Local Fund Allocations	-	-	-	-	-	-	-
CARES Act Funding - 2020	-	-	-	-	-	-	-
Total Line Items	\$1,988,930	\$2,403,944	\$4,392,874	\$4,476,208	\$6,465,138	\$2,352,714	\$4,341,644
By Funding Source							
General	1,988,930	2,403,944	4,392,874	3,554,908	5,543,838	2,352,714	4,341,644
Federal	-	-	-	-	-	-	-
Special	-	-	-	921,300	921,300	-	-
Total Funding Source	\$1,988,930	\$2,403,944	\$4,392,874	\$4,476,208	\$6,465,138	\$2,352,714	\$4,341,644
Total FTE	7.00		7.00	6.00	13.00		7.00

Armstrong Budget Comparison



- **Salary Compensation Analysis Recommendation**
 - Add \$100,000 to Salaries – Other line
(vs \$255,244 requested)
- **ITD Projects 25-27 Biennium**
 - Adds \$110,000 to support ITD projects for the 25-27 biennium
(As requested)
 - Adds \$7,000 as per OMB's adjustments for the ITD programming cost changes
(As requested)
- **CO2 Payment in Lieu of Taxes appropriation**
 - Add \$2 million in General Fund Dollars for disbursement to impacted counties
(As requested)
- **Coal Severance Payment Increase**
 - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted counties
(As requested)

Armstrong Budget Comparison



Burgum's Recommendations NOT included in Armstrong's Budget

- **Cash Management Study Needs**

- Add \$1.1 million in General Fund Dollars to advance Cash Management Study recommendations
 - Includes 2 FTEs and \$400,000 in one-time funds for software and setup costs
(Requested to implement Cash Management procedures in HB 1278)

- **Transfer of Unclaimed Property**

- Move Unclaimed Property from Land Department to the Office of State Treasurer
 - Includes \$921,300 from Special Funds and 4 FTEs, along with adding \$50,000 in one-time dollars from the General Fund for office remodeling

Bills Impacting OST Budget



Bill #	Description	Budget Needs
1183	OST Shall invest minimum of 1% of funds into Gold and Silver and provide study to Assembly	\$50,000
1278	Cash Management Steering committee and OST reports	\$1,100,000
1295	Removes any tax study or policy for CO2 lines, including the Payment in Lieu of to counties	-2,000,000
1329	OST must maintain a government spending database	\$350,000
1620	OST State fiscal transparency online portal in cooperation with tax and auditor	TBD
2208	Prohibits political subs from receiving Prairie Dog funds if that political sub adopts an ordinance or policy that "interferes or conflicts with an energy infrastructure project permitted or approved by a state agency"	TBD

Questions?



Thomas Beadle, State Treasurer – tbeadle@nd.gov
Nicole Krivoruchka, Director of Finance – nkrivoruchka@nd.gov

Office of the State Treasurer
State Capitol Building, Third Floor
600 E Boulevard Avenue, Dept 120
Bismarck, ND 58505-0600

treasurer@nd.gov | 701-328-2643

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
1/28/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

10:13 a.m. Chairman Monson opened the hearing.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fischer, Kempenich, Pyle.

Members Absent: Representative Meier

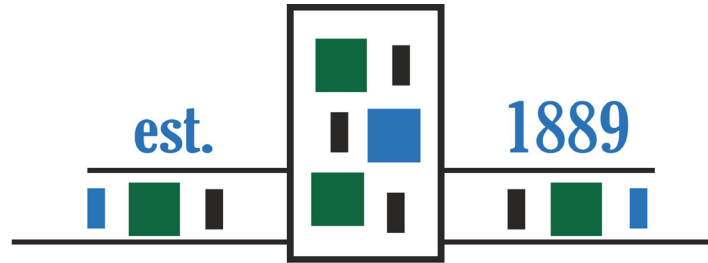
Discussion Topics:

- Salary comparison with other agencies
- Cash Management Software Fees
- Other bills impacting OST
- Upgrading IT costs
- FTE pool funding
- Bank of North Dakota

10:14 a.m. Thomas Beadle, ND State Treasurer, testified in favor and provided testimony #32151.

10:40 a.m. Chairman Monson closed the meeting.

Madaline Cooper, Committee Clerk



OFFICE OF STATE

TREASURER

NORTH DAKOTA

Thomas Beadle
State Treasurer



Agenda



- Compensation/Equity Request details
- Bills impacting OST Budget

Armstrong Budget

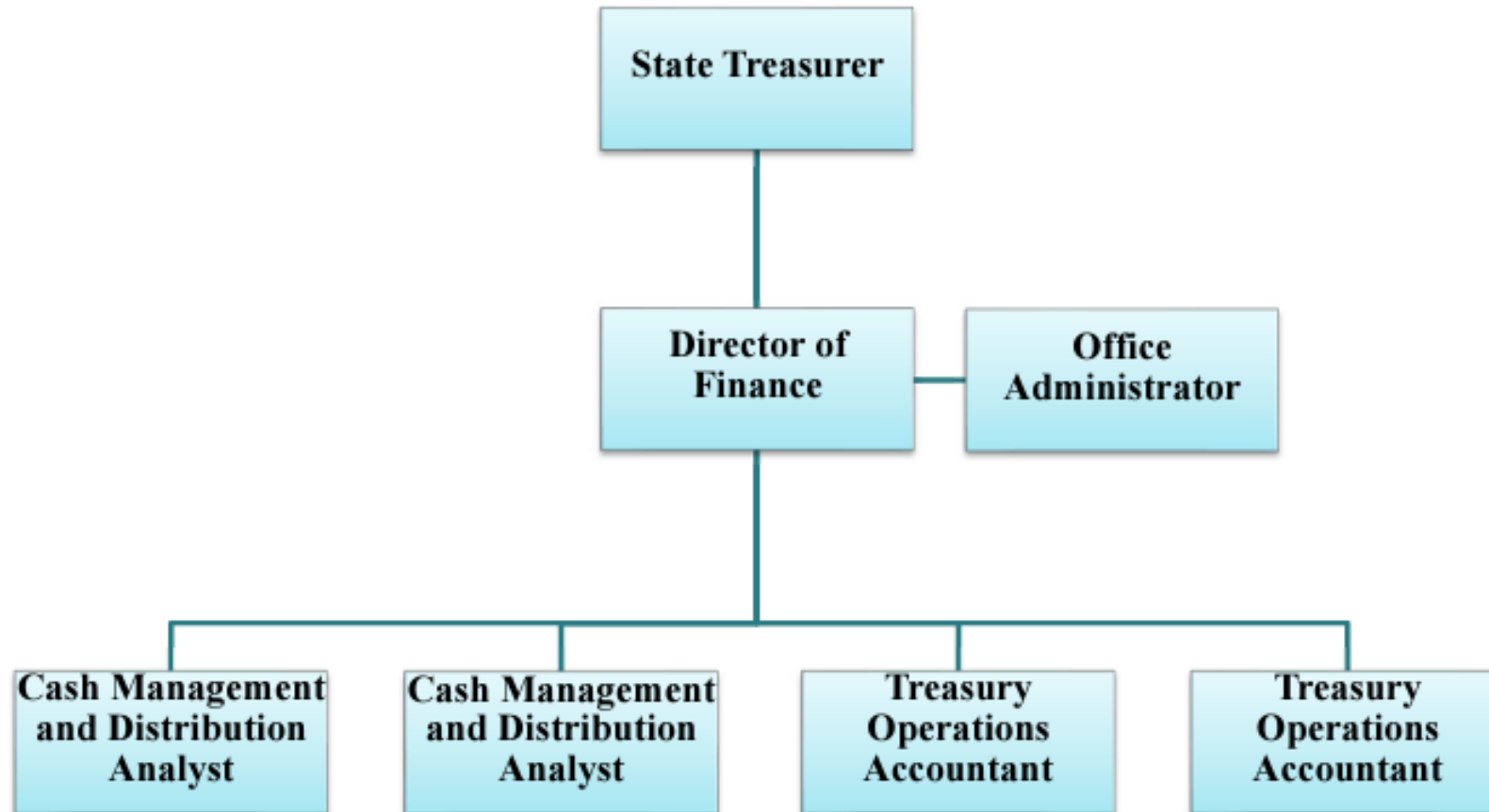


- **Salary Compensation Analysis Recommendation**

- Add \$100,000 to Salaries – Other line
(vs \$255,244 requested)

The Office of State Treasurer is requesting additional dollars for our salary line in order to create a more competitive market when needing to hire and increase current employees salaries to be more equitable for the workload increases and incentivize employee retention. We are thankful for the target market equity dollars we received of 2% (\$22,384), however we also lost salary dollars (\$21,090) to the FTE Funding Pool for the 2023-2025 Biennium that was not included in our base budget.

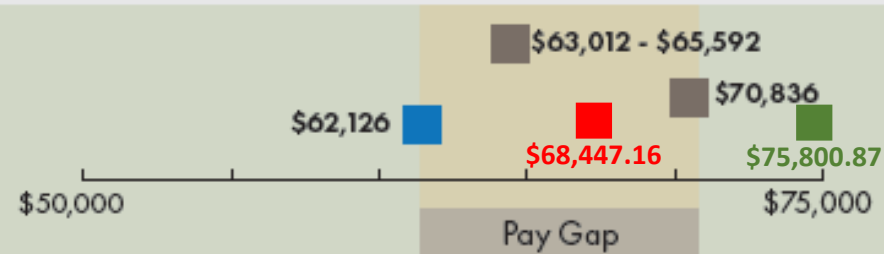
Office Organization



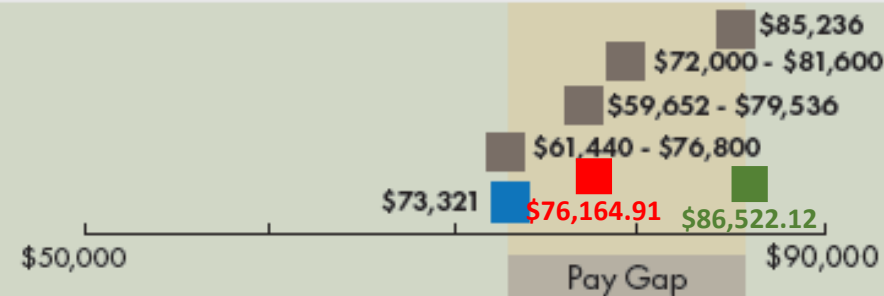
Salary Comparison

■ Treasurer's Office Current Salary
 ■ Other Agencies' STARTING Salaries

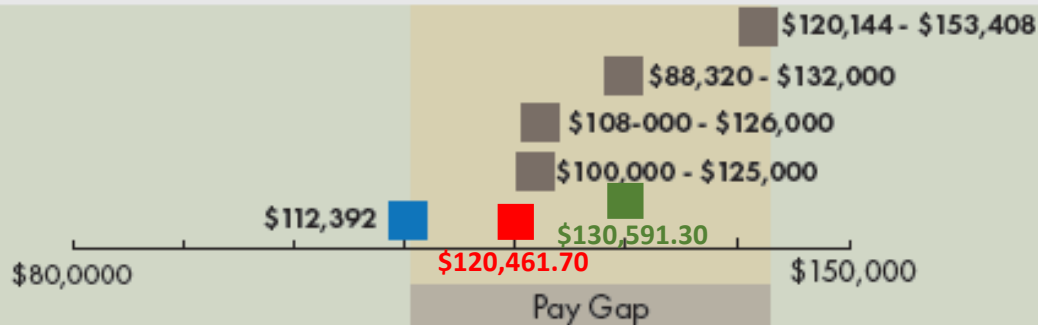
Grade 105
Account Budget
Specialist I & II



Grade 106
Account Budget
Specialist III



Grade 108
Manager III,
Fiscal Services VII &
Unclassified Deputy
Positions



■ With \$100k in Equity Funding

■ With \$250k in Equity Funding

Bills Impacting OST Budget



Bill #	Description	Budget Needs
1183	OST Shall invest minimum of 1% of funds into Gold and Silver and provide study to Assembly	\$50,000
1278	Cash Management Steering committee and OST reports	\$1,100,000 2 FTE
1295	Removes any tax study or policy for CO2 lines, including the Payment in Lieu of to counties	-2,000,000
1329	OST must maintain a government spending database	\$350,000
1620	OST State fiscal transparency online portal in cooperation with tax and auditor	TBD
2208	Prohibits political subs from receiving Prairie Dog funds if that political sub adopts an ordinance or policy that "interferes or conflicts with an energy infrastructure project permitted or approved by a state agency"	TBD

Questions?



Thomas Beadle, State Treasurer – tbeadle@nd.gov
Nicole Krivoruchka, Director of Finance – nkrivoruchka@nd.gov

Office of the State Treasurer
State Capitol Building, Third Floor
600 E Boulevard Avenue, Dept 120
Bismarck, ND 58505-0600

treasurer@nd.gov | 701-328-2643

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
2/4/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

2:31 p.m. Chairman Monson opened the meeting.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fisher, Kempenich, Meier, Pyle.

Discussion Topics:

- State Treasurer Office Remodel
- Cash Management positions
- FTE funding for Treasurer

2:36 p.m. Thomas Beadle, Treasurer, ND State Treasurer Office, testified in favor.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted neutral testimony #34708.

2:51 p.m. Chairman Monson adjourned the meeting.

Madaline Cooper, Committee Clerk



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957		\$61,957		\$61,957		\$61,957				\$0
Health insurance increase		42,037		42,037		42,037		42,037				0
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool				0		(7,853)		(7,853)		(\$7,853)		(7,853)
Salary equity funding		100,000		100,000				0		(100,000)		(100,000)
Transfers \$14,372 from operating to salaries - Base				0				0				0
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		2,000,000		2,000,000				0
Total ongoing funding changes	0.00	\$2,242,714	\$0	\$2,242,714	0.00	\$2,134,861	\$0	\$2,134,861	0.00	(\$107,853)	\$0	(\$107,853)
One-Time Funding Items												
Information technology projects		\$110,000		\$110,000		\$110,000		\$110,000				\$0
Total one-time funding changes	0.00	\$110,000	\$0	\$110,000	0.00	\$110,000	\$0	\$110,000	0.00	\$0	\$0	\$0
Total Changes to Base Level Funding	0.00	\$2,352,714	\$0	\$2,352,714	0.00	\$2,244,861	\$0	\$2,244,861	0.00	(\$107,853)	\$0	(\$107,853)
2025-27 Total Funding	7.00	\$4,341,644	\$0	\$4,341,644	7.00	\$4,233,791	\$0	\$4,233,791	0.00	(\$107,853)	\$0	(\$107,853)
<i>Federal funds included in other funds</i>			\$0				\$0				\$0	
<i>Total ongoing changes - Percentage of base level</i>	0.0%	112.8%	N/A	112.8%	0.0%	107.3%	N/A	107.3%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	0.0%	118.3%	N/A	118.3%	0.0%	112.9%	N/A	112.9%	N/A	N/A	N/A	N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Salary of State Treasurer		Section 4 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
2/11/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

2:39 p.m. Chairman Monson opened the hearing.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Bosch, Fischer, Kempenich, Meier, Pyle.

Discussion Topics:

- Budget for Office Remodel
- Unclaimed property
- Spending authority for OST
- Target Market Equity
- Travel Costs for OST

2:44 p.m. Thomas Beadle North Dakota State Treasure, Office of State Treasurer, stood for questions.

Additional written testimony:

Brady Larson, Fiscal Analyst, Legislative Council, submitted neutral testimony #37154.

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted neutral testimony #37159.

3:09 p.m. Chairman Monson closed the meeting.

Madaline Cooper, Committee Clerk

25.0149.01001
Title.
Fiscal No. 1

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

February 10, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and
3 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section
4 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section
5 47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision c of
6 subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,
7 subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section
8 47-30.2-67, section 47-30.2-75, sections 54-11-13 and 54-27-15.1, subsection 6 of section
9 57-38-57, and subsections 3 and 8 of section 57-39.2-23 of the North Dakota Century Code,
10 relating to the transfer of unclaimed property administration from the commissioner of university
11 and school lands to the state treasurer and the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

18		Adjustments or	
19	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$0	\$1,605,584
2	Operating expenses	265,346	0	265,346
3	Coal severance payments	118,000	0	118,000
4	Total general fund	\$1,988,930	\$0	\$1,988,930
5	Full-time equivalent positions	7.00	0.00	7.00
6	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
7	New and vacant FTE pool	0	54.672	54.672
8	Operating expenses	265,346	109,258	374,604
9	Capital assets	0	50,000	50,000
10	Coal severance payments	118,000	4,000	122,000
11	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
12	Total all funds	\$1,988,930	\$3,193,361	\$5,182,291
13	Total special funds	0	1,066,352	1,066,352
14	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
15	Full-time equivalent positions	7.00	4.00	11.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office remodel project	0	50,000	50,000
Total	\$0	\$160,000	\$160,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

1 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

2 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of \$160,000
3 included in the other funds line item in section 1 of this Act and identified as one-time funding in
4 section 2 of this Act is from the strategic investment and improvements fund, including \$110,000
5 for information technology projects and \$50,000 for an office remodel project.

6 **SECTION 5. AMENDMENT.** Subsection 15 of section 6-07.2-19 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 15. Within one hundred twenty days after the final distribution to members is started, the
9 credit union shall furnish to the commissioner's office a schedule of unpaid claims. The
10 board of directors of the credit union or the liquidating agent if appointed shall report
11 money in the account of a member who failed to surrender their passbooks or confirm
12 their balances, final distribution checks not cashed within one hundred twenty days,
13 and any unpaid claims to the unclaimed property ~~division of the board of university and~~
14 ~~school lands pursuant to~~ administrator under chapter 47-30.2.

15 **SECTION 6. AMENDMENT.** Section 10-15-49 of the North Dakota Century Code is
16 amended and reenacted as follows:

17 **10-15-49. Amounts due unknown persons.**

18 Upon liquidation of a cooperative, the assets distributable to persons who are unknown or
19 cannot be found may be reduced to cash and transferred to the ~~commissioner of university and~~
20 ~~school lands~~ unclaimed property administrator and shall be treated as abandoned and
21 unclaimed property under the escheat and abandoned property laws of the state.

22 **SECTION 7. AMENDMENT.** Section 47-30.2-01 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 **47-30.2-01. (102) Definitions.**

25 As used in this chapter:

- 26 1. "Administrator" means the administrator of the state abandoned property office under
27 the state treasurer.
28 2. "Administrator's agent" means a person with which the ~~commissioner~~ state treasurer
29 contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,
30 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and
31 47-30.2-62 on behalf of the administrator. The term includes an independent

- 1 contractor of the person and each individual participating in the examination on behalf
2 of the person or contractor.
- 3 3. "Apparent owner" means a person whose name appears on the records of a holder as
4 the owner of property held, issued, or owing by the holder.
- 5 4. ~~"Board" means the board of university and school lands.~~
- 6 ~~5.~~ "Business association" means a corporation, joint stock company, investment
7 company, partnership, unincorporated association, joint venture, limited liability
8 company, business trust, trust company, land bank, safe deposit company,
9 safekeeping depository, financial organization, insurance company, federally chartered
10 entity, utility, sole proprietorship, or other business entity, whether or not for profit.
- 11 ~~6.5.~~ "Cashier's check" means a check that:
- 12 a. Is purchased by a remitter and made payable to a designated payee;
- 13 b. Is signed by an officer or employee of the financial organization;
- 14 c. Authorizes payment of the amount shown on the check's face to the payee;
- 15 d. Is a direct obligation of the financial organization; and
- 16 e. Is provided to a customer of the financial institution or acquired from the financial
17 institution for remittance purposes.
- 18 ~~7.~~ ~~"Commissioner" means the commissioner of university and school lands.~~
- 19 ~~8.6.~~ "Confidential record" has the same meaning as defined in section 44-04-17.1.
- 20 ~~9.~~ ~~"Department" means the department of trust lands.~~
- 21 ~~10.7.~~ "Domicile" means:
- 22 a. For a corporation, the state of its incorporation;
- 23 b. For a business association whose formation requires a filing with a state, other
24 than a corporation, the state of its filing;
- 25 c. For a federally chartered entity, the state of its home office; and
- 26 d. For any other holder, the state of its principal place of business.
- 27 ~~41.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
28 optical, electromagnetic, or similar capabilities.
- 29 ~~12.9.~~ "Electronic mail" means a communication by electronic means, together with
30 attachments, which is automatically retained and stored and may be readily accessed
31 or retrieved.

1 ~~43.10.~~ "Financial organization" means a savings and loan association, building and loan
2 association, savings bank, industrial bank, bank, banking organization, private banker,
3 trust company, credit union, or an organization defined as a bank or banking
4 organization under the laws of this state or of the United States.

5 ~~44.11.~~ "Game-related digital content" means digital content that exists only in an electronic
6 game or electronic-game platform.

7 a. The term includes:

8 (1) Game-play currency such as a virtual wallet, even if denominated in United
9 States currency; and

10 (2) The following if for use or redemption only within the game or platform or
11 another electronic game or electronic-game platform:

12 (a) Points sometimes referred to as gems, tokens, gold, and similar
13 names; and

14 (b) Digital codes; and

15 b. The term does not include an item that the issuer:

16 (1) Permits to be redeemed for use outside a game or platform for:

17 (a) Money; or

18 (b) Goods or services that have more than minimal value; or

19 (2) Otherwise monetizes for use outside a game or platform.

20 ~~45.12.~~ "Gift card" means a record that:

21 a. Is usable at:

22 (1) A single merchant; or

23 (2) A specified group of merchants;

24 b. Is prefunded before the record is used; and

25 c. Can be used for purchases of goods or services.

26 ~~46.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
27 the owner, property subject to this chapter.

28 ~~47.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
29 also includes a benevolent society, nonprofit health service corporation, and a health
30 maintenance organization.

- 1 | ~~18-15.~~ "Loyalty card" means a record given without monetary consideration under an award,
2 | reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
3 | or redeemed only to obtain goods or services or a discount on goods or services. The
4 | term does not include a record that may be redeemed for money or otherwise
5 | monetized by the issuer.
- 6 | ~~19-16.~~ "Mineral proceeds" means an obligation:
7 | a. To pay resulting from the production and sale of minerals, including net revenue
8 | interest, royalties, overriding royalties, production payments, and joint operating
9 | agreements; or
10 | b. For the acquisition and retention of a mineral lease, including bonuses, delay
11 | rentals, shut-in royalties, and minimum royalties.
- 12 | ~~20-17.~~ "Money order" means a payment order for a specified amount of money. The term
13 | includes an express money order and a personal money order on which the remitter is
14 | the purchaser.
- 15 | ~~21-18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
16 | or other political subdivision of a state.
- 17 | ~~22-19.~~ "Net card value" means the original purchase price or original issued value of a stored-
18 | value card, plus amounts added to the original price or value, minus amounts used
19 | and any service charge, fee, or dormancy charge permitted by law.
- 20 | ~~23-20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
21 | administrator by the depository trust clearing corporation or similar custodian of
22 | securities providing post-trade clearing and settlement services to financial markets or
23 | cannot be delivered because there is no agent to effect transfer. The term includes a
24 | worthless security.
- 25 | ~~24-21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
26 | subject to this chapter or the person's legal representative when acting on behalf of
27 | and in the best interest of the owner. The term includes:
28 | a. A depositor, for a deposit;
29 | b. A beneficiary, for a trust other than a deposit in trust;
30 | c. A creditor, claimant, or payee, for other property; and

1 d. The lawful bearer of a record that may be used to obtain money, a reward, or a
2 thing of value.

3 ~~25-22~~ "Payroll card" means a record that evidences a payroll-card account that is directly or
4 indirectly established through an employer and to which electronic fund transfers of
5 the consumer's wages, salary, or other employee compensation, such as
6 commissions, are made on a recurring basis, whether the account is operated or
7 managed by the employer, a third-party payroll processor, a depository institution, or
8 any other person.

9 ~~26-23~~ "Person" means an individual, estate, business association, public corporation,
10 government or governmental subdivision, agency, or instrumentality, or other legal
11 entity.

12 ~~27-24~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
13 certain interest in intangible property held, issued, or owed in the course of a holder's
14 business or by a government, governmental subdivision, agency, or instrumentality.

15 a. The term includes:

16 (1) All income from or increments to the property; and

17 (2) Property referred to as or evidenced by:

18 (a) Money, virtual currency, interest, or a dividend, check, draft, deposit,
19 or payroll card;

20 (b) A credit balance, customer's overpayment, stored-value card, security
21 deposit, refund, credit memorandum, unpaid wage, unused ticket for
22 which the issuer has an obligation to provide a refund, mineral
23 proceeds, or unidentified remittance;

24 (c) A security except for:

25 (1) A worthless security; or

26 (2) A security that is subject to a lien, legal hold, or restriction
27 evidenced on the records of the holder or imposed by operation
28 of law, if the lien, legal hold, or restriction restricts the holder's or
29 owner's ability to receive, transfer, sell, or otherwise negotiate
30 the security;

31 (d) A bond, debenture, note, or other evidence of indebtedness;

- 1 (e) Money deposited to redeem a security, make a distribution, or pay a
2 dividend;
- 3 (f) An amount due and payable under an annuity contract or insurance
4 policy;
- 5 (g) An amount distributable from a trust or custodial fund established
6 under a plan to provide health, welfare, pension, vacation, severance,
7 retirement, death, stock purchase, profit-sharing, employee-savings,
8 supplemental-unemployment insurance, or a similar benefit;
- 9 (h) Intangible property and any income or increment derived from the
10 intangible property held in a fiduciary capacity for the benefit of
11 another person;
- 12 (i) Mineral proceeds; and
- 13 (j) An in-store credit for returned merchandise.
- 14 b. The term does not include:
- 15 (1) Property held in a plan described in section 529A of the Internal Revenue
16 Code, as amended, [26 U.S.C. 529A];
- 17 (2) Game-related digital content;
- 18 (3) A loyalty card; or
- 19 (4) A gift card.
- 20 ~~28.25.~~ "Putative holder" means a person believed by the administrator to be a holder, until the
21 person pays or delivers to the administrator property subject to this chapter or the
22 administrator or a court makes a final determination that the person is or is not a
23 holder.
- 24 ~~29.26.~~ "Record" has the same meaning as defined in section 44-04-17.1.
- 25 ~~30.27.~~ "Security" means:
- 26 a. A security as defined in section 41-08-02;
- 27 b. A security entitlement as defined in section 41-08-02, including a customer
28 security account held by a registered broker-dealer, to the extent the financial
29 assets held in the security account are not:
- 30 (1) Registered on the books of the issuer in the name of the person for which
31 the broker-dealer holds the assets;

- 1 (2) Payable to the order of the person; or
- 2 (3) Specifically indorsed to the person; or
- 3 c. An equity interest in a business association not included in subdivision a or b.
- 4 ~~31.28.~~ "Sign" means, with present intent to authenticate or adopt a record:
- 5 a. To execute or adopt a tangible symbol; or
- 6 b. To attach to or logically associate with the record an electronic symbol, sound, or
- 7 process.
- 8 ~~32.29.~~ "State" means a state of the United States, the District of Columbia, the
- 9 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or
- 10 insular possession subject to the jurisdiction of the United States.
- 11 ~~33.30.~~ "Stored-value card" means a card, code, or other device, including a merchandise
- 12 credit or rebate card, which is:
- 13 a. Issued on a prepaid basis primarily for personal, family, or household purposes to
- 14 a consumer in a specified amount, whether or not that amount may be increased
- 15 or reloaded in exchange for payment;
- 16 b. Redeemable upon presentation at multiple unaffiliated merchants for goods or
- 17 services or usable at automated teller machines; and
- 18 c. Not a gift card, payroll card, loyalty card, or game-related digital content.
- 19 ~~34.31.~~ "Utility" means a person that owns or operates for public use a plant, equipment, real
- 20 property, franchise, or license for the following public services:
- 21 a. Transmission of communications or information;
- 22 b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,
- 23 steam, or gas; or
- 24 c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.
- 25 ~~35.32.~~ "Virtual currency" means a digital representation of value used as a medium of
- 26 exchange, unit of account, or store of value, which does not have legal tender status
- 27 recognized by the United States. The term does not include:
- 28 a. The software or protocols governing the transfer of the digital representation of
- 29 value;
- 30 b. Game-related digital content; or
- 31 c. A loyalty card or gift card.

1 36-33. "Worthless security" means a security whose cost of liquidation and delivery to the
2 administrator would exceed the value of the security on the date a report is due under
3 this chapter.

4 **SECTION 8. AMENDMENT.** Section 47-30.2-03 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **47-30.2-03. (104) Rulemaking.**

7 The ~~commissioner~~state treasurer may adopt rules to implement and administer this chapter.

8 **SECTION 9. AMENDMENT.** Subdivision j of subsection 1 of section 47-30.2-22 of the North
9 Dakota Century Code is amended and reenacted as follows:

10 j. Contain other information the ~~commissioner~~state treasurer prescribes by rules.

11 **SECTION 10. AMENDMENT.** Subsection 4 of section 47-30.2-23 of the North Dakota
12 Century Code is amended and reenacted as follows:

13 4. The ~~commissioner~~state treasurer may grant an extension of the reporting date for
14 good cause in the event of a national or state emergency.

15 **SECTION 11. AMENDMENT.** Subsection 1 of section 47-30.2-24 of the North Dakota
16 Century Code is amended and reenacted as follows:

17 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten
18 years after the later of the date the report was filed or the last date a timely report was
19 due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~state
20 treasurer.

21 **SECTION 12. AMENDMENT.** Subdivision b of subsection 3 of section 47-30.2-28 of the
22 North Dakota Century Code is amended and reenacted as follows:

23 b. Maintain a website or database accessible by the public and electronically
24 searchable which contains the names reported to the administrator of apparent
25 owners for whom property that meets or exceeds the searchable value as set by
26 the ~~commissioner~~state treasurer is being held by the administrator. Property that
27 does not meet or exceed the searchable value must continue to be held by the
28 administrator but may not appear in the searchable website or database.

29 **SECTION 13. AMENDMENT.** Section 47-30.2-44 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **47-30.2-44. (801) Deposit of funds by administrator.**

- 2 1. Except as otherwise provided in this section, the ~~department~~state treasurer shall
3 deposit to the credit of the common schools trust fund all funds received under this
4 chapter, including proceeds from the sale of property under sections 47-30.2-40,
5 47-30.2-41, 47-30.2-42, and 47-30.2-43.
6 2. The ~~department~~state treasurer shall maintain an account with an amount of funds the
7 ~~commissioner~~state treasurer reasonably estimates is sufficient to pay claims allowed
8 under this chapter.

9 **SECTION 14. AMENDMENT.** Subsection 2 of section 47-30.2-46 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 2. ~~There is appropriated annually the~~The amounts necessary are appropriated to the
12 state treasurer on a continuing basis to pay all expense deductions under this section,
13 including:
14 a. Any costs in connection with the sale of abandoned property;
15 b. Costs of mailing, publication, and outreach efforts in connection with any
16 abandoned property;
17 c. Reasonable service charges;
18 d. Costs incurred in examining records of holders of property and in collecting the
19 property from those holders;
20 e. Funds for the payment of claims;
21 f. Funds for the payment of holder refunds; and
22 g. Funds for attorney's fees and all other reasonable costs and expenses incurred in
23 an action or suit.

24 **SECTION 15. AMENDMENT.** Subdivision c of subsection 2 of section 47-30.2-50 of the
25 North Dakota Century Code is amended and reenacted as follows:

- 26 c. The property has a value as provided by rules adopted by the ~~commissioner~~state
27 treasurer.

28 **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is
29 amended and reenacted as follows:

1 **47-30.2-53. (906) Action by person whose claim is denied.**

2 Not later than one hundred eighty days after filing a claim under subsection 1 of section
3 47-30.2-50, the claimant may commence an action against the ~~board~~state treasurer in the
4 Burleigh County district court to establish a claim that has been denied or deemed denied under
5 section 47-30.2-50. If the ~~board~~state treasurer is successful in a proceeding brought under this
6 section, the district court shall allow the ~~board~~state treasurer to recover court costs; reasonable
7 costs, fees, disbursements, and expenses incurred by the ~~board~~state treasurer in the
8 proceeding; and reasonable attorney's fees.

9 **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota
10 Century Code is amended and reenacted as follows:

- 11 1. The ~~commissioner~~state treasurer shall adopt rules governing an examination under
12 section 47-30.2-55, including rules for use of an estimation, extrapolation, and
13 statistical sampling in conducting an examination. An examination commenced after
14 adoption of rules under this subsection must comply with the rules.

15 **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota
16 Century Code is amended and reenacted as follows:

- 17 2. The records subject to subsection 1:
- 18 a. May be used by the ~~board~~state treasurer in an action to collect property or
19 otherwise enforce this chapter;
 - 20 b. May be used in a joint examination conducted with or pursuant to agreements
21 with other states, the federal government, or other governmental entities;
 - 22 c. May be disclosed at the discretion of the ~~commissioner~~state treasurer, on
23 request, to the person that administers the unclaimed property law of another
24 state for that state's use in circumstances equivalent to circumstances described
25 in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,
26 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information
27 is disclosed shall maintain the confidentiality and security of information obtained
28 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
29 47-30.2-73;
 - 30 d. May be required to be produced under section 44-04-18.11; and

- 1 e. May be required to be produced by the administrator on request of the person
2 subject to the examination in an administrative or judicial proceeding relating to
3 the property.

4 **SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **47-30.2-64. (1203) Action involving another state or foreign country.**

- 7 1. The administrator may join another state or foreign country to examine and seek
8 enforcement of this chapter against a putative holder.
- 9 2. The ~~board~~state treasurer may pursue an action on behalf of this state to recover
10 property subject to this chapter but delivered to the custody of another state if the
11 administrator believes the property is subject to the custody of the administrator.
- 12 3. The ~~board~~state treasurer may retain an attorney in this state, another state, or a
13 foreign country to commence an action to recover property on behalf of the ~~board~~state
14 treasurer and may agree to pay attorney's fees based in whole or in part on a fixed
15 fee, hourly fee, or a percentage of the amount or value of property recovered in the
16 action.
- 17 4. Expenses incurred by this state in an action under this section must be paid in
18 accordance with section 47-30.2-46.

19 **SECTION 20. AMENDMENT.** Section 47-30.2-66 of the North Dakota Century Code is
20 amended and reenacted as follows:

21 **47-30.2-66. (1205) Other civil penalties.**

- 22 1. If a holder enters into a contract or other arrangement for the purpose of evading an
23 obligation under this chapter or otherwise willfully fails to perform a duty imposed on
24 the holder under this chapter, the ~~commissioner~~state treasurer may require the holder
25 to pay the administrator, in addition to interest as provided in subsection 1 of section
26 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is
27 evaded or the duty is not performed, up to a cumulative maximum amount of twenty-
28 five thousand dollars, plus twenty-five percent of the amount or value of property that
29 should have been, but was not reported, paid, or delivered as a result of the evasion
30 or failure to perform.

1 2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~state
2 treasurer may require the holder to pay to the administrator, in addition to interest
3 under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for
4 each day from the date the report was made until corrected, up to a cumulative
5 maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or
6 value of any property that should have been reported, but was not included in the
7 report or was underreported.

8 **SECTION 21. AMENDMENT.** Subsection 4 of section 47-30.2-67 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 4. The ~~commissioner~~state treasurer may waive up to twenty-five thousand dollars of the
11 penalty or reduce interest. A request for a waiver or reduction of penalty in excess of
12 twenty-five thousand dollars must be presented to the ~~board, with the commissioner's~~
13 ~~recommendation,~~state treasurer for review and decision.

14 **SECTION 22. AMENDMENT.** Section 47-30.2-75 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **47-30.2-75. Enforcement - Appeals.**

17 The administrator may bring an action in a court of competent jurisdiction to enforce this
18 chapter. A person in this state aggrieved by an audit that in any form requests the payment of
19 money or a civil penalty is entitled to a hearing before the ~~board~~state treasurer. A demand for a
20 hearing must be made within thirty days of the request by the administrator. The request by the
21 administrator must contain notice of the right to a hearing. The ~~board's~~state treasurer's decision
22 is the final order of the agency and is appealable to the district court. Any amount of money
23 requested by the administrator which may increase over time is tolled at the time of filing an
24 appeal, retroactive to the date of the request.

25 **SECTION 23. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **54-11-13. Salary of state treasurer.**

28 The annual salary of the state treasurer is ~~one hundred thirty thousand~~one hundred
29 thirty-nine thousand two hundred fifty-six dollars through June 30, ~~2024~~2026, and ~~one hundred~~
30 ~~thirty five thousand two hundred~~one hundred forty-three thousand four hundred thirty-four
31 dollars thereafter.

1 **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-27-15.1. State treasurer's checks, warrants, and warrant-checks - Cancellation -**
4 **Deposit to common schools trust fund - Subsequent payment - Continuing**
5 **appropriation.**

6 The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,
7 warrants, and warrant-checks drawn on various depositories which are more than two years old
8 which remain outstanding and unpaid and shall show the number, date, payee, with address of
9 payee if available, amount, and fund, if available, against which said instrument was drawn. A
10 copy of such list must then be used as an authority for writing a receipt of the total of such
11 check or checks and shall credit such amount to the common schools trust fund pursuant to
12 chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to
13 the unclaimed property administrator ~~of unclaimed properties~~. In the event such check, warrant,
14 or warrant-check is at any subsequent time presented for payment, or a claim is made by any
15 person for the amount of any such instrument, further proceedings must be conducted in
16 accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and
17 continuing appropriation.

18 **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota
19 Century Code is amended and reenacted as follows:

- 20 6. Upon request, the tax commissioner may furnish to the unclaimed property ~~division of~~
21 ~~the board of university and school lands~~ administrator, a taxpayer's name, address,
22 and federal identification number for identifying the taxpayer as the owner of an
23 unclaimed voucher authorized by the tax commissioner or to locate the apparent
24 owner of unclaimed property as provided under chapter 47-30.2.

25 **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota
26 Century Code is amended and reenacted as follows:

- 27 3. The commissioner may furnish to workforce safety and insurance, the job insurance
28 division of job service North Dakota, and the secretary of state, upon request of the
29 respective agency, a list or lists of holders of permits issued under this chapter or
30 chapter 57-40.2, together with the addresses and tax department file identification
31 numbers of those permitholders. The agency may use the list or lists only for the

1 purpose of administering the duties of the agency. The commissioner may furnish to
2 the unclaimed property ~~division of the board of university and school~~
3 ~~lands~~ administrator, upon its request, the name, address, and the permitholder's
4 federal identification number for the sole purpose of identifying the owner of an
5 unclaimed voucher authorized by the commissioner.

6 **SECTION 27. AMENDMENT.** Subsection 8 of section 57-39.2-23 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 8. Upon request, the commissioner may furnish to the unclaimed property ~~division of the~~
9 ~~board of university and school~~ lands administrator, a taxpayer's name, address, and
10 federal identification number for identifying the owner of an unclaimed voucher
11 authorized by the commissioner or to locate the apparent owner of unclaimed property
12 as provided under chapter 47-30.2.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
New and vacant FTE pool		54,672	54,672
Operating expenses	265,346	109,258	374,604
Capital assets		50,000	50,000
Coal severance payments	118,000	4,000	122,000
Carbon dioxide pipeline payments		2,000,000	2,000,000
Total all funds	\$1,988,930	\$3,193,361	\$5,182,291
Less estimated income	0	1,066,352	1,066,352
General fund	\$1,988,930	\$2,127,009	\$4,115,939
FTE	7.00	4.00	11.00

Department 120 - State Treasurer - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Transfers FTE Positions from Trust Lands ⁴	Transfers Funding Between Line Items ⁵	Adds Funding for IT Rate Increases ⁶
Salaries and wages	\$159,675	\$21,090	(\$78,103)	\$858,397	\$14,372	
New and vacant FTE pool			54,672			
Operating expenses					(14,372)	\$13,630
Capital assets						
Coal severance payments						
Carbon dioxide pipeline payments						
Total all funds	\$159,675	\$21,090	(\$23,431)	\$858,397	\$0	\$13,630
Less estimated income	55,681	0	(7,726)	858,397	0	0
General fund	\$103,994	\$21,090	(\$15,705)	\$0	\$0	\$13,630
FTE	0.00	0.00	0.00	4.00	0.00	0.00

	Adds Funding for Distributions ⁷	Adds One-Time Funding Items ⁸	Total House Changes
Salaries and wages			\$975,431
New and vacant FTE pool			54,672
Operating expenses		\$110,000	109,258
Capital assets		50,000	50,000
Coal severance payments	\$4,000		4,000
Carbon dioxide pipeline payments	2,000,000		2,000,000
Total all funds	\$2,004,000	\$160,000	\$3,193,361
Less estimated income	0	160,000	1,066,352
General fund	\$2,004,000	\$0	\$2,127,009
FTE	0.00	0.00	4.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$61,957	\$31,661	\$93,618
Health insurance increase	42,037	24,020	66,057
Total	\$103,994	\$55,681	\$159,675

² Funding of \$21,090 is added from the general fund to replace 2023-25 biennium new and vacant FTE pool funding for vacant FTE positions.

³ Funding of \$78,103 for estimated savings from vacant FTE positions is removed and funding of \$54,672 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	(\$52,351)	(\$25,752)	(\$78,103)
Funding pool line item	36,646	18,026	54,672
Net savings	(\$15,705)	(\$7,726)	(\$23,431)

⁴ The following unclaimed property FTE positions and related funding are transferred from the Department of Trust Lands to the State Treasurer:

	FTE Positions	Other Funds
Unclaimed property program manager position	1.00	\$282,917
Unclaimed property administrative services positions	3.00	575,480
Total	4.00	\$858,397

⁵ Funding of \$14,372 is transferred from the operating expenses line item to the salaries and wages line item for cost to continue 2023-25 salary increases.

⁶ Funding of \$13,630 from the general fund is added from the general fund for information technology rate increases.

⁷ Funding of \$2,004,000 from the general fund is added for distributions as follows:

- \$4,000 for coal severance shortfall payments to provide total funding of \$122,000.
- \$2,000,000 for carbon dioxide pipeline payments in lieu of taxes pursuant to North Dakota Century Code Section 57-06-17.2.

⁸ Funding of \$160,000 from the strategic investment and improvements fund is added for one-time funding items as follows:

- \$110,000 for information technology projects.
- \$50,000 for an office remodel project.

The House version adds:

- A section regarding the use of funding in the new and vacant FTE pool line item.
- A section identifying \$160,000 from the strategic investment and improvements fund for information technology projects (\$110,000) and an office remodel project (\$50,000).
- Sections to transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
- A section to provide the statutory changes necessary to increase the State Treasurer's annual salary to \$139,256 (3 percent) effective July 1, 2025, and to \$143,434 (3 percent) effective July 1, 2026.



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957		\$61,957		\$61,957	\$31,661	\$93,618			\$31,661	\$31,661
Health insurance increase		42,037		42,037		42,037	24,020	66,057			24,020	24,020
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool				0		(15,705)	(7,726)	(23,431)		(\$15,705)	(7,726)	(23,431)
Salary equity funding		100,000		100,000				0		(100,000)		(100,000)
FTE unclaimed property positions				0	4.00		858,397	858,397	4.00		858,397	858,397
Transfers \$14,372 from operating to salaries - Base				0				0				0
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		2,000,000		2,000,000				0
Total ongoing funding changes	0.00	\$2,242,714	\$0	\$2,242,714	4.00	\$2,127,009	\$906,352	\$3,033,361	4.00	(\$115,705)	\$906,352	\$790,647
One-Time Funding Items												
Information technology projects - SIIF		\$110,000		\$110,000			\$110,000	\$110,000		(\$110,000)	\$110,000	\$0
Office remodel - SIIF				0			50,000	50,000			50,000	50,000
Total one-time funding changes	0.00	\$110,000	\$0	\$110,000	0.00	\$0	\$160,000	\$160,000	0.00	(\$110,000)	\$160,000	\$50,000
Total Changes to Base Level Funding	0.00	\$2,352,714	\$0	\$2,352,714	4.00	\$2,127,009	\$1,066,352	\$3,193,361	4.00	(\$225,705)	\$1,066,352	\$840,647
2025-27 Total Funding	7.00	\$4,341,644	\$0	\$4,341,644	11.00	\$4,115,939	\$1,066,352	\$5,182,291	4.00	(\$225,705)	\$1,066,352	\$840,647
<i>Federal funds included in other funds</i>			\$0				\$0				\$0	
<i>Total ongoing changes - Percentage of base level</i>	0.0%	112.8%	N/A	112.8%	57.1%	106.9%	N/A	152.5%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	0.0%	118.3%	N/A	118.3%	57.1%	106.9%	N/A	160.6%	N/A	N/A	N/A	N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Strategic investment and improvements fund (SIIF)		Section 4 identifies \$160,000 from SIIF for information technology projects (\$110,000) and an office remodel project (\$50,000).
Transfer of unclaimed property administration		Sections 5 through 22 and 24 through 27 transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
Salary of State Treasurer		Section 23 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynhild Haugland Room, State Capitol

HB 1005
2/14/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

8:31 a.m. Chairman Monson called the meeting to order.

Members Present: Chairman Monson, Vice Chairman Brandenburg, Representatives: Fisher, Kempenich, Meier, Pyle.

Members Absent: Representative Bosch

Discussion Topics:

- Unclaimed property
- Operating costs
- FTEs

8:32 a.m. Representative Kempenich informed committee of amendment LC# 25.0149.01002 operating for unclaimed property, #37689.

8:37 a.m. Thomas Beadle, ND State Treasurer, answered questions from the committee.

8:43 a.m. Representative Kempenich motioned to adopt Amendment LC #25.0149.01002.

8:43 a.m. Representative Brandenburg seconded.

8:43 a.m. Roll Call Vote.

Representatives	Vote
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Glenn Bosch	A
Representative Jay Fisher	Y
Representative Keith Kempenich	Y
Representative Lisa Meier	Y
Representative Brandy L. Pyle	Y

8:43 a.m. Motion passed 6-0-1.

8:43 a.m. Representative Kempenich motioned a Do Pass as Amended.

8:43 a.m. Representative Brandenburg seconded.

8:44 a.m. Roll Call Vote.

Representatives	Vote
Representative David Monson	Y
Representative Mike Brandenburg	Y
Representative Glenn Bosch	A
Representative Jay Fisher	Y
Representative Keith Kempenich	Y
Representative Lisa Meier	Y
Representative Brandy L. Pyle	Y

8:44 a.m. Motion passed 6-0-1.

8:44 a.m. Representative Kempenich will carry the Bill.

8:45 a.m. Thomas Beadle, ND State Treasurer, answered questions.

8:49 a.m. Chairman Monson closed the meeting.

Madaline Cooper, Committee Clerk

25.0149.01002
Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

February 13, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and
3 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section
4 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section
5 47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision c of
6 subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,
7 subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section
8 47-30.2-67, section 47-30.2-75, sections 54-11-13 and 54-27-15.1, subsection 6 of section
9 57-38-57, and subsections 3 and 8 of section 57-39.2-23 of the North Dakota Century Code,
10 relating to the transfer of unclaimed property administration from the commissioner of university
11 and school lands to the state treasurer and the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

	Adjustments or	
<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$0	\$1,605,584
2	Operating expenses	265,346	0	265,346
3	Coal severance payments	118,000	0	118,000
4	Total general fund	\$1,988,930	\$0	\$1,988,930
5	Full-time equivalent positions	7.00	0.00	7.00
6	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
7	New and vacant FTE pool	0	54,672	54,672
8	Operating expenses	265,346	804,258	1,069,604
9	Coal severance payments	118,000	4,000	122,000
10	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
11	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
12	Total special funds	0	1,711,352	1,711,352
13	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
14	Full-time equivalent positions	7.00	4.00	11.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS

FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS. The sum of \$110,000

1 included in the other funds line item in section 1 of this Act and identified as one-time funding in
2 section 2 of this Act is from the strategic investment and improvements fund for information
3 technology projects.

4 **SECTION 5. AMENDMENT.** Subsection 15 of section 6-07.2-19 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 15. Within one hundred twenty days after the final distribution to members is started, the
7 credit union shall furnish to the commissioner's office a schedule of unpaid claims. The
8 board of directors of the credit union or the liquidating agent if appointed shall report
9 money in the account of a member who failed to surrender their passbooks or confirm
10 their balances, final distribution checks not cashed within one hundred twenty days,
11 and any unpaid claims to the unclaimed property ~~division of the board of university and~~
12 ~~school lands pursuant to~~ administrator under chapter 47-30.2.

13 **SECTION 6. AMENDMENT.** Section 10-15-49 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **10-15-49. Amounts due unknown persons.**

16 Upon liquidation of a cooperative, the assets distributable to persons who are unknown or
17 cannot be found may be reduced to cash and transferred to the ~~commissioner of university and~~
18 ~~school lands~~ unclaimed property administrator and shall be treated as abandoned and
19 unclaimed property under the escheat and abandoned property laws of the state.

20 **SECTION 7. AMENDMENT.** Section 47-30.2-01 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **47-30.2-01. (102) Definitions.**

23 As used in this chapter:

- 24 1. "Administrator" means the administrator of the state abandoned property office under
25 the state treasurer.
- 26 2. "Administrator's agent" means a person with which the ~~commissioner~~ state treasurer
27 contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,
28 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and
29 47-30.2-62 on behalf of the administrator. The term includes an independent
30 contractor of the person and each individual participating in the examination on behalf
31 of the person or contractor.

- 1 3. "Apparent owner" means a person whose name appears on the records of a holder as
2 the owner of property held, issued, or owing by the holder.
- 3 4. ~~"Board" means the board of university and school lands.~~
- 4 ~~5.~~ "Business association" means a corporation, joint stock company, investment
5 company, partnership, unincorporated association, joint venture, limited liability
6 company, business trust, trust company, land bank, safe deposit company,
7 safekeeping depository, financial organization, insurance company, federally chartered
8 entity, utility, sole proprietorship, or other business entity, whether or not for profit.
- 9 ~~6.5.~~ "Cashier's check" means a check that:
- 10 a. Is purchased by a remitter and made payable to a designated payee;
- 11 b. Is signed by an officer or employee of the financial organization;
- 12 c. Authorizes payment of the amount shown on the check's face to the payee;
- 13 d. Is a direct obligation of the financial organization; and
- 14 e. Is provided to a customer of the financial institution or acquired from the financial
15 institution for remittance purposes.
- 16 ~~7.~~ ~~"Commissioner" means the commissioner of university and school lands.~~
- 17 ~~8.6.~~ "Confidential record" has the same meaning as defined in section 44-04-17.1.
- 18 ~~9.~~ ~~"Department" means the department of trust lands.~~
- 19 ~~10.7.~~ "Domicile" means:
- 20 a. For a corporation, the state of its incorporation;
- 21 b. For a business association whose formation requires a filing with a state, other
22 than a corporation, the state of its filing;
- 23 c. For a federally chartered entity, the state of its home office; and
- 24 d. For any other holder, the state of its principal place of business.
- 25 ~~44.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
26 optical, electromagnetic, or similar capabilities.
- 27 ~~42.9.~~ "Electronic mail" means a communication by electronic means, together with
28 attachments, which is automatically retained and stored and may be readily accessed
29 or retrieved.
- 30 ~~43.10.~~ "Financial organization" means a savings and loan association, building and loan
31 association, savings bank, industrial bank, bank, banking organization, private banker,

1 trust company, credit union, or an organization defined as a bank or banking
2 organization under the laws of this state or of the United States.

3 ~~14.11.~~ "Game-related digital content" means digital content that exists only in an electronic
4 game or electronic-game platform.

5 a. The term includes:

6 (1) Game-play currency such as a virtual wallet, even if denominated in United
7 States currency; and

8 (2) The following if for use or redemption only within the game or platform or
9 another electronic game or electronic-game platform:

10 (a) Points sometimes referred to as gems, tokens, gold, and similar
11 names; and

12 (b) Digital codes; and

13 b. The term does not include an item that the issuer:

14 (1) Permits to be redeemed for use outside a game or platform for:

15 (a) Money; or

16 (b) Goods or services that have more than minimal value; or

17 (2) Otherwise monetizes for use outside a game or platform.

18 ~~15.12.~~ "Gift card" means a record that:

19 a. Is usable at:

20 (1) A single merchant; or

21 (2) A specified group of merchants;

22 b. Is prefunded before the record is used; and

23 c. Can be used for purchases of goods or services.

24 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
25 the owner, property subject to this chapter.

26 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
27 also includes a benevolent society, nonprofit health service corporation, and a health
28 maintenance organization.

29 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
30 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
31 or redeemed only to obtain goods or services or a discount on goods or services. The

- 1 term does not include a record that may be redeemed for money or otherwise
2 monetized by the issuer.
- 3 ~~19.16.~~ "Mineral proceeds" means an obligation:
- 4 a. To pay resulting from the production and sale of minerals, including net revenue
5 interest, royalties, overriding royalties, production payments, and joint operating
6 agreements; or
- 7 b. For the acquisition and retention of a mineral lease, including bonuses, delay
8 rentals, shut-in royalties, and minimum royalties.
- 9 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
10 includes an express money order and a personal money order on which the remitter is
11 the purchaser.
- 12 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
13 or other political subdivision of a state.
- 14 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
15 value card, plus amounts added to the original price or value, minus amounts used
16 and any service charge, fee, or dormancy charge permitted by law.
- 17 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
18 administrator by the depository trust clearing corporation or similar custodian of
19 securities providing post-trade clearing and settlement services to financial markets or
20 cannot be delivered because there is no agent to effect transfer. The term includes a
21 worthless security.
- 22 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
23 subject to this chapter or the person's legal representative when acting on behalf of
24 and in the best interest of the owner. The term includes:
- 25 a. A depositor, for a deposit;
- 26 b. A beneficiary, for a trust other than a deposit in trust;
- 27 c. A creditor, claimant, or payee, for other property; and
- 28 d. The lawful bearer of a record that may be used to obtain money, a reward, or a
29 thing of value.
- 30 ~~25.22.~~ "Payroll card" means a record that evidences a payroll-card account that is directly or
31 indirectly established through an employer and to which electronic fund transfers of

1 the consumer's wages, salary, or other employee compensation, such as
2 commissions, are made on a recurring basis, whether the account is operated or
3 managed by the employer, a third-party payroll processor, a depository institution, or
4 any other person.

5 ~~26-23.~~ "Person" means an individual, estate, business association, public corporation,
6 government or governmental subdivision, agency, or instrumentality, or other legal
7 entity.

8 ~~27-24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
9 certain interest in intangible property held, issued, or owed in the course of a holder's
10 business or by a government, governmental subdivision, agency, or instrumentality.

11 a. The term includes:

12 (1) All income from or increments to the property; and

13 (2) Property referred to as or evidenced by:

14 (a) Money, virtual currency, interest, or a dividend, check, draft, deposit,
15 or payroll card;

16 (b) A credit balance, customer's overpayment, stored-value card, security
17 deposit, refund, credit memorandum, unpaid wage, unused ticket for
18 which the issuer has an obligation to provide a refund, mineral
19 proceeds, or unidentified remittance;

20 (c) A security except for:

21 [1] A worthless security; or

22 [2] A security that is subject to a lien, legal hold, or restriction
23 evidenced on the records of the holder or imposed by operation
24 of law, if the lien, legal hold, or restriction restricts the holder's or
25 owner's ability to receive, transfer, sell, or otherwise negotiate
26 the security;

27 (d) A bond, debenture, note, or other evidence of indebtedness;

28 (e) Money deposited to redeem a security, make a distribution, or pay a
29 dividend;

30 (f) An amount due and payable under an annuity contract or insurance
31 policy;

- 1 (g) An amount distributable from a trust or custodial fund established
2 under a plan to provide health, welfare, pension, vacation, severance,
3 retirement, death, stock purchase, profit-sharing, employee-savings,
4 supplemental-unemployment insurance, or a similar benefit;
5 (h) Intangible property and any income or increment derived from the
6 intangible property held in a fiduciary capacity for the benefit of
7 another person;
8 (i) Mineral proceeds; and
9 (j) An in-store credit for returned merchandise.

10 b. The term does not include:

- 11 (1) Property held in a plan described in section 529A of the Internal Revenue
12 Code, as amended, [26 U.S.C. 529A];
13 (2) Game-related digital content;
14 (3) A loyalty card; or
15 (4) A gift card.

16 ~~28-25.~~ "Putative holder" means a person believed by the administrator to be a holder, until the
17 person pays or delivers to the administrator property subject to this chapter or the
18 administrator or a court makes a final determination that the person is or is not a
19 holder.

20 ~~29-26.~~ "Record" has the same meaning as defined in section 44-04-17.1.

21 ~~30-27.~~ "Security" means:

- 22 a. A security as defined in section 41-08-02;
23 b. A security entitlement as defined in section 41-08-02, including a customer
24 security account held by a registered broker-dealer, to the extent the financial
25 assets held in the security account are not:
26 (1) Registered on the books of the issuer in the name of the person for which
27 the broker-dealer holds the assets;
28 (2) Payable to the order of the person; or
29 (3) Specifically indorsed to the person; or
30 c. An equity interest in a business association not included in subdivision a or b.

31 ~~31-28.~~ "Sign" means, with present intent to authenticate or adopt a record:

- 1 a. To execute or adopt a tangible symbol; or
- 2 b. To attach to or logically associate with the record an electronic symbol, sound, or
- 3 process.

4 ~~32.29.~~ "State" means a state of the United States, the District of Columbia, the
5 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or
6 insular possession subject to the jurisdiction of the United States.

7 ~~33.30.~~ "Stored-value card" means a card, code, or other device, including a merchandise
8 credit or rebate card, which is:

- 9 a. Issued on a prepaid basis primarily for personal, family, or household purposes to
- 10 a consumer in a specified amount, whether or not that amount may be increased
- 11 or reloaded in exchange for payment;
- 12 b. Redeemable upon presentation at multiple unaffiliated merchants for goods or
- 13 services or usable at automated teller machines; and
- 14 c. Not a gift card, payroll card, loyalty card, or game-related digital content.

15 ~~34.31.~~ "Utility" means a person that owns or operates for public use a plant, equipment, real
16 property, franchise, or license for the following public services:

- 17 a. Transmission of communications or information;
- 18 b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,
- 19 steam, or gas; or
- 20 c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.

21 ~~35.32.~~ "Virtual currency" means a digital representation of value used as a medium of
22 exchange, unit of account, or store of value, which does not have legal tender status
23 recognized by the United States. The term does not include:

- 24 a. The software or protocols governing the transfer of the digital representation of
- 25 value;
- 26 b. Game-related digital content; or
- 27 c. A loyalty card or gift card.

28 ~~36.33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
29 administrator would exceed the value of the security on the date a report is due under
30 this chapter.

1 **SECTION 8. AMENDMENT.** Section 47-30.2-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **47-30.2-03. (104) Rulemaking.**

4 The ~~commissioner~~state treasurer may adopt rules to implement and administer this chapter.

5 **SECTION 9. AMENDMENT.** Subdivision j of subsection 1 of section 47-30.2-22 of the North
6 Dakota Century Code is amended and reenacted as follows:

7 j. Contain other information the ~~commissioner~~state treasurer prescribes by rules.

8 **SECTION 10. AMENDMENT.** Subsection 4 of section 47-30.2-23 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 4. The ~~commissioner~~state treasurer may grant an extension of the reporting date for
11 good cause in the event of a national or state emergency.

12 **SECTION 11. AMENDMENT.** Subsection 1 of section 47-30.2-24 of the North Dakota
13 Century Code is amended and reenacted as follows:

14 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten
15 years after the later of the date the report was filed or the last date a timely report was
16 due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~state
17 treasurer.

18 **SECTION 12. AMENDMENT.** Subdivision b of subsection 3 of section 47-30.2-28 of the
19 North Dakota Century Code is amended and reenacted as follows:

20 b. Maintain a website or database accessible by the public and electronically
21 searchable which contains the names reported to the administrator of apparent
22 owners for whom property that meets or exceeds the searchable value as set by
23 the ~~commissioner~~state treasurer is being held by the administrator. Property that
24 does not meet or exceed the searchable value must continue to be held by the
25 administrator but may not appear in the searchable website or database.

26 **SECTION 13. AMENDMENT.** Section 47-30.2-44 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **47-30.2-44. (801) Deposit of funds by administrator.**

29 1. Except as otherwise provided in this section, the ~~department~~state treasurer shall
30 deposit to the credit of the common schools trust fund all funds received under this

1 chapter, including proceeds from the sale of property under sections 47-30.2-40,
2 47-30.2-41, 47-30.2-42, and 47-30.2-43.

3 2. The ~~department~~state treasurer shall maintain an account with an amount of funds the
4 ~~commissioner~~state treasurer reasonably estimates is sufficient to pay claims allowed
5 under this chapter.

6 **SECTION 14. AMENDMENT.** Subsection 2 of section 47-30.2-46 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 2. ~~There is appropriated annually the~~The amounts necessary are appropriated to the
9 state treasurer on a continuing basis to pay all expense deductions under this section,
10 including:

- 11 a. Any costs in connection with the sale of abandoned property;
- 12 b. Costs of mailing, publication, and outreach efforts in connection with any
- 13 abandoned property;
- 14 c. Reasonable service charges;
- 15 d. Costs incurred in examining records of holders of property and in collecting the
- 16 property from those holders;
- 17 e. Funds for the payment of claims;
- 18 f. Funds for the payment of holder refunds; and
- 19 g. Funds for attorney's fees and all other reasonable costs and expenses incurred in
20 an action or suit.

21 **SECTION 15. AMENDMENT.** Subdivision c of subsection 2 of section 47-30.2-50 of the
22 North Dakota Century Code is amended and reenacted as follows:

23 c. The property has a value as provided by rules adopted by the ~~commissioner~~state
24 treasurer.

25 **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **47-30.2-53. (906) Action by person whose claim is denied.**

28 Not later than one hundred eighty days after filing a claim under subsection 1 of section
29 47-30.2-50, the claimant may commence an action against the ~~board~~state treasurer in the
30 Burleigh County district court to establish a claim that has been denied or deemed denied under
31 section 47-30.2-50. If the ~~board~~state treasurer is successful in a proceeding brought under this

1 section, the district court shall allow the ~~board~~state treasurer to recover court costs; reasonable
2 costs, fees, disbursements, and expenses incurred by the ~~board~~state treasurer in the
3 proceeding; and reasonable attorney's fees.

4 **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 1. The ~~commissioner~~state treasurer shall adopt rules governing an examination under
7 section 47-30.2-55, including rules for use of an estimation, extrapolation, and
8 statistical sampling in conducting an examination. An examination commenced after
9 adoption of rules under this subsection must comply with the rules.

10 **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota
11 Century Code is amended and reenacted as follows:

- 12 2. The records subject to subsection 1:
- 13 a. May be used by the ~~board~~state treasurer in an action to collect property or
14 otherwise enforce this chapter;
 - 15 b. May be used in a joint examination conducted with or pursuant to agreements
16 with other states, the federal government, or other governmental entities;
 - 17 c. May be disclosed at the discretion of the ~~commissioner~~state treasurer, on
18 request, to the person that administers the unclaimed property law of another
19 state for that state's use in circumstances equivalent to circumstances described
20 in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,
21 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information
22 is disclosed shall maintain the confidentiality and security of information obtained
23 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
24 47-30.2-73;
 - 25 d. May be required to be produced under section 44-04-18.11; and
 - 26 e. May be required to be produced by the administrator on request of the person
27 subject to the examination in an administrative or judicial proceeding relating to
28 the property.

29 **SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **47-30.2-64. (1203) Action involving another state or foreign country.**

- 2 1. The administrator may join another state or foreign country to examine and seek
3 enforcement of this chapter against a putative holder.
- 4 2. The ~~board~~state treasurer may pursue an action on behalf of this state to recover
5 property subject to this chapter but delivered to the custody of another state if the
6 administrator believes the property is subject to the custody of the administrator.
- 7 3. The ~~board~~state treasurer may retain an attorney in this state, another state, or a
8 foreign country to commence an action to recover property on behalf of the ~~board~~state
9 treasurer and may agree to pay attorney's fees based in whole or in part on a fixed
10 fee, hourly fee, or a percentage of the amount or value of property recovered in the
11 action.
- 12 4. Expenses incurred by this state in an action under this section must be paid in
13 accordance with section 47-30.2-46.

14 **SECTION 20. AMENDMENT.** Section 47-30.2-66 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **47-30.2-66. (1205) Other civil penalties.**

- 17 1. If a holder enters into a contract or other arrangement for the purpose of evading an
18 obligation under this chapter or otherwise willfully fails to perform a duty imposed on
19 the holder under this chapter, the ~~commissioner~~state treasurer may require the holder
20 to pay the administrator, in addition to interest as provided in subsection 1 of section
21 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is
22 evaded or the duty is not performed, up to a cumulative maximum amount of twenty-
23 five thousand dollars, plus twenty-five percent of the amount or value of property that
24 should have been, but was not reported, paid, or delivered as a result of the evasion
25 or failure to perform.
- 26 2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~state
27 treasurer may require the holder to pay to the administrator, in addition to interest
28 under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for
29 each day from the date the report was made until corrected, up to a cumulative
30 maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or

1 value of any property that should have been reported, but was not included in the
2 report or was underreported.

3 **SECTION 21. AMENDMENT.** Subsection 4 of section 47-30.2-67 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 4. The ~~commissioner~~state treasurer may waive up to twenty-five thousand dollars of the
6 penalty or reduce interest. A request for a waiver or reduction of penalty in excess of
7 twenty-five thousand dollars must be presented to the ~~board, with the commissioner's~~
8 ~~recommendation,~~state treasurer for review and decision.

9 **SECTION 22. AMENDMENT.** Section 47-30.2-75 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **47-30.2-75. Enforcement - Appeals.**

12 The administrator may bring an action in a court of competent jurisdiction to enforce this
13 chapter. A person in this state aggrieved by an audit that in any form requests the payment of
14 money or a civil penalty is entitled to a hearing before the ~~board~~state treasurer. A demand for a
15 hearing must be made within thirty days of the request by the administrator. The request by the
16 administrator must contain notice of the right to a hearing. The ~~board's~~state treasurer's decision
17 is the final order of the agency and is appealable to the district court. Any amount of money
18 requested by the administrator which may increase over time is tolled at the time of filing an
19 appeal, retroactive to the date of the request.

20 **SECTION 23. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-11-13. Salary of state treasurer.**

23 The annual salary of the state treasurer is ~~one hundred thirty thousand~~one hundred
24 thirty-nine thousand two hundred fifty-six dollars through June 30, ~~2024~~2026, and ~~one hundred~~
25 ~~thirty-five thousand two hundred~~one hundred forty-three thousand four hundred thirty-four
26 dollars thereafter.

27 **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **54-27-15.1. State treasurer's checks, warrants, and warrant-checks - Cancellation -**
2 **Deposit to common schools trust fund - Subsequent payment - Continuing**
3 **appropriation.**

4 The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,
5 warrants, and warrant-checks drawn on various depositories which are more than two years old
6 which remain outstanding and unpaid and shall show the number, date, payee, with address of
7 payee if available, amount, and fund, if available, against which said instrument was drawn. A
8 copy of such list must then be used as an authority for writing a receipt of the total of such
9 check or checks and shall credit such amount to the common schools trust fund pursuant to
10 chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to
11 the unclaimed property administrator ~~of unclaimed properties~~. In the event such check, warrant,
12 or warrant-check is at any subsequent time presented for payment, or a claim is made by any
13 person for the amount of any such instrument, further proceedings must be conducted in
14 accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and
15 continuing appropriation.

16 **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 6. Upon request, the tax commissioner may furnish to the unclaimed property ~~division of~~
19 ~~the board of university and school lands~~ administrator, a taxpayer's name, address,
20 and federal identification number for identifying the taxpayer as the owner of an
21 unclaimed voucher authorized by the tax commissioner or to locate the apparent
22 owner of unclaimed property as provided under chapter 47-30.2.

23 **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota
24 Century Code is amended and reenacted as follows:

- 25 3. The commissioner may furnish to workforce safety and insurance, the job insurance
26 division of job service North Dakota, and the secretary of state, upon request of the
27 respective agency, a list or lists of holders of permits issued under this chapter or
28 chapter 57-40.2, together with the addresses and tax department file identification
29 numbers of those permitholders. The agency may use the list or lists only for the
30 purpose of administering the duties of the agency. The commissioner may furnish to
31 the unclaimed property ~~division of the board of university and school~~

1 ~~lands~~administrator, upon its request, the name, address, and the permit holder's
2 federal identification number for the sole purpose of identifying the owner of an
3 unclaimed voucher authorized by the commissioner.

4 **SECTION 27. AMENDMENT.** Subsection 8 of section 57-39.2-23 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 8. Upon request, the commissioner may furnish to the unclaimed property ~~division of the~~
7 ~~board of university and school~~landsadministrator, a taxpayer's name, address, and
8 federal identification number for identifying the owner of an unclaimed voucher
9 authorized by the commissioner or to locate the apparent owner of unclaimed property
10 as provided under chapter 47-30.2.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
New and vacant FTE pool		54,672	54,672
Operating expenses	265,346	804,258	1,069,604
Coal severance payments	118,000	4,000	122,000
Carbon dioxide pipeline payments		2,000,000	2,000,000
Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
Less estimated income	0	1,711,352	1,711,352
General fund	\$1,988,930	\$2,127,009	\$4,115,939
FTE	7.00	4.00	11.00

Department 120 - State Treasurer - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Transfers Funding Between Line Items ⁴	Transfers FTE Positions from Trust Lands ⁵	Transfers Unclaimed Property Operating Expenses ⁶
Salaries and wages	\$159,675	\$21,090	(\$78,103)	\$14,372	\$858,397	
New and vacant FTE pool			54,672			
Operating expenses				(14,372)		\$687,000
Coal severance payments						
Carbon dioxide pipeline payments						
Total all funds	\$159,675	\$21,090	(\$23,431)	\$0	\$858,397	\$687,000
Less estimated income	55,681	0	(7,726)	0	858,397	687,000
General fund	\$103,994	\$21,090	(\$15,705)	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	4.00	0.00

	Adds Funding for IT Rate Increases ⁷	Adds Funding for Distributions ⁸	Adds One-Time Funding Items ⁹	Total House Changes
Salaries and wages				\$975,431
New and vacant FTE pool				54,672
Operating expenses	\$13,630		\$118,000	804,258
Coal severance payments		\$4,000		4,000
Carbon dioxide pipeline payments		2,000,000		2,000,000
Total all funds	\$13,630	\$2,004,000	\$118,000	\$3,838,361
Less estimated income	0	0	118,000	1,711,352
General fund	\$13,630	\$2,004,000	\$0	\$2,127,009
FTE	0.00	0.00	0.00	4.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$61,957	\$31,661	\$93,618
Health insurance increase	42,037	24,020	66,057
Total	\$103,994	\$55,681	\$159,675

² Funding of \$21,090 is added from the general fund to replace 2023-25 biennium new and vacant FTE pool funding for vacant FTE positions.

³ Funding of \$78,103 for estimated savings from vacant FTE positions is removed and funding of \$54,672 is added for a 2025-27 new and vacant FTE pool line item as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Vacant FTE positions	(\$52,351)	(\$25,752)	(\$78,103)
Funding pool line item	<u>36,646</u>	<u>18,026</u>	<u>54,672</u>
Net savings	(\$15,705)	(\$7,726)	(\$23,431)

⁴ Funding of \$14,372 is transferred from the operating expenses line item to the salaries and wages line item for cost to continue 2023-25 salary increases.

⁵ The following unclaimed property FTE positions and related funding are transferred from the Department of Trust Lands to the State Treasurer:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Unclaimed property program manager position	1.00	\$0	\$282,917	\$282,917
Unclaimed property administrative services positions	3.00	0	<u>575,480</u>	<u>575,480</u>
Total	4.00	\$0	\$858,397	\$858,397

⁶ Funding of \$687,000 from special funds for unclaimed property operating expenses is transferred from the Department of Trust Lands to the State Treasurer.

⁷ Funding of \$13,630 from the general fund is added from the general fund for information technology rate increases.

⁸ Funding of \$2,004,000 from the general fund is added for distributions as follows:

- \$4,000 for coal severance shortfall payments to provide total funding of \$122,000.
- \$2,000,000 for carbon dioxide pipeline payments in lieu of taxes pursuant to North Dakota Century Code Section 57-06-17.2.

⁹ One-time funding is added as follows:

- \$110,000 from the strategic investment and improvements fund for information technology projects.
- \$8,000 from special funds for office furniture or equipment related to unclaimed property.

The House version:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Adds a section identifying \$110,000 from the strategic investment and improvements fund for information technology projects.
- Adds sections to transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
- Adds a section to provide the statutory changes necessary to increase the State Treasurer's annual salary to \$139,256 (3 percent) effective July 1, 2025, and to \$143,434 (3 percent) effective July 1, 2026.

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations Committee Roughrider Room, State Capitol

HB 1005
2/17/2025

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

6:58 p.m. Chairman Vigesaa opened the hearing.

Members present: Chairman Vigesaa, Vice Chairman Kempenich, Representatives Anderson, Berg, Bosch, Brandenburg, Fisher, Hanson, Louser, Martinson, Meier, Mitskog, Monson, Murphy, Nathe, Nelson, O'Brien, Pyle, Richter, Sanford, Stemen, Swiontek, Wagner

Discussion Topics:

- Office remodel costs
- Proposed amendment
- Committee action

6:58 p.m. Vice Chairman Kempenich introduced amendment #25.0149.01002, testimony #37933.

7:02 p.m. Vice Chairman Kempenich moved amendment #25.0149.01002.

7:03 p.m. Representative Meier seconded the motion.

7:10 p.m. Roll call vote:

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y

Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

7:10 p.m. Motion carried 23-0-0.

7:11 p.m. Vice Chairman Kempenich moved a Do Pass as Amended.

7:11 p.m. Representative Monson seconded the motion.

7:11 p.m. Roll call vote:

Representatives	Vote
Representative Don Vigesaa	Y
Representative Keith Kempenich	Y
Representative Bert Anderson	Y
Representative Mike Berg	Y
Representative Glen Bosch	Y
Representative Mike Brandenburg	Y
Representative Jay Fisher	Y
Representative Karla Rose Hanson	Y
Representative Scott Louser	Y
Representative Bob Martinson	Y
Representative Lisa Meier	Y
Representative Alisa Mitskog	Y
Representative David Monson	Y
Representative Eric J. Murphy	Y
Representative Mike Nathe	Y
Representative Jon O. Nelson	Y
Representative Emily O'Brien	Y
Representative Brandy L. Pyle	Y
Representative David Richter	Y
Representative Mark Sanford	Y
Representative Gregory Stemen	Y
Representative Steve Swiontek	Y
Representative Scott Wagner	Y

7:11 p.m. Motion carried 23-0-0.

Vice Chairman Kempenich is the bill carrier.

7:11 p.m. Chairman Vigesaa closed the hearing.

Mary Brucker, Committee Clerk for Sierra Schartz, Committee Clerk

February 13, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and
3 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section
4 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section
5 47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision c of
6 subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,
7 subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section
8 47-30.2-67, section 47-30.2-75, sections 54-11-13 and 54-27-15.1, subsection 6 of section
9 57-38-57, and subsections 3 and 8 of section 57-39.2-23 of the North Dakota Century Code,
10 relating to the transfer of unclaimed property administration from the commissioner of university
11 and school lands to the state treasurer and the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

18		Adjustments or	
19	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

1	Salaries and wages	\$1,605,584	\$0	\$1,605,584
2	Operating expenses	265,346	0	265,346
3	Coal severance payments	118,000	0	118,000
4	Total general fund	\$1,988,930	\$0	\$1,988,930
5	Full-time equivalent positions	7.00	0.00	7.00
6	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
7	New and vacant FTE pool	0	54.672	54.672
8	Operating expenses	265,346	804,258	1,069,604
9	Coal severance payments	118,000	4,000	122,000
10	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
11	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
12	Total special funds	0	1,711,352	1,711,352
13	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
14	Full-time equivalent positions	7.00	4.00	11.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SEVENTIETH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act which are not included in the entity's base budget for the 2027-29 biennium and which the entity shall report to the appropriations committees of the seventieth legislative assembly regarding the use of this funding:

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS. The sum of \$110,000

1 included in the other funds line item in section 1 of this Act and identified as one-time funding in
2 section 2 of this Act is from the strategic investment and improvements fund for information
3 technology projects.

4 **SECTION 5. AMENDMENT.** Subsection 15 of section 6-07.2-19 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 15. Within one hundred twenty days after the final distribution to members is started, the
7 credit union shall furnish to the commissioner's office a schedule of unpaid claims. The
8 board of directors of the credit union or the liquidating agent if appointed shall report
9 money in the account of a member who failed to surrender their passbooks or confirm
10 their balances, final distribution checks not cashed within one hundred twenty days,
11 and any unpaid claims to the unclaimed property ~~division of the board of university and~~
12 ~~school lands pursuant to~~ administrator under chapter 47-30.2.

13 **SECTION 6. AMENDMENT.** Section 10-15-49 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **10-15-49. Amounts due unknown persons.**

16 Upon liquidation of a cooperative, the assets distributable to persons who are unknown or
17 cannot be found may be reduced to cash and transferred to the ~~commissioner of university and~~
18 ~~school lands~~ unclaimed property administrator and shall be treated as abandoned and
19 unclaimed property under the escheat and abandoned property laws of the state.

20 **SECTION 7. AMENDMENT.** Section 47-30.2-01 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **47-30.2-01. (102) Definitions.**

23 As used in this chapter:

- 24 1. "Administrator" means the administrator of the state abandoned property office under
25 the state treasurer.
- 26 2. "Administrator's agent" means a person with which the ~~commissioner~~ state treasurer
27 contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,
28 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and
29 47-30.2-62 on behalf of the administrator. The term includes an independent
30 contractor of the person and each individual participating in the examination on behalf
31 of the person or contractor.

1 3. "Apparent owner" means a person whose name appears on the records of a holder as
2 the owner of property held, issued, or owing by the holder.

3 4. ~~"Board" means the board of university and school lands.~~

4 ~~5.~~ "Business association" means a corporation, joint stock company, investment
5 company, partnership, unincorporated association, joint venture, limited liability
6 company, business trust, trust company, land bank, safe deposit company,
7 safekeeping depository, financial organization, insurance company, federally chartered
8 entity, utility, sole proprietorship, or other business entity, whether or not for profit.

9 ~~6-5.~~ "Cashier's check" means a check that:

- 10 a. Is purchased by a remitter and made payable to a designated payee;
11 b. Is signed by an officer or employee of the financial organization;
12 c. Authorizes payment of the amount shown on the check's face to the payee;
13 d. Is a direct obligation of the financial organization; and
14 e. Is provided to a customer of the financial institution or acquired from the financial
15 institution for remittance purposes.

16 ~~7.~~ ~~"Commissioner" means the commissioner of university and school lands.~~

17 ~~8-6.~~ "Confidential record" has the same meaning as defined in section 44-04-17.1.

18 ~~9.~~ ~~"Department" means the department of trust lands.~~

19 ~~10-7.~~ "Domicile" means:

- 20 a. For a corporation, the state of its incorporation;
21 b. For a business association whose formation requires a filing with a state, other
22 than a corporation, the state of its filing;
23 c. For a federally chartered entity, the state of its home office; and
24 d. For any other holder, the state of its principal place of business.

25 ~~11-8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
26 optical, electromagnetic, or similar capabilities.

27 ~~12-9.~~ "Electronic mail" means a communication by electronic means, together with
28 attachments, which is automatically retained and stored and may be readily accessed
29 or retrieved.

30 ~~13-10.~~ "Financial organization" means a savings and loan association, building and loan
31 association, savings bank, industrial bank, bank, banking organization, private banker,

1 trust company, credit union, or an organization defined as a bank or banking
2 organization under the laws of this state or of the United States.

3 ~~14.11.~~ "Game-related digital content" means digital content that exists only in an electronic
4 game or electronic-game platform.

5 a. The term includes:

6 (1) Game-play currency such as a virtual wallet, even if denominated in United
7 States currency; and

8 (2) The following if for use or redemption only within the game or platform or
9 another electronic game or electronic-game platform:

10 (a) Points sometimes referred to as gems, tokens, gold, and similar
11 names; and

12 (b) Digital codes; and

13 b. The term does not include an item that the issuer:

14 (1) Permits to be redeemed for use outside a game or platform for:

15 (a) Money; or

16 (b) Goods or services that have more than minimal value; or

17 (2) Otherwise monetizes for use outside a game or platform.

18 ~~15.12.~~ "Gift card" means a record that:

19 a. Is usable at:

20 (1) A single merchant; or

21 (2) A specified group of merchants;

22 b. Is prefunded before the record is used; and

23 c. Can be used for purchases of goods or services.

24 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
25 the owner, property subject to this chapter.

26 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
27 also includes a benevolent society, nonprofit health service corporation, and a health
28 maintenance organization.

29 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
30 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
31 or redeemed only to obtain goods or services or a discount on goods or services. The

1 term does not include a record that may be redeemed for money or otherwise
2 monetized by the issuer.

3 ~~19.16.~~ "Mineral proceeds" means an obligation:

- 4 a. To pay resulting from the production and sale of minerals, including net revenue
5 interest, royalties, overriding royalties, production payments, and joint operating
6 agreements; or
7 b. For the acquisition and retention of a mineral lease, including bonuses, delay
8 rentals, shut-in royalties, and minimum royalties.

9 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
10 includes an express money order and a personal money order on which the remitter is
11 the purchaser.

12 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
13 or other political subdivision of a state.

14 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
15 value card, plus amounts added to the original price or value, minus amounts used
16 and any service charge, fee, or dormancy charge permitted by law.

17 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
18 administrator by the depository trust clearing corporation or similar custodian of
19 securities providing post-trade clearing and settlement services to financial markets or
20 cannot be delivered because there is no agent to effect transfer. The term includes a
21 worthless security.

22 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
23 subject to this chapter or the person's legal representative when acting on behalf of
24 and in the best interest of the owner. The term includes:

- 25 a. A depositor, for a deposit;
26 b. A beneficiary, for a trust other than a deposit in trust;
27 c. A creditor, claimant, or payee, for other property; and
28 d. The lawful bearer of a record that may be used to obtain money, a reward, or a
29 thing of value.

30 ~~25.22.~~ "Payroll card" means a record that evidences a payroll-card account that is directly or
31 indirectly established through an employer and to which electronic fund transfers of

1 the consumer's wages, salary, or other employee compensation, such as
2 commissions, are made on a recurring basis, whether the account is operated or
3 managed by the employer, a third-party payroll processor, a depository institution, or
4 any other person.

5 ~~26.23.~~ "Person" means an individual, estate, business association, public corporation,
6 government or governmental subdivision, agency, or instrumentality, or other legal
7 entity.

8 ~~27.24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
9 certain interest in intangible property held, issued, or owed in the course of a holder's
10 business or by a government, governmental subdivision, agency, or instrumentality.

11 a. The term includes:

12 (1) All income from or increments to the property; and

13 (2) Property referred to as or evidenced by:

14 (a) Money, virtual currency, interest, or a dividend, check, draft, deposit,
15 or payroll card;

16 (b) A credit balance, customer's overpayment, stored-value card, security
17 deposit, refund, credit memorandum, unpaid wage, unused ticket for
18 which the issuer has an obligation to provide a refund, mineral
19 proceeds, or unidentified remittance;

20 (c) A security except for:

21 [1] A worthless security; or

22 [2] A security that is subject to a lien, legal hold, or restriction

23 evidenced on the records of the holder or imposed by operation
24 of law, if the lien, legal hold, or restriction restricts the holder's or
25 owner's ability to receive, transfer, sell, or otherwise negotiate
26 the security;

27 (d) A bond, debenture, note, or other evidence of indebtedness;

28 (e) Money deposited to redeem a security, make a distribution, or pay a
29 dividend;

30 (f) An amount due and payable under an annuity contract or insurance
31 policy;

- 1 (g) An amount distributable from a trust or custodial fund established
- 2 under a plan to provide health, welfare, pension, vacation, severance,
- 3 retirement, death, stock purchase, profit-sharing, employee-savings,
- 4 supplemental-unemployment insurance, or a similar benefit;
- 5 (h) Intangible property and any income or increment derived from the
- 6 intangible property held in a fiduciary capacity for the benefit of
- 7 another person;
- 8 (i) Mineral proceeds; and
- 9 (j) An in-store credit for returned merchandise.

10 b. The term does not include:

- 11 (1) Property held in a plan described in section 529A of the Internal Revenue
- 12 Code, as amended, [26 U.S.C. 529A];
- 13 (2) Game-related digital content;
- 14 (3) A loyalty card; or
- 15 (4) A gift card.

16 ~~28-25.~~ "Putative holder" means a person believed by the administrator to be a holder, until the
17 person pays or delivers to the administrator property subject to this chapter or the
18 administrator or a court makes a final determination that the person is or is not a
19 holder.

20 ~~29-26.~~ "Record" has the same meaning as defined in section 44-04-17.1.

21 ~~30-27.~~ "Security" means:

- 22 a. A security as defined in section 41-08-02;
- 23 b. A security entitlement as defined in section 41-08-02, including a customer
- 24 security account held by a registered broker-dealer, to the extent the financial
- 25 assets held in the security account are not:
 - 26 (1) Registered on the books of the issuer in the name of the person for which
 - 27 the broker-dealer holds the assets;
 - 28 (2) Payable to the order of the person; or
 - 29 (3) Specifically indorsed to the person; or

30 c. An equity interest in a business association not included in subdivision a or b.

31 ~~31-28.~~ "Sign" means, with present intent to authenticate or adopt a record:

- 1 a. To execute or adopt a tangible symbol; or
- 2 b. To attach to or logically associate with the record an electronic symbol, sound, or
- 3 process.
- 4 ~~32-29.~~ "State" means a state of the United States, the District of Columbia, the
- 5 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or
- 6 insular possession subject to the jurisdiction of the United States.
- 7 ~~33-30.~~ "Stored-value card" means a card, code, or other device, including a merchandise
- 8 credit or rebate card, which is:
- 9 a. Issued on a prepaid basis primarily for personal, family, or household purposes to
- 10 a consumer in a specified amount, whether or not that amount may be increased
- 11 or reloaded in exchange for payment;
- 12 b. Redeemable upon presentation at multiple unaffiliated merchants for goods or
- 13 services or usable at automated teller machines; and
- 14 c. Not a gift card, payroll card, loyalty card, or game-related digital content.
- 15 ~~34-31.~~ "Utility" means a person that owns or operates for public use a plant, equipment, real
- 16 property, franchise, or license for the following public services:
- 17 a. Transmission of communications or information;
- 18 b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,
- 19 steam, or gas; or
- 20 c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.
- 21 ~~35-32.~~ "Virtual currency" means a digital representation of value used as a medium of
- 22 exchange, unit of account, or store of value, which does not have legal tender status
- 23 recognized by the United States. The term does not include:
- 24 a. The software or protocols governing the transfer of the digital representation of
- 25 value;
- 26 b. Game-related digital content; or
- 27 c. A loyalty card or gift card.
- 28 ~~36-33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
- 29 administrator would exceed the value of the security on the date a report is due under
- 30 this chapter.

1 **SECTION 8. AMENDMENT.** Section 47-30.2-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **47-30.2-03. (104) Rulemaking.**

4 The ~~commissioner~~state treasurer may adopt rules to implement and administer this chapter.

5 **SECTION 9. AMENDMENT.** Subdivision j of subsection 1 of section 47-30.2-22 of the North
6 Dakota Century Code is amended and reenacted as follows:

7 j. Contain other information the ~~commissioner~~state treasurer prescribes by rules.

8 **SECTION 10. AMENDMENT.** Subsection 4 of section 47-30.2-23 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 4. The ~~commissioner~~state treasurer may grant an extension of the reporting date for
11 good cause in the event of a national or state emergency.

12 **SECTION 11. AMENDMENT.** Subsection 1 of section 47-30.2-24 of the North Dakota
13 Century Code is amended and reenacted as follows:

14 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten
15 years after the later of the date the report was filed or the last date a timely report was
16 due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~state
17 treasurer.

18 **SECTION 12. AMENDMENT.** Subdivision b of subsection 3 of section 47-30.2-28 of the
19 North Dakota Century Code is amended and reenacted as follows:

20 b. Maintain a website or database accessible by the public and electronically
21 searchable which contains the names reported to the administrator of apparent
22 owners for whom property that meets or exceeds the searchable value as set by
23 the ~~commissioner~~state treasurer is being held by the administrator. Property that
24 does not meet or exceed the searchable value must continue to be held by the
25 administrator but may not appear in the searchable website or database.

26 **SECTION 13. AMENDMENT.** Section 47-30.2-44 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **47-30.2-44. (801) Deposit of funds by administrator.**

29 1. Except as otherwise provided in this section, the ~~department~~state treasurer shall
30 deposit to the credit of the common schools trust fund all funds received under this

1 chapter, including proceeds from the sale of property under sections 47-30.2-40,
2 47-30.2-41, 47-30.2-42, and 47-30.2-43.

3 2. The ~~department~~state treasurer shall maintain an account with an amount of funds the
4 ~~commissioner~~state treasurer reasonably estimates is sufficient to pay claims allowed
5 under this chapter.

6 **SECTION 14. AMENDMENT.** Subsection 2 of section 47-30.2-46 of the North Dakota
7 Century Code is amended and reenacted as follows:

8 2. ~~There is appropriated annually the~~The amounts necessary are appropriated to the
9 state treasurer on a continuing basis to pay all expense deductions under this section,
10 including:

- 11 a. Any costs in connection with the sale of abandoned property;
- 12 b. Costs of mailing, publication, and outreach efforts in connection with any
- 13 abandoned property;
- 14 c. Reasonable service charges;
- 15 d. Costs incurred in examining records of holders of property and in collecting the
- 16 property from those holders;
- 17 e. Funds for the payment of claims;
- 18 f. Funds for the payment of holder refunds; and
- 19 g. Funds for attorney's fees and all other reasonable costs and expenses incurred in
- 20 an action or suit.

21 **SECTION 15. AMENDMENT.** Subdivision c of subsection 2 of section 47-30.2-50 of the
22 North Dakota Century Code is amended and reenacted as follows:

23 c. The property has a value as provided by rules adopted by the ~~commissioner~~state
24 treasurer.

25 **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **47-30.2-53. (906) Action by person whose claim is denied.**

28 Not later than one hundred eighty days after filing a claim under subsection 1 of section
29 47-30.2-50, the claimant may commence an action against the ~~board~~state treasurer in the
30 Burleigh County district court to establish a claim that has been denied or deemed denied under
31 section 47-30.2-50. If the ~~board~~state treasurer is successful in a proceeding brought under this

1 section, the district court shall allow the ~~board~~state treasurer to recover court costs; reasonable
2 costs, fees, disbursements, and expenses incurred by the ~~board~~state treasurer in the
3 proceeding; and reasonable attorney's fees.

4 **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 1. The ~~commissioner~~state treasurer shall adopt rules governing an examination under
7 section 47-30.2-55, including rules for use of an estimation, extrapolation, and
8 statistical sampling in conducting an examination. An examination commenced after
9 adoption of rules under this subsection must comply with the rules.

10 **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota
11 Century Code is amended and reenacted as follows:

- 12 2. The records subject to subsection 1:
- 13 a. May be used by the ~~board~~state treasurer in an action to collect property or
14 otherwise enforce this chapter;
 - 15 b. May be used in a joint examination conducted with or pursuant to agreements
16 with other states, the federal government, or other governmental entities;
 - 17 c. May be disclosed at the discretion of the ~~commissioner~~state treasurer, on
18 request, to the person that administers the unclaimed property law of another
19 state for that state's use in circumstances equivalent to circumstances described
20 in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,
21 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information
22 is disclosed shall maintain the confidentiality and security of information obtained
23 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
24 47-30.2-73;
 - 25 d. May be required to be produced under section 44-04-18.11; and
 - 26 e. May be required to be produced by the administrator on request of the person
27 subject to the examination in an administrative or judicial proceeding relating to
28 the property.

29 **SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is
30 amended and reenacted as follows:

47-30.2-64. (1203) Action involving another state or foreign country.

1. The administrator may join another state or foreign country to examine and seek enforcement of this chapter against a putative holder.
2. The ~~board~~state treasurer may pursue an action on behalf of this state to recover property subject to this chapter but delivered to the custody of another state if the administrator believes the property is subject to the custody of the administrator.
3. The ~~board~~state treasurer may retain an attorney in this state, another state, or a foreign country to commence an action to recover property on behalf of the ~~board~~state treasurer and may agree to pay attorney's fees based in whole or in part on a fixed fee, hourly fee, or a percentage of the amount or value of property recovered in the action.
4. Expenses incurred by this state in an action under this section must be paid in accordance with section 47-30.2-46.

SECTION 20. AMENDMENT. Section 47-30.2-66 of the North Dakota Century Code is amended and reenacted as follows:

47-30.2-66. (1205) Other civil penalties.

1. If a holder enters into a contract or other arrangement for the purpose of evading an obligation under this chapter or otherwise willfully fails to perform a duty imposed on the holder under this chapter, the ~~commissioner~~state treasurer may require the holder to pay the administrator, in addition to interest as provided in subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is evaded or the duty is not performed, up to a cumulative maximum amount of twenty-five thousand dollars, plus twenty-five percent of the amount or value of property that should have been, but was not reported, paid, or delivered as a result of the evasion or failure to perform.
2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~state treasurer may require the holder to pay to the administrator, in addition to interest under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for each day from the date the report was made until corrected, up to a cumulative maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or

1 value of any property that should have been reported, but was not included in the
2 report or was underreported.

3 **SECTION 21. AMENDMENT.** Subsection 4 of section 47-30.2-67 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 4. The ~~commissioner~~state treasurer may waive up to twenty-five thousand dollars of the
6 penalty or reduce interest. A request for a waiver or reduction of penalty in excess of
7 twenty-five thousand dollars must be presented to the ~~board, with the commissioner's~~
8 ~~recommendation~~,state treasurer for review and decision.

9 **SECTION 22. AMENDMENT.** Section 47-30.2-75 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **47-30.2-75. Enforcement - Appeals.**

12 The administrator may bring an action in a court of competent jurisdiction to enforce this
13 chapter. A person in this state aggrieved by an audit that in any form requests the payment of
14 money or a civil penalty is entitled to a hearing before the ~~board~~state treasurer. A demand for a
15 hearing must be made within thirty days of the request by the administrator. The request by the
16 administrator must contain notice of the right to a hearing. The ~~board's~~state treasurer's decision
17 is the final order of the agency and is appealable to the district court. Any amount of money
18 requested by the administrator which may increase over time is tolled at the time of filing an
19 appeal, retroactive to the date of the request.

20 **SECTION 23. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-11-13. Salary of state treasurer.**

23 The annual salary of the state treasurer is ~~one hundred thirty thousand~~one hundred
24 thirty-nine thousand two hundred fifty-six dollars through June 30, ~~2024~~2026, and ~~one hundred~~
25 ~~thirty five thousand two hundred~~one hundred forty-three thousand four hundred thirty-four
26 dollars thereafter.

27 **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **54-27-15.1. State treasurer's checks, warrants, and warrant-checks - Cancellation -**
2 **Deposit to common schools trust fund - Subsequent payment - Continuing**
3 **appropriation.**

4 The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,
5 warrants, and warrant-checks drawn on various depositories which are more than two years old
6 which remain outstanding and unpaid and shall show the number, date, payee, with address of
7 payee if available, amount, and fund, if available, against which said instrument was drawn. A
8 copy of such list must then be used as an authority for writing a receipt of the total of such
9 check or checks and shall credit such amount to the common schools trust fund pursuant to
10 chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to
11 the unclaimed property administrator ~~of unclaimed properties~~. In the event such check, warrant,
12 or warrant-check is at any subsequent time presented for payment, or a claim is made by any
13 person for the amount of any such instrument, further proceedings must be conducted in
14 accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and
15 continuing appropriation.

16 **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 6. Upon request, the tax commissioner may furnish to the unclaimed property ~~division of~~
19 ~~the board of university and school lands~~ administrator, a taxpayer's name, address,
20 and federal identification number for identifying the taxpayer as the owner of an
21 unclaimed voucher authorized by the tax commissioner or to locate the apparent
22 owner of unclaimed property as provided under chapter 47-30.2.

23 **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota
24 Century Code is amended and reenacted as follows:

- 25 3. The commissioner may furnish to workforce safety and insurance, the job insurance
26 division of job service North Dakota, and the secretary of state, upon request of the
27 respective agency, a list or lists of holders of permits issued under this chapter or
28 chapter 57-40.2, together with the addresses and tax department file identification
29 numbers of those permitholders. The agency may use the list or lists only for the
30 purpose of administering the duties of the agency. The commissioner may furnish to
31 the unclaimed property ~~division of the board of university and school~~

1 ~~lands~~administrator, upon its request, the name, address, and the permitholder's
2 federal identification number for the sole purpose of identifying the owner of an
3 unclaimed voucher authorized by the commissioner.

4 **SECTION 27. AMENDMENT.** Subsection 8 of section 57-39.2-23 of the North Dakota
5 Century Code is amended and reenacted as follows:

6 8. Upon request, the commissioner may furnish to the unclaimed property ~~division of the~~
7 ~~board of university and school~~landsadministrator, a taxpayer's name, address, and
8 federal identification number for identifying the owner of an unclaimed voucher
9 authorized by the commissioner or to locate the apparent owner of unclaimed property
10 as provided under chapter 47-30.2.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
New and vacant FTE pool		54,672	54,672
Operating expenses	265,346	804,258	1,069,604
Coal severance payments	118,000	4,000	122,000
Carbon dioxide pipeline payments		2,000,000	2,000,000
Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
Less estimated income	0	1,711,352	1,711,352
General fund	\$1,988,930	\$2,127,009	\$4,115,939
FTE	7.00	4.00	11.00

Department 120 - State Treasurer - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Transfers Funding Between Line Items ⁴	Transfers FTE Positions from Trust Lands ⁵	Transfers Unclaimed Property Operating Expenses ⁶
Salaries and wages	\$159,675	\$21,090	(\$78,103)	\$14,372	\$858,397	
New and vacant FTE pool			54,672			
Operating expenses				(14,372)		\$687,000
Coal severance payments						
Carbon dioxide pipeline payments						
Total all funds	\$159,675	\$21,090	(\$23,431)	\$0	\$858,397	\$687,000
Less estimated income	55,681	0	(7,726)	0	858,397	687,000
General fund	\$103,994	\$21,090	(\$15,705)	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	4.00	0.00

	Adds Funding for IT Rate Increases ⁷	Adds Funding for Distributions ⁸	Adds One-Time Funding Items ⁹	Total House Changes
Salaries and wages				\$975,431
New and vacant FTE pool				54,672
Operating expenses	\$13,630		\$118,000	804,258
Coal severance payments		\$4,000		4,000
Carbon dioxide pipeline payments		2,000,000		2,000,000
Total all funds	\$13,630	\$2,004,000	\$118,000	\$3,838,361
Less estimated income	0	0	118,000	1,711,352
General fund	\$13,630	\$2,004,000	\$0	\$2,127,009
FTE	0.00	0.00	0.00	4.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$61,957	\$31,661	\$93,618
Health insurance increase	42,037	24,020	66,057
Total	\$103,994	\$55,681	\$159,675

² Funding of \$21,090 is added from the general fund to replace 2023-25 biennium new and vacant FTE pool funding for vacant FTE positions.

³ Funding of \$78,103 for estimated savings from vacant FTE positions is removed and funding of \$54,672 is added for a 2025-27 new and vacant FTE pool line item as follows:

	General Fund	Other Funds	Total
Vacant FTE positions	(\$52,351)	(\$25,752)	(\$78,103)
Funding pool line item	<u>36,646</u>	<u>18,026</u>	<u>54,672</u>
Net savings	(\$15,705)	(\$7,726)	(\$23,431)

⁴ Funding of \$14,372 is transferred from the operating expenses line item to the salaries and wages line item for cost to continue 2023-25 salary increases.

⁵ The following unclaimed property FTE positions and related funding are transferred from the Department of Trust Lands to the State Treasurer:

	FTE Positions	General Fund	Other Funds	Total
Unclaimed property program manager position	1.00	\$0	\$282,917	\$282,917
Unclaimed property administrative services positions	3.00	<u>0</u>	<u>575,480</u>	<u>575,480</u>
Total	4.00	\$0	\$858,397	\$858,397

⁶ Funding of \$687,000 from special funds for unclaimed property operating expenses is transferred from the Department of Trust Lands to the State Treasurer.

⁷ Funding of \$13,630 from the general fund is added from the general fund for information technology rate increases.

⁸ Funding of \$2,004,000 from the general fund is added for distributions as follows:

- \$4,000 for coal severance shortfall payments to provide total funding of \$122,000.
- \$2,000,000 for carbon dioxide pipeline payments in lieu of taxes pursuant to North Dakota Century Code Section 57-06-17.2.

⁹ One-time funding is added as follows:

- \$110,000 from the strategic investment and improvements fund for information technology projects.
- \$8,000 from special funds for office furniture or equipment related to unclaimed property.

The House version:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Adds a section identifying \$110,000 from the strategic investment and improvements fund for information technology projects.
- Adds sections to transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
- Adds a section to provide the statutory changes necessary to increase the State Treasurer's annual salary to \$139,256 (3 percent) effective July 1, 2025, and to \$143,434 (3 percent) effective July 1, 2026.

**REPORT OF STANDING COMMITTEE
HB 1005**

Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS** ([25.0149.01002](#)) and when so amended, recommends **DO PASS** (23 YEAS, 0 NAYS, 0 ABSENT OR EXCUSED AND NOT VOTING). HB 1005 was placed on the Sixth order on the calendar.

25.0149.01002
Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for House Appropriations -
Government Operations Division
Committee

February 13, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

PROPOSED AMENDMENTS TO

HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and
3 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section
4 47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section
5 47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision c of
6 subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,
7 subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section
8 47-30.2-67, section 47-30.2-75, sections 54-11-13 and 54-27-15.1, subsection 6 of section
9 57-38-57, and subsections 3 and 8 of section 57-39.2-23 of the North Dakota Century Code,
10 relating to the transfer of unclaimed property administration from the commissioner of university
11 and school lands to the state treasurer and the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

18		Adjustments or	
19	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$0	\$1,605,584
2	Operating expenses	265,346	0	265,346
3	Coal severance payments	118,000	0	118,000
4	Total general fund	\$1,988,930	\$0	\$1,988,930
5	Full-time equivalent positions	7.00	0.00	7.00
6	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
7	New and vacant FTE pool	0	54.672	54.672
8	Operating expenses	265,346	804,258	1,069,604
9	Coal severance payments	118,000	4,000	122,000
10	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
11	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
12	Total special funds	0	1,711,352	1,711,352
13	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
14	Full-time equivalent positions	7.00	4.00	11.00

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

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

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in section 1 of this Act, but may request the office of management and budget to transfer funds from the new and vacant FTE pool line item to the salaries and wages line item in accordance with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the sixty-ninth legislative assembly.

SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS. The sum of \$110,000

1 included in the other funds line item in section 1 of this Act and identified as one-time funding in
2 section 2 of this Act is from the strategic investment and improvements fund for information
3 technology projects.

4 **SECTION 5. AMENDMENT.** Subsection 15 of section 6-07.2-19 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 15. Within one hundred twenty days after the final distribution to members is started, the
7 credit union shall furnish to the commissioner's office a schedule of unpaid claims. The
8 board of directors of the credit union or the liquidating agent if appointed shall report
9 money in the account of a member who failed to surrender their passbooks or confirm
10 their balances, final distribution checks not cashed within one hundred twenty days,
11 and any unpaid claims to the unclaimed property ~~division of the board of university and~~
12 ~~school lands pursuant to~~ administrator under chapter 47-30.2.

13 **SECTION 6. AMENDMENT.** Section 10-15-49 of the North Dakota Century Code is
14 amended and reenacted as follows:

15 **10-15-49. Amounts due unknown persons.**

16 Upon liquidation of a cooperative, the assets distributable to persons who are unknown or
17 cannot be found may be reduced to cash and transferred to the ~~commissioner of university and~~
18 ~~school lands~~ unclaimed property administrator and shall be treated as abandoned and
19 unclaimed property under the escheat and abandoned property laws of the state.

20 **SECTION 7. AMENDMENT.** Section 47-30.2-01 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **47-30.2-01. (102) Definitions.**

23 As used in this chapter:

- 24 1. "Administrator" means the administrator of the state abandoned property office under
25 the state treasurer.
- 26 2. "Administrator's agent" means a person with which the ~~commissioner~~ state treasurer
27 contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,
28 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and
29 47-30.2-62 on behalf of the administrator. The term includes an independent
30 contractor of the person and each individual participating in the examination on behalf
31 of the person or contractor.

1 3. "Apparent owner" means a person whose name appears on the records of a holder as
2 the owner of property held, issued, or owing by the holder.

3 4. ~~"Board" means the board of university and school lands.~~

4 ~~5.~~ "Business association" means a corporation, joint stock company, investment
5 company, partnership, unincorporated association, joint venture, limited liability
6 company, business trust, trust company, land bank, safe deposit company,
7 safekeeping depository, financial organization, insurance company, federally chartered
8 entity, utility, sole proprietorship, or other business entity, whether or not for profit.

9 6-5. "Cashier's check" means a check that:

- 10 a. Is purchased by a remitter and made payable to a designated payee;
11 b. Is signed by an officer or employee of the financial organization;
12 c. Authorizes payment of the amount shown on the check's face to the payee;
13 d. Is a direct obligation of the financial organization; and
14 e. Is provided to a customer of the financial institution or acquired from the financial
15 institution for remittance purposes.

16 ~~7.~~ ~~"Commissioner" means the commissioner of university and school lands.~~

17 8-6. "Confidential record" has the same meaning as defined in section 44-04-17.1.

18 ~~9.~~ ~~"Department" means the department of trust lands.~~

19 ~~10-7.~~ "Domicile" means:

- 20 a. For a corporation, the state of its incorporation;
21 b. For a business association whose formation requires a filing with a state, other
22 than a corporation, the state of its filing;
23 c. For a federally chartered entity, the state of its home office; and
24 d. For any other holder, the state of its principal place of business.

25 14-8. "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
26 optical, electromagnetic, or similar capabilities.

27 12-9. "Electronic mail" means a communication by electronic means, together with
28 attachments, which is automatically retained and stored and may be readily accessed
29 or retrieved.

30 13-10. "Financial organization" means a savings and loan association, building and loan
31 association, savings bank, industrial bank, bank, banking organization, private banker,

- 1 trust company, credit union, or an organization defined as a bank or banking
2 organization under the laws of this state or of the United States.
- 3 ~~14.11.~~ "Game-related digital content" means digital content that exists only in an electronic
4 game or electronic-game platform.
- 5 a. The term includes:
- 6 (1) Game-play currency such as a virtual wallet, even if denominated in United
7 States currency; and
- 8 (2) The following if for use or redemption only within the game or platform or
9 another electronic game or electronic-game platform:
- 10 (a) Points sometimes referred to as gems, tokens, gold, and similar
11 names; and
- 12 (b) Digital codes; and
- 13 b. The term does not include an item that the issuer:
- 14 (1) Permits to be redeemed for use outside a game or platform for:
- 15 (a) Money; or
- 16 (b) Goods or services that have more than minimal value; or
- 17 (2) Otherwise monetizes for use outside a game or platform.
- 18 ~~15.12.~~ "Gift card" means a record that:
- 19 a. Is usable at:
- 20 (1) A single merchant; or
- 21 (2) A specified group of merchants;
- 22 b. Is prefunded before the record is used; and
- 23 c. Can be used for purchases of goods or services.
- 24 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
25 the owner, property subject to this chapter.
- 26 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
27 also includes a benevolent society, nonprofit health service corporation, and a health
28 maintenance organization.
- 29 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
30 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
31 or redeemed only to obtain goods or services or a discount on goods or services. The

1 term does not include a record that may be redeemed for money or otherwise
2 monetized by the issuer.

3 ~~19-16.~~ "Mineral proceeds" means an obligation:

4 a. To pay resulting from the production and sale of minerals, including net revenue
5 interest, royalties, overriding royalties, production payments, and joint operating
6 agreements; or

7 b. For the acquisition and retention of a mineral lease, including bonuses, delay
8 rentals, shut-in royalties, and minimum royalties.

9 ~~20-17.~~ "Money order" means a payment order for a specified amount of money. The term
10 includes an express money order and a personal money order on which the remitter is
11 the purchaser.

12 ~~21-18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
13 or other political subdivision of a state.

14 ~~22-19.~~ "Net card value" means the original purchase price or original issued value of a stored-
15 value card, plus amounts added to the original price or value, minus amounts used
16 and any service charge, fee, or dormancy charge permitted by law.

17 ~~23-20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
18 administrator by the depository trust clearing corporation or similar custodian of
19 securities providing post-trade clearing and settlement services to financial markets or
20 cannot be delivered because there is no agent to effect transfer. The term includes a
21 worthless security.

22 ~~24-21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
23 subject to this chapter or the person's legal representative when acting on behalf of
24 and in the best interest of the owner. The term includes:

25 a. A depositor, for a deposit;

26 b. A beneficiary, for a trust other than a deposit in trust;

27 c. A creditor, claimant, or payee, for other property; and

28 d. The lawful bearer of a record that may be used to obtain money, a reward, or a
29 thing of value.

30 ~~25-22.~~ "Payroll card" means a record that evidences a payroll-card account that is directly or
31 indirectly established through an employer and to which electronic fund transfers of

1 the consumer's wages, salary, or other employee compensation, such as
2 commissions, are made on a recurring basis, whether the account is operated or
3 managed by the employer, a third-party payroll processor, a depository institution, or
4 any other person.

5 26.23. "Person" means an individual, estate, business association, public corporation,
6 government or governmental subdivision, agency, or instrumentality, or other legal
7 entity.

8 27.24. "Property" means tangible property described in section 47-30.2-08 or a fixed and
9 certain interest in intangible property held, issued, or owed in the course of a holder's
10 business or by a government, governmental subdivision, agency, or instrumentality.

11 a. The term includes:

12 (1) All income from or increments to the property; and

13 (2) Property referred to as or evidenced by:

14 (a) Money, virtual currency, interest, or a dividend, check, draft, deposit,
15 or payroll card;

16 (b) A credit balance, customer's overpayment, stored-value card, security
17 deposit, refund, credit memorandum, unpaid wage, unused ticket for
18 which the issuer has an obligation to provide a refund, mineral
19 proceeds, or unidentified remittance;

20 (c) A security except for:

21 [1] A worthless security; or

22 [2] A security that is subject to a lien, legal hold, or restriction
23 evidenced on the records of the holder or imposed by operation
24 of law, if the lien, legal hold, or restriction restricts the holder's or
25 owner's ability to receive, transfer, sell, or otherwise negotiate
26 the security;

27 (d) A bond, debenture, note, or other evidence of indebtedness;

28 (e) Money deposited to redeem a security, make a distribution, or pay a
29 dividend;

30 (f) An amount due and payable under an annuity contract or insurance
31 policy;

- 1 (g) An amount distributable from a trust or custodial fund established
2 under a plan to provide health, welfare, pension, vacation, severance,
3 retirement, death, stock purchase, profit-sharing, employee-savings,
4 supplemental-unemployment insurance, or a similar benefit;
- 5 (h) Intangible property and any income or increment derived from the
6 intangible property held in a fiduciary capacity for the benefit of
7 another person;
- 8 (i) Mineral proceeds; and
- 9 (j) An in-store credit for returned merchandise.
- 10 b. The term does not include:
- 11 (1) Property held in a plan described in section 529A of the Internal Revenue
12 Code, as amended, [26 U.S.C. 529A];
- 13 (2) Game-related digital content;
- 14 (3) A loyalty card; or
- 15 (4) A gift card.
- 16 ~~28-25.~~ "Putative holder" means a person believed by the administrator to be a holder, until the
17 person pays or delivers to the administrator property subject to this chapter or the
18 administrator or a court makes a final determination that the person is or is not a
19 holder.
- 20 ~~29-26.~~ "Record" has the same meaning as defined in section 44-04-17.1.
- 21 ~~30-27.~~ "Security" means:
- 22 a. A security as defined in section 41-08-02;
- 23 b. A security entitlement as defined in section 41-08-02, including a customer
24 security account held by a registered broker-dealer, to the extent the financial
25 assets held in the security account are not:
- 26 (1) Registered on the books of the issuer in the name of the person for which
27 the broker-dealer holds the assets;
- 28 (2) Payable to the order of the person; or
- 29 (3) Specifically indorsed to the person; or
- 30 c. An equity interest in a business association not included in subdivision a or b.
- 31 ~~34-28.~~ "Sign" means, with present intent to authenticate or adopt a record:

- 1 a. To execute or adopt a tangible symbol; or
- 2 b. To attach to or logically associate with the record an electronic symbol, sound, or
- 3 process.
- 4 ~~32-29.~~ "State" means a state of the United States, the District of Columbia, the
- 5 Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or
- 6 insular possession subject to the jurisdiction of the United States.
- 7 ~~33-30.~~ "Stored-value card" means a card, code, or other device, including a merchandise
- 8 credit or rebate card, which is:
- 9 a. Issued on a prepaid basis primarily for personal, family, or household purposes to
- 10 a consumer in a specified amount, whether or not that amount may be increased
- 11 or reloaded in exchange for payment;
- 12 b. Redeemable upon presentation at multiple unaffiliated merchants for goods or
- 13 services or usable at automated teller machines; and
- 14 c. Not a gift card, payroll card, loyalty card, or game-related digital content.
- 15 ~~34-31.~~ "Utility" means a person that owns or operates for public use a plant, equipment, real
- 16 property, franchise, or license for the following public services:
- 17 a. Transmission of communications or information;
- 18 b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,
- 19 steam, or gas; or
- 20 c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.
- 21 ~~35-32.~~ "Virtual currency" means a digital representation of value used as a medium of
- 22 exchange, unit of account, or store of value, which does not have legal tender status
- 23 recognized by the United States. The term does not include:
- 24 a. The software or protocols governing the transfer of the digital representation of
- 25 value;
- 26 b. Game-related digital content; or
- 27 c. A loyalty card or gift card.
- 28 ~~36-33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
- 29 administrator would exceed the value of the security on the date a report is due under
- 30 this chapter.

1 **SECTION 8. AMENDMENT.** Section 47-30.2-03 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **47-30.2-03. (104) Rulemaking.**

4 The ~~commissioner~~state treasurer may adopt rules to implement and administer this chapter.

5 **SECTION 9. AMENDMENT.** Subdivision j of subsection 1 of section 47-30.2-22 of the North
6 Dakota Century Code is amended and reenacted as follows:

7 j. Contain other information the ~~commissioner~~state treasurer prescribes by rules.

8 **SECTION 10. AMENDMENT.** Subsection 4 of section 47-30.2-23 of the North Dakota
9 Century Code is amended and reenacted as follows:

10 4. The ~~commissioner~~state treasurer may grant an extension of the reporting date for
11 good cause in the event of a national or state emergency.

12 **SECTION 11. AMENDMENT.** Subsection 1 of section 47-30.2-24 of the North Dakota
13 Century Code is amended and reenacted as follows:

14 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten
15 years after the later of the date the report was filed or the last date a timely report was
16 due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~state
17 treasurer.

18 **SECTION 12. AMENDMENT.** Subdivision b of subsection 3 of section 47-30.2-28 of the
19 North Dakota Century Code is amended and reenacted as follows:

20 b. Maintain a website or database accessible by the public and electronically
21 searchable which contains the names reported to the administrator of apparent
22 owners for whom property that meets or exceeds the searchable value as set by
23 the ~~commissioner~~state treasurer is being held by the administrator. Property that
24 does not meet or exceed the searchable value must continue to be held by the
25 administrator but may not appear in the searchable website or database.

26 **SECTION 13. AMENDMENT.** Section 47-30.2-44 of the North Dakota Century Code is
27 amended and reenacted as follows:

28 **47-30.2-44. (801) Deposit of funds by administrator.**

29 1. Except as otherwise provided in this section, the ~~department~~state treasurer shall
30 deposit to the credit of the common schools trust fund all funds received under this

1 chapter, including proceeds from the sale of property under sections 47-30.2-40,
2 47-30.2-41, 47-30.2-42, and 47-30.2-43.

- 3 2. The ~~department~~state treasurer shall maintain an account with an amount of funds the
4 ~~commissioner~~state treasurer reasonably estimates is sufficient to pay claims allowed
5 under this chapter.

6 **SECTION 14. AMENDMENT.** Subsection 2 of section 47-30.2-46 of the North Dakota
7 Century Code is amended and reenacted as follows:

- 8 2. ~~There is appropriated annually the~~The amounts necessary are appropriated to the
9 state treasurer on a continuing basis to pay all expense deductions under this section,
10 including:

- 11 a. Any costs in connection with the sale of abandoned property;
12 b. Costs of mailing, publication, and outreach efforts in connection with any
13 abandoned property;
14 c. Reasonable service charges;
15 d. Costs incurred in examining records of holders of property and in collecting the
16 property from those holders;
17 e. Funds for the payment of claims;
18 f. Funds for the payment of holder refunds; and
19 g. Funds for attorney's fees and all other reasonable costs and expenses incurred in
20 an action or suit.

21 **SECTION 15. AMENDMENT.** Subdivision c of subsection 2 of section 47-30.2-50 of the
22 North Dakota Century Code is amended and reenacted as follows:

- 23 c. The property has a value as provided by rules adopted by the ~~commissioner~~state
24 treasurer.

25 **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is
26 amended and reenacted as follows:

27 **47-30.2-53. (906) Action by person whose claim is denied.**

28 Not later than one hundred eighty days after filing a claim under subsection 1 of section
29 47-30.2-50, the claimant may commence an action against the ~~board~~state treasurer in the
30 Burleigh County district court to establish a claim that has been denied or deemed denied under
31 section 47-30.2-50. If the ~~board~~state treasurer is successful in a proceeding brought under this

1 section, the district court shall allow the ~~board~~ state treasurer to recover court costs; reasonable
2 costs, fees, disbursements, and expenses incurred by the ~~board~~ state treasurer in the
3 proceeding; and reasonable attorney's fees.

4 **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota
5 Century Code is amended and reenacted as follows:

- 6 1. The ~~commissioner~~ state treasurer shall adopt rules governing an examination under
7 section 47-30.2-55, including rules for use of an estimation, extrapolation, and
8 statistical sampling in conducting an examination. An examination commenced after
9 adoption of rules under this subsection must comply with the rules.

10 **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota
11 Century Code is amended and reenacted as follows:

- 12 2. The records subject to subsection 1:
- 13 a. May be used by the ~~board~~ state treasurer in an action to collect property or
14 otherwise enforce this chapter;
 - 15 b. May be used in a joint examination conducted with or pursuant to agreements
16 with other states, the federal government, or other governmental entities;
 - 17 c. May be disclosed at the discretion of the ~~commissioner~~ state treasurer, on
18 request, to the person that administers the unclaimed property law of another
19 state for that state's use in circumstances equivalent to circumstances described
20 in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,
21 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information
22 is disclosed shall maintain the confidentiality and security of information obtained
23 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
24 47-30.2-73;
 - 25 d. May be required to be produced under section 44-04-18.11; and
 - 26 e. May be required to be produced by the administrator on request of the person
27 subject to the examination in an administrative or judicial proceeding relating to
28 the property.

29 **SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is
30 amended and reenacted as follows:

1 **47-30.2-64. (1203) Action involving another state or foreign country.**

- 2 1. The administrator may join another state or foreign country to examine and seek
3 enforcement of this chapter against a putative holder.
- 4 2. The ~~board~~state treasurer may pursue an action on behalf of this state to recover
5 property subject to this chapter but delivered to the custody of another state if the
6 administrator believes the property is subject to the custody of the administrator.
- 7 3. The ~~board~~state treasurer may retain an attorney in this state, another state, or a
8 foreign country to commence an action to recover property on behalf of the ~~board~~state
9 treasurer and may agree to pay attorney's fees based in whole or in part on a fixed
10 fee, hourly fee, or a percentage of the amount or value of property recovered in the
11 action.
- 12 4. Expenses incurred by this state in an action under this section must be paid in
13 accordance with section 47-30.2-46.

14 **SECTION 20. AMENDMENT.** Section 47-30.2-66 of the North Dakota Century Code is
15 amended and reenacted as follows:

16 **47-30.2-66. (1205) Other civil penalties.**

- 17 1. If a holder enters into a contract or other arrangement for the purpose of evading an
18 obligation under this chapter or otherwise willfully fails to perform a duty imposed on
19 the holder under this chapter, the ~~commissioner~~state treasurer may require the holder
20 to pay the administrator, in addition to interest as provided in subsection 1 of section
21 47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is
22 evaded or the duty is not performed, up to a cumulative maximum amount of twenty-
23 five thousand dollars, plus twenty-five percent of the amount or value of property that
24 should have been, but was not reported, paid, or delivered as a result of the evasion
25 or failure to perform.
- 26 2. If a holder makes a fraudulent report under this chapter, the ~~commissioner~~state
27 treasurer may require the holder to pay to the administrator, in addition to interest
28 under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for
29 each day from the date the report was made until corrected, up to a cumulative
30 maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or

1 value of any property that should have been reported, but was not included in the
2 report or was underreported.

3 **SECTION 21. AMENDMENT.** Subsection 4 of section 47-30.2-67 of the North Dakota
4 Century Code is amended and reenacted as follows:

- 5 4. The ~~commissioner~~state treasurer may waive up to twenty-five thousand dollars of the
6 penalty or reduce interest. A request for a waiver or reduction of penalty in excess of
7 twenty-five thousand dollars must be presented to the ~~board, with the commissioner's~~
8 ~~recommendation,~~state treasurer for review and decision.

9 **SECTION 22. AMENDMENT.** Section 47-30.2-75 of the North Dakota Century Code is
10 amended and reenacted as follows:

11 **47-30.2-75. Enforcement - Appeals.**

12 The administrator may bring an action in a court of competent jurisdiction to enforce this
13 chapter. A person in this state aggrieved by an audit that in any form requests the payment of
14 money or a civil penalty is entitled to a hearing before the ~~board~~state treasurer. A demand for a
15 hearing must be made within thirty days of the request by the administrator. The request by the
16 administrator must contain notice of the right to a hearing. The ~~board's~~state treasurer's decision
17 is the final order of the agency and is appealable to the district court. Any amount of money
18 requested by the administrator which may increase over time is tolled at the time of filing an
19 appeal, retroactive to the date of the request.

20 **SECTION 23. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
21 amended and reenacted as follows:

22 **54-11-13. Salary of state treasurer.**

23 The annual salary of the state treasurer is ~~one hundred thirty thousand~~one hundred
24 thirty-nine thousand two hundred fifty-six dollars through June 30, ~~2024~~2026, and ~~one hundred~~
25 ~~thirty-five thousand two hundred~~one hundred forty-three thousand four hundred thirty-four
26 dollars thereafter.

27 **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is
28 amended and reenacted as follows:

1 **54-27-15.1. State treasurer's checks, warrants, and warrant-checks - Cancellation -**
2 **Deposit to common schools trust fund - Subsequent payment - Continuing**
3 **appropriation.**

4 The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,
5 warrants, and warrant-checks drawn on various depositories which are more than two years old
6 which remain outstanding and unpaid and shall show the number, date, payee, with address of
7 payee if available, amount, and fund, if available, against which said instrument was drawn. A
8 copy of such list must then be used as an authority for writing a receipt of the total of such
9 check or checks and shall credit such amount to the common schools trust fund pursuant to
10 chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to
11 the unclaimed property administrator ~~of unclaimed properties~~. In the event such check, warrant,
12 or warrant-check is at any subsequent time presented for payment, or a claim is made by any
13 person for the amount of any such instrument, further proceedings must be conducted in
14 accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and
15 continuing appropriation.

16 **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota
17 Century Code is amended and reenacted as follows:

- 18 6. Upon request, the tax commissioner may furnish to the unclaimed property ~~division of~~
19 ~~the board of university and school lands~~ administrator, a taxpayer's name, address,
20 and federal identification number for identifying the taxpayer as the owner of an
21 unclaimed voucher authorized by the tax commissioner or to locate the apparent
22 owner of unclaimed property as provided under chapter 47-30.2.

23 **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota
24 Century Code is amended and reenacted as follows:

- 25 3. The commissioner may furnish to workforce safety and insurance, the job insurance
26 division of job service North Dakota, and the secretary of state, upon request of the
27 respective agency, a list or lists of holders of permits issued under this chapter or
28 chapter 57-40.2, together with the addresses and tax department file identification
29 numbers of those permitholders. The agency may use the list or lists only for the
30 purpose of administering the duties of the agency. The commissioner may furnish to
31 the unclaimed property ~~division of the board of university and school~~

1 | ~~lands~~administrator, upon its request, the name, address, and the permitholder's
2 | federal identification number for the sole purpose of identifying the owner of an
3 | unclaimed voucher authorized by the commissioner.

4 | **SECTION 27. AMENDMENT.** Subsection 8 of section 57-39.2-23 of the North Dakota
5 | Century Code is amended and reenacted as follows:

6 | 8. Upon request, the commissioner may furnish to the unclaimed property ~~division of the~~
7 | ~~board of university and school~~landsadministrator, a taxpayer's name, address, and
8 | federal identification number for identifying the owner of an unclaimed voucher
9 | authorized by the commissioner or to locate the apparent owner of unclaimed property
10 | as provided under chapter 47-30.2.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
New and vacant FTE pool		54,672	54,672
Operating expenses	265,346	804,258	1,069,604
Coal severance payments	118,000	4,000	122,000
Carbon dioxide pipeline payments		2,000,000	2,000,000
Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
Less estimated income	0	1,711,352	1,711,352
General fund	\$1,988,930	\$2,127,009	\$4,115,939
FTE	7.00	4.00	11.00

Department 120 - State Treasurer - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Adds Funding to Replace 2023-25 FTE Pool ²	Transfers Funding for 2025-27 New and Vacant FTE Pool ³	Transfers Funding Between Line Items ⁴	Transfers FTE Positions from Trust Lands ⁵	Transfers Unclaimed Property Operating Expenses ⁶
Salaries and wages	\$159,675	\$21,090	(\$78,103)	\$14,372	\$858,397	
New and vacant FTE pool			54,672			
Operating expenses				(14,372)		\$687,000
Coal severance payments						
Carbon dioxide pipeline payments						
Total all funds	\$159,675	\$21,090	(\$23,431)	\$0	\$858,397	\$687,000
Less estimated income	55,681	0	(7,726)	0	858,397	687,000
General fund	\$103,994	\$21,090	(\$15,705)	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	4.00	0.00

	Adds Funding for IT Rate Increases ⁷	Adds Funding for Distributions ⁸	Adds One-Time Funding Items ⁹	Total House Changes
Salaries and wages				\$975,431
New and vacant FTE pool				54,672
Operating expenses	\$13,630		\$118,000	804,258
Coal severance payments		\$4,000		4,000
Carbon dioxide pipeline payments		2,000,000		2,000,000
Total all funds	\$13,630	\$2,004,000	\$118,000	\$3,838,361
Less estimated income	0	0	118,000	1,711,352
General fund	\$13,630	\$2,004,000	\$0	\$2,127,009
FTE	0.00	0.00	0.00	4.00

¹ The following funding is added for 2025-27 biennium salary adjustments of 3 percent on July 1, 2025, and 3 percent on July 1, 2026, and increases in health insurance premiums from \$1,643 to \$1,893 per month:

	General Fund	Other Funds	Total
Salary increase	\$61,957	\$31,661	\$93,618
Health insurance increase	42,037	24,020	66,057
Total	\$103,994	\$55,681	\$159,675

² Funding of \$21,090 is added from the general fund to replace 2023-25 biennium new and vacant FTE pool funding for vacant FTE positions.

³ Funding of \$78,103 for estimated savings from vacant FTE positions is removed and funding of \$54,672 is added for a 2025-27 new and vacant FTE pool line item as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Vacant FTE positions	(\$52,351)	(\$25,752)	(\$78,103)
Funding pool line item	<u>36,646</u>	<u>18,026</u>	<u>54,672</u>
Net savings	(\$15,705)	(\$7,726)	(\$23,431)

⁴ Funding of \$14,372 is transferred from the operating expenses line item to the salaries and wages line item for cost to continue 2023-25 salary increases.

⁵ The following unclaimed property FTE positions and related funding are transferred from the Department of Trust Lands to the State Treasurer:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Unclaimed property program manager position	1.00	\$0	\$282,917	\$282,917
Unclaimed property administrative services positions	3.00	<u>0</u>	<u>575,480</u>	<u>575,480</u>
Total	4.00	\$0	\$858,397	\$858,397

⁶ Funding of \$687,000 from special funds for unclaimed property operating expenses is transferred from the Department of Trust Lands to the State Treasurer.

⁷ Funding of \$13,630 from the general fund is added from the general fund for information technology rate increases.

⁸ Funding of \$2,004,000 from the general fund is added for distributions as follows:

- \$4,000 for coal severance shortfall payments to provide total funding of \$122,000.
- \$2,000,000 for carbon dioxide pipeline payments in lieu of taxes pursuant to North Dakota Century Code Section 57-06-17.2.

⁹ One-time funding is added as follows:

- \$110,000 from the strategic investment and improvements fund for information technology projects.
- \$8,000 from special funds for office furniture or equipment related to unclaimed property.

The House version:

- Adds a section regarding the use of funding in the new and vacant FTE pool line item.
- Adds a section identifying \$110,000 from the strategic investment and improvements fund for information technology projects.
- Adds sections to transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
- Adds a section to provide the statutory changes necessary to increase the State Treasurer's annual salary to \$139,256 (3 percent) effective July 1, 2025, and to \$143,434 (3 percent) effective July 1, 2026.

2025 SENATE APPROPRIATIONS

HB 1005

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1005
3/14/2025

BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

10:32 a.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Budget request overview
- Agency overview and management functions
- Office organization
- Audit findings
- Efficiency accomplishments
- Biennium goals
- Budget comparisons: salaries
- Information Technology Development (ITD) requests
- CO2 pipeline and coal taxes
- Secure storage vaults
- Full-time-employee (FTE) request

10:32 a.m. Grant Gader, LC Fiscal Analyst, distributed budget information, testimony #41547 and 41548.

10:33 a.m. Thomas Beadle, ND State Treasurer, testified in favor, responded to committee members' questions, and submitted testimony #41388, #41389, #41390, and #41391.

11:15 a.m. Discussion of the merits of moving the Department of Unclaimed Property into the Office of the State Treasurer focused on initial fiscal costs and similar action in other states.

Additional written testimony:

Nicole Krivoruchka, Director of Finance for the Office of State Treasurer, submitted testimony #41439 in favor.

11:21 a.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk



HB 1005
OFFICE OF THE STATE TREASURER
Senate Appropriations Hearing



March 14, 2025

Chairman Wanzek,

Thank you for the opportunity to present our budget to you today. I look forward to working with you and members of the committee and our office is happy to be of assistance to any of you should any questions arise over the course of this session.

HB 1005 is the Budget for the Office of State Treasurer. My testimony today will begin with a summary of our requested budget items that we included in our decision package as part of the Governor’s budget process, as well as additional items that we want to draw your attention to that have come up as we’ve moved through the legislative session. Following that, I’ll go through the overview of our office and the items requested by Legislative Council at the start of session. Finally, I’ll go over a comparison of our requests and what the House included.

With me today is the Director of Finance for our office, Nicole Krivoruchka. If you have any questions for us today, or as you work through your budget process please don’t hesitate to reach out.

With gratitude,

A handwritten signature in black ink, appearing to read "T. Beadle".

Thomas Beadle
State Treasurer

SUMMARY OF BUDGET REQUESTS

Decision Package requests:

- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our Salary and Benefits line
- **ITD Projects 25-27 Biennium**
 - Adds \$110,000 to support ITD projects for the 25-27 biennium
 - Adds \$7,000 as per OMB's adjustments for ITD programming cost changes
- **CO2 Payment in Lieu of Taxes appropriation**
 - Add \$2 million in General Fund Dollars for disbursement to impacted counties
- **Coal Severance Payment Increase**
 - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted political subdivisions

Additional Legislative Session Requests:

- **ITD Implementation Costs**
 - Add \$185,000 in one-time dollars for ITD Implementation costs for new funds and distributions created by the 69th Assembly.
 - Carryover authority
- **Restore Cost to Continue to Operating Expenses**
 - Add \$14,372 to Operating Expenses line that was removed and transferred to Salaries line in order to allow us to continue the salary dollars we were appropriated last biennium.
- **Delayed Implementation of Unclaimed Property (UP) Transfer**
 - Requests the transfer of UP is delayed until the end of the biennium to allow both parties to properly prepare for a transfer without disrupting any service to the state and to ensure necessary compliance procedures are followed.
- **FTE Request**
 - With the proposed transfer of Unclaimed Property from the Department of Trust Lands to the Office of State Treasurer, we need 1 FTE to manage additional workload. Requesting Director level position that was included in Governor Burgum's budget.

AGENCY OVERVIEW

Article V, Section 2, of the North Dakota Constitution created the Office of State Treasurer and provides that the powers and duties of the state treasurer shall be prescribed by law. Chapter 54-11 of the North Dakota Century Code prescribes the powers, duties, and responsibilities of the state treasurer. The mission of the Office of State Treasurer is *“to fulfill our constitutional and statutory responsibilities, to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government.”*

We have six key management functions within the Office of Treasurer:

- 1. Cash management** – We collect all deposits and payables from state agencies. It is our expertise that manages the daily cash flow within the state operating fund. The forecasting and cash management done by our agency is necessary to ensure the availability of sufficient funds to cover the obligations/payables while optimizing investment opportunities. The millions and billions invested in the immediate short term are where we work diligently, making wise investment decisions ensuring the State is always “making money.”
- 2. Accounting** – The Office of State Treasurer is responsible for paying all warrants (payables) or checks drawn against the state. We manage over a dozen bank accounts which are reconciled daily to ensure enough funds are available to pay all outstanding warrants/payables. We also process void check requests and stop payments. All state funds/deposits received by state agencies are deposited through the Office of State Treasurer for investment into the operating fund account. Our agency reconciles daily in three primary areas: our accounts held with the Bank of North Dakota to the State’s accounting software, PeopleSoft; state agency deposits to PeopleSoft; and Certificate of Deposit (CD) interest income between our records and the bank’s.
- 3. Investments** – Our agency serves as the custodian for all state funds, and we are responsible for the investment of the state’s general and numerous special funds, including state agriculture commodity groups and the Veterans Postwar Trust. As of the February General Fund Revenues report, our investments have brought in over \$144 million so far this biennium.
- 4. Revenue Collection** – The State Treasurer is responsible for the collection of various revenues from political subdivisions. Revenues include, but are not limited to, the Assessed Communications Services Fee, Civil Filing Fees, Criminal Administration Fees, Indigent Defense Administrative Fund, Medical Center Levy, Domestic Violence Prevention Fund, and numerous other district court costs. Of these, a significant number are deposited directly into the general fund while others are deposited into special funds. Due to the nature of these collections, we do not anticipate any significant changes in revenue amounts for the coming biennium.

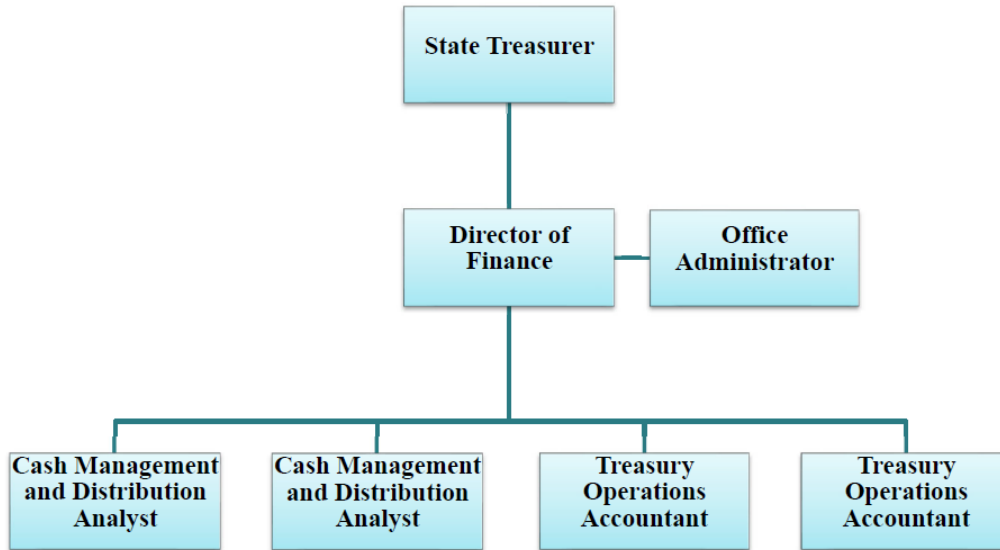
- 5. Tax Distribution** – The State Treasurer oversees disbursing over 30 tax distributions to political subdivisions. The office’s web-based, Tax Distribution and Outstanding Checks (TDOC) system, pulls data from a variety of sources, which streamlines our distributions and ensures greater accuracy, transparency, and efficiency.

Airline	Electric Generation Transmission	Primary Residence Tax Credit
Carbon Dioxide Payment In Lieu of Taxes	Flood Control	Prepaid Wireless E-911 Fee
City Cigarette Tax	Forest Service	Senior Mill Levy
City Motor Vehicle Rental Tax	Highway Tax Distribution Fund	Special Highway
City/County Occupancy Tax	Homestead Tax Credit	Special Township Road
City/County Restaurant/Lodging Tax	Legacy Earnings Highway Distribution Fund	State Aid
City & County Sales Tax	Legacy Earnings Township Highway Aid Fund	Taylor Grazing
Coal Conversion Tax	Medical Center Levy	Telecommunication Carriers
Coal Conversion Shortfall	Mineral Management	Township Road & Bridge Fund
Coal Severance Tax	Motorboat	Tribal Alcohol Tax
Coal Severance Shortfall - Tipple Share Reimbursement	Municipal Infrastructure	Tribal Cigarette Tax
County & Township Infrastructure	New Jobs Program	Tribal Highway Fund
County Aid	Oil and Gas Gross Production Tax	Tribal Sales Tax
Disabled Veterans Homestead Tax Credit	Oil Extraction/Gross Production Tax-Tribal	

- 6. Financial Education** – The Office of State Treasurer is involved in financial literacy efforts for the state, empowered to help promote education and tools for our citizens. Treasurer co-chairs the statewide Financial Literacy Commission as part of this effort. Additionally, the Office of State Treasurer provides analysis, data, and education of various tax distributions and state laws to legislators, employees of other state agencies, officials and employees of local political subdivisions, and the general public.

OFFICE OF STATE TREASURER ORGANIZATIONAL CHART

OFFICE OF STATE TREASURER ORGANIZATIONAL CHART



SALARIES AND WAGES

Our agency consists of seven full time employees, including the Treasurer. Our request going into this session did not include any additional FTEs. With the unclaimed property transfer discussion we need additional resources. The current fiscal staff is made up of two Cash Management and Distribution Analysts, two Treasury Operations Accountants, and a Director of Finance. As a testament to the complexity of the work we perform, all fiscal positions require a minimum of a four-year college degree and varying levels of work experience to be qualified. With the timing and complexity of everything we do in our office, we are very fortunate to have an excellent team that is eager to cross train and work collaboratively with each other.

With the duties required of our office, this level of staffing is vitally important not only to be able to perform these duties, but also to provide the essential checks and balances so that one person is not handling all stages of a process. This is true not only with daily depositing to and reconciling of the state’s checkbook, but also with our revenue distribution processes for all the funds we send out to the political subdivisions.

OPERATING EXPENSES

Our operating expenses consist mainly of amounts paid for data processing and other services provided by ITD. These costs primarily include data processing, desktop support, and telecommunication service charges from ITD. Our office has always been heavily reliant on this technology and improvements over the last few years have allowed for efficient and effective remote work which provides added flexibility to our team and increases efficiency and effectiveness of the whole office.

BOARDS

In addition to the responsibilities of the office, as required by statute or Constitution, the State Treasurer serves on six Boards: State Investment Board, Teachers Fund for Retirement, Board of University and School Lands, State Board of Tax Equalization, State Historical Board, and the State Canvassing Board.

Following an executive order by Governor Burgum, Treasurer Beadle also serves as Co-Chair of the statewide Financial Literacy Commission.

FINANCIAL AUDIT FINDINGS

Our agency performs all our responsibilities with tremendous pride and accuracy, and we have consistently received a “clean” audit since 2009. Our most recent audit was completed in June of 2024 for the biennium ended June of 2023, with no findings. That report can be found at nd.gov/auditor/2023-treasurer-office-state.

AGENCY ACCOMPLISHMENTS

- **Tax Distributions** – Continue to make tweaks to our distribution platforms to account for statutory changes and to improve functionality. Successfully implemented new distributions such as the Legacy Earnings Distribution.
- **“Prairie Dog” Funds** –Successful collection of 304 municipal reports and 45 county reports for dollars distributed during the 21-23 biennium. Unfortunately, despite our best efforts 11 municipalities did not submit reports and will be ineligible from the 23-35 biennium’s distribution of these funds.
- **Process Updates** – Updated office processes to allow for efficient and effective remote work which provides added flexibility to our team and increases efficiency and effectiveness of the whole office.

AGENCY CHALLENGES

- **Turnover and Compensation** – We are a small agency. When we have vacancies, whether they be due to employee time off or due to a departure, it hits our office hard. This past biennium we worked through this challenge, but we’ve had to do so with what feels like one hand behind our back. I’ve attached a compensation analysis study that was put together by HRMS that highlights this challenge for our office.
- **IT Costs** – One of the major challenges we face relates to our day-to-day IT costs. We continue to receive excellent service from ITD, but we want to make you aware that what feels like minor and obvious adjustments to our systems does have a significant impact on our budget.

Throughout session, we will continue to monitor bills that will affect our agency and analyze the potential IT costs which may be associated with implementing a formula change or new distribution.

AGENCY GOALS

- **Enhance TDOC System** – Our Tax Distribution and Outstanding Checks system is robust and powerful, but it always needs tweaking and updating. We hope to continue working with ITD to improve this program to allow for smoother operations and reduce manual data processes.
- **Cash Management Improvements** – This was a major focus of the 23-25 biennium interim period with a large task force being assigned to work on this and RVK being hired as a consultant. We are always looking at ways to update our processes and have begun implementing some improvements to generate returns for the state.
- **Website Upgrades** – Transparency and ease of navigation are important when it comes to government finance, and we recognize that our site needs improvements.
- **Expand Financial Education Initiatives** – The Treasurer continues to partner with BND, DPI and other agencies to promote financial literacy efforts for our citizens.

2025-2027 BUDGET COMPARISON

The Office of the State Treasurer's budget historically consists of two primary components: salaries and information technology fees. The majority of our current biennium costs fall into these categories, and this trend will continue operationally. Our office depends on both our personnel and the technology necessary to support their efficiency and effectiveness. However, for the first time since the 2009 biennium, our budget also includes CO2 PILT payments due to new projects qualifying under statute. As a result, our budget may appear different from previous years.

For the 2025-2027 biennium, our budget includes four key adjustments compared to the 2023-2025 budget. These adjustments were included in our Decision Package request submitted to the Governor's team, and I am grateful they were incorporated into the executive budget. Below is a summary of these changes, along with differences between the Decision Package, executive budget, and House action.

1. **Salary Adjustments:** The Office of Management and Budget (OMB) conducted an analysis of our positions and salaries, prompted by turnover challenges and compensation-related retention risks. Over the past year, our office has experienced a 34.8% turnover rate, significantly higher than the state average of 11%. While this is primarily due to the repeated turnover of one specific position, it highlights a broader concern. Due to our agency's size and constrained budget, we lack flexibility to offer competitive salaries, provide compensation adjustments, or recognize tenured employees.

Historically, our team has demonstrated strong retention due to a collaborative work environment. The HRMS and Gallup engagement survey reports a 4.69 out of 5 engagement mean, ranking our office above 91% of respondents in Gallup's overall database. However,

compensation remains below market standards, and analysis by HRMS indicates that our salaries lag significantly behind the median for other state agencies. Many positions offer lower starting wages than comparable roles in other agencies, despite an average tenure of seven years. This misalignment incentivizes job-hopping, posing a risk to operational stability. To address this, we requested a \$250,000 adjustment to our base funding level for the biennium. The Governor's budget included \$100,000 of this request, while the House removed the funding. We are requesting that these funds be reinstated.

2. **Information Technology (IT) Adjustments:** Our Decision Package includes two IT-related requests:
 - o **\$110,000** for project support throughout the biennium.
 - o **\$13,630** to accommodate cost increases following ITD's updated rate schedule.

These IT requests are included in both the executive budget and the House version.

3. **CO2 PILT Payments:** We have requested **\$2.0 million** from the General Fund for statutorily required payments to counties as compensation in lieu of taxes for CO2 pipelines, in accordance with NDCC 57-06-17.1 and 57-06-17.2. Although this statute has been in place for decades, no project has qualified for 15 years. The estimated allocation is based on projections from the Tax Department, as an additional company is expected to qualify for the exemption. Currently, two counties qualify and will receive distributions in February 2025. Emergency Commission and Budget Section approval was granted to cover a shortfall in December 2024 for the current biennium, and statute allows these projects to qualify for PILT for 10 years, and so we anticipate this line item to be included in the next few biennia as well. This funding is included in both the executive budget and the House version.
4. **Coal Severance Shortfall Payments:** We requested an additional **\$4,000** to increase the Coal Severance Shortfall payment to political subdivisions, bringing the total allocation to **\$122,000**. NDCC 57-62-02(5) requires our office to reimburse coal-producing counties for 30% of coal severance tax funds allocated to non-coal-producing counties. Due to phased statutory changes, this reimbursement amount has been modified. The executive budget and House version both include this funding.

ADDITIONAL REQUESTS BASED ON LEGISLATIVE SESSION

1. **ITD Implementation Costs:** We are tracking numerous bills that impact distributions, investment holdings, and formula adjustments. These changes require staff time and ITD implementation costs. As of now, the estimated ITD cost to implement pending bills moving through this session right now is an additional **\$185,000** to our original budget request. This dollar amount was not presented to the House Appropriations Committee initially to avoid inflating costs and to provide a better representation of bills that have an impact, but we did inform them that we would be bringing numbers forward and would continue to monitor it for your committee.

2. **Restoring Operating Expense Funding:** During the budget submission process, we identified a **\$14,372** shortfall in salaries and benefits, requiring reductions in our Operating Expenses line. We made the following cuts:
- **Travel Budget:** Reduced from **\$15,000** to **\$9,258**
 - **IT Supplies:** Reduced from **\$3,160** to **\$1,000**
 - **Professional Supplies & Materials:** Reduced from **\$4,100** to **\$3,100**
 - **Postage:** Reduced from **\$4,250** to **\$3,780**
 - **Equipment Lease:** Reduced by **\$3,500**
 - **Operating Fees & Services:** Reduced from **\$3,300** to **\$1,800**

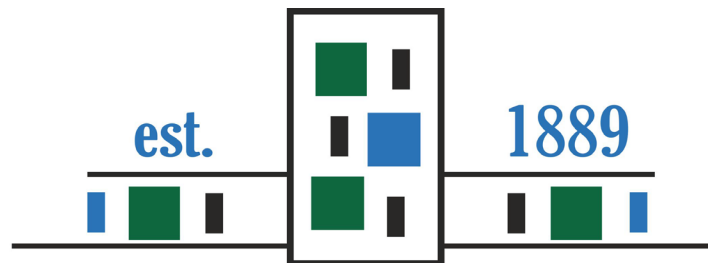
These cuts impact our ability to operate effectively. While Representative Kempenich referenced restoring these funds, the adopted amendment did not reflect this. We request the Senate to restore these funds.

3. **Unclaimed Property Division Transfer:** Governor Burgum's budget recommended transferring the Unclaimed Property (UP) Division from the Land Department to the Office of the State Treasurer as part of a red tape reduction initiative. Governor Armstrong's budget did not include this transfer, but the House Appropriations Committee incorporated it into the current budget.

Upon reviewing logistics with the Land Commissioner and the Unclaimed Property Director, it became clear that the transition is more complex than anticipated. While we initially considered repurposing our current vault space, the secure storage requirements necessitate additional modifications. To ensure a smooth transition, we request a **delayed effective date** for this transfer. The Unclaimed Property program currently involves **14 additional DTL employees** and an average of **100 hours per month**. Our existing team lacks the capacity to absorb these responsibilities without impacting other duties. If the transfer proceeds, we request an additional FTE to facilitate a seamless transition and maintain service levels. Ideally, a **delayed effective date** would allow sufficient time for training and onboarding before the transition begins.

4. **Request for Additional Full-Time Employee (FTE):** Governor Burgum's budget originally included **two FTEs** and **\$1.1 million** for software and operational costs related to Cash Management study recommendations. While we are no longer requesting two FTEs, we recognize the need for one additional FTE at a **Deputy level** to manage the Unclaimed Property transition, support financial operations, and enhance transparency and communication from our office. In addition to salary dollars, we will need \$10,035 in one-time operating expenses for this employee and \$4,047 to cover 12 months of operating expenses.

We appreciate your consideration of these requests and look forward to working together to ensure the continued efficiency and effectiveness of the Office of the State Treasurer.



OFFICE OF STATE

TREASURER

NORTH DAKOTA

Thomas Beadle
State Treasurer

Agenda



- Summary of primary budget requests
- Additional session requests
- Agency Overview
- Comparison to House action

Budget Request Summary

Decision Package Requests



- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our Salary line to fairly compensate employees
- **ITD Projects 25-27 Biennium**
 - Adds \$110,000 to support ITD projects for the 25-27 biennium
 - Adds \$7,000 as per OMB's adjustments for the ITD programming cost changes
- **CO2 Payment in Lieu of Taxes appropriation**
 - Add \$2 million in General Fund Dollars for disbursement to impacted counties
- **Coal Severance Payment Increase**
 - Adds \$4,000 in additional General Fund Dollars for disbursement to impacted counties

Additional Requests



- **ITD Implementation Costs for new distributions**
 - Add an additional \$185,000 in one-time funds to implement changes as passed by this assembly.
 - Carryover authority
- **Cost to Continue**
 - Add \$14,372 to Operating Expenses line that was removed and transferred to Salaries line in order to allow us to continue salaries appropriated in the 23-25 biennium
- **Delayed Implementation of Unclaimed Property Transfer**
 - Delay transfer from DTL until the end of the 25-27 biennium
- **FTE Request**
 - Need additional staff hours for proposed transfer of UP and for Cash Management and Transparency goals

Agency Overview

Agency Overview



Article V, Section 2, of the North Dakota Constitution created the Office of State Treasurer and provides that the powers and duties of the state treasurer shall be prescribed by law. Chapter 54-11 of the North Dakota Century Code prescribes the powers, duties, and responsibilities of the state treasurer.

The Office of State Treasurer (OST) serves as custodian of all state funds, managing cash flow, investments, and timely tax distributions to over 500 political subdivisions.

Our mission is *“to fulfill our constitutional and statutory responsibilities, to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government.”*

Agency Duties



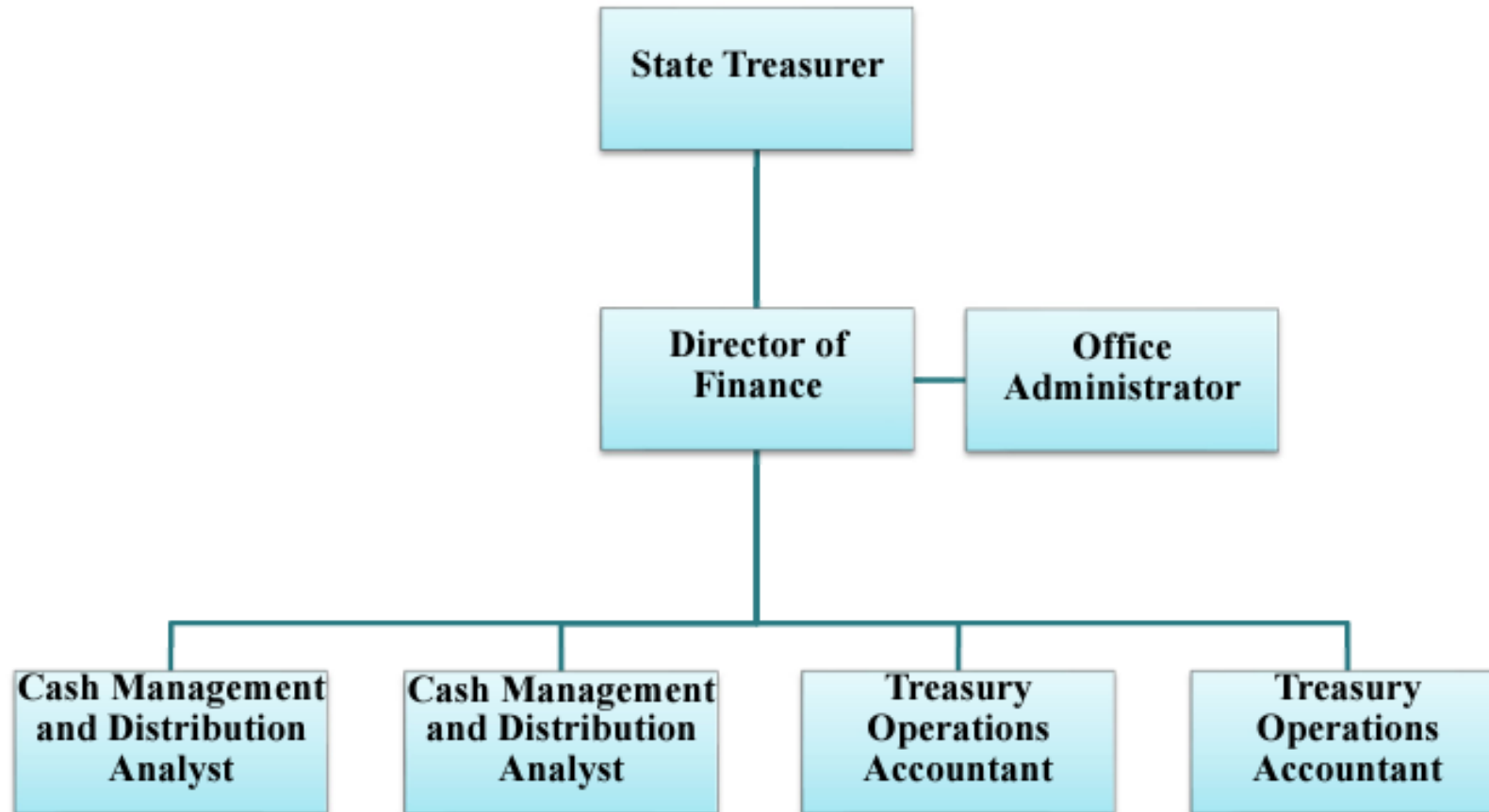
- Cash Management
 - Work with agencies to gather information regarding collection, disbursement and balances
 - Heavy involvement in statewide Cash Management study that looks to improve this process
- Accounting
 - Paying all warrants or checks drawn against the state
 - Manage deposits and reconcile bank balances daily
- Investments
 - Responsible for the investment of the State's general and special funds
 - Invested through CD's with the Bank of North Dakota, as well as various banks and credit unions across the state

Agency Duties



- Revenue Collections
 - Receive and reconcile revenue received from political subdivisions
- Tax Distribution
 - Manage over 30 regularly occurring distributions to political subdivisions on monthly, quarterly and annual basis
- Financial Literacy
 - Collaborates with agencies on statewide Financial Literacy initiatives
 - Provides analysis, data and education of various tax distributions and state laws to legislators, agencies and stakeholders.

Office Organization



Treasurer Boards



In addition to the responsibilities of the office, as required by statute or Constitution, the State Treasurer serves on six Boards: State Investment Board, Teachers Fund for Retirement, Board of University and School Lands, State Board of Tax Equalization, State Historical Board, and the State Canvassing Board.

Following an executive order by Governor Burgum, Treasurer Beadle also serves as Co-Chair of the statewide Financial Literacy Commission.

Treasurer Beadle also currently serves as President for the National Association of State Treasurers for 2025.

Audit Findings



- The biennial audit for the period ending June 30, 2023, found no errors, internal control weaknesses, or potential violations of law.
- That report can be found at nd.gov/auditor/2023-treasurer-office-state

Accomplishments and Goals



Accomplishments:

- Distributed over \$1.5 billion to political subdivisions in 2024.
- Implemented changes that saved 424 hours through internal process adjustments

Challenges:

- **Turnover and Compensation** – small agency that is hit hard by vacancies.
- **IT Costs** – always a challenge, difficult to keep up with needs

Accomplishments and Goals



Goals for 2025-27:

- Enhance the TDOC (Tax Distribution Outstanding Check) system for smoother operations and reduce manual data processes
- Cash Management Improvements
- Website upgrades
- Expand financial education initiatives

25-27 Biennium Budget Requests and Comparison

Budget Comparison

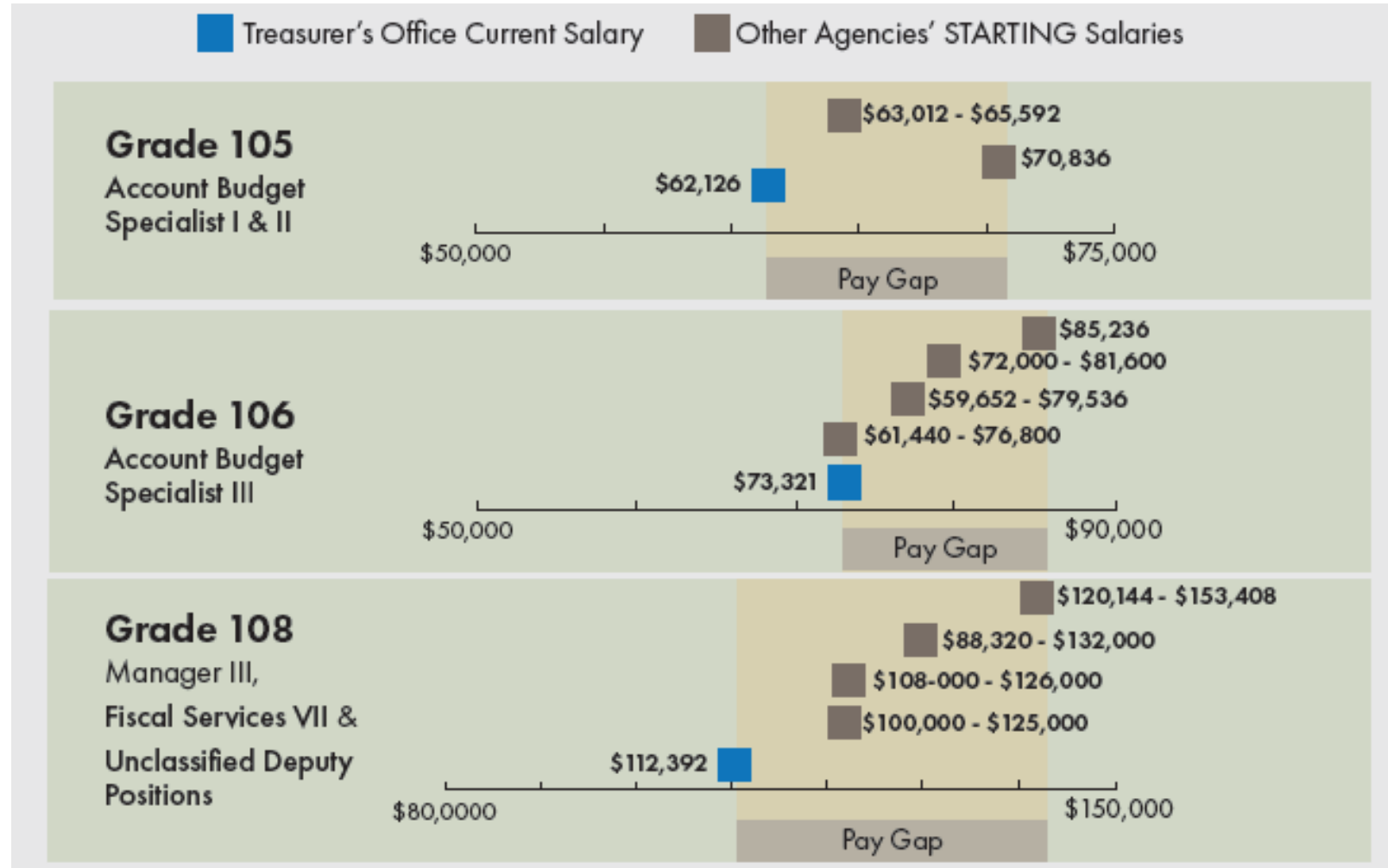


Changes from 23-25 Budget

- **Salary Compensation Analysis Recommendation**
 - Add \$250,000 to our salary and benefit line for base pay increases

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$250,000	\$100,000	\$100,000	-

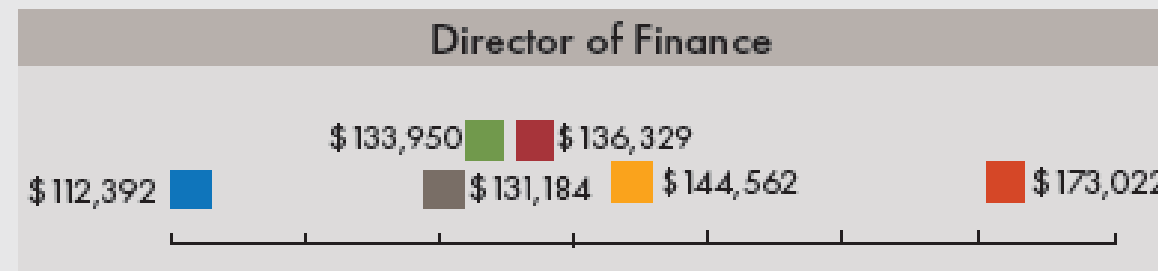
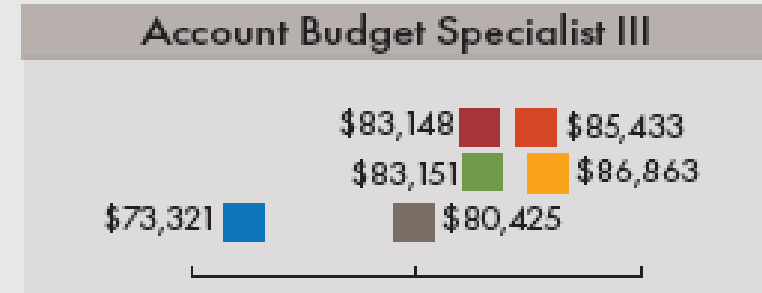
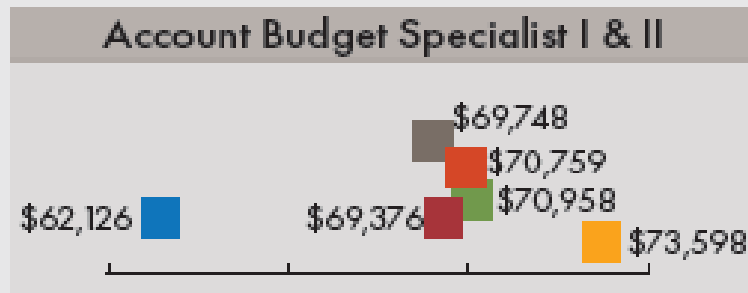
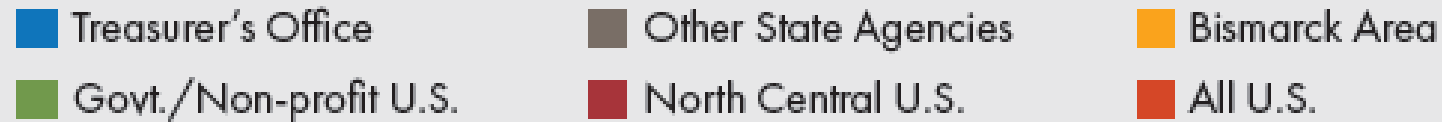
Budget Comparison



Budget Comparison

NATIONAL & REGIONAL SALARY COMPARISON

The following charts show a comparison between various national and regional data using the mean salary for each.

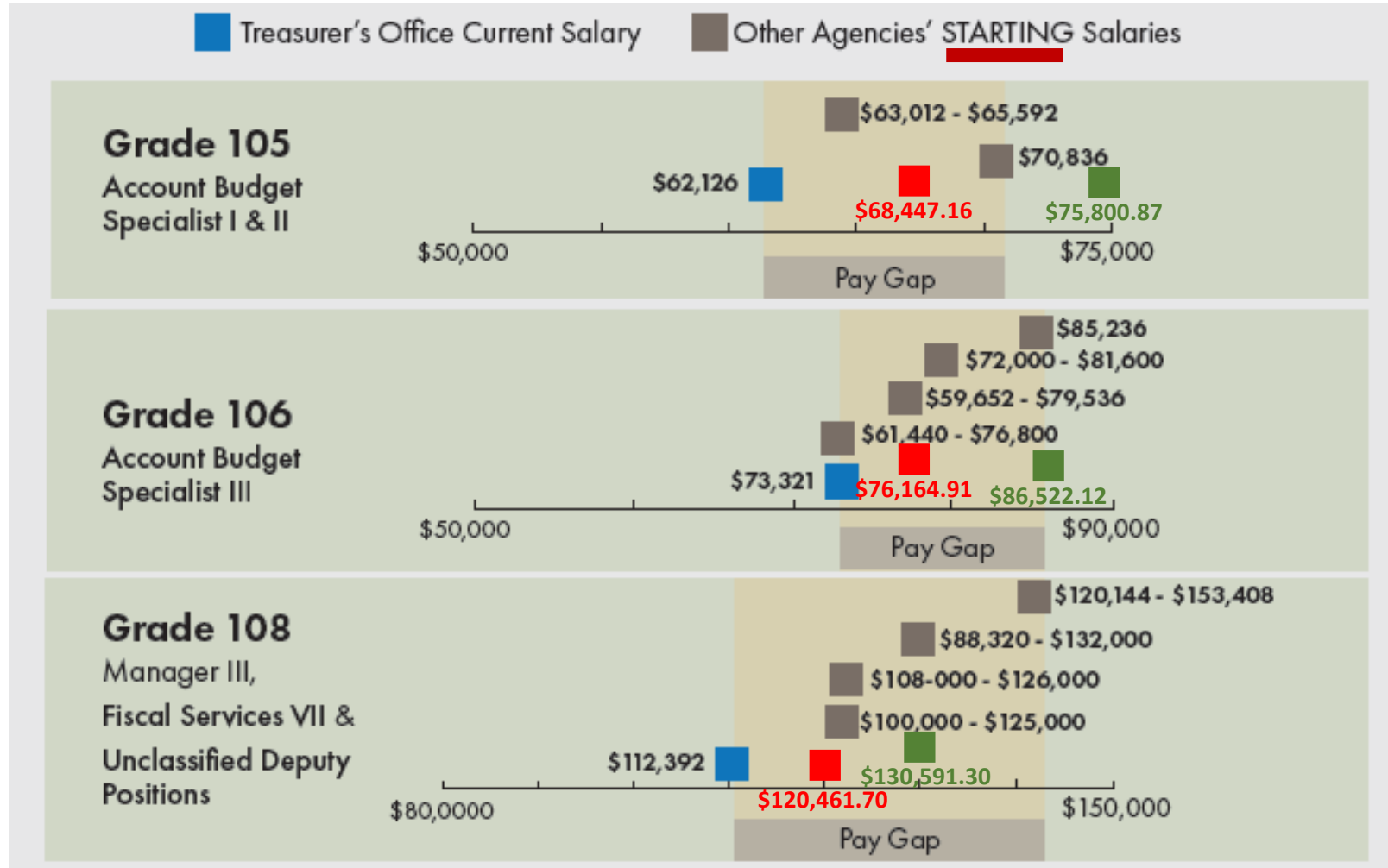


North Central U.S.: IA, ND, WY, IL, IN, MI, OH, WI, MN, MT, NE, MO, SD, KY, and KS. Sources: Gallagher, Economic Research Institute, Mercer

Budget Comparison

■ With \$100k in Equity Funding

■ With \$250k in Equity Funding



Budget Comparison



Changes from 23-25 Budget

- **ITD Project Costs**

- Add \$110,000 to support ITD projects for the 25-27 biennium
- Adds \$13,630 to reflect adjustments in ITD's rate schedule

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$110,000	\$110,000	\$110,000	\$110,000
\$7,000	\$13,630	\$13,630	\$13,630

Budget Comparison



Changes from 23-25 Budget

- **Payment in Lieu of Taxes**
 - Add \$2,000,000 of General Fund dollars for the biennium

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000

Budget Comparison



Changes from 23-25 Budget

- **Coal Severance Payment Increase**
 - Add \$4,000 of General Fund dollars for the biennium

OST Request	Burgum Budget	Armstrong Budget	House Appropriations
\$4,000	\$4,000	\$4,000	\$4,000

Additional Requests

Budget Comparison



Additional Requests

- **ITD Implementation Costs**
 - Add \$185,000 in one-time funding to cover ITD Costs to implement

Budget Comparison



Additional Requests

- **Restore Cost to Continue to Operating Expenses**
 - Add \$14,372 to ongoing Operating Expenses line for the 25-27 biennium

Budget Comparison



Additional Requests

- **Delayed Implementation of Unclaimed Property Transfer**
 - Request transfer not occur until the end of the 25-27 biennium

	OST Request	Burgum Budget	Armstrong Budget	House Appropriations
FTEs	0	4	0	4
Salaries/Benefits	0	\$858,397	0	\$858,397
Operating Expenses	0	\$687,000	0	\$687,000
Remodel	0	\$50,000	0	0

Budget Comparison



Additional Requests

- **FTE Request**
 - Add 1 FTE to handle additional workload
 - Deputy/Director Level
 - Cash Management, Unclaimed Property, Communication
 - Needs for 1 FTE
 - Add \$10,035 in one-time operating expenses
 - Add \$4,047 for 12 months of ongoing operating expenses (half of biennium)

Questions?



Thomas Beadle, State Treasurer – tbeadle@nd.gov
Nicole Krivoruchka, Director of Finance – nkrivoruchka@nd.gov

Office of the State Treasurer
State Capitol Building, Third Floor
600 E Boulevard Avenue, Dept 120
Bismarck, ND 58505-0600

treasurer@nd.gov | 701-328-2643



COMPENSATION ANALYSIS

ABOUT

The small seven-person Office of the State Treasurer staff is committed to maintaining the highest standards of financial oversight and transparency of public funds. We serve North Dakota state agencies, cities, counties, school districts and citizens.

Our team includes an office administrator and fiscal and accounting staff members, as well as the State Treasurer, who all play a crucial role in achieving our mission. These positions demand a high level of professional experience and a strong educational background in fiscal and accounting disciplines.

COMPENSATION CHALLENGE

Our current compensation structure significantly lags behind both other state agencies and the private sector for these roles. This disparity poses a serious challenge in:

- recruiting new talent.
- retaining our dedicated and highly skilled staff.

To ensure we continue to fulfill our mission effectively, it is imperative that we address this compensation gap.

ADDRESSING THE GAP

By providing fair and competitive salaries, we can attract and retain the talent necessary to perform specialized accounting and fiscal duties, think critically, and analyze complex data. Based on market analysis, \$250,000 is needed to address the gap in order to:

Retain experienced staff.

Ensure equity across Team ND.

Attract a high level of quality professionals.

Allow for workload & responsibility increases.

STAFF FACTS



83%

of classified staff have 5+ years of service with the state



7 YEARS

of average tenure with the state with current classified staff



34.8%

turnover rate to date for 2024

Compared to 11.0% average for Team ND

MOST CHALLENGING POSITIONS TO FILL & RETAIN:

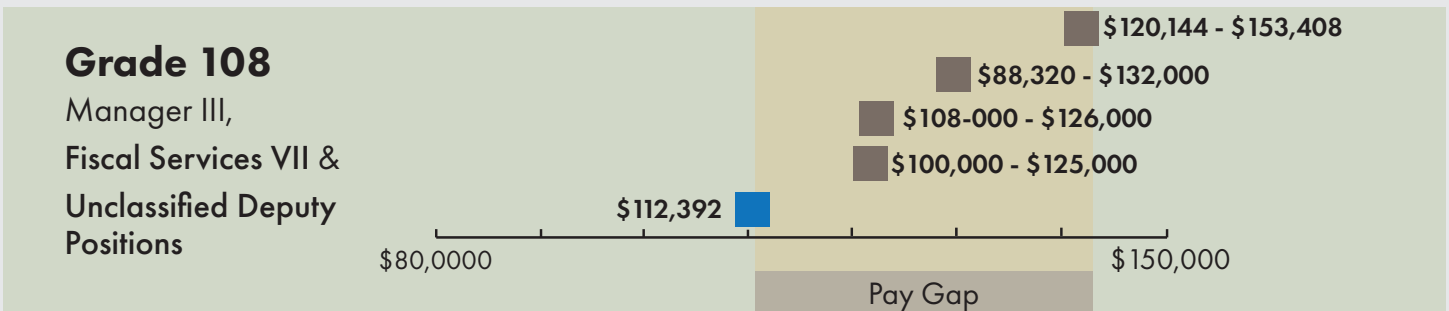
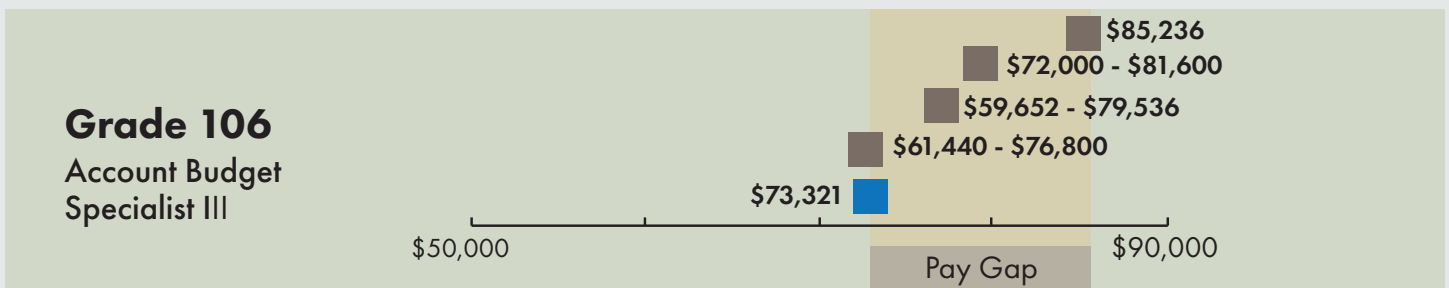
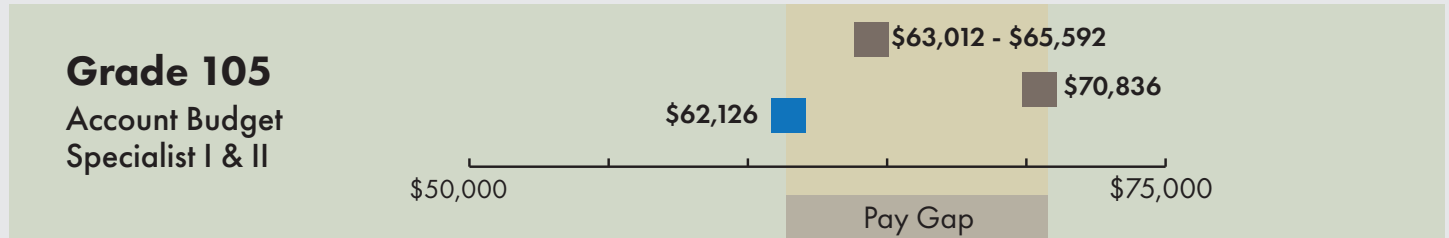
Accounting & Fiscal Positions within the Agency

COMPENSATION ANALYSIS

SALARY COMPARISON VS OTHER STATE AGENCIES

The following charts show a comparison between the current salaries of our current team members vs the STARTING salaries of comparable positions at other state agencies. New hires at other agencies are being offered higher salaries compared to our current staff, who possess more experience and longer tenure.

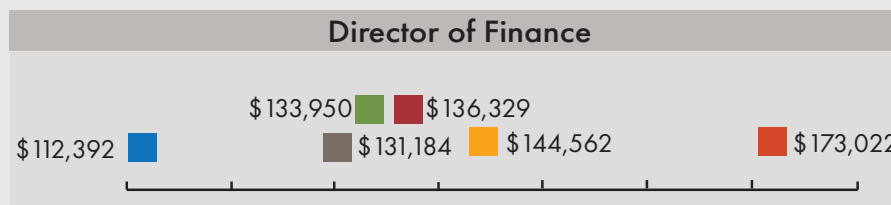
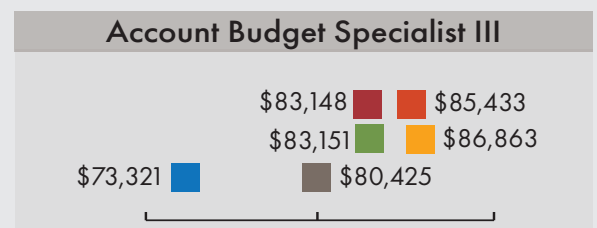
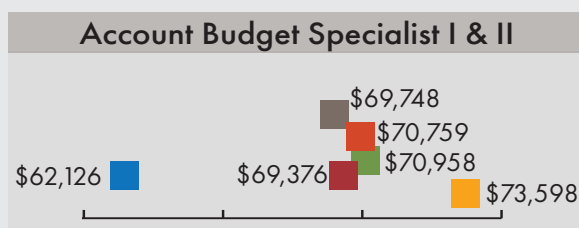
■ Treasurer's Office Current Salary ■ Other Agencies' STARTING Salaries



NATIONAL & REGIONAL SALARY COMPARISON

The following charts show a comparison between various national and regional data using the mean salary for each.

■ Treasurer's Office ■ Other State Agencies ■ Bismarck Area
 ■ Govt./Non-profit U.S. ■ North Central U.S. ■ All U.S.



OFFICE OF STATE TREASURER

WHO WE ARE

07

Full-time Team Members

WHAT WE'RE ABOUT

Mission: To fulfill our constitutional and statutory responsibilities to assure sound financial oversight and transparency of all public funds, and to promote prudent practices in government

Values: Accuracy, efficiency, and transparency

WHO WE SERVE

State Agencies



Assist financial professionals from other state agencies with many functions including daily cash deposits, transfers, and check and ach payments.

Political Subdivisions



Distribute funds to counties, cities, townships and school districts in the state monthly. Provide support for audits and various inquiries.

General Public



Provide analysis, data, and explanations of various tax distributions and other State Treasurer duties to the public

State Legislators



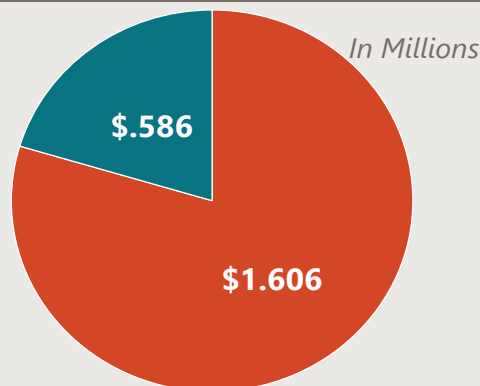
Monitor and assist state legislature to ensure proposed legislation is feasible and will accomplish its intended results

HOW WE DO IT

2023-2025 Biennium Total Agency Budget: \$2,191,754.83

- General: \$2,191,754.83
- Special: \$0.00
- Federal: \$0.00

- Salary
- Operating



OFFICE OF STATE TREASURER

WHAT WE'RE PROUD OF

Efficiency & Accuracy

As workload has grown, we have harnessed technology and continually increase efficiency within our process allowing us to remain at the same FTE level as in 2007. We perform our duties & responsibilities with tremendous accuracy.

Small Staff-Large Impact

Hard working, growth mindset, and cross trained team members have created a hub for helping other agencies with financial tasks, assisting political subdivisions in a timely manner, and supporting each other in events of unplanned & planned absences

Implementation of Change

Team members are willing and encouraging of change. Consistent review of internal policies, procedures, and adapting to agency needs to promote efficiencies. Seamlessly operating in a hybrid work environment.

"Operation
Prairie Dog"
distribution to

360

political
subdivisions in
'23

Distributed
over

\$1.5B

to political
subs in '24

Administer &
maintain

30+

types of
distributions

Collected
over

\$23 M

in revenues
in '24

424

hours saved
by adjusting
internal
processes

WHAT WE DO



Cash Management

Systematic gathering of state collection, disbursement, and fund balance information to manage state's cash flow



Revenue Collection

Collect various revenues from political subdivisions including several court filing fees and other assessed service fees



Investments

Responsible for investment of the state's general and special funds. Also maintain several trust and ag commodity funds.



Revenue Distributions

Disburse & maintain over 30 distributions to political subdivisions in North Dakota including Oil & Gas, Highway & State Aid



Accounting

Daily reconciliation of state's bank accounts to PeopleSoft ensuring accuracy and accountability of all cash transactions

HOW WE MEASURE SUCCESS

Customer Service

We want everyone that interacts with our office to find they answers they are searching. Whether that answer comes from our agency or somewhere else in state government, we take pride in getting them a proper response

Timeliness of Actions

Ability of staff to perform effectively and efficiently in all aspects of the Office's job duties no matter the task assigned. Political subdivisions rely on us to distribute funds to them on a regular and consistent basis.

Staff Retention

An excellent team is the backbone of the Office. Between 6 team members, there is nearly 47 years of combined experience with our office. A wealth of knowledge exists that is shared throughout the state and supports all of Team ND.

Accuracy

The agency has had no formal recommendations for the last 10 years. This shows the teams detail to attention, keen record keeping, and accuracy. We continuously review processes to ensure we perform duties as accurate as possible.

March 13, 2025

SENATE APPROPRIATIONS- GOVERNMENT OPERATIONS DIVISION

RED RIVER ROOM-69TH LEGISLATIVE SESSION

Chairman Wanzek and members of the committee,

My name is Nicole Krivoruchka. As Thomas has mentioned, I'm the current Director of Finance for the Office of State Treasurer. I stand before you today to provide additional support for the number one request of our office this 69th legislative session- equity salary dollars for our team. I hope you take some time to review the one pager that gives some great details to support what our phenomenal team accomplishes, and the data compiled in conjunction with HRMS to show where the Office of State Treasurer stands in relation to other state agencies' **starting** salaries. I would like to take a moment to thank HRMS and communications staff at OMB with their role in assisting Thomas and I with this very important budget request.

The Office of State Treasurer team finds value in the work we accomplish and have created an office culture that I believe is the corner stone that has led to the tenure of our team. As you heard, our engagement percentage from the 2024 Gallup engagement survey was 93.8% and is amongst the highest in all the state agencies. However, per the Total Rewards Survey completed by HRMS & Gallup in August 2024, the one aspect that our employees' felt our Office could improve upon was fair compensation.

If you listened to our past budget hearings on the House side, Treasurer Beadle used an adjective in which I think encompasses our office in the most perfect way: altruistic.

Altruistic as defined by 'Al' is having or showing concern for the well-being of others, without expecting anything in return". This may seem contradictory, as I stand before you with a request for equity dollars, but once I'm done speaking, I hope you'll see differently.

Our team is built of hard-working employees that choose to support each other and the team of ND whole heartedly every day. Being an operations team currently compiled of six driven women (sorry Thomas) maintaining a life work balance, there are many unplanned sick days caring for family members and planned use of earned leave. Our experienced staff happily steps up to cover all tasks with whatever life throws at our office. The Office of State Treasurer serves every agency so if a team member utilizes earned leave, another employee needs to cover those duties **every single day**. Our office does not have the option to not perform our daily tasks as that would mean state agencies are unable to receive checks, deposit funds, and missed investment opportunities for the state's general fund.

As noted by Treasurer Beadle, turnover and extended leave have a huge impact on our operations. During FY23 and FY24, we noticed how lucky we were to have a team of 6 knowledgeable staff and a very hands-on Treasurer. I would like to acknowledge Treasurer Beadle who is always willing to assist and support his team from administrative tasks of sorting checks to testing manuals created for the Director of Finance position so that I could enjoy partial maternity leave. In fall of 2022 the Director of Finance, Ryan Skor, decided to pursue a new opportunity. We were cheering him on in his new pursuit, while trying to find a balance with now having a shift in duties and an FTE to fill. The Office of State Treasurer struggles to keep staff in the cash management and distribution analyst position that was vacated as I stepped into the role of Director of Finance. During the fall of 2023, as noted, I welcomed a new baby girl. The team at the Treasurer's Office during that time consisted of a new hire that had been with the agency for 10 months, a director of finance with less than a years' experience in that role, and 4 of the best team members in the State (we may be biased) and the Treasurer himself. During the fall of 2024, our longest tenured employee welcomed another baby. The staff at the Treasurer's Office during that time consisted of yet another new hire with roughly one month on the job, a director of finance brushing up on two years of experience, and 3 experienced team members excluding the individual on maternity leave, and the Treasurer.

During the maternity leaves and staff turnover from 2022 thru 2024, our agency fulfilled all daily duties, continued accurate and timely distributions monthly totaling millions of dollars, managed investments of over 20 funds on behalf of agencies and completed all monthly revenue collections and reports. We continued to perform annual the 40 ACFR closing packages for 40 different funds, provided audit support to all state agencies, and keep in line with federal renewals and applications. In addition to what we consider “routine”, we assisted an agency in divesting from the state, implemented 2023 legislative session changes including the creation of two new distributions reaching over 350 political subdivisions, collected municipal and county township infrastructure fund reports from over 300 political subdivisions, and reviewed and streamlined internal procedures. We worked hard to provide service that was timely, accurate and efficient. I’m sure we did more, but I feel this gets the point across. I can bet, no one we serve noticed a change in pace and received the same great service and commitment from our team. From what I heard walking the hallways and from comrades in other agencies-they have no idea how we did it with a new hire and individuals on maternity leave. I think that speaks volumes to how we truly lift each other up when we know we all need it the most. Each team member stepped up when asked and not once inquired how the Office was going compensate for additional duties. I know we could not have fulfilled our obligations in the manner that we did if it wasn’t for the altruistic team members of the Office of State Treasurer.

As you know, every two years our days change with the addition of welcoming back the hustle and bustle of legislative session. Our office needs to be mindful of a lot of varying activity within the state, in which we review every bill introduced and ultimately end up having to monitor several bills during legislative session. We started session keeping an eye on over 100 bills and are now down to over 50 bills that may have an impact on our office. During review of all bills introduced, a few things seemed to jump out at me that I would like to share.

- 1) It seems that a consistent theme is “to invest in North Dakota” whether that is by keeping legacy funds invested in ND based companies, reducing property taxes for the great residents of our state, or tax cuts to incentivize growth in North Dakota, etc. Don’t get me wrong, all are fantastic, but why not invest in our state employees? Where would Team ND be without our valuable team members?
- 2) For the years of experience in our office, there is no reason they don’t look elsewhere for a higher paying job. All our team members have over 10 years of experience in their

professional field. Eventually the office culture isn't going to be enough to keep our tenured employees. I am thankful every day when I walk into our office and get to work with these individuals, and I dread the day when they tell me they have found something to better suit their financial needs.

- 3) When we speak of our office and our workload, the suggestion is always to add an FTE. This doesn't seem to align with the goal of having other agencies streamline and reduce their FTEs or with the goals of the 68th legislative session and the creation of the FTE pool. Wouldn't it be a better use of state dollar to increase the salaries of the current team members? This would reduce the cost of additional benefits associated with a new FTE. And as we have shown, the salary we can currently offer the unfilled position does not allow us to compete and with a new FTE, I could never hire at a higher salary than what my current equal team members receive for a position of that equivalent.
- 4) In review of a bill that introduced a new program, there was a fiscal note attached in which I saw they requested dollars for a new FTE to implement such program. Why is that important? Well, the salaries and benefits requested for that **one FTE** are **higher** than what was included in Governor Burgum's Budget and Governor's Armstrong's Budget for our **whole team of six** for \$100,000 in equity dollars. This FTE was also requested by one of the largest agencies in the state. From what I gathered from the bill and testimony, the program was no more complicated than half of the distributions that are being created this legislative session to be paid from our office.

Our team is always grateful for the salary dollars we have received and any legislative approved raises. The Office of State Treasurer has kept a very lean budget for decades and feel this is a necessary time to request salary dollars to properly compensate our tenured employees. As leadership and the office has seen a lot of change in recent years, we are now focusing on empowering our current team members and working to ensure a continuation of the legacy within the Office of State Treasurer built on hard work, dedication, and supporting successful Team ND as a whole.

Thank you for your time and that will conclude my testimony, and I will stand for any questions.

3-14-25 Grant Godee



State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	Armstrong Executive Budget				House Version				House Compared to Executive Budget			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957		\$61,957		\$61,957	\$31,661	\$93,618			\$31,661	\$31,661
Health insurance increase		42,037		42,037		42,037	24,020	66,057			24,020	24,020
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool				0		(15,705)	(7,726)	(23,431)		(\$15,705)	(7,726)	(23,431)
Salary equity funding		100,000		100,000				0		(100,000)		(100,000)
Transfers \$14,372 from operating to salaries - Base				0				0				0
FTE unclaimed property positions				0	4.00		858,397	858,397	4.00		858,397	858,397
Unclaimed property operating expenses				0			687,000	687,000			687,000	687,000
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		2,000,000		2,000,000				0
Total ongoing funding changes	0.00	\$2,242,714	\$0	\$2,242,714	4.00	\$2,127,009	\$1,593,352	\$3,720,361	4.00	(\$115,705)	\$1,593,352	\$1,477,647
One-Time Funding Items												
Information technology projects - SIIF		\$110,000		\$110,000			\$110,000	\$110,000		(\$110,000)	\$110,000	\$0
Office furniture or equipment				0			8,000	8,000			8,000	8,000
Total one-time funding changes	0.00	\$110,000	\$0	\$110,000	0.00	\$0	\$118,000	\$118,000	0.00	(\$110,000)	\$118,000	\$8,000
Total Changes to Base Level Funding	0.00	\$2,352,714	\$0	\$2,352,714	4.00	\$2,127,009	\$1,711,352	\$3,838,361	4.00	(\$225,705)	\$1,711,352	\$1,485,647
2025-27 Total Funding	7.00	\$4,341,644	\$0	\$4,341,644	11.00	\$4,115,939	\$1,711,352	\$5,827,291	4.00	(\$225,705)	\$1,711,352	\$1,485,647
<i>Federal funds included in other funds</i>			\$0				\$0				\$0	
<i>Total ongoing changes - Percentage of base level</i>	0.0%	112.8%	N/A	112.8%	57.1%	106.9%	N/A	187.1%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	0.0%	118.3%	N/A	118.3%	57.1%	106.9%	N/A	193.0%	N/A	N/A	N/A	N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	Armstrong Executive Budget	House Version
New and vacant FTE pool line item		Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Strategic investment and improvements fund (SIIF)		Section 4 identifies \$110,000 from SIIF for information technology projects.
Transfer of unclaimed property administration		Sections 5 through 22 and 24 through 27 transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.
Salary of State Treasurer		Section 23 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.

HB 1005
3-14-25 Grant Goder



North Dakota Legislative Council

Prepared for the Senate Appropriations Committee
March 11, 2025

MAJOR RELATED LEGISLATION AFFECTING THE STATE TREASURER AS OF CROSSOVER

This memorandum provides information on major related legislation affecting the State Treasurer as of Crossover:

House Bill No. 1183 - This bill requires the state treasurer to invest at least 1 percent of all funds in the state treasury in gold and silver.

House Bill No. 1278 - This bill creates a cash management board to review and develop policies for the management of moneys in the state treasury and requires the Bank to provide staff services for the board.

Senate Bill No. 2323 - This bill provides a continuing appropriation to the State Treasurer from a newly created energy impact grant fund to provide grants to hub cities for debt repayments related to debt incurred to address impacts from oil and gas development.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1005
3/19/2025

BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

8:44 a.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Removal of four positions
- Century Code and statutory language
- CO2 pipeline property tax exemption/in-lieu-of payments
- Effects upon local political subdivisions
- Salary/equity payments
- Unclaimed property division

8:46 a.m. Adam Mathiak, Senior Fiscal Analyst, LC, supplied budget information and referenced previous testimony #41547 from (3/14/25 at 10:30 am.).

8:58 a.m. Senator Bekkedahl addressed an agency request.

9:00 a.m. Adam Mathiak, Senior Fiscal Analyst, LC, supplied budget information and answered committee questions.

9:04 a.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1005
3/19/2025

BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

3:40 p.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- Potential transfer of Unclaimed Property Department
- CO2 pipeline tax credit payments
- Equity dollars funding request

3:40 p.m. Thomas Beadle, ND State Treasurer, testified in favor, answered committee questions, and referenced testimony #41388 and 41389 from (3/14/25 at 10:30 a.m.).

3:59 p.m. Chairman Wanzek closed the hearing.

Carol Thompson, Committee Clerk

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Red River Room, State Capitol

HB 1005
3/24/2025

BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer; relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

3: 29 p.m. Chairman Wanzek opened the hearing.

Members present: Chairman Wanzek, Vice-Chair Dwyer, Senator Burckhard, Senator Erbele, and Senator Sickler.

Discussion Topics:

- General funds agency; no funds or fees retained for operating expenses
- Unclaimed Property Division merger
- Equity / staff retention
- Lack of equal pay for equal responsibilities and rank across state agencies
- IT development - software
- Efficiencies gained with technology
- Oil and gas distributions

3:29 p.m. Adam Mathiak, LC Senior Fiscal Analyst, supplied budget information and submitted testimony #43701.

3:33 p.m. Thomas Beadle, ND Treasurer, testified in favor, responded to many committee questions, and referenced testimony #41389, submitted on 3/19/2025 at 10:33 on 3/6/2025.

4:09 p.m. Nicole Krivoruchka, Director of Finance, ND Office of State Treasurer, answered committee questions.

4:18 p.m. Adam Mathiak supplied budget information.

4:20 p.m. Senator Dwyer moved to add back 185,000 for IT projects into the Amendments and take it from the State Investment and Improvement Fund (SIIF).

4:20 p.m. Senator Sickler seconded the motion.

Voice vote - Motion Passed

4:21 p.m. Senator Dwyer moved all the previously discussed amendments to HB 1005, a document 16 pages in length which, due to technical difficulties, was not delivered into the committee's hands until the following day, available now as delayed testimony #44188 and #44190.

4:21 p.m. Senator Sickler seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jonathan Sickler	Y

Motion passed 5-0-0.

4:23 p.m. Senator Erbele moved a Do Pass as Amended for HB 1005.

4:23 p.m. Senator Dwyer seconded the motion.

Senators	Vote
Senator Terry M. Wanzek	Y
Senator Randy A. Burckhard	Y
Senator Michael Dwyer	Y
Senator Robert Erbele	Y
Senator Jonathan Sickler	Y

Motion passed 5-0-0.

Senator Burckhard will carry this bill.

4:25 p.m. Chairman Wanzek closed the meeting.

Carol Thompson, Committee Clerk

3-24-15
Adam



**State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005**

	House Version				Senate Version				Senate Compared to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957	\$31,661	\$93,618		\$61,957	\$0	\$61,957			(\$31,661)	(\$31,661)
Health insurance increase		42,037	24,020	66,057		42,037	0	42,037			(24,020)	(24,020)
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool		(15,705)	(7,726)	(23,431)		(15,705)	0	(15,705)			7,726	7,726
Salary equity funding				0		100,000		100,000		\$100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0				0				0
FTE unclaimed property positions	4.00		858,397	858,397	0.00		0	0	(4.00)		(858,397)	(858,397)
Unclaimed property operating expenses			687,000	687,000			0	0			(687,000)	(687,000)
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		1,000,000		1,000,000		(1,000,000)		(1,000,000)
Total ongoing funding changes	4.00	\$2,127,009	\$1,593,352	\$3,720,361	0.00	\$1,227,009	\$0	\$1,227,009	(4.00)	(\$900,000)	(\$1,593,352)	(\$2,493,352)
One-Time Funding Items												
Information technology projects - SIIF			\$110,000	\$110,000			\$110,000	\$110,000				\$0
Office furniture or equipment			8,000	8,000			0	0			(\$8,000)	(8,000)
Total one-time funding changes	0.00	\$0	\$118,000	\$118,000	0.00	\$0	\$110,000	\$110,000	0.00	\$0	(\$8,000)	(\$8,000)
Total Changes to Base Level Funding	4.00	\$2,127,009	\$1,711,352	\$3,838,361	0.00	\$1,227,009	\$110,000	\$1,337,009	(4.00)	(\$900,000)	(\$1,601,352)	(\$2,501,352)
2025-27 Total Funding	11.00	\$4,115,939	\$1,711,352	\$5,827,291	7.00	\$3,215,939	\$110,000	\$3,325,939	(4.00)	(\$900,000)	(\$1,601,352)	(\$2,501,352)
<i>Federal funds included in other funds</i>			\$0	\$0			\$0	\$0			\$0	\$0
<i>Total ongoing changes - Percentage of base level</i>	57.1%	106.9%	N/A	187.1%	0.0%	61.7%	N/A	61.7%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	57.1%	106.9%	N/A	193.0%	0.0%	61.7%	N/A	67.2%	N/A	N/A	N/A	N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	House Version	Senate Version
New and vacant FTE pool line item	Section 3 provides for the use of funding in the new and vacant FTE pool line item.	Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Strategic investment and improvements fund (SIIF)	Section 4 identifies \$110,000 from SIIF for information technology projects.	Section 4 identifies \$110,000 from SIIF for information technology projects.
Transfer of unclaimed property administration	Sections 5 through 22 and 24 through 27 transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.	
Salary of State Treasurer	Section 23 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.	Section 5 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.

Adm 3-24

25.0149.02002
Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

March 24, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 and to amend and reenact ~~subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01,~~
3 ~~and 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section~~
4 ~~47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section~~
5 ~~47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision e of~~
6 ~~subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,~~
7 ~~subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section~~
8 ~~47-30.2-67, section 47-30.2-75, section 54-11-13 and 54-27-15.1, subsection 6 of section~~
9 ~~57-38-57, and subsections 3 and 8 of section 57-39.2-23~~ of the North Dakota Century Code,
10 relating to ~~the transfer of unclaimed property administration from the commissioner of university~~
11 ~~and school lands to the state treasurer and~~ the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

18		Adjustments or	
19	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
2	New and vacant FTE pool	0	54,672	54,672
3	Operating expenses	265,346	804,258	1,069,604
4	Coal severance payments	118,000	4,000	122,000
5	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
6	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
7	Total special funds	0	1,711,352	1,711,352
8	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
9	Full-time equivalent positions	7.00	4.00	11.00
10	Salaries and wages	\$1,605,584	\$187,105	\$1,792,689
11	New and vacant FTE pool	0	36,646	36,646
12	Operating expenses	265,346	294,258	559,604
13	Coal severance payments	118,000	4,000	122,000
14	Carbon dioxide pipeline payments	0	1,000,000	1,000,000
15	Total all funds	\$1,988,930	\$1,522,009	\$3,510,939
16	Total special funds	0	295,000	295,000
17	Total general fund	\$1,988,930	\$1,227,009	\$3,215,939
18	Full-time equivalent positions	7.00	0.00	7.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000
Information technology projects	\$0	\$295,000	\$295,000
Total	\$0	\$295,000	\$295,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in

1 section 1 of this Act, but may request the office of management and budget to transfer funds
2 from the new and vacant FTE pool line item to the salaries and wages line item in accordance
3 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
4 sixty-ninth legislative assembly.

5 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

6 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of
7 ~~\$110,000~~\$295,000 included in the other funds line item in section 1 of this Act and identified as
8 one-time funding in section 2 of this Act is from the strategic investment and improvements fund
9 for information technology projects.

10 ~~SECTION 5. AMENDMENT. Subsection 15 of section 6-07.2-19 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows:~~

12 ~~15. Within one hundred twenty days after the final distribution to members is started, the~~
13 ~~credit union shall furnish to the commissioner's office a schedule of unpaid claims. The~~
14 ~~board of directors of the credit union or the liquidating agent if appointed shall report~~
15 ~~money in the account of a member who failed to surrender their passbooks or confirm~~
16 ~~their balances, final distribution checks not cashed within one hundred twenty days,~~
17 ~~and any unpaid claims to the unclaimed property division of the board of university and~~
18 ~~school lands pursuant to administrator under chapter 47-30.2.~~

19 ~~SECTION 6. AMENDMENT. Section 10-15-49 of the North Dakota Century Code is~~
20 ~~amended and reenacted as follows:~~

21 ~~10-15-49. Amounts due unknown persons.~~

22 ~~Upon liquidation of a cooperative, the assets distributable to persons who are unknown or~~
23 ~~cannot be found may be reduced to cash and transferred to the commissioner of university and~~
24 ~~school lands unclaimed property administrator and shall be treated as abandoned and~~
25 ~~unclaimed property under the escheat and abandoned property laws of the state.~~

26 ~~SECTION 7. AMENDMENT. Section 47-30.2-01 of the North Dakota Century Code is~~
27 ~~amended and reenacted as follows:~~

28 ~~47-30.2-01. (102) Definitions.~~

29 ~~As used in this chapter:~~

30 ~~1. "Administrator" means the administrator of the state abandoned property office under~~
31 ~~the state treasurer.~~

- 1 ~~2.~~ "Administrator's agent" means a person with which the commissioner state treasurer
2 contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,
3 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and
4 47-30.2-62 on behalf of the administrator. The term includes an independent
5 contractor of the person and each individual participating in the examination on behalf
6 of the person or contractor.
- 7 ~~3.~~ "Apparent owner" means a person whose name appears on the records of a holder as
8 the owner of property held, issued, or owing by the holder.
- 9 ~~4.~~ "Board" means the board of university and school lands.
- 10 ~~5.~~ "Business association" means a corporation, joint stock company, investment
11 company, partnership, unincorporated association, joint venture, limited liability
12 company, business trust, trust company, land bank, safe deposit company,
13 safekeeping depository, financial organization, insurance company, federally chartered
14 entity, utility, sole proprietorship, or other business entity, whether or not for profit.
- 15 ~~6.5.~~ "Cashier's check" means a check that:
16 ~~a.~~ Is purchased by a remitter and made payable to a designated payee;
17 ~~b.~~ Is signed by an officer or employee of the financial organization;
18 ~~c.~~ Authorizes payment of the amount shown on the check's face to the payee;
19 ~~d.~~ Is a direct obligation of the financial organization; and
20 ~~e.~~ Is provided to a customer of the financial institution or acquired from the financial
21 institution for remittance purposes.
- 22 ~~7.~~ "Commissioner" means the commissioner of university and school lands.
- 23 ~~8.6.~~ "Confidential record" has the same meaning as defined in section 44-04-17.1.
- 24 ~~9.~~ "Department" means the department of trust lands.
- 25 ~~10.7.~~ "Domicile" means:
26 ~~a.~~ For a corporation, the state of its incorporation;
27 ~~b.~~ For a business association whose formation requires a filing with a state, other
28 than a corporation, the state of its filing;
29 ~~c.~~ For a federally chartered entity, the state of its home office; and
30 ~~d.~~ For any other holder, the state of its principal place of business.

Sixty-ninth
Legislative Assembly

- 1 ~~11.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
2 optical, electromagnetic, or similar capabilities.
- 3 ~~12.9.~~ "Electronic mail" means a communication by electronic means, together with
4 attachments, which is automatically retained and stored and may be readily accessed
5 or retrieved.
- 6 ~~13.10.~~ "Financial organization" means a savings and loan association, building and loan
7 association, savings bank, industrial bank, bank, banking organization, private banker,
8 trust company, credit union, or an organization defined as a bank or banking
9 organization under the laws of this state or of the United States.
- 10 ~~14.11.~~ "Game related digital content" means digital content that exists only in an electronic
11 game or electronic game platform.
- 12 ~~a.~~ The term includes:
- 13 ~~(1)~~ Game play currency such as a virtual wallet, even if denominated in United
14 States currency; and
- 15 ~~(2)~~ The following if for use or redemption only within the game or platform or
16 another electronic game or electronic game platform:
- 17 ~~(a)~~ Points sometimes referred to as gems, tokens, gold, and similar
18 names; and
- 19 ~~(b)~~ Digital codes; and
- 20 ~~b.~~ The term does not include an item that the issuer:
- 21 ~~(1)~~ Permits to be redeemed for use outside a game or platform for:
- 22 ~~(a)~~ Money; or
- 23 ~~(b)~~ Goods or services that have more than minimal value; or
- 24 ~~(2)~~ Otherwise monetizes for use outside a game or platform.
- 25 ~~15.12.~~ "Gift card" means a record that:
- 26 ~~a.~~ Is usable at:
- 27 ~~(1)~~ A single merchant; or
- 28 ~~(2)~~ A specified group of merchants;
- 29 ~~b.~~ Is prefunded before the record is used; and
- 30 ~~c.~~ Can be used for purchases of goods or services.

Sixty-ninth
Legislative Assembly

1 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
2 the owner, property subject to this chapter.

3 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
4 also includes a benevolent society, nonprofit health service corporation, and a health
5 maintenance organization.

6 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
7 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
8 or redeemed only to obtain goods or services or a discount on goods or services. The
9 term does not include a record that may be redeemed for money or otherwise
10 monetized by the issuer.

11 ~~19.16.~~ "Mineral proceeds" means an obligation:

12 ~~_____ a.~~ To pay resulting from the production and sale of minerals, including net revenue
13 interest, royalties, overriding royalties, production payments, and joint operating
14 agreements; or

15 ~~_____ b.~~ For the acquisition and retention of a mineral lease, including bonuses, delay
16 rentals, shut-in royalties, and minimum royalties.

17 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
18 includes an express money order and a personal money order on which the remitter is
19 the purchaser.

20 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
21 or other political subdivision of a state.

22 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
23 value card, plus amounts added to the original price or value, minus amounts used
24 and any service charge, fee, or dormancy charge permitted by law.

25 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
26 administrator by the depository trust clearing corporation or similar custodian of
27 securities providing post-trade clearing and settlement services to financial markets or
28 cannot be delivered because there is no agent to effect transfer. The term includes a
29 worthless security.

- 1 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
2 subject to this chapter or the person's legal representative when acting on behalf of
3 and in the best interest of the owner. The term includes:
- 4 ~~a.~~ A depositor, for a deposit;
 - 5 ~~b.~~ A beneficiary, for a trust other than a deposit in trust;
 - 6 ~~c.~~ A creditor, claimant, or payee, for other property; and
 - 7 ~~d.~~ The lawful bearer of a record that may be used to obtain money, a reward, or a
8 thing of value.
- 9 ~~25.22.~~ "Payroll card" means a record that evidences a payroll card account that is directly or
10 indirectly established through an employer and to which electronic fund transfers of
11 the consumer's wages, salary, or other employee compensation, such as
12 commissions, are made on a recurring basis, whether the account is operated or
13 managed by the employer, a third-party payroll processor, a depository institution, or
14 any other person.
- 15 ~~26.23.~~ "Person" means an individual, estate, business association, public corporation,
16 government or governmental subdivision, agency, or instrumentality, or other legal
17 entity.
- 18 ~~27.24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
19 certain interest in intangible property held, issued, or owed in the course of a holder's
20 business or by a government, governmental subdivision, agency, or instrumentality.
- 21 ~~a.~~ The term includes:
 - 22 ~~(1)~~ All income from or increments to the property; and
 - 23 ~~(2)~~ Property referred to as or evidenced by:
 - 24 ~~(a)~~ Money, virtual currency, interest, or a dividend, check, draft, deposit,
25 or payroll card;
 - 26 ~~(b)~~ A credit balance, customer's overpayment, stored-value card, security
27 deposit, refund, credit memorandum, unpaid wage, unused ticket for
28 which the issuer has an obligation to provide a refund, mineral
29 proceeds, or unidentified remittance;
 - 30 ~~(c)~~ A security except for:
 - 31 ~~[1]~~ A worthless security; or

1 ~~_____ [2] A security that is subject to a lien, legal hold, or restriction~~
2 ~~_____ evidenced on the records of the holder or imposed by operation~~
3 ~~_____ of law, if the lien, legal hold, or restriction restricts the holder's or~~
4 ~~_____ owner's ability to receive, transfer, sell, or otherwise negotiate~~
5 ~~_____ the security;~~

6 ~~_____ (d) A bond, debenture, note, or other evidence of indebtedness;~~

7 ~~_____ (e) Money deposited to redeem a security, make a distribution, or pay a~~
8 ~~_____ dividend;~~

9 ~~_____ (f) An amount due and payable under an annuity contract or insurance~~
10 ~~_____ policy;~~

11 ~~_____ (g) An amount distributable from a trust or custodial fund established~~
12 ~~_____ under a plan to provide health, welfare, pension, vacation, severance,~~
13 ~~_____ retirement, death, stock purchase, profit-sharing, employee savings,~~
14 ~~_____ supplemental unemployment insurance, or a similar benefit;~~

15 ~~_____ (h) Intangible property and any income or increment derived from the~~
16 ~~_____ intangible property held in a fiduciary capacity for the benefit of~~
17 ~~_____ another person;~~

18 ~~_____ (i) Mineral proceeds; and~~

19 ~~_____ (j) An in-store credit for returned merchandise.~~

20 ~~_____ b. The term does not include:~~

21 ~~_____ (1) Property held in a plan described in section 529A of the Internal Revenue~~
22 ~~_____ Code, as amended, [26 U.S.C. 529A];~~

23 ~~_____ (2) Game-related digital content;~~

24 ~~_____ (3) A loyalty card; or~~

25 ~~_____ (4) A gift card.~~

26 ~~28.25. "Putative holder" means a person believed by the administrator to be a holder, until the~~
27 ~~_____ person pays or delivers to the administrator property subject to this chapter or the~~
28 ~~_____ administrator or a court makes a final determination that the person is or is not a~~
29 ~~_____ holder.~~

30 ~~29.26. "Record" has the same meaning as defined in section 44-04-17.1.~~

31 ~~30.27. "Security" means:~~

- 1 ~~_____ a. A security as defined in section 41-08-02;~~
- 2 ~~_____ b. A security entitlement as defined in section 41-08-02, including a customer~~
- 3 ~~security account held by a registered broker-dealer, to the extent the financial~~
- 4 ~~assets held in the security account are not:~~
- 5 ~~_____ (1) Registered on the books of the issuer in the name of the person for which~~
- 6 ~~the broker-dealer holds the assets;~~
- 7 ~~_____ (2) Payable to the order of the person; or~~
- 8 ~~_____ (3) Specifically indorsed to the person; or~~
- 9 ~~_____ c. An equity interest in a business association not included in subdivision a or b.~~
- 10 ~~31.28. "Sign" means, with present intent to authenticate or adopt a record:~~
- 11 ~~_____ a. To execute or adopt a tangible symbol; or~~
- 12 ~~_____ b. To attach to or logically associate with the record an electronic symbol, sound, or~~
- 13 ~~process.~~
- 14 ~~32.29. "State" means a state of the United States, the District of Columbia, the~~
- 15 ~~Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or~~
- 16 ~~insular possession subject to the jurisdiction of the United States.~~
- 17 ~~33.30. "Stored-value card" means a card, code, or other device, including a merchandise~~
- 18 ~~credit or rebate card, which is:~~
- 19 ~~_____ a. Issued on a prepaid basis primarily for personal, family, or household purposes to~~
- 20 ~~a consumer in a specified amount, whether or not that amount may be increased~~
- 21 ~~or reloaded in exchange for payment;~~
- 22 ~~_____ b. Redeemable upon presentation at multiple unaffiliated merchants for goods or~~
- 23 ~~services or usable at automated teller machines; and~~
- 24 ~~_____ c. Not a gift card, payroll card, loyalty card, or game-related digital content.~~
- 25 ~~34.31. "Utility" means a person that owns or operates for public use a plant, equipment, real~~
- 26 ~~property, franchise, or license for the following public services:~~
- 27 ~~_____ a. Transmission of communications or information;~~
- 28 ~~_____ b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,~~
- 29 ~~steam, or gas; or~~
- 30 ~~_____ c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.~~

1 ~~35.32.~~ "Virtual currency" means a digital representation of value used as a medium of
2 exchange, unit of account, or store of value, which does not have legal tender status
3 recognized by the United States. The term does not include:

- 4 ~~— a. The software or protocols governing the transfer of the digital representation of~~
5 ~~value;~~
6 ~~— b. Game-related digital content; or~~
7 ~~— c. A loyalty card or gift card.~~

8 ~~36.33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
9 administrator would exceed the value of the security on the date a report is due under
10 this chapter.

11 ~~— SECTION 8. AMENDMENT.~~ Section 47-30.2-03 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 ~~— 47-30.2-03. (104) Rulemaking.~~

14 ~~— The commissioner~~state treasurer ~~may adopt rules to implement and administer this chapter.~~

15 ~~— SECTION 9. AMENDMENT.~~ Subdivision j of subsection 1 of section 47-30.2-22 of the North
16 Dakota Century Code is amended and reenacted as follows:

17 ~~— j. Contain other information the commissioner~~state treasurer ~~prescribes by rules.~~

18 ~~— SECTION 10. AMENDMENT.~~ Subsection 4 of section 47-30.2-23 of the North Dakota
19 Century Code is amended and reenacted as follows:

20 ~~— 4. The commissioner~~state treasurer ~~may grant an extension of the reporting date for~~
21 ~~good cause in the event of a national or state emergency.~~

22 ~~— SECTION 11. AMENDMENT.~~ Subsection 1 of section 47-30.2-24 of the North Dakota
23 Century Code is amended and reenacted as follows:

24 ~~— 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten~~
25 ~~years after the later of the date the report was filed or the last date a timely report was~~
26 ~~due to be filed, unless a shorter period is provided by rule of the commissioner~~state
27 ~~treasurer.~~

28 ~~— SECTION 12. AMENDMENT.~~ Subdivision b of subsection 3 of section 47-30.2-28 of the
29 North Dakota Century Code is amended and reenacted as follows:

30 ~~— b. Maintain a website or database accessible by the public and electronically~~
31 ~~searchable which contains the names reported to the administrator of apparent~~

1 owners for whom property that meets or exceeds the searchable value as set by
2 the commissioner state treasurer is being held by the administrator. Property that
3 does not meet or exceed the searchable value must continue to be held by the
4 administrator but may not appear in the searchable website or database.

5 ~~SECTION 13. AMENDMENT.~~ Section 47-30.2-44 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 ~~47-30.2-44. (801) Deposit of funds by administrator.~~

8 ~~1. Except as otherwise provided in this section, the department state treasurer shall~~
9 ~~deposit to the credit of the common schools trust fund all funds received under this~~
10 ~~chapter, including proceeds from the sale of property under sections 47-30.2-40,~~
11 ~~47-30.2-41, 47-30.2-42, and 47-30.2-43.~~

12 ~~2. The department state treasurer shall maintain an account with an amount of funds the~~
13 ~~commissioner state treasurer reasonably estimates is sufficient to pay claims allowed~~
14 ~~under this chapter.~~

15 ~~SECTION 14. AMENDMENT.~~ Subsection 2 of section 47-30.2-46 of the North Dakota
16 Century Code is amended and reenacted as follows:

17 ~~2. There is appropriated annually the The amounts necessary are appropriated to the~~
18 ~~state treasurer on a continuing basis to pay all expense deductions under this section,~~
19 ~~including:~~

20 ~~a. Any costs in connection with the sale of abandoned property;~~

21 ~~b. Costs of mailing, publication, and outreach efforts in connection with any~~
22 ~~abandoned property;~~

23 ~~c. Reasonable service charges;~~

24 ~~d. Costs incurred in examining records of holders of property and in collecting the~~
25 ~~property from those holders;~~

26 ~~e. Funds for the payment of claims;~~

27 ~~f. Funds for the payment of holder refunds; and~~

28 ~~g. Funds for attorney's fees and all other reasonable costs and expenses incurred in~~
29 ~~an action or suit.~~

30 ~~SECTION 15. AMENDMENT.~~ Subdivision c of subsection 2 of section 47-30.2-50 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 ~~_____ c. The property has a value as provided by rules adopted by the commissioner~~
2 ~~_____ state~~
3 ~~_____ treasurer.~~

4 ~~_____ **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is~~
5 ~~_____ amended and reenacted as follows:~~

6 ~~_____ **47-30.2-53. (906) Action by person whose claim is denied.**~~

7 ~~_____ Not later than one hundred eighty days after filing a claim under subsection 1 of section~~
8 ~~_____ 47-30.2-50, the claimant may commence an action against the board~~
9 ~~_____ state treasurer in the~~
10 ~~_____ Burleigh County district court to establish a claim that has been denied or deemed denied under~~
11 ~~_____ section 47-30.2-50. If the board~~
12 ~~_____ state treasurer is successful in a proceeding brought under this~~
13 ~~_____ section, the district court shall allow the board~~
14 ~~_____ state treasurer to recover court costs; reasonable~~
15 ~~_____ costs, fees, disbursements, and expenses incurred by the board~~
16 ~~_____ state treasurer in the~~
17 ~~_____ proceeding; and reasonable attorney's fees.~~

18 ~~_____ **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota~~
19 ~~_____ Century Code is amended and reenacted as follows: _____~~

20 ~~_____ 1. The commissioner~~
21 ~~_____ state treasurer shall adopt rules governing an examination under~~
22 ~~_____ section 47-30.2-55, including rules for use of an estimation, extrapolation, and~~
23 ~~_____ statistical sampling in conducting an examination. An examination commenced after~~
24 ~~_____ adoption of rules under this subsection must comply with the rules.~~

25 ~~_____ **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota~~
26 ~~_____ Century Code is amended and reenacted as follows: _____~~

27 ~~_____ 2. The records subject to subsection 1:~~

28 ~~_____ a. May be used by the board~~
29 ~~_____ state treasurer in an action to collect property or~~
30 ~~_____ otherwise enforce this chapter;~~

31 ~~_____ b. May be used in a joint examination conducted with or pursuant to agreements~~
with other states, the federal government, or other governmental entities;

_____ c. May be disclosed at the discretion of the commissioner state treasurer, on request, to the person that administers the unclaimed property law of another state for that state's use in circumstances equivalent to circumstances described in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information is disclosed shall maintain the confidentiality and security of information obtained

1 in a manner substantially equivalent to sections ~~47-30.2-71, 47-30.2-72, and~~
2 ~~47-30.2-73;~~

3 ~~— d. May be required to be produced under section 44-04-18.11; and~~

4 ~~— e. May be required to be produced by the administrator on request of the person~~
5 ~~subject to the examination in an administrative or judicial proceeding relating to~~
6 ~~the property.~~

7 ~~— **SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is~~
8 ~~amended and reenacted as follows:~~

9 ~~— **47-30.2-64. (1203) Action involving another state or foreign country.**~~

10 ~~— 1. The administrator may join another state or foreign country to examine and seek~~
11 ~~enforcement of this chapter against a putative holder.~~

12 ~~— 2. The boardstate treasurer may pursue an action on behalf of this state to recover~~
13 ~~property subject to this chapter but delivered to the custody of another state if the~~
14 ~~administrator believes the property is subject to the custody of the administrator.~~

15 ~~— 3. The boardstate treasurer may retain an attorney in this state, another state, or a~~
16 ~~foreign country to commence an action to recover property on behalf of the boardstate~~
17 ~~treasurer and may agree to pay attorney's fees based in whole or in part on a fixed~~
18 ~~fee, hourly fee, or a percentage of the amount or value of property recovered in the~~
19 ~~action.~~

20 ~~— 4. Expenses incurred by this state in an action under this section must be paid in~~
21 ~~accordance with section 47-30.2-46.~~

22 ~~— **SECTION 20. AMENDMENT.** Section 47-30.2-66 of the North Dakota Century Code is~~
23 ~~amended and reenacted as follows:~~

24 ~~— **47-30.2-66. (1205) Other civil penalties.**~~

25 ~~— 1. If a holder enters into a contract or other arrangement for the purpose of evading an~~
26 ~~obligation under this chapter or otherwise willfully fails to perform a duty imposed on~~
27 ~~the holder under this chapter, the commissionerstate treasurer may require the holder~~
28 ~~to pay the administrator, in addition to interest as provided in subsection 1 of section~~
29 ~~47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is~~
30 ~~evaded or the duty is not performed, up to a cumulative maximum amount of twenty-~~
31 ~~five thousand dollars, plus twenty-five percent of the amount or value of property that~~

1 should have been, but was not reported, paid, or delivered as a result of the evasion
2 or failure to perform.

3 ~~2. If a holder makes a fraudulent report under this chapter, the commissioner~~state
4 ~~treasurer~~ may require the holder to pay to the administrator, in addition to interest
5 under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for
6 each day from the date the report was made until corrected, up to a cumulative
7 maximum of twenty five thousand dollars, plus twenty five percent of the amount or
8 value of any property that should have been reported, but was not included in the
9 report or was underreported.

10 ~~SECTION 21. AMENDMENT.~~ Subsection 4 of section 47-30.2-67 of the North Dakota
11 Century Code is amended and reenacted as follows:

12 ~~4. The commissioner~~state treasurer may waive up to twenty five thousand dollars of the
13 penalty or reduce interest. A request for a waiver or reduction of penalty in excess of
14 twenty five thousand dollars must be presented to the board, with the commissioner's
15 recommendation,state treasurer for review and decision.

16 ~~SECTION 22. AMENDMENT.~~ Section 47-30.2-75 of the North Dakota Century Code is
17 amended and reenacted as follows:

18 ~~47-30.2-75. Enforcement – Appeals.~~

19 ~~The administrator may bring an action in a court of competent jurisdiction to enforce this~~
20 ~~chapter. A person in this state aggrieved by an audit that in any form requests the payment of~~
21 ~~money or a civil penalty is entitled to a hearing before the board~~state treasurer. A demand for a
22 hearing must be made within thirty days of the request by the administrator. The request by the
23 administrator must contain notice of the right to a hearing. The board's~~state treasurer's~~ decision
24 is the final order of the agency and is appealable to the district court. Any amount of money
25 requested by the administrator which may increase over time is tolled at the time of filing an
26 appeal, retroactive to the date of the request.

27 **SECTION 5. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **54-11-13. Salary of state treasurer.**

30 The annual salary of the state treasurer is one hundred thirty thousand one hundred
31 thirty-nine thousand two hundred fifty-six dollars through June 30, ~~2024~~2026, and one hundred

1 ~~thirty-five thousand two hundred one hundred forty-three thousand four hundred thirty-four~~
2 ~~dollars thereafter.~~

3 ~~— **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is~~
4 ~~amended and reenacted as follows:~~

5 ~~— **54-27-15.1. State treasurer's checks, warrants, and warrant checks – Cancellation –**~~
6 ~~**Deposit to common schools trust fund – Subsequent payment – Continuing**~~
7 ~~**appropriation.**~~

8 ~~— The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,~~
9 ~~warrants, and warrant checks drawn on various depositories which are more than two years old~~
10 ~~which remain outstanding and unpaid and shall show the number, date, payee, with address of~~
11 ~~payee if available, amount, and fund, if available, against which said instrument was drawn. A~~
12 ~~copy of such list must then be used as an authority for writing a receipt of the total of such~~
13 ~~check or checks and shall credit such amount to the common schools trust fund pursuant to~~
14 ~~chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to~~
15 ~~the unclaimed property administrator of unclaimed properties. In the event such check, warrant,~~
16 ~~or warrant check is at any subsequent time presented for payment, or a claim is made by any~~
17 ~~person for the amount of any such instrument, further proceedings must be conducted in~~
18 ~~accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and~~
19 ~~continuing appropriation.~~

20 ~~— **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota~~
21 ~~Century Code is amended and reenacted as follows:—~~

22 ~~— 6. — Upon request, the tax commissioner may furnish to the unclaimed property division of~~
23 ~~the board of university and school lands administrator, a taxpayer's name, address,~~
24 ~~and federal identification number for identifying the taxpayer as the owner of an~~
25 ~~unclaimed voucher authorized by the tax commissioner or to locate the apparent~~
26 ~~owner of unclaimed property as provided under chapter 47-30.2.~~

27 ~~— **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota~~
28 ~~Century Code is amended and reenacted as follows:—~~

29 ~~— 3. — The commissioner may furnish to workforce safety and insurance, the job insurance~~
30 ~~division of job service North Dakota, and the secretary of state, upon request of the~~
31 ~~respective agency, a list or lists of holders of permits issued under this chapter or~~

1 ~~chapter 57-40.2, together with the addresses and tax department file identification~~
2 ~~numbers of those permitholders. The agency may use the list or lists only for the~~
3 ~~purpose of administering the duties of the agency. The commissioner may furnish to~~
4 ~~the unclaimed property division of the board of university and school~~
5 ~~landsadministrator, upon its request, the name, address, and the permitholder's~~
6 ~~federal identification number for the sole purpose of identifying the owner of an~~
7 ~~unclaimed voucher authorized by the commissioner.~~

8 ~~—~~ **SECTION 27. AMENDMENT.** ~~Subsection 8 of section 57-39.2-23 of the North Dakota~~
9 ~~Century Code is amended and reenacted as follows: —~~

10 ~~—~~ ~~8. Upon request, the commissioner may furnish to the unclaimed property division of~~
11 ~~the board of university and school landsadministrator, a taxpayer's name, address,~~
12 ~~and federal identification number for identifying the owner of an unclaimed voucher~~
13 ~~authorized by the commissioner or to locate the apparent owner of unclaimed property~~
14 ~~as provided under chapter 47-30.2.~~

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,605,584	\$2,581,015	(\$788,326)	\$1,792,689
New and vacant FTE pool		54,672	(18,026)	36,646
Operating expenses	265,346	1,069,604	(510,000)	559,604
Coal severance payments	118,000	122,000		122,000
Carbon dioxide pipeline payments		2,000,000	(1,000,000)	1,000,000
Total all funds	\$1,988,930	\$5,827,291	(\$2,316,352)	\$3,510,939
Less estimated income	0	1,711,352	(1,416,352)	295,000
General fund	\$1,988,930	\$4,115,939	(\$900,000)	\$3,215,939
FTE	7.00	11.00	(4.00)	7.00

Department 120 - State Treasurer - Detail of Senate Changes

	Removes a Transfer of Unclaimed Property ¹	Adds Salary Equity Funding ²	Adjusts Funding for Carbon Dioxide Pipeline Payments ³	Increases Funding for One-Time Items ⁴	Total Senate Changes
Salaries and wages	(\$888,326)	\$100,000			(\$788,326)
New and vacant FTE pool	(18,026)				(18,026)
Operating expenses	(695,000)			\$185,000	(510,000)
Coal severance payments					
Carbon dioxide pipeline payments			(\$1,000,000)		(1,000,000)
Total all funds	(\$1,601,352)	\$100,000	(\$1,000,000)	\$185,000	(\$2,316,352)
Less estimated income	(1,601,352)	0	0	185,000	(1,416,352)
General fund	\$0	\$100,000	(\$1,000,000)	\$0	(\$900,000)
FTE	(4.00)	0.00	0.00	0.00	(4.00)

¹ Funding of \$1,601,352 from special funds, including \$8,000 of one-time funding, and 4 FTE positions related to a transfer of unclaimed property from the Department of Trust Lands to the State Treasurer are removed. The House added the funding and FTE positions.

² Funding of \$100,000 from the general fund is added for salary equity increases. The House version did not include this funding.

³ Funding for carbon dioxide pipeline payments is decreased by \$1 million, from \$2 million to \$1 million. The House version provided \$2 million.

⁴ One-time funding from the strategic investment and improvements fund for operating expenses related to information technology costs is increased by \$185,000, from \$110,000 to \$295,000. The House version provided \$110,000 of one-time funding from the strategic investment and improvements fund.

The Senate version removes various sections, which were added in the House version, related to the transfer of unclaimed property from the Department of Trust Lands to the State Treasurer.

Adm 3-28

Legislative Council

**State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005**

	House Version				Senate Version				Senate Compared to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957	\$31,661	\$93,618		\$61,957	\$0	\$61,957			(\$31,661)	(\$31,661)
Health insurance increase		42,037	24,020	66,057		42,037	0	42,037			(24,020)	(24,020)
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool		(15,705)	(7,726)	(23,431)		(15,705)	0	(15,705)			7,726	7,726
Salary equity funding				0		100,000		100,000		\$100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0				0				0
FTE unclaimed property positions	4.00		858,397	858,397	0.00		0	0	(4.00)		(858,397)	(858,397)
Unclaimed property operating expenses			687,000	687,000			0	0			(687,000)	(687,000)
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		1,000,000		1,000,000		(1,000,000)		(1,000,000)
Total ongoing funding changes	4.00	\$2,127,009	\$1,593,352	\$3,720,361	0.00	\$1,227,009	\$0	\$1,227,009	(4.00)	(\$900,000)	(\$1,593,352)	(\$2,493,352)
One-Time Funding Items												
Information technology projects - SIIF			\$110,000	\$110,000			\$295,000	\$295,000			\$185,000	\$185,000
Office furniture or equipment			8,000	8,000			0	0			(8,000)	(8,000)
Total one-time funding changes	0.00	\$0	\$118,000	\$118,000	0.00	\$0	\$295,000	\$295,000	0.00	\$0	\$177,000	\$177,000
Total Changes to Base Level Funding	4.00	\$2,127,009	\$1,711,352	\$3,838,361	0.00	\$1,227,009	\$295,000	\$1,522,009	(4.00)	(\$900,000)	(\$1,416,352)	(\$2,316,352)
2025-27 Total Funding	11.00	\$4,115,939	\$1,711,352	\$5,827,291	7.00	\$3,215,939	\$295,000	\$3,510,939	(4.00)	(\$900,000)	(\$1,416,352)	(\$2,316,352)
<i>Federal funds included in other funds</i>			\$0	\$0			\$0	\$0			\$0	\$0
<i>Total ongoing changes - Percentage of base level</i>	57.1%	106.9%	N/A	187.1%	0.0%	61.7%	N/A	61.7%	N/A	N/A	N/A	N/A
<i>Total changes - Percentage of base level</i>	57.1%	106.9%	N/A	193.0%	0.0%	61.7%	N/A	76.5%	N/A	N/A	N/A	N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	House Version	Senate Version
New and vacant FTE pool line item	Section 3 provides for the use of funding in the new and vacant FTE pool line item.	Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Strategic investment and improvements fund (SIIF)	Section 4 identifies \$110,000 from SIIF for information technology projects.	Section 4 identifies \$110,000 from SIIF for information technology projects.
Transfer of unclaimed property administration	Sections 5 through 22 and 24 through 27 transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.	
Salary of State Treasurer	Section 23 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.	Section 5 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.

2025 SENATE STANDING COMMITTEE MINUTES

Appropriations Committee Harvest Room, State Capitol

HB 1005
4/25/2025

Relating to the transfer of unclaimed property administration from the commissioner of university and school lands to the state treasurer and the salary of the state treasurer.

7:33 a.m. Chairman Bekkedahl called the meeting to order.

Members Present: Chairman Bekkedahl, Vice-Chairman Erbele, and Senators Burckhard, Cleary, Conley, Dever, Dwyer, Magrum, Mathern, Meyer, Schaible, Sickler, Sorvaag, Thomas, Wanzek.

Members Absent: Senator Davison.

Discussion Topics:

- Salary Equity
- FTE Positions
- Emergency Clause
- Carbon Pipeline

7:34 a.m. Senator Burckhard introduced the bill and submitted testimony #45184.

7:36 a.m. Senator Burckhard moved amendment 25.0149.02002.

7:36 a.m. Senator Conley seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	A
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 15-0-1.

7:41 a.m. Thomas Beedle, ND State Treasurer, testified in favor.

7:43 a.m. Senator Schiable moved to further amend to add an emergency clause.

7:43 a.m. Senator Burckhard seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	A
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	Y
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Motion Passed 15-0-1.

7:44 a.m. Senator Burckhard moved a Do Pass as Amended.

7:44 a.m. Senator Wanzek seconded the motion.

Senators	Vote
Senator Brad Bekkedahl	Y
Senator Robert Erbele	Y
Senator Randy A. Burckhard	Y
Senator Sean Cleary	Y
Senator Cole Conley	Y
Senator Kyle Davison	A
Senator Dick Dever	Y
Senator Michael Dwyer	Y
Senator Jeffery J. Magrum	N
Senator Tim Mathern	Y
Senator Scott Meyer	Y
Senator Donald Schaible	Y
Senator Jonathan Sickler	Y
Senator Ronald Sorvaag	Y
Senator Paul J. Thomas	Y
Senator Terry M. Wanzek	Y

Senate Appropriations Committee
HB 1005
04/25/2025
Page 3

Motion Passed 14-1-1.

Senator Burckhard will carry the bill.

7:49 a.m. Chairman Bekkedahl closed the hearing.

Elizabeth Reiten, Committee Clerk

April 25, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

VC 4/25/25
1 of 17

ENGROSSED HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact ~~subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and~~
3 ~~47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section~~
4 ~~47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section~~
5 ~~47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision c of~~
6 ~~subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,~~
7 ~~subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section~~
8 ~~47-30.2-67, section 47-30.2-75, section 54-11-13 and 54-27-15.1, subsection 6 of section~~
9 ~~57-38-57, and subsections 3 and 8 of section 57-39.2-23~~ of the North Dakota Century Code,
10 relating to ~~the transfer of unclaimed property administration from the commissioner of university~~
11 ~~and school lands to the state treasurer and~~ the salary of the state treasurer; and to declare an
12 emergency.

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

14 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
15 as may be necessary, are appropriated out of any moneys in the general fund in the state
16 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
17 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
18 2027, as follows:

		Adjustments or	
20	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

1	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
2	New and vacant FTE pool	0	54,672	54,672
3	Operating expenses	265,346	804,258	1,069,604
4	Coal severance payments	118,000	4,000	122,000
5	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
6	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
7	Total special funds	0	1,711,352	1,711,352
8	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
9	Full-time equivalent positions	7.00	4.00	11.00
10	Salaries and wages	\$1,605,584	\$187,105	\$1,792,689
11	New and vacant FTE pool	0	36,646	36,646
12	Operating expenses	265,346	294,258	559,604
13	Coal severance payments	118,000	4,000	122,000
14	Carbon dioxide pipeline payments	0	1,000,000	1,000,000
15	Total all funds	\$1,988,930	\$1,522,009	\$3,510,939
16	Total special funds	0	295,000	295,000
17	Total general fund	\$1,988,930	\$1,227,009	\$3,215,939
18	Full-time equivalent positions	7.00	0.00	7.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000
Information technology projects	\$0	\$295,000	\$295,000
Total	\$0	\$295,000	\$295,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in

1 section 1 of this Act, but may request the office of management and budget to transfer funds
2 from the new and vacant FTE pool line item to the salaries and wages line item in accordance
3 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
4 sixty-ninth legislative assembly.

5 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

6 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of

7 ~~\$110,000~~\$295,000 included in the other funds line item in section 1 of this Act and identified as
8 one-time funding in section 2 of this Act is from the strategic investment and improvements fund
9 for information technology projects.

10 ~~SECTION 5. AMENDMENT. Subsection 15 of section 6-07.2-19 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows:~~

12 ~~15. Within one hundred twenty days after the final distribution to members is started, the~~
13 ~~credit union shall furnish to the commissioner's office a schedule of unpaid claims. The~~
14 ~~board of directors of the credit union or the liquidating agent if appointed shall report~~
15 ~~money in the account of a member who failed to surrender their passbooks or confirm~~
16 ~~their balances, final distribution checks not cashed within one hundred twenty days,~~
17 ~~and any unpaid claims to the unclaimed property division of the board of university and~~
18 ~~school lands pursuant to administrator under chapter 47-30.2.~~

19 ~~SECTION 6. AMENDMENT. Section 10-15-49 of the North Dakota Century Code is~~
20 ~~amended and reenacted as follows:~~

21 ~~10-15-49. Amounts due unknown persons.~~

22 ~~Upon liquidation of a cooperative, the assets distributable to persons who are unknown or~~
23 ~~cannot be found may be reduced to cash and transferred to the commissioner of university and~~
24 ~~school lands unclaimed property administrator and shall be treated as abandoned and~~
25 ~~unclaimed property under the escheat and abandoned property laws of the state.~~

26 ~~SECTION 7. AMENDMENT. Section 47-30.2-01 of the North Dakota Century Code is~~
27 ~~amended and reenacted as follows:~~

28 ~~47-30.2-01. (102) Definitions.~~

29 ~~As used in this chapter:~~

30 ~~1. "Administrator" means the administrator of the state abandoned property office under~~
31 ~~the state treasurer.~~

- 1 ~~2. "Administrator's agent" means a person with which the commissionerstate treasurer~~
2 ~~contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,~~
3 ~~47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and~~
4 ~~47-30.2-62 on behalf of the administrator. The term includes an independent~~
5 ~~contractor of the person and each individual participating in the examination on behalf~~
6 ~~of the person or contractor.~~
- 7 ~~3. "Apparent owner" means a person whose name appears on the records of a holder as~~
8 ~~the owner of property held, issued, or owing by the holder.~~
- 9 ~~4. "Board" means the board of university and school lands.~~
- 10 ~~5. "Business association" means a corporation, joint stock company, investment~~
11 ~~company, partnership, unincorporated association, joint venture, limited liability~~
12 ~~company, business trust, trust company, land bank, safe deposit company,~~
13 ~~safekeeping depository, financial organization, insurance company, federally chartered~~
14 ~~entity, utility, sole proprietorship, or other business entity, whether or not for profit.~~
- 15 ~~6.5. "Cashier's check" means a check that:~~
16 ~~a. Is purchased by a remitter and made payable to a designated payee;~~
17 ~~b. Is signed by an officer or employee of the financial organization;~~
18 ~~c. Authorizes payment of the amount shown on the check's face to the payee;~~
19 ~~d. Is a direct obligation of the financial organization; and~~
20 ~~e. Is provided to a customer of the financial institution or acquired from the financial~~
21 ~~institution for remittance purposes.~~
- 22 ~~7. "Commissioner" means the commissioner of university and school lands.~~
- 23 ~~8.6. "Confidential record" has the same meaning as defined in section 44-04-17.1.~~
- 24 ~~9. "Department" means the department of trust lands.~~
- 25 ~~10.7. "Domicile" means:~~
26 ~~a. For a corporation, the state of its incorporation;~~
27 ~~b. For a business association whose formation requires a filing with a state, other~~
28 ~~than a corporation, the state of its filing;~~
29 ~~c. For a federally chartered entity, the state of its home office; and~~
30 ~~d. For any other holder, the state of its principal place of business.~~

1 ~~11.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
2 optical, electromagnetic, or similar capabilities.

3 ~~12.9.~~ "Electronic mail" means a communication by electronic means, together with
4 attachments, which is automatically retained and stored and may be readily accessed
5 or retrieved.

6 ~~13.10.~~ "Financial organization" means a savings and loan association, building and loan
7 association, savings bank, industrial bank, bank, banking organization, private banker,
8 trust company, credit union, or an organization defined as a bank or banking
9 organization under the laws of this state or of the United States.

10 ~~14.11.~~ "Game related digital content" means digital content that exists only in an electronic
11 game or electronic game platform.

12 a. The term includes:

13 (1) Game play currency such as a virtual wallet, even if denominated in United
14 States currency; and

15 (2) The following if for use or redemption only within the game or platform or
16 another electronic game or electronic game platform:

17 (a) Points sometimes referred to as gems, tokens, gold, and similar
18 names; and

19 (b) Digital codes; and

20 b. The term does not include an item that the issuer:

21 (1) Permits to be redeemed for use outside a game or platform for:

22 (a) Money; or

23 (b) Goods or services that have more than minimal value; or

24 (2) Otherwise monetizes for use outside a game or platform.

25 ~~15.12.~~ "Gift card" means a record that:

26 a. Is usable at:

27 (1) A single merchant; or

28 (2) A specified group of merchants;

29 b. Is prefunded before the record is used; and

30 c. Can be used for purchases of goods or services.

1 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
2 the owner, property subject to this chapter.

3 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
4 also includes a benevolent society, nonprofit health service corporation, and a health
5 maintenance organization.

6 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
7 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
8 or redeemed only to obtain goods or services or a discount on goods or services. The
9 term does not include a record that may be redeemed for money or otherwise
10 monetized by the issuer.

11 ~~19.16.~~ "Mineral proceeds" means an obligation:

12 ~~_____ a.~~ To pay resulting from the production and sale of minerals, including net revenue
13 interest, royalties, overriding royalties, production payments, and joint operating
14 agreements; or

15 ~~_____ b.~~ For the acquisition and retention of a mineral lease, including bonuses, delay
16 rentals, shut-in royalties, and minimum royalties.

17 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
18 includes an express money order and a personal money order on which the remitter is
19 the purchaser.

20 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
21 or other political subdivision of a state.

22 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
23 value card, plus amounts added to the original price or value, minus amounts used
24 and any service charge, fee, or dormancy charge permitted by law.

25 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
26 administrator by the depository trust clearing corporation or similar custodian of
27 securities providing post-trade clearing and settlement services to financial markets or
28 cannot be delivered because there is no agent to effect transfer. The term includes a
29 worthless security.

1 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
2 subject to this chapter or the person's legal representative when acting on behalf of
3 and in the best interest of the owner. The term includes:

4 ~~a.~~ A depositor, for a deposit;

5 ~~b.~~ A beneficiary, for a trust other than a deposit in trust;

6 ~~c.~~ A creditor, claimant, or payee, for other property; and

7 ~~d.~~ The lawful bearer of a record that may be used to obtain money, a reward, or a
8 thing of value.

9 ~~25.22.~~ "Payroll card" means a record that evidences a payroll card account that is directly or
10 indirectly established through an employer and to which electronic fund transfers of
11 the consumer's wages, salary, or other employee compensation, such as
12 commissions, are made on a recurring basis, whether the account is operated or
13 managed by the employer, a third party payroll processor, a depository institution, or
14 any other person.

15 ~~26.23.~~ "Person" means an individual, estate, business association, public corporation,
16 government or governmental subdivision, agency, or instrumentality, or other legal
17 entity.

18 ~~27.24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
19 certain interest in intangible property held, issued, or owed in the course of a holder's
20 business or by a government, governmental subdivision, agency, or instrumentality.

21 ~~a.~~ The term includes:

22 ~~(1)~~ All income from or increments to the property; and

23 ~~(2)~~ Property referred to as or evidenced by:

24 ~~(a)~~ Money, virtual currency, interest, or a dividend, check, draft, deposit,
25 or payroll card;

26 ~~(b)~~ A credit balance, customer's overpayment, stored value card, security
27 deposit, refund, credit memorandum, unpaid wage, unused ticket for
28 which the issuer has an obligation to provide a refund, mineral
29 proceeds, or unidentified remittance;

30 ~~(c)~~ A security except for:

31 ~~[1]~~ A worthless security; or

1 ~~_____ [2] A security that is subject to a lien, legal hold, or restriction~~
2 ~~_____ evidenced on the records of the holder or imposed by operation~~
3 ~~_____ of law, if the lien, legal hold, or restriction restricts the holder's or~~
4 ~~_____ owner's ability to receive, transfer, sell, or otherwise negotiate~~
5 ~~_____ the security;~~

6 ~~_____ (d) A bond, debenture, note, or other evidence of indebtedness;~~

7 ~~_____ (e) Money deposited to redeem a security, make a distribution, or pay a~~
8 ~~_____ dividend;~~

9 ~~_____ (f) An amount due and payable under an annuity contract or insurance~~
10 ~~_____ policy;~~

11 ~~_____ (g) An amount distributable from a trust or custodial fund established~~
12 ~~_____ under a plan to provide health, welfare, pension, vacation, severance,~~
13 ~~_____ retirement, death, stock purchase, profit sharing, employee savings,~~
14 ~~_____ supplemental unemployment insurance, or a similar benefit;~~

15 ~~_____ (h) Intangible property and any income or increment derived from the~~
16 ~~_____ intangible property held in a fiduciary capacity for the benefit of~~
17 ~~_____ another person;~~

18 ~~_____ (i) Mineral proceeds; and~~

19 ~~_____ (j) An in-store credit for returned merchandise.~~

20 ~~_____ b. The term does not include:~~

21 ~~_____ (1) Property held in a plan described in section 529A of the Internal Revenue~~
22 ~~_____ Code, as amended, [26 U.S.C. 529A];~~

23 ~~_____ (2) Game-related digital content;~~

24 ~~_____ (3) A loyalty card; or~~

25 ~~_____ (4) A gift card.~~

26 ~~28.25. "Putative holder" means a person believed by the administrator to be a holder, until the~~
27 ~~_____ person pays or delivers to the administrator property subject to this chapter or the~~
28 ~~_____ administrator or a court makes a final determination that the person is or is not a~~
29 ~~_____ holder.~~

30 ~~29.26. "Record" has the same meaning as defined in section 44-04-17.1.~~

31 ~~30.27. "Security" means:~~

1 ~~_____ a. A security as defined in section 41-08-02;~~

2 ~~_____ b. A security entitlement as defined in section 41-08-02, including a customer~~
3 ~~security account held by a registered broker-dealer, to the extent the financial~~
4 ~~assets held in the security account are not:~~

5 ~~_____ (1) Registered on the books of the issuer in the name of the person for which~~
6 ~~the broker-dealer holds the assets;~~

7 ~~_____ (2) Payable to the order of the person; or~~

8 ~~_____ (3) Specifically indorsed to the person; or~~

9 ~~_____ c. An equity interest in a business association not included in subdivision a or b.~~

10 ~~31.28. "Sign" means, with present intent to authenticate or adopt a record:~~

11 ~~_____ a. To execute or adopt a tangible symbol; or~~

12 ~~_____ b. To attach to or logically associate with the record an electronic symbol, sound, or~~
13 ~~process.~~

14 ~~32.29. "State" means a state of the United States, the District of Columbia, the~~

15 ~~Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or~~
16 ~~insular possession subject to the jurisdiction of the United States.~~

17 ~~33.30. "Stored value card" means a card, code, or other device, including a merchandise~~
18 ~~credit or rebate card, which is:~~

19 ~~_____ a. Issued on a prepaid basis primarily for personal, family, or household purposes to~~
20 ~~a consumer in a specified amount, whether or not that amount may be increased~~
21 ~~or reloaded in exchange for payment;~~

22 ~~_____ b. Redeemable upon presentation at multiple unaffiliated merchants for goods or~~
23 ~~services or usable at automated teller machines; and~~

24 ~~_____ c. Not a gift card, payroll card, loyalty card, or game-related digital content.~~

25 ~~34.31. "Utility" means a person that owns or operates for public use a plant, equipment, real~~
26 ~~property, franchise, or license for the following public services:~~

27 ~~_____ a. Transmission of communications or information;~~

28 ~~_____ b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,~~
29 ~~steam, or gas; or~~

30 ~~_____ c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.~~

1 ~~35.32.~~ "Virtual currency" means a digital representation of value used as a medium of
2 exchange, unit of account, or store of value, which does not have legal tender status
3 recognized by the United States. The term does not include:

4 ~~_____ a.~~ The software or protocols governing the transfer of the digital representation of
5 value;

6 ~~_____ b.~~ Game-related digital content; or

7 ~~_____ c.~~ A loyalty card or gift card.

8 ~~36.33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
9 administrator would exceed the value of the security on the date a report is due under
10 this chapter.

11 ~~_____ SECTION 8. AMENDMENT.~~ Section 47-30.2-03 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 ~~_____ 47-30.2-03. (104) Rulemaking.~~

14 ~~_____ The commissioner~~state treasurer may adopt rules to implement and administer this chapter.

15 ~~_____ SECTION 9. AMENDMENT.~~ Subdivision j of subsection 1 of section 47-30.2-22 of the North
16 Dakota Century Code is amended and reenacted as follows:

17 ~~_____ j.~~ Contain other information the ~~commissioner~~state treasurer prescribes by rules.

18 ~~_____ SECTION 10. AMENDMENT.~~ Subsection 4 of section 47-30.2-23 of the North Dakota
19 Century Code is amended and reenacted as follows:

20 ~~_____ 4.~~ The ~~commissioner~~state treasurer may grant an extension of the reporting date for
21 good cause in the event of a national or state emergency.

22 ~~_____ SECTION 11. AMENDMENT.~~ Subsection 1 of section 47-30.2-24 of the North Dakota
23 Century Code is amended and reenacted as follows:

24 ~~_____ 1.~~ A holder required to file a report under section 47-30.2-21 shall retain records for ten
25 years after the later of the date the report was filed or the last date a timely report was
26 due to be filed, unless a shorter period is provided by rule of the ~~commissioner~~state
27 treasurer.

28 ~~_____ SECTION 12. AMENDMENT.~~ Subdivision b of subsection 3 of section 47-30.2-28 of the
29 North Dakota Century Code is amended and reenacted as follows:

30 ~~_____ b.~~ Maintain a website or database accessible by the public and electronically
31 searchable which contains the names reported to the administrator of apparent

1 owners for whom property that meets or exceeds the searchable value as set by
2 the commissioner state treasurer is being held by the administrator. Property that
3 does not meet or exceed the searchable value must continue to be held by the
4 administrator but may not appear in the searchable website or database.

5 ~~SECTION 13. AMENDMENT.~~ Section 47-30.2-44 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 ~~47-30.2-44. (801) Deposit of funds by administrator.~~

8 ~~1. Except as otherwise provided in this section, the department state treasurer shall~~
9 ~~deposit to the credit of the common schools trust fund all funds received under this~~
10 ~~chapter, including proceeds from the sale of property under sections 47-30.2-40,~~
11 ~~47-30.2-41, 47-30.2-42, and 47-30.2-43.~~

12 ~~2. The department state treasurer shall maintain an account with an amount of funds the~~
13 ~~commissioner state treasurer reasonably estimates is sufficient to pay claims allowed~~
14 ~~under this chapter.~~

15 ~~SECTION 14. AMENDMENT.~~ Subsection 2 of section 47-30.2-46 of the North Dakota
16 Century Code is amended and reenacted as follows:

17 ~~2. There is appropriated annually the The amounts necessary are appropriated to the~~
18 ~~state treasurer on a continuing basis to pay all expense deductions under this section,~~
19 ~~including:~~

20 ~~a. Any costs in connection with the sale of abandoned property;~~

21 ~~b. Costs of mailing, publication, and outreach efforts in connection with any~~
22 ~~abandoned property;~~

23 ~~c. Reasonable service charges;~~

24 ~~d. Costs incurred in examining records of holders of property and in collecting the~~
25 ~~property from those holders;~~

26 ~~e. Funds for the payment of claims;~~

27 ~~f. Funds for the payment of holder refunds; and~~

28 ~~g. Funds for attorney's fees and all other reasonable costs and expenses incurred in~~
29 ~~an action or suit.~~

30 ~~SECTION 15. AMENDMENT.~~ Subdivision c of subsection 2 of section 47-30.2-50 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 ~~_____ c. The property has a value as provided by rules adopted by the commissioner~~
2 ~~_____ state~~
3 ~~_____ treasurer.~~

4 ~~_____ **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is~~
5 ~~_____ amended and reenacted as follows:~~

6 ~~_____ **47-30.2-53. (906) Action by person whose claim is denied.**~~

7 ~~_____ Not later than one hundred eighty days after filing a claim under subsection 1 of section~~
8 ~~_____ 47-30.2-50, the claimant may commence an action against the board~~
9 ~~_____ state treasurer in the~~
10 ~~_____ Burleigh County district court to establish a claim that has been denied or deemed denied under~~
11 ~~_____ section 47-30.2-50. If the board~~
12 ~~_____ state treasurer is successful in a proceeding brought under this~~
13 ~~_____ section, the district court shall allow the board~~
14 ~~_____ state treasurer to recover court costs; reasonable~~
15 ~~_____ costs, fees, disbursements, and expenses incurred by the board~~
16 ~~_____ state treasurer in the~~
17 ~~_____ proceeding; and reasonable attorney's fees.~~

18 ~~_____ **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota~~
19 ~~_____ Century Code is amended and reenacted as follows: _____~~

20 ~~_____ 1. The commissioner~~
21 ~~_____ state treasurer shall adopt rules governing an examination under~~
22 ~~_____ section 47-30.2-55, including rules for use of an estimation, extrapolation, and~~
23 ~~_____ statistical sampling in conducting an examination. An examination commenced after~~
24 ~~_____ adoption of rules under this subsection must comply with the rules.~~

25 ~~_____ **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota~~
26 ~~_____ Century Code is amended and reenacted as follows: _____~~

27 ~~_____ 2. The records subject to subsection 1:~~

28 ~~_____ a. May be used by the board~~
29 ~~_____ state treasurer in an action to collect property or~~
30 ~~_____ otherwise enforce this chapter;~~

31 ~~_____ b. May be used in a joint examination conducted with or pursuant to agreements~~
32 ~~_____ with other states, the federal government, or other governmental entities;~~

33 ~~_____ c. May be disclosed at the discretion of the commissioner~~
34 ~~_____ state treasurer, on~~
35 ~~_____ request, to the person that administers the unclaimed property law of another~~
36 ~~_____ state for that state's use in circumstances equivalent to circumstances described~~
37 ~~_____ in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,~~
38 ~~_____ 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information~~
39 ~~_____ is disclosed shall maintain the confidentiality and security of information obtained~~

1 in a manner substantially equivalent to sections ~~47-30.2-71, 47-30.2-72, and~~
2 ~~47-30.2-73;~~

3 ~~d. May be required to be produced under section 44-04-18.11; and~~

4 ~~e. May be required to be produced by the administrator on request of the person~~
5 ~~subject to the examination in an administrative or judicial proceeding relating to~~
6 ~~the property.~~

7 ~~SECTION 19. AMENDMENT. Section 47-30.2-64 of the North Dakota Century Code is~~
8 ~~amended and reenacted as follows:~~

9 ~~47-30.2-64. (1203) Action involving another state or foreign country.~~

10 ~~1. The administrator may join another state or foreign country to examine and seek~~
11 ~~enforcement of this chapter against a putative holder.~~

12 ~~2. The board state treasurer may pursue an action on behalf of this state to recover~~
13 ~~property subject to this chapter but delivered to the custody of another state if the~~
14 ~~administrator believes the property is subject to the custody of the administrator.~~

15 ~~3. The board state treasurer may retain an attorney in this state, another state, or a~~
16 ~~foreign country to commence an action to recover property on behalf of the board state~~
17 ~~treasurer and may agree to pay attorney's fees based in whole or in part on a fixed~~
18 ~~fee, hourly fee, or a percentage of the amount or value of property recovered in the~~
19 ~~action.~~

20 ~~4. Expenses incurred by this state in an action under this section must be paid in~~
21 ~~accordance with section 47-30.2-46.~~

22 ~~SECTION 20. AMENDMENT. Section 47-30.2-66 of the North Dakota Century Code is~~
23 ~~amended and reenacted as follows:~~

24 ~~47-30.2-66. (1205) Other civil penalties.~~

25 ~~1. If a holder enters into a contract or other arrangement for the purpose of evading an~~
26 ~~obligation under this chapter or otherwise willfully fails to perform a duty imposed on~~
27 ~~the holder under this chapter, the commissioner state treasurer may require the holder~~
28 ~~to pay the administrator, in addition to interest as provided in subsection 1 of section~~
29 ~~47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is~~
30 ~~evaded or the duty is not performed, up to a cumulative maximum amount of twenty-~~
31 ~~five thousand dollars, plus twenty five percent of the amount or value of property that~~

1 ~~should have been, but was not reported, paid, or delivered as a result of the evasion~~
2 ~~or failure to perform.~~

3 ~~2. If a holder makes a fraudulent report under this chapter, the commissioner~~
4 ~~state treasurer may require the holder to pay to the administrator, in addition to interest~~
5 ~~under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for~~
6 ~~each day from the date the report was made until corrected, up to a cumulative~~
7 ~~maximum of twenty five thousand dollars, plus twenty five percent of the amount or~~
8 ~~value of any property that should have been reported, but was not included in the~~
9 ~~report or was underreported.~~

10 ~~**SECTION 21. AMENDMENT.** Subsection 4 of section 47-30.2-67 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows:——~~

12 ~~4. The commissioner~~
13 ~~state treasurer may waive up to twenty five thousand dollars of the~~
14 ~~penalty or reduce interest. A request for a waiver or reduction of penalty in excess of~~
15 ~~twenty five thousand dollars must be presented to the board, with the commissioner's~~
16 ~~recommendation, state treasurer for review and decision.~~

17 ~~**SECTION 22. AMENDMENT.** Section 47-30.2-75 of the North Dakota Century Code is~~
18 ~~amended and reenacted as follows:~~

19 ~~**47-30.2-75. Enforcement – Appeals.**~~

20 ~~The administrator may bring an action in a court of competent jurisdiction to enforce this~~
21 ~~chapter. A person in this state aggrieved by an audit that in any form requests the payment of~~
22 ~~money or a civil penalty is entitled to a hearing before the board~~
23 ~~state treasurer. A demand for a~~
24 ~~hearing must be made within thirty days of the request by the administrator. The request by the~~
25 ~~administrator must contain notice of the right to a hearing. The board's~~
26 ~~state treasurer's decision~~
27 ~~is the final order of the agency and is appealable to the district court. Any amount of money~~
28 ~~requested by the administrator which may increase over time is tolled at the time of filing an~~
29 ~~appeal, retroactive to the date of the request.~~

30 ~~**SECTION 5. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is~~
31 ~~amended and reenacted as follows:~~

32 ~~**54-11-13. Salary of state treasurer.**~~

33 ~~The annual salary of the state treasurer is one hundred thirty thousand one hundred thirty-~~
34 ~~nine thousand two hundred fifty-six dollars through June 30, 20242026, and one hundred thirty-~~

1 ~~five thousand two hundred one hundred forty-three thousand four hundred thirty-four~~ dollars
2 thereafter.

3 ~~—~~ **SECTION 24. AMENDMENT.** Section 54-27-15.1 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 ~~—~~ **54-27-15.1. State treasurer's checks, warrants, and warrant checks—Cancellation—**
6 **Deposit to common schools trust fund—Subsequent payment—Continuing**
7 **appropriation.**

8 ~~—~~ The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,
9 warrants, and warrant checks drawn on various depositories which are more than two years old
10 which remain outstanding and unpaid and shall show the number, date, payee, with address of
11 payee if available, amount, and fund, if available, against which said instrument was drawn. A
12 copy of such list must then be used as an authority for writing a receipt of the total of such
13 check or checks and shall credit such amount to the common schools trust fund pursuant to
14 chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to
15 the unclaimed property administrator of unclaimed properties. In the event such check, warrant,
16 or warrant check is at any subsequent time presented for payment, or a claim is made by any
17 person for the amount of any such instrument, further proceedings must be conducted in
18 accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and
19 continuing appropriation.

20 ~~—~~ **SECTION 25. AMENDMENT.** Subsection 6 of section 57-38-57 of the North Dakota
21 Century Code is amended and reenacted as follows: ~~—~~

22 ~~—~~ 6. Upon request, the tax commissioner may furnish to the unclaimed property division of
23 the board of university and school lands administrator, a taxpayer's name, address,
24 and federal identification number for identifying the taxpayer as the owner of an
25 unclaimed voucher authorized by the tax commissioner or to locate the apparent
26 owner of unclaimed property as provided under chapter 47-30.2.

27 ~~—~~ **SECTION 26. AMENDMENT.** Subsection 3 of section 57-39.2-23 of the North Dakota
28 Century Code is amended and reenacted as follows: ~~—~~

29 ~~—~~ 3. The commissioner may furnish to workforce safety and insurance, the job insurance
30 division of job service North Dakota, and the secretary of state, upon request of the
31 respective agency, a list or lists of holders of permits issued under this chapter or

1 ~~chapter 57-40.2, together with the addresses and tax department file identification~~
2 ~~numbers of those permitholders. The agency may use the list or lists only for the~~
3 ~~purpose of administering the duties of the agency. The commissioner may furnish to~~
4 ~~the unclaimed property division of the board of university and school~~
5 ~~landsadministrator, upon its request, the name, address, and the permitholder's~~
6 ~~federal identification number for the sole purpose of identifying the owner of an~~
7 ~~unclaimed voucher authorized by the commissioner.~~

8 ~~SECTION 27. AMENDMENT. Subsection 8 of section 57-39.2-23 of the North Dakota~~
9 ~~Century Code is amended and reenacted as follows: _____~~

10 ~~8. Upon request, the commissioner may furnish to the unclaimed property division of~~
11 ~~the board of university and school landsadministrator, a taxpayer's name, address,~~
12 ~~and federal identification number for identifying the owner of an unclaimed voucher~~
13 ~~authorized by the commissioner or to locate the apparent owner of unclaimed property~~
14 ~~as provided under chapter 47-30.2.~~

15 **SECTION 6. EMERGENCY.** The sum of \$295,000 in the total special funds line item in
16 section 1 of this Act and identified as one-time funding in section 2 of this Act for information
17 technology projects is declared to be an emergency measure.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,605,584	\$2,581,015	(\$788,326)	\$1,792,689
New and vacant FTE pool		54,672	(18,026)	36,646
Operating expenses	265,346	1,069,604	(510,000)	559,604
Coal severance payments	118,000	122,000		122,000
Carbon dioxide pipeline payments		2,000,000	(1,000,000)	1,000,000
Total all funds	\$1,988,930	\$5,827,291	(\$2,316,352)	\$3,510,939
Less estimated income	0	1,711,352	(1,416,352)	295,000
General fund	\$1,988,930	\$4,115,939	(\$900,000)	\$3,215,939
FTE	7.00	11.00	(4.00)	7.00

Department 120 - State Treasurer - Detail of Senate Changes

	Removes a Transfer of Unclaimed Property ¹	Adds Salary Equity Funding ²	Adjusts Funding for Carbon Dioxide Pipeline Payments ³	Increases Funding for One-Time Items ⁴	Total Senate Changes
Salaries and wages	(\$888,326)	\$100,000			(\$788,326)
New and vacant FTE pool	(18,026)				(18,026)
Operating expenses	(695,000)			\$185,000	(510,000)
Coal severance payments					
Carbon dioxide pipeline payments			(\$1,000,000)		(1,000,000)
Total all funds	(\$1,601,352)	\$100,000	(\$1,000,000)	\$185,000	(\$2,316,352)
Less estimated income	(1,601,352)	0	0	185,000	(1,416,352)
General fund	\$0	\$100,000	(\$1,000,000)	\$0	(\$900,000)
FTE	(4.00)	0.00	0.00	0.00	(4.00)

¹ Funding of \$1,601,352 from special funds, including \$8,000 of one-time funding, and 4 FTE positions related to a transfer of unclaimed property from the Department of Trust Lands to the State Treasurer are removed. The House added the funding and FTE positions.

² Funding of \$100,000 from the general fund is added for salary equity increases. The House version did not include this funding.

³ Funding for carbon dioxide pipeline payments is decreased by \$1 million, from \$2 million to \$1 million. The House version provided \$2 million.

⁴ One-time funding from the strategic investment and improvements fund (SIIF) for operating expenses related to information technology costs is increased by \$185,000, from \$110,000 to \$295,000. The House version provided \$110,000 of one-time funding from SIIF.

The Senate version removes various sections, which were added in the House version, related to the transfer of unclaimed property from the Department of Trust Lands to the State Treasurer and adds an emergency clause related to one-time funding of \$295,000 from SIIF for information technology projects.

**REPORT OF STANDING COMMITTEE
ENGROSSED HB 1005**

Appropriations Committee (Sen. Bekkedahl, Chairman) recommends **AMENDMENTS** ([25.0149.02004](#)) and when so amended, recommends **DO PASS** (14 YEAS, 1 NAY, 1 ABSENT OR EXCUSED AND NOT VOTING). Engrossed HB 1005 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

25.0149.02002
Title.
Fiscal No. 2

Prepared by the Legislative Council
staff for Senate Appropriations -
Government Operations Division
Committee

March 24, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 and to amend and reenact ~~subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01,~~
3 ~~and 47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section~~
4 ~~47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section~~
5 ~~47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision e of~~
6 ~~subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,~~
7 ~~subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section~~
8 ~~47-30.2-67, section 47-30.2-75, section 54-11-13 and 54-27-15.1, subsection 6 of section~~
9 ~~57-38-57, and subsections 3 and 8 of section 57-39.2-23 of the North Dakota Century Code,~~
10 relating to ~~the transfer of unclaimed property administration from the commissioner of university~~
11 ~~and school lands to the state treasurer and~~ the salary of the state treasurer.

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

13 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
14 as may be necessary, are appropriated out of any moneys in the general fund in the state
15 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
16 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
17 2027, as follows:

18		Adjustments or	
19	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
2	New and vacant FTE pool	0	54,672	54,672
3	Operating expenses	265,346	804,258	1,069,604
4	Coal severance payments	118,000	4,000	122,000
5	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
6	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
7	Total special funds	0	1,711,352	1,711,352
8	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
9	Full-time equivalent positions	7.00	4.00	11.00
10	Salaries and wages	\$1,605,584	\$187,105	\$1,792,689
11	New and vacant FTE pool	0	36,646	36,646
12	Operating expenses	265,346	294,258	559,604
13	Coal severance payments	118,000	4,000	122,000
14	Carbon dioxide pipeline payments	0	1,000,000	1,000,000
15	Total all funds	\$1,988,930	\$1,522,009	\$3,510,939
16	Total special funds	0	295,000	295,000
17	Total general fund	\$1,988,930	\$1,227,009	\$3,215,939
18	Full-time equivalent positions	7.00	0.00	7.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000
Information technology projects	\$0	\$295,000	\$295,000
Total	\$0	\$295,000	\$295,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The

state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in

1 section 1 of this Act, but may request the office of management and budget to transfer funds
2 from the new and vacant FTE pool line item to the salaries and wages line item in accordance
3 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
4 sixty-ninth legislative assembly.

5 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

6 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of

7 ~~\$110,000~~ \$295,000 included in the other funds line item in section 1 of this Act and identified as
8 one-time funding in section 2 of this Act is from the strategic investment and improvements fund
9 for information technology projects.

10 ~~**SECTION 5. AMENDMENT.** Subsection 15 of section 6-07.2-19 of the North Dakota
11 Century Code is amended and reenacted as follows:~~

12 ~~15. Within one hundred twenty days after the final distribution to members is started, the
13 credit union shall furnish to the commissioner's office a schedule of unpaid claims. The
14 board of directors of the credit union or the liquidating agent if appointed shall report
15 money in the account of a member who failed to surrender their passbooks or confirm
16 their balances, final distribution checks not cashed within one hundred twenty days,
17 and any unpaid claims to the unclaimed property division of the board of university and
18 school lands pursuant to administrator under chapter 47-30.2.~~

19 ~~**SECTION 6. AMENDMENT.** Section 10-15-49 of the North Dakota Century Code is
20 amended and reenacted as follows:~~

21 ~~**10-15-49. Amounts due unknown persons.**~~

22 ~~Upon liquidation of a cooperative, the assets distributable to persons who are unknown or
23 cannot be found may be reduced to cash and transferred to the commissioner of university and
24 school lands unclaimed property administrator and shall be treated as abandoned and
25 unclaimed property under the escheat and abandoned property laws of the state.~~

26 ~~**SECTION 7. AMENDMENT.** Section 47-30.2-01 of the North Dakota Century Code is
27 amended and reenacted as follows:~~

28 ~~**47-30.2-01. (102) Definitions.**~~

29 ~~As used in this chapter:~~

30 ~~1. "Administrator" means the administrator of the state abandoned property office under
31 the state treasurer.~~

- 1 ~~2. "Administrator's agent" means a person with which the commissioner state treasurer~~
2 ~~contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,~~
3 ~~47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and~~
4 ~~47-30.2-62 on behalf of the administrator. The term includes an independent~~
5 ~~contractor of the person and each individual participating in the examination on behalf~~
6 ~~of the person or contractor.~~
- 7 ~~3. "Apparent owner" means a person whose name appears on the records of a holder as~~
8 ~~the owner of property held, issued, or owing by the holder.~~
- 9 ~~4. "Board" means the board of university and school lands.~~
- 10 ~~5. "Business association" means a corporation, joint stock company, investment~~
11 ~~company, partnership, unincorporated association, joint venture, limited liability~~
12 ~~company, business trust, trust company, land bank, safe deposit company,~~
13 ~~safekeeping depository, financial organization, insurance company, federally chartered~~
14 ~~entity, utility, sole proprietorship, or other business entity, whether or not for profit.~~
- 15 ~~6.5. "Cashier's check" means a check that:~~
16 ~~a. Is purchased by a remitter and made payable to a designated payee;~~
17 ~~b. Is signed by an officer or employee of the financial organization;~~
18 ~~c. Authorizes payment of the amount shown on the check's face to the payee;~~
19 ~~d. Is a direct obligation of the financial organization; and~~
20 ~~e. Is provided to a customer of the financial institution or acquired from the financial~~
21 ~~institution for remittance purposes.~~
- 22 ~~7. "Commissioner" means the commissioner of university and school lands.~~
- 23 ~~8.6. "Confidential record" has the same meaning as defined in section 44-04-17.1.~~
- 24 ~~9. "Department" means the department of trust lands.~~
- 25 ~~10.7. "Domicile" means:~~
26 ~~a. For a corporation, the state of its incorporation;~~
27 ~~b. For a business association whose formation requires a filing with a state, other~~
28 ~~than a corporation, the state of its filing;~~
29 ~~c. For a federally chartered entity, the state of its home office; and~~
30 ~~d. For any other holder, the state of its principal place of business.~~

Sixty-ninth
Legislative Assembly

1 ~~11.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
2 optical, electromagnetic, or similar capabilities.

3 ~~12.9.~~ "Electronic mail" means a communication by electronic means, together with
4 attachments, which is automatically retained and stored and may be readily accessed
5 or retrieved.

6 ~~13.10.~~ "Financial organization" means a savings and loan association, building and loan
7 association, savings bank, industrial bank, bank, banking organization, private banker,
8 trust company, credit union, or an organization defined as a bank or banking
9 organization under the laws of this state or of the United States.

10 ~~14.11.~~ "Game-related digital content" means digital content that exists only in an electronic
11 game or electronic game platform.

12 ~~a.~~ The term includes:

13 ~~(1)~~ Game play currency such as a virtual wallet, even if denominated in United
14 States currency; and

15 ~~(2)~~ The following if for use or redemption only within the game or platform or
16 another electronic game or electronic game platform:

17 ~~(a)~~ Points sometimes referred to as gems, tokens, gold, and similar
18 names; and

19 ~~(b)~~ Digital codes; and

20 ~~b.~~ The term does not include an item that the issuer:

21 ~~(1)~~ Permits to be redeemed for use outside a game or platform for:

22 ~~(a)~~ Money; or

23 ~~(b)~~ Goods or services that have more than minimal value; or

24 ~~(2)~~ Otherwise monetizes for use outside a game or platform.

25 ~~15.12.~~ "Gift card" means a record that:

26 ~~a.~~ Is usable at:

27 ~~(1)~~ A single merchant; or

28 ~~(2)~~ A specified group of merchants;

29 ~~b.~~ Is prefunded before the record is used; and

30 ~~c.~~ Can be used for purchases of goods or services.

Sixty-ninth
Legislative Assembly

- 1 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
2 the owner, property subject to this chapter.
- 3 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
4 also includes a benevolent society, nonprofit health service corporation, and a health
5 maintenance organization.
- 6 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
7 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
8 or redeemed only to obtain goods or services or a discount on goods or services. The
9 term does not include a record that may be redeemed for money or otherwise
10 monetized by the issuer.
- 11 ~~19.16.~~ "Mineral proceeds" means an obligation:
12 ~~a.~~ To pay resulting from the production and sale of minerals, including net revenue
13 interest, royalties, overriding royalties, production payments, and joint operating
14 agreements; or
15 ~~b.~~ For the acquisition and retention of a mineral lease, including bonuses, delay
16 rentals, shut-in royalties, and minimum royalties.
- 17 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
18 includes an express money order and a personal money order on which the remitter is
19 the purchaser.
- 20 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
21 or other political subdivision of a state.
- 22 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
23 value card, plus amounts added to the original price or value, minus amounts used
24 and any service charge, fee, or dormancy charge permitted by law.
- 25 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
26 administrator by the depository trust clearing corporation or similar custodian of
27 securities providing post-trade clearing and settlement services to financial markets or
28 cannot be delivered because there is no agent to effect transfer. The term includes a
29 worthless security.

Sixty-ninth
Legislative Assembly

1 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
2 subject to this chapter or the person's legal representative when acting on behalf of
3 and in the best interest of the owner. The term includes:

4 ~~a.~~ A depositor, for a deposit;

5 ~~b.~~ A beneficiary, for a trust other than a deposit in trust;

6 ~~c.~~ A creditor, claimant, or payee, for other property; and

7 ~~d.~~ The lawful bearer of a record that may be used to obtain money, a reward, or a
8 thing of value.

9 ~~25.22.~~ "Payroll card" means a record that evidences a payroll card account that is directly or
10 indirectly established through an employer and to which electronic fund transfers of
11 the consumer's wages, salary, or other employee compensation, such as
12 commissions, are made on a recurring basis, whether the account is operated or
13 managed by the employer, a third-party payroll processor, a depository institution, or
14 any other person.

15 ~~26.23.~~ "Person" means an individual, estate, business association, public corporation,
16 government or governmental subdivision, agency, or instrumentality, or other legal
17 entity.

18 ~~27.24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
19 certain interest in intangible property held, issued, or owed in the course of a holder's
20 business or by a government, governmental subdivision, agency, or instrumentality.

21 ~~a.~~ The term includes:

22 ~~(1)~~ All income from or increments to the property; and

23 ~~(2)~~ Property referred to as or evidenced by:

24 ~~(a)~~ Money, virtual currency, interest, or a dividend, check, draft, deposit,
25 or payroll card;

26 ~~(b)~~ A credit balance, customer's overpayment, stored value card, security
27 deposit, refund, credit memorandum, unpaid wage, unused ticket for
28 which the issuer has an obligation to provide a refund, mineral
29 proceeds, or unidentified remittance;

30 ~~(c)~~ A security except for:

31 ~~[1]~~ A worthless security; or

- 1 ~~_____ [2] A security that is subject to a lien, legal hold, or restriction~~
2 ~~_____ evidenced on the records of the holder or imposed by operation~~
3 ~~_____ of law, if the lien, legal hold, or restriction restricts the holder's or~~
4 ~~_____ owner's ability to receive, transfer, sell, or otherwise negotiate~~
5 ~~_____ the security;~~
- 6 ~~_____ (d) A bond, debenture, note, or other evidence of indebtedness;~~
- 7 ~~_____ (e) Money deposited to redeem a security, make a distribution, or pay a~~
8 ~~_____ dividend;~~
- 9 ~~_____ (f) An amount due and payable under an annuity contract or insurance~~
10 ~~_____ policy;~~
- 11 ~~_____ (g) An amount distributable from a trust or custodial fund established~~
12 ~~_____ under a plan to provide health, welfare, pension, vacation, severance,~~
13 ~~_____ retirement, death, stock purchase, profit-sharing, employee savings,~~
14 ~~_____ supplemental unemployment insurance, or a similar benefit;~~
- 15 ~~_____ (h) Intangible property and any income or increment derived from the~~
16 ~~_____ intangible property held in a fiduciary capacity for the benefit of~~
17 ~~_____ another person;~~
- 18 ~~_____ (i) Mineral proceeds; and~~
- 19 ~~_____ (j) An in-store credit for returned merchandise.~~
- 20 ~~_____ b. The term does not include:~~
- 21 ~~_____ (1) Property held in a plan described in section 529A of the Internal Revenue~~
22 ~~_____ Code, as amended, [26 U.S.C. 529A];~~
- 23 ~~_____ (2) Game-related digital content;~~
- 24 ~~_____ (3) A loyalty card; or~~
- 25 ~~_____ (4) A gift card.~~
- 26 ~~28.25. "Putative holder" means a person believed by the administrator to be a holder, until the~~
27 ~~_____ person pays or delivers to the administrator property subject to this chapter or the~~
28 ~~_____ administrator or a court makes a final determination that the person is or is not a~~
29 ~~_____ holder.~~
- 30 ~~29.26. "Record" has the same meaning as defined in section 44-04-17.1.~~
- 31 ~~30.27. "Security" means:~~

Sixty-ninth
Legislative Assembly

- 1 ~~a. A security as defined in section 41-08-02;~~
2 ~~b. A security entitlement as defined in section 41-08-02, including a customer~~
3 ~~security account held by a registered broker-dealer, to the extent the financial~~
4 ~~assets held in the security account are not:~~
5 ~~(1) Registered on the books of the issuer in the name of the person for which~~
6 ~~the broker-dealer holds the assets;~~
7 ~~(2) Payable to the order of the person; or~~
8 ~~(3) Specifically indorsed to the person; or~~
9 ~~c. An equity interest in a business association not included in subdivision a or b.~~

10 ~~31.29. "Sign" means, with present intent to authenticate or adopt a record:~~

- 11 ~~a. To execute or adopt a tangible symbol; or~~
12 ~~b. To attach to or logically associate with the record an electronic symbol, sound, or~~
13 ~~process.~~

14 ~~32.29. "State" means a state of the United States, the District of Columbia, the~~
15 ~~Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or~~
16 ~~insular possession subject to the jurisdiction of the United States.~~

17 ~~33.30. "Stored value card" means a card, code, or other device, including a merchandise~~
18 ~~credit or rebate card, which is:~~

- 19 ~~a. Issued on a prepaid basis primarily for personal, family, or household purposes to~~
20 ~~a consumer in a specified amount, whether or not that amount may be increased~~
21 ~~or reloaded in exchange for payment;~~
22 ~~b. Redeemable upon presentation at multiple unaffiliated merchants for goods or~~
23 ~~services or usable at automated teller machines; and~~
24 ~~c. Not a gift card, payroll card, loyalty card, or game-related digital content.~~

25 ~~34.31. "Utility" means a person that owns or operates for public use a plant, equipment, real~~
26 ~~property, franchise, or license for the following public services:~~

- 27 ~~a. Transmission of communications or information;~~
28 ~~b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,~~
29 ~~steam, or gas; or~~
30 ~~c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.~~

1 ~~35.32. "Virtual currency" means a digital representation of value used as a medium of~~
2 ~~exchange, unit of account, or store of value, which does not have legal tender status~~
3 ~~recognized by the United States. The term does not include:~~

- 4 ~~a. The software or protocols governing the transfer of the digital representation of~~
5 ~~value;~~
6 ~~b. Game-related digital content; or~~
7 ~~c. A loyalty card or gift card.~~

8 ~~36.33. "Worthless security" means a security whose cost of liquidation and delivery to the~~
9 ~~administrator would exceed the value of the security on the date a report is due under~~
10 ~~this chapter.~~

11 ~~SECTION 8. AMENDMENT. Section 47-30.2-03 of the North Dakota Century Code is~~
12 ~~amended and reenacted as follows:~~

13 ~~47-30.2-03. (104) Rulemaking.~~

14 ~~The commissionerstate treasurer may adopt rules to implement and administer this chapter.~~

15 ~~SECTION 9. AMENDMENT. Subdivision j of subsection 1 of section 47-30.2-22 of the North~~
16 ~~Dakota Century Code is amended and reenacted as follows:~~

17 ~~j. Contain other information the commissionerstate treasurer prescribes by rules.~~

18 ~~SECTION 10. AMENDMENT. Subsection 4 of section 47-30.2-23 of the North Dakota~~
19 ~~Century Code is amended and reenacted as follows:~~

20 ~~4. The commissionerstate treasurer may grant an extension of the reporting date for~~
21 ~~good cause in the event of a national or state emergency.~~

22 ~~SECTION 11. AMENDMENT. Subsection 1 of section 47-30.2-24 of the North Dakota~~
23 ~~Century Code is amended and reenacted as follows:~~

24 ~~1. A holder required to file a report under section 47-30.2-21 shall retain records for ten~~
25 ~~years after the later of the date the report was filed or the last date a timely report was~~
26 ~~due to be filed, unless a shorter period is provided by rule of the commissionerstate~~
27 ~~treasurer.~~

28 ~~SECTION 12. AMENDMENT. Subdivision b of subsection 3 of section 47-30.2-28 of the~~
29 ~~North Dakota Century Code is amended and reenacted as follows:~~

30 ~~b. Maintain a website or database accessible by the public and electronically~~
31 ~~searchable which contains the names reported to the administrator of apparent~~

1 owners for whom property that meets or exceeds the searchable value as set by
2 the ~~commissioner~~state treasurer is being held by the administrator. Property that
3 does not meet or exceed the searchable value must continue to be held by the
4 administrator but may not appear in the searchable website or database.

5 ~~SECTION 13. AMENDMENT.~~ Section 47-30.2-44 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 ~~47-30.2-44. (801) Deposit of funds by administrator.~~

8 ~~1. Except as otherwise provided in this section, the department~~state treasurer shall
9 deposit to the credit of the common schools trust fund all funds received under this
10 chapter, including proceeds from the sale of property under sections ~~47-30.2-40,~~
11 ~~47-30.2-41, 47-30.2-42, and 47-30.2-43.~~

12 ~~2. The department~~state treasurer shall maintain an account with an amount of funds the
13 ~~commissioner~~state treasurer reasonably estimates is sufficient to pay claims allowed
14 under this chapter.

15 ~~SECTION 14. AMENDMENT.~~ Subsection 2 of section 47-30.2-46 of the North Dakota
16 Century Code is amended and reenacted as follows:

17 ~~2. There is appropriated annually the~~The amounts necessary are appropriated to the
18 state treasurer on a continuing basis to pay all expense deductions under this section,
19 including:

20 ~~a. Any costs in connection with the sale of abandoned property;~~

21 ~~b. Costs of mailing, publication, and outreach efforts in connection with any~~
22 ~~abandoned property;~~

23 ~~c. Reasonable service charges;~~

24 ~~d. Costs incurred in examining records of holders of property and in collecting the~~
25 ~~property from those holders;~~

26 ~~e. Funds for the payment of claims;~~

27 ~~f. Funds for the payment of holder refunds; and~~

28 ~~g. Funds for attorney's fees and all other reasonable costs and expenses incurred in~~
29 ~~an action or suit.~~

30 ~~SECTION 15. AMENDMENT.~~ Subdivision c of subsection 2 of section 47-30.2-50 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 ~~e. The property has a value as provided by rules adopted by the commissioner~~state
2 ~~treasurer.~~

3 ~~SECTION 16. AMENDMENT. Section 47-30.2-53 of the North Dakota Century Code is~~
4 ~~amended and reenacted as follows:~~

5 ~~47-30.2-53. (906) Action by person whose claim is denied.~~

6 ~~Not later than one hundred eighty days after filing a claim under subsection 1 of section~~
7 ~~47-30.2-50, the claimant may commence an action against the board~~state treasurer ~~in the~~
8 ~~Burleigh County district court to establish a claim that has been denied or deemed denied under~~
9 ~~section 47-30.2-50. If the board~~state treasurer ~~is successful in a proceeding brought under this~~
10 ~~section, the district court shall allow the board~~state treasurer ~~to recover court costs; reasonable~~
11 ~~costs, fees, disbursements, and expenses incurred by the board~~state treasurer ~~in the~~
12 ~~proceeding; and reasonable attorney's fees.~~

13 ~~SECTION 17. AMENDMENT. Subsection 1 of section 47-30.2-56 of the North Dakota~~
14 ~~Century Code is amended and reenacted as follows: _____~~

15 ~~1. The commissioner~~state treasurer ~~shall adopt rules governing an examination under~~
16 ~~section 47-30.2-55, including rules for use of an estimation, extrapolation, and~~
17 ~~statistical sampling in conducting an examination. An examination commenced after~~
18 ~~adoption of rules under this subsection must comply with the rules.~~

19 ~~SECTION 18. AMENDMENT. Subsection 2 of section 47-30.2-57 of the North Dakota~~
20 ~~Century Code is amended and reenacted as follows: _____~~

21 ~~2. The records subject to subsection 1:~~

22 ~~a. May be used by the board~~state treasurer ~~in an action to collect property or~~
23 ~~otherwise enforce this chapter;~~

24 ~~b. May be used in a joint examination conducted with or pursuant to agreements~~
25 ~~with other states, the federal government, or other governmental entities;~~

26 ~~c. May be disclosed at the discretion of the commissioner~~state treasurer~~, on~~
27 ~~request, to the person that administers the unclaimed property law of another~~
28 ~~state for that state's use in circumstances equivalent to circumstances described~~
29 ~~in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,~~
30 ~~47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information~~
31 ~~is disclosed shall maintain the confidentiality and security of information obtained~~

1 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
2 47-30.2-73;

3 ~~d. May be required to be produced under section 44-04-18.11; and~~

4 ~~e. May be required to be produced by the administrator on request of the person~~
5 ~~subject to the examination in an administrative or judicial proceeding relating to~~
6 ~~the property.~~

7 ~~**SECTION 19. AMENDMENT.** Section 47-30.2-64 of the North Dakota Century Code is~~
8 ~~amended and reenacted as follows:~~

9 ~~**47-30.2-64. (1203) Action involving another state or foreign country.**~~

10 ~~1. The administrator may join another state or foreign country to examine and seek~~
11 ~~enforcement of this chapter against a putative holder.~~

12 ~~2. The boardstate treasurer may pursue an action on behalf of this state to recover~~
13 ~~property subject to this chapter but delivered to the custody of another state if the~~
14 ~~administrator believes the property is subject to the custody of the administrator.~~

15 ~~3. The boardstate treasurer may retain an attorney in this state, another state, or a~~
16 ~~foreign country to commence an action to recover property on behalf of the boardstate~~
17 ~~treasurer and may agree to pay attorney's fees based in whole or in part on a fixed~~
18 ~~fee, hourly fee, or a percentage of the amount or value of property recovered in the~~
19 ~~action.~~

20 ~~4. Expenses incurred by this state in an action under this section must be paid in~~
21 ~~accordance with section 47-30.2-46.~~

22 ~~**SECTION 20. AMENDMENT.** Section 47-30.2-66 of the North Dakota Century Code is~~
23 ~~amended and reenacted as follows:~~

24 ~~**47-30.2-66. (1205) Other civil penalties.**~~

25 ~~1. If a holder enters into a contract or other arrangement for the purpose of evading an~~
26 ~~obligation under this chapter or otherwise willfully fails to perform a duty imposed on~~
27 ~~the holder under this chapter, the commissionerstate treasurer may require the holder~~
28 ~~to pay the administrator, in addition to interest as provided in subsection 1 of section~~
29 ~~47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is~~
30 ~~evaded or the duty is not performed, up to a cumulative maximum amount of twenty-~~
31 ~~five thousand dollars, plus twenty-five percent of the amount or value of property that~~

1 ~~should have been, but was not reported, paid, or delivered as a result of the evasion~~
2 ~~or failure to perform.~~

3 ~~2. If a holder makes a fraudulent report under this chapter, the commissioner~~
4 ~~state treasurer may require the holder to pay to the administrator, in addition to interest~~
5 ~~under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for~~
6 ~~each day from the date the report was made until corrected, up to a cumulative~~
7 ~~maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or~~
8 ~~value of any property that should have been reported, but was not included in the~~
9 ~~report or was underreported.~~

10 ~~SECTION 21. AMENDMENT. Subsection 4 of section 47-30.2-67 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows:~~

12 ~~4. The commissioner~~
13 ~~state treasurer may waive up to twenty-five thousand dollars of the~~
14 ~~penalty or reduce interest. A request for a waiver or reduction of penalty in excess of~~
15 ~~twenty-five thousand dollars must be presented to the board, with the commissioner's~~
16 ~~recommendation, state treasurer for review and decision.~~

17 ~~SECTION 22. AMENDMENT. Section 47-30.2-75 of the North Dakota Century Code is~~
18 ~~amended and reenacted as follows:~~

19 ~~47-30.2-75. Enforcement - Appeals.~~

20 ~~The administrator may bring an action in a court of competent jurisdiction to enforce this~~
21 ~~chapter. A person in this state aggrieved by an audit that in any form requests the payment of~~
22 ~~money or a civil penalty is entitled to a hearing before the board~~
23 ~~state treasurer. A demand for a~~
24 ~~hearing must be made within thirty days of the request by the administrator. The request by the~~
25 ~~administrator must contain notice of the right to a hearing. The board's~~
26 ~~state treasurer's decision~~
27 ~~is the final order of the agency and is appealable to the district court. Any amount of money~~
28 ~~requested by the administrator which may increase over time is tolled at the time of filing an~~
29 ~~appeal, retroactive to the date of the request.~~

30 **SECTION 5. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
31 amended and reenacted as follows:

54-11-13. Salary of state treasurer.

The annual salary of the state treasurer is one hundred thirty thousand one hundred
thirty-nine thousand two hundred fifty-six dollars through June 30, 20242026, and one hundred

1 ~~thirty five thousand two hundred one hundred forty-three thousand four hundred thirty-four~~
2 dollars thereafter.

3 ~~SECTION 24. AMENDMENT.~~ Section 54-27-15.1 of the North Dakota Century Code is
4 amended and reenacted as follows:

5 ~~54-27-15.1. State treasurer's checks, warrants, and warrant checks - Cancellation -~~
6 ~~Deposit to common schools trust fund - Subsequent payment - Continuing~~
7 ~~appropriation.~~

8 ~~—The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,~~
9 ~~warrants, and warrant checks drawn on various depositories which are more than two years old~~
10 ~~which remain outstanding and unpaid and shall show the number, date, payee, with address of~~
11 ~~payee if available, amount, and fund, if available, against which said instrument was drawn. A~~
12 ~~copy of such list must then be used as an authority for writing a receipt of the total of such~~
13 ~~check or checks and shall credit such amount to the common schools trust fund pursuant to~~
14 ~~chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to~~
15 ~~the unclaimed property administrator of unclaimed properties. In the event such check, warrant,~~
16 ~~or warrant check is at any subsequent time presented for payment, or a claim is made by any~~
17 ~~person for the amount of any such instrument, further proceedings must be conducted in~~
18 ~~accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and~~
19 ~~continuing appropriation.~~

20 ~~SECTION 25. AMENDMENT.~~ Subsection 6 of section 57-38-57 of the North Dakota
21 Century Code is amended and reenacted as follows:—

22 ~~6. Upon request, the tax commissioner may furnish to the unclaimed property division of~~
23 ~~the board of university and school lands administrator, a taxpayer's name, address,~~
24 ~~and federal identification number for identifying the taxpayer as the owner of an~~
25 ~~unclaimed voucher authorized by the tax commissioner or to locate the apparent~~
26 ~~owner of unclaimed property as provided under chapter 47-30.2.~~

27 ~~SECTION 26. AMENDMENT.~~ Subsection 3 of section 57-39.2-23 of the North Dakota
28 Century Code is amended and reenacted as follows:—

29 ~~3. The commissioner may furnish to workforce safety and insurance, the job insurance~~
30 ~~division of job service North Dakota, and the secretary of state, upon request of the~~
31 ~~respective agency, a list or lists of holders of permits issued under this chapter or~~

1 ~~chapter 57-40.2, together with the addresses and tax department file identification~~
2 ~~numbers of those permitholders. The agency may use the list or lists only for the~~
3 ~~purpose of administering the duties of the agency. The commissioner may furnish to~~
4 ~~the unclaimed property division of the board of university and school~~
5 ~~landsadministrator, upon its request, the name, address, and the permitholder's~~
6 ~~federal identification number for the sole purpose of identifying the owner of an~~
7 ~~unclaimed voucher authorized by the commissioner.~~

8 ~~SECTION 27. AMENDMENT. Subsection 8 of section 57-39.2-23 of the North Dakota~~
9 ~~Century Code is amended and reenacted as follows:~~

10 ~~8. Upon request, the commissioner may furnish to the unclaimed property division of~~
11 ~~the board of university and school landsadministrator, a taxpayer's name, address,~~
12 ~~and federal identification number for identifying the owner of an unclaimed voucher~~
13 ~~authorized by the commissioner or to locate the apparent owner of unclaimed property~~
14 ~~as provided under chapter 47-30.2.~~

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,605,584	\$2,581,015	(\$788,326)	\$1,792,689
New and vacant FTE pool		54,672	(18,026)	36,646
Operating expenses	265,346	1,069,604	(510,000)	559,604
Coal severance payments	118,000	122,000		122,000
Carbon dioxide pipeline payments		2,000,000	(1,000,000)	1,000,000
Total all funds	\$1,988,930	\$5,827,291	(\$2,316,352)	\$3,510,939
Less estimated income	0	1,711,352	(1,416,352)	295,000
General fund	\$1,988,930	\$4,115,939	(\$900,000)	\$3,215,939
FTE	7.00	11.00	(4.00)	7.00

Department 120 - State Treasurer - Detail of Senate Changes

	Removes a Transfer of Unclaimed Property ¹	Adds Salary Equity Funding ²	Adjusts Funding for Carbon Dioxide Pipeline Payments ³	Increases Funding for One-Time Items ⁴	Total Senate Changes
Salaries and wages	(\$888,326)	\$100,000			(\$788,326)
New and vacant FTE pool	(18,026)				(18,026)
Operating expenses	(695,000)			\$185,000	(510,000)
Coal severance payments					
Carbon dioxide pipeline payments			(\$1,000,000)		(1,000,000)
Total all funds	(\$1,601,352)	\$100,000	(\$1,000,000)	\$185,000	(\$2,316,352)
Less estimated income	(1,601,352)	0	0	185,000	(1,416,352)
General fund	\$0	\$100,000	(\$1,000,000)	\$0	(\$900,000)
FTE	(4.00)	0.00	0.00	0.00	(4.00)

¹ Funding of \$1,601,352 from special funds, including \$8,000 of one-time funding, and 4 FTE positions related to a transfer of unclaimed property from the Department of Trust Lands to the State Treasurer are removed. The House added the funding and FTE positions.

² Funding of \$100,000 from the general fund is added for salary equity increases. The House version did not include this funding.

³ Funding for carbon dioxide pipeline payments is decreased by \$1 million, from \$2 million to \$1 million. The House version provided \$2 million.

⁴ One-time funding from the strategic investment and improvements fund for operating expenses related to information technology costs is increased by \$185,000, from \$110,000 to \$295,000. The House version provided \$110,000 of one-time funding from the strategic investment and improvements fund.

The Senate version removes various sections, which were added in the House version, related to the transfer of unclaimed property from the Department of Trust Lands to the State Treasurer.

2025 CONFERENCE COMMITTEE

HB 1005

2025 HOUSE STANDING COMMITTEE MINUTES

Appropriations - Government Operations Division Brynild Haugland Room, State Capitol

HB 1005
4/29/2025

Conference Committee

A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer.
--

11:09 a.m. Chairman Representative Kempenich called the meeting to order.

Members Present: Chairman Kempenich, Representatives: Brandenburg, Monson, Senators: Burckhard, Sickler, and Wanzek.

Discussion Topics:

- Equity Pay funding
- CO2 Payments
- Unclaimed Properties FTEs
- Flexible Transportation Fund
- IT budget costs and funding

11:10 a.m. Senator Burckhard explained Senate changes with LC#25.0149.02004, testimony #45283.

11:14 a.m. Thomas Beadle, State Treasurer, ND State Treasurer's Office, answered questions for the committee.

11:31 a.m. Senator Wanzek moved that the House Accepts the Senate Version.

11:31 a.m. Representative Brandenburg seconded the motion.

Motion passed 6-0-0.

Representative Kempenich will carry the bill.

Senator Burckhard will carry the bill.

Additional written testimony:

Adam Mathiak, Fiscal Analyst, Legislative Council, submitted testimony in neutral #45283, #45284, and #46297.

11:33 a.m. Chairman Kempenich adjourned the meeting.

Madaline Cooper, Committee Clerk

HB 1005 042925 1132 AM Roll Call Vote

Final Recommendation

HB 1005

Date Submitted: April 29, 2025, 11:32 a.m.

Recommendation: Accept

Amendment LC #: 25.0149.02004

Engrossed LC #: N/A

Description:

Motioned By: Wanzek, Terry M.

Seconded By: Brandenburg, Mike

House Carrier: Kempenich, Keith

Senate Carrier: Burckhard, Randy A.

Emergency Clause: None

Vote Results: 6 - 0 - 0

Rep. Kempenich, Keith	Yea
Rep. Brandenburg, Mike	Yea
Rep. Monson, David	Yea
Sen. Burckhard, Randy A.	Yea
Sen. Sickler, Jonathan	Yea
Sen. Wanzek, Terry M.	Yea

**REPORT OF CONFERENCE COMMITTEE
ENGROSSED HB 1005**

Your conference committee (Sens. Burckhard, Sickler, Wanzek and Reps. Kempenich, Brandenburg, Monson) recommends the **HOUSE ACCEPT** the Senate amendments ([25.0149.02004](#)) to Engrossed HB 1005.

Engrossed HB 1005 was placed on the Seventh order of business on the calendar.

25.0149.02004
Title.03000
Fiscal No. 4

Prepared by the Legislative Council
staff for Senate Appropriations
Committee

April 25, 2025

Sixty-ninth
Legislative Assembly
of North Dakota

**PROPOSED AMENDMENTS TO
FIRST ENGROSSMENT**

ENGROSSED HOUSE BILL NO. 1005

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact ~~subsection 15 of section 6-07.2-19, sections 10-15-49, 47-30.2-01, and~~
3 ~~47-30.2-03, subdivision j of subsection 1 of section 47-30.2-22, subsection 4 of section~~
4 ~~47-30.2-23, subsection 1 of section 47-30.2-24, subdivision b of subsection 3 of section~~
5 ~~47-30.2-28, section 47-30.2-44, subsection 2 of section 47-30.2-46, subdivision e of~~
6 ~~subsection 2 of section 47-30.2-50, section 47-30.2-53, subsection 1 of section 47-30.2-56,~~
7 ~~subsection 2 of section 47-30.2-57, sections 47-30.2-64 and 47-30.2-66, subsection 4 of section~~
8 ~~47-30.2-67, section 47-30.2-75, section 54-11-13 and 54-27-15.1, subsection 6 of section~~
9 ~~57-38-57, and subsections 3 and 8 of section 57-39.2-23~~ of the North Dakota Century Code,
10 relating to ~~the transfer of unclaimed property administration from the commissioner of university~~
11 ~~and school lands to the state treasurer and~~ the salary of the state treasurer; and to declare an
12 emergency.

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

14 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
15 as may be necessary, are appropriated out of any moneys in the general fund in the state
16 treasury, not otherwise appropriated, to the state treasurer for the purpose of defraying the
17 expenses of the state treasurer, for the biennium beginning July 1, 2025, and ending June 30,
18 2027, as follows:

19		Adjustments or	
20	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>

Sixty-ninth
Legislative Assembly

1	Salaries and wages	\$1,605,584	\$975,431	\$2,581,015
2	New and vacant FTE pool	0	54,672	54,672
3	Operating expenses	265,346	804,258	1,069,604
4	Coal severance payments	118,000	4,000	122,000
5	Carbon dioxide pipeline payments	0	2,000,000	2,000,000
6	Total all funds	\$1,988,930	\$3,838,361	\$5,827,291
7	Total special funds	0	1,711,352	1,711,352
8	Total general fund	\$1,988,930	\$2,127,009	\$4,115,939
9	Full-time equivalent positions	7.00	4.00	11.00
10	Salaries and wages	\$1,605,584	\$187,105	\$1,792,689
11	New and vacant FTE pool	0	36,646	36,646
12	Operating expenses	265,346	294,258	559,604
13	Coal severance payments	118,000	4,000	122,000
14	Carbon dioxide pipeline payments	0	1,000,000	1,000,000
15	Total all funds	\$1,988,930	\$1,522,009	\$3,510,939
16	Total special funds	0	295,000	295,000
17	Total general fund	\$1,988,930	\$1,227,009	\$3,215,939
18	Full-time equivalent positions	7.00	0.00	7.00

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

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

One-Time Funding Description	General Fund	Other Funds	Total
Information technology projects	\$0	\$110,000	\$110,000
Office furniture or equipment	0	8,000	8,000
Total	\$0	\$118,000	\$118,000
Information technology projects	\$0	\$295,000	\$295,000
Total	\$0	\$295,000	\$295,000

SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST. The state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in

1 section 1 of this Act, but may request the office of management and budget to transfer funds
2 from the new and vacant FTE pool line item to the salaries and wages line item in accordance
3 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
4 sixty-ninth legislative assembly.

5 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

6 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of
7 ~~\$110,000~~\$295,000 included in the other funds line item in section 1 of this Act and identified as
8 one-time funding in section 2 of this Act is from the strategic investment and improvements fund
9 for information technology projects.

10 ~~SECTION 5. AMENDMENT. Subsection 15 of section 6-07.2-19 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows:~~

12 ~~15. Within one hundred twenty days after the final distribution to members is started, the~~
13 ~~credit union shall furnish to the commissioner's office a schedule of unpaid claims. The~~
14 ~~board of directors of the credit union or the liquidating agent if appointed shall report~~
15 ~~money in the account of a member who failed to surrender their passbooks or confirm~~
16 ~~their balances, final distribution checks not cashed within one hundred twenty days,~~
17 ~~and any unpaid claims to the unclaimed property division of the board of university and~~
18 ~~school lands pursuant to administrator under chapter 47-30.2.~~

19 ~~SECTION 6. AMENDMENT. Section 10-15-49 of the North Dakota Century Code is~~
20 ~~amended and reenacted as follows:~~

21 ~~10-15-49. Amounts due unknown persons:~~

22 ~~Upon liquidation of a cooperative, the assets distributable to persons who are unknown or~~
23 ~~cannot be found may be reduced to cash and transferred to the commissioner of university and~~
24 ~~school lands unclaimed property administrator and shall be treated as abandoned and~~
25 ~~unclaimed property under the escheat and abandoned property laws of the state.~~

26 ~~SECTION 7. AMENDMENT. Section 47-30.2-01 of the North Dakota Century Code is~~
27 ~~amended and reenacted as follows:~~

28 ~~47-30.2-01. (102) Definitions:~~

29 ~~As used in this chapter:~~

30 ~~1. "Administrator" means the administrator of the state abandoned property office under~~
31 ~~the state treasurer.~~

- 1 ~~2. "Administrator's agent" means a person with which the commissionerstate treasurer~~
2 ~~contracts to conduct an examination under sections 47-30.2-54, 47-30.2-55,~~
3 ~~47-30.2-56, 47-30.2-57, 47-30.2-58, 47-30.2-59, 47-30.2-60, 47-30.2-61, and~~
4 ~~47-30.2-62 on behalf of the administrator. The term includes an independent~~
5 ~~contractor of the person and each individual participating in the examination on behalf~~
6 ~~of the person or contractor.~~
- 7 ~~3. "Apparent owner" means a person whose name appears on the records of a holder as~~
8 ~~the owner of property held, issued, or owing by the holder.~~
- 9 ~~4. "Board" means the board of university and school lands.~~
- 10 ~~5. "Business association" means a corporation, joint stock company, investment~~
11 ~~company, partnership, unincorporated association, joint venture, limited liability~~
12 ~~company, business trust, trust company, land bank, safe deposit company,~~
13 ~~safekeeping depository, financial organization, insurance company, federally chartered~~
14 ~~entity, utility, sole proprietorship, or other business entity, whether or not for profit.~~
- 15 ~~6.5. "Cashier's check" means a check that:~~
- 16 ~~a. Is purchased by a remitter and made payable to a designated payee;~~
17 ~~b. Is signed by an officer or employee of the financial organization;~~
18 ~~c. Authorizes payment of the amount shown on the check's face to the payee;~~
19 ~~d. Is a direct obligation of the financial organization; and~~
20 ~~e. Is provided to a customer of the financial institution or acquired from the financial~~
21 ~~institution for remittance purposes.~~
- 22 ~~7. "Commissioner" means the commissioner of university and school lands.~~
- 23 ~~8.6. "Confidential record" has the same meaning as defined in section 44-04-17.1.~~
- 24 ~~9. "Department" means the department of trust lands.~~
- 25 ~~10.7. "Domicile" means:~~
- 26 ~~a. For a corporation, the state of its incorporation;~~
27 ~~b. For a business association whose formation requires a filing with a state, other~~
28 ~~than a corporation, the state of its filing;~~
29 ~~c. For a federally chartered entity, the state of its home office; and~~
30 ~~d. For any other holder, the state of its principal place of business.~~

Sixty-ninth
Legislative Assembly

- 1 ~~11.8.~~ "Electronic" means relating to technology having electrical, digital, magnetic, wireless,
2 optical, electromagnetic, or similar capabilities.
- 3 ~~12.9.~~ "Electronic mail" means a communication by electronic means, together with
4 attachments, which is automatically retained and stored and may be readily accessed
5 or retrieved.
- 6 ~~13.10.~~ "Financial organization" means a savings and loan association, building and loan
7 association, savings bank, industrial bank, bank, banking organization, private banker,
8 trust company, credit union, or an organization defined as a bank or banking
9 organization under the laws of this state or of the United States.
- 10 ~~14.11.~~ "Game-related digital content" means digital content that exists only in an electronic
11 game or electronic game platform.
- 12 ~~a.~~ The term includes:
- 13 ~~(1)~~ Game-play currency such as a virtual wallet, even if denominated in United
14 States currency; and
- 15 ~~(2)~~ The following if for use or redemption only within the game or platform or
16 another electronic game or electronic game platform:
- 17 ~~(a)~~ Points sometimes referred to as gems, tokens, gold, and similar
18 names; and
- 19 ~~(b)~~ Digital codes; and
- 20 ~~b.~~ The term does not include an item that the issuer:
- 21 ~~(1)~~ Permits to be redeemed for use outside a game or platform for:
- 22 ~~(a)~~ Money; or
- 23 ~~(b)~~ Goods or services that have more than minimal value; or
- 24 ~~(2)~~ Otherwise monetizes for use outside a game or platform.
- 25 ~~15.12.~~ "Gift card" means a record that:
- 26 ~~a.~~ Is usable at:
- 27 ~~(1)~~ A single merchant; or
- 28 ~~(2)~~ A specified group of merchants;
- 29 ~~b.~~ Is prefunded before the record is used; and
- 30 ~~c.~~ Can be used for purchases of goods or services.

Sixty-ninth
Legislative Assembly

- 1 ~~16.13.~~ "Holder" means a person obligated to hold for the account of, or to deliver or pay to,
2 the owner, property subject to this chapter.
- 3 ~~17.14.~~ "Insurance company" has the same meaning as defined in section 26.1-02-01, and
4 also includes a benevolent society, nonprofit health service corporation, and a health-
5 maintenance organization.
- 6 ~~18.15.~~ "Loyalty card" means a record given without monetary consideration under an award,
7 reward, benefit, loyalty, incentive, rebate, or promotional program which may be used
8 or redeemed only to obtain goods or services or a discount on goods or services. The
9 term does not include a record that may be redeemed for money or otherwise
10 monetized by the issuer.
- 11 ~~19.16.~~ "Mineral proceeds" means an obligation:
- 12 ~~—— a. To pay resulting from the production and sale of minerals, including net revenue-~~
13 ~~interest, royalties, overriding royalties, production payments, and joint operating~~
14 ~~agreements; or~~
- 15 ~~—— b. For the acquisition and retention of a mineral lease, including bonuses, delay~~
16 ~~rentals, shut-in royalties, and minimum royalties.~~
- 17 ~~20.17.~~ "Money order" means a payment order for a specified amount of money. The term
18 includes an express money order and a personal money order on which the remitter is
19 the purchaser.
- 20 ~~21.18.~~ "Municipal bond" means a bond or evidence of indebtedness issued by a municipality
21 or other political subdivision of a state.
- 22 ~~22.19.~~ "Net card value" means the original purchase price or original issued value of a stored-
23 value card, plus amounts added to the original price or value, minus amounts used
24 and any service charge, fee, or dormancy charge permitted by law.
- 25 ~~23.20.~~ "Non-freely transferable security" means a security that cannot be delivered to the
26 administrator by the depository trust clearing corporation or similar custodian of
27 securities providing post-trade clearing and settlement services to financial markets or
28 cannot be delivered because there is no agent to effect transfer. The term includes a
29 worthless security.

1 ~~24.21.~~ "Owner" means a person that has a legal, beneficial, or equitable interest in property
2 subject to this chapter or the person's legal representative when acting on behalf of
3 and in the best interest of the owner. The term includes:

4 ~~a.~~ A depositor, for a deposit;

5 ~~b.~~ A beneficiary, for a trust other than a deposit in trust;

6 ~~c.~~ A creditor, claimant, or payee, for other property; and

7 ~~d.~~ The lawful bearer of a record that may be used to obtain money, a reward, or a
8 thing of value.

9 ~~25.22.~~ "Payroll card" means a record that evidences a payroll card account that is directly or
10 indirectly established through an employer and to which electronic fund transfers of
11 the consumer's wages, salary, or other employee compensation, such as
12 commissions, are made on a recurring basis, whether the account is operated or
13 managed by the employer, a third-party payroll processor, a depository institution, or
14 any other person.

15 ~~26.23.~~ "Person" means an individual, estate, business association, public corporation,
16 government or governmental subdivision, agency, or instrumentality, or other legal
17 entity.

18 ~~27.24.~~ "Property" means tangible property described in section 47-30.2-08 or a fixed and
19 certain interest in intangible property held, issued, or owed in the course of a holder's
20 business or by a government, governmental subdivision, agency, or instrumentality.

21 ~~a.~~ The term includes:

22 ~~(1)~~ All income from or increments to the property; and

23 ~~(2)~~ Property referred to as or evidenced by:

24 ~~(a)~~ Money, virtual currency, interest, or a dividend, check, draft, deposit,
25 or payroll card;

26 ~~(b)~~ A credit balance, customer's overpayment, stored-value card, security
27 deposit, refund, credit memorandum, unpaid wage, unused ticket for
28 which the issuer has an obligation to provide a refund, mineral
29 proceeds, or unidentified remittance;

30 ~~(c)~~ A security except for:

31 ~~[1]~~ A worthless security; or

1 ~~_____ [2] A security that is subject to a lien, legal hold, or restriction~~
2 ~~_____ evidenced on the records of the holder or imposed by operation~~
3 ~~_____ of law, if the lien, legal hold, or restriction restricts the holder's or~~
4 ~~_____ owner's ability to receive, transfer, sell, or otherwise negotiate~~
5 ~~_____ the security;~~

6 ~~_____ (d) A bond, debenture, note, or other evidence of indebtedness;~~

7 ~~_____ (e) Money deposited to redeem a security, make a distribution, or pay a~~
8 ~~_____ dividend;~~

9 ~~_____ (f) An amount due and payable under an annuity contract or insurance~~
10 ~~_____ policy;~~

11 ~~_____ (g) An amount distributable from a trust or custodial fund established~~
12 ~~_____ under a plan to provide health, welfare, pension, vacation, severance,~~
13 ~~_____ retirement, death, stock purchase, profit-sharing, employee savings,~~
14 ~~_____ supplemental unemployment insurance, or a similar benefit;~~

15 ~~_____ (h) Intangible property and any income or increment derived from the~~
16 ~~_____ intangible property held in a fiduciary capacity for the benefit of~~
17 ~~_____ another person;~~

18 ~~_____ (i) Mineral proceeds; and~~

19 ~~_____ (j) An in-store credit for returned merchandise.~~

20 ~~_____ b. The term does not include:~~

21 ~~_____ (1) Property held in a plan described in section 529A of the Internal Revenue~~
22 ~~_____ Code, as amended, [26 U.S.C. 529A];~~

23 ~~_____ (2) Game-related digital content;~~

24 ~~_____ (3) A loyalty card; or~~

25 ~~_____ (4) A gift card.~~

26 ~~28.25. "Putative holder" means a person believed by the administrator to be a holder, until the~~
27 ~~_____ person pays or delivers to the administrator property subject to this chapter or the~~
28 ~~_____ administrator or a court makes a final determination that the person is or is not a~~
29 ~~_____ holder.~~

30 ~~29.26. "Record" has the same meaning as defined in section 44-04-17.1.~~

31 ~~30.27. "Security" means:~~

- 1 ~~a. A security as defined in section 41-08-02;~~
- 2 ~~b. A security entitlement as defined in section 41-08-02, including a customer~~
3 ~~security account held by a registered broker-dealer, to the extent the financial~~
4 ~~assets held in the security account are not:~~
- 5 ~~(1) Registered on the books of the issuer in the name of the person for which~~
6 ~~the broker-dealer holds the assets;~~
- 7 ~~(2) Payable to the order of the person; or~~
- 8 ~~(3) Specifically indorsed to the person; or~~
- 9 ~~c. An equity interest in a business association not included in subdivision a or b.~~
- 10 ~~31.28. "Sign" means, with present intent to authenticate or adopt a record:~~
- 11 ~~a. To execute or adopt a tangible symbol; or~~
- 12 ~~b. To attach to or logically associate with the record an electronic symbol, sound, or~~
13 ~~process.~~
- 14 ~~32.29. "State" means a state of the United States, the District of Columbia, the~~
15 ~~Commonwealth of Puerto Rico, the United States Virgin Islands, or any territory or~~
16 ~~insular possession subject to the jurisdiction of the United States.~~
- 17 ~~33.30. "Stored-value card" means a card, code, or other device, including a merchandise~~
18 ~~credit or rebate card, which is:~~
- 19 ~~a. Issued on a prepaid basis primarily for personal, family, or household purposes to~~
20 ~~a consumer in a specified amount, whether or not that amount may be increased~~
21 ~~or reloaded in exchange for payment;~~
- 22 ~~b. Redeemable upon presentation at multiple unaffiliated merchants for goods or~~
23 ~~services or usable at automated teller machines; and~~
- 24 ~~c. Not a gift card, payroll card, loyalty card, or game-related digital content.~~
- 25 ~~34.31. "Utility" means a person that owns or operates for public use a plant, equipment, real~~
26 ~~property, franchise, or license for the following public services:~~
- 27 ~~a. Transmission of communications or information;~~
- 28 ~~b. Production, storage, transmission, sale, delivery, or furnishing of electricity, water,~~
29 ~~steam, or gas; or~~
- 30 ~~c. Provision of sewage or septic services, or trash, garbage, or recycling disposal.~~

1 ~~35.32.~~ "Virtual currency" means a digital representation of value used as a medium of
2 exchange, unit of account, or store of value, which does not have legal tender status
3 recognized by the United States. The term does not include:

- 4 ~~— a. The software or protocols governing the transfer of the digital representation of~~
5 ~~value;~~
6 ~~— b. Game-related digital content; or~~
7 ~~— c. A loyalty card or gift card.~~

8 ~~36.33.~~ "Worthless security" means a security whose cost of liquidation and delivery to the
9 administrator would exceed the value of the security on the date a report is due under
10 this chapter.

11 ~~— SECTION 8. AMENDMENT.~~ Section 47-30.2-03 of the North Dakota Century Code is
12 amended and reenacted as follows:

13 ~~— 47-30.2-03. (104) Rulemaking:~~

14 ~~— The commissioner~~state treasurer may adopt rules to implement and administer this chapter.

15 ~~— SECTION 9. AMENDMENT.~~ Subdivision j of subsection 1 of section 47-30.2-22 of the North
16 Dakota Century Code is amended and reenacted as follows:

17 ~~— j. Contain other information the commissioner~~state treasurer prescribes by rules.

18 ~~— SECTION 10. AMENDMENT.~~ Subsection 4 of section 47-30.2-23 of the North Dakota
19 Century Code is amended and reenacted as follows:

20 ~~— 4. The commissioner~~state treasurer may grant an extension of the reporting date for
21 good cause in the event of a national or state emergency.

22 ~~— SECTION 11. AMENDMENT.~~ Subsection 1 of section 47-30.2-24 of the North Dakota
23 Century Code is amended and reenacted as follows:

24 ~~— 1. A holder required to file a report under section 47-30.2-21 shall retain records for ten~~
25 ~~years after the later of the date the report was filed or the last date a timely report was~~
26 ~~due to be filed, unless a shorter period is provided by rule of the commissioner~~state
27 treasurer.

28 ~~— SECTION 12. AMENDMENT.~~ Subdivision b of subsection 3 of section 47-30.2-28 of the
29 North Dakota Century Code is amended and reenacted as follows:

30 ~~— b. Maintain a website or database accessible by the public and electronically~~
31 ~~searchable which contains the names reported to the administrator of apparent~~

1 owners for whom property that meets or exceeds the searchable value as set by
2 the commissioner state treasurer is being held by the administrator. Property that
3 does not meet or exceed the searchable value must continue to be held by the
4 administrator but may not appear in the searchable website or database.

5 ~~SECTION 13. AMENDMENT.~~ Section 47-30.2-44 of the North Dakota Century Code is
6 amended and reenacted as follows:

7 ~~47-30.2-44. (801) Deposit of funds by administrator.~~

8 ~~1. Except as otherwise provided in this section, the department state treasurer shall~~
9 ~~deposit to the credit of the common schools trust fund all funds received under this~~
10 ~~chapter, including proceeds from the sale of property under sections 47-30.2-40,~~
11 ~~47-30.2-41, 47-30.2-42, and 47-30.2-43.~~

12 ~~2. The department state treasurer shall maintain an account with an amount of funds the~~
13 ~~commissioner state treasurer reasonably estimates is sufficient to pay claims allowed~~
14 ~~under this chapter.~~

15 ~~SECTION 14. AMENDMENT.~~ Subsection 2 of section 47-30.2-46 of the North Dakota
16 Century Code is amended and reenacted as follows:

17 ~~2. There is appropriated annually the The amounts necessary are appropriated to the~~
18 ~~state treasurer on a continuing basis to pay all expense deductions under this section,~~
19 ~~including:~~

20 ~~a. Any costs in connection with the sale of abandoned property;~~

21 ~~b. Costs of mailing, publication, and outreach efforts in connection with any~~
22 ~~abandoned property;~~

23 ~~c. Reasonable service charges;~~

24 ~~d. Costs incurred in examining records of holders of property and in collecting the~~
25 ~~property from those holders;~~

26 ~~e. Funds for the payment of claims;~~

27 ~~f. Funds for the payment of holder refunds; and~~

28 ~~g. Funds for attorney's fees and all other reasonable costs and expenses incurred in~~
29 ~~an action or suit.~~

30 ~~SECTION 15. AMENDMENT.~~ Subdivision c of subsection 2 of section 47-30.2-50 of the
31 North Dakota Century Code is amended and reenacted as follows:

1 ~~_____ c. The property has a value as provided by rules adopted by the commissioner~~
2 ~~_____ state~~
3 ~~_____ treasurer.~~

4 ~~_____ **SECTION 16. AMENDMENT.** Section 47-30.2-53 of the North Dakota Century Code is~~
5 ~~_____ amended and reenacted as follows:~~

6 ~~_____ **47-30.2-53. (906) Action by person whose claim is denied.**~~

7 ~~_____ Not later than one hundred eighty days after filing a claim under subsection 1 of section~~
8 ~~_____ 47-30.2-50, the claimant may commence an action against the board~~
9 ~~_____ state treasurer in the~~
10 ~~_____ Burleigh County district court to establish a claim that has been denied or deemed denied under~~
11 ~~_____ section 47-30.2-50. If the board~~
12 ~~_____ state treasurer is successful in a proceeding brought under this~~
13 ~~_____ section, the district court shall allow the board~~
14 ~~_____ state treasurer to recover court costs; reasonable~~
15 ~~_____ costs, fees, disbursements, and expenses incurred by the board~~
16 ~~_____ state treasurer in the~~
17 ~~_____ proceeding; and reasonable attorney's fees.~~

18 ~~_____ **SECTION 17. AMENDMENT.** Subsection 1 of section 47-30.2-56 of the North Dakota~~
19 ~~_____ Century Code is amended and reenacted as follows: _____~~

20 ~~_____ 1. The commissioner~~
21 ~~_____ state treasurer shall adopt rules governing an examination under~~
22 ~~_____ section 47-30.2-55, including rules for use of an estimation, extrapolation, and~~
23 ~~_____ statistical sampling in conducting an examination. An examination commenced after~~
24 ~~_____ adoption of rules under this subsection must comply with the rules.~~

25 ~~_____ **SECTION 18. AMENDMENT.** Subsection 2 of section 47-30.2-57 of the North Dakota~~
26 ~~_____ Century Code is amended and reenacted as follows: _____~~

27 ~~_____ 2. The records subject to subsection 1:~~

28 ~~_____ a. May be used by the board~~
29 ~~_____ state treasurer in an action to collect property or~~
30 ~~_____ otherwise enforce this chapter;~~

31 ~~_____ b. May be used in a joint examination conducted with or pursuant to agreements~~
32 ~~_____ with other states, the federal government, or other governmental entities;~~

33 ~~_____ c. May be disclosed at the discretion of the commissioner~~
34 ~~_____ state treasurer, on~~
35 ~~_____ request, to the person that administers the unclaimed property law of another~~
36 ~~_____ state for that state's use in circumstances equivalent to circumstances described~~
37 ~~_____ in sections 47-30.2-54, 47-30.2-55, 47-30.2-56, 47-30.2-57, 47-30.2-58,~~
38 ~~_____ 47-30.2-59, 47-30.2-60, 47-30.2-61, and 47-30.2-62. A state to which information~~
39 ~~_____ is disclosed shall maintain the confidentiality and security of information obtained~~

- 1 in a manner substantially equivalent to sections 47-30.2-71, 47-30.2-72, and
2 47-30.2-73;
- 3 ~~d. May be required to be produced under section 44-04-18.11; and~~
- 4 ~~e. May be required to be produced by the administrator on request of the person-~~
5 ~~subject to the examination in an administrative or judicial proceeding relating to~~
6 ~~the property.~~

7 ~~SECTION 19. AMENDMENT.~~ Section 47-30.2-64 of the North Dakota Century Code is
8 amended and reenacted as follows:

9 ~~47-30.2-64. (1203) Action involving another state or foreign country.~~

- 10 ~~1. The administrator may join another state or foreign country to examine and seek~~
11 ~~enforcement of this chapter against a putative holder.~~
- 12 ~~2. The boardstate treasurer may pursue an action on behalf of this state to recover~~
13 ~~property subject to this chapter but delivered to the custody of another state if the~~
14 ~~administrator believes the property is subject to the custody of the administrator.~~
- 15 ~~3. The boardstate treasurer may retain an attorney in this state, another state, or a~~
16 ~~foreign country to commence an action to recover property on behalf of the boardstate~~
17 ~~treasurer and may agree to pay attorney's fees based in whole or in part on a fixed-~~
18 ~~fee, hourly fee, or a percentage of the amount or value of property recovered in the~~
19 ~~action.~~
- 20 ~~4. Expenses incurred by this state in an action under this section must be paid in~~
21 ~~accordance with section 47-30.2-46.~~

22 ~~SECTION 20. AMENDMENT.~~ Section 47-30.2-66 of the North Dakota Century Code is
23 amended and reenacted as follows:

24 ~~47-30.2-66. (1205) Other civil penalties.~~

- 25 ~~1. If a holder enters into a contract or other arrangement for the purpose of evading an~~
26 ~~obligation under this chapter or otherwise willfully fails to perform a duty imposed on~~
27 ~~the holder under this chapter, the commissionerstate treasurer may require the holder~~
28 ~~to pay the administrator, in addition to interest as provided in subsection 1 of section~~
29 ~~47-30.2-65, a civil penalty of one thousand dollars for each day the obligation is~~
30 ~~evaded or the duty is not performed, up to a cumulative maximum amount of twenty-~~
31 ~~five thousand dollars, plus twenty five percent of the amount or value of property that~~

1 ~~should have been, but was not reported, paid, or delivered as a result of the evasion~~
2 ~~or failure to perform.~~

3 ~~— 2. — If a holder makes a fraudulent report under this chapter, the commissioner~~~~state~~
4 ~~treasurer may require the holder to pay to the administrator, in addition to interest~~
5 ~~under subsection 1 of section 47-30.2-65, a civil penalty of one thousand dollars for~~
6 ~~each day from the date the report was made until corrected, up to a cumulative~~
7 ~~maximum of twenty-five thousand dollars, plus twenty-five percent of the amount or~~
8 ~~value of any property that should have been reported, but was not included in the~~
9 ~~report or was underreported.~~

10 ~~— SECTION 21. AMENDMENT. Subsection 4 of section 47-30.2-67 of the North Dakota~~
11 ~~Century Code is amended and reenacted as follows: —~~

12 ~~— 4. — The commissioner~~~~state treasurer~~ ~~may waive up to twenty-five thousand dollars of the~~
13 ~~penalty or reduce interest. A request for a waiver or reduction of penalty in excess of~~
14 ~~twenty-five thousand dollars must be presented to the board, with the commissioner's~~
15 ~~recommendation,~~~~state treasurer~~ ~~for review and decision.~~

16 ~~— SECTION 22. AMENDMENT. Section 47-30.2-75 of the North Dakota Century Code is~~
17 ~~amended and reenacted as follows:~~

18 ~~— **47-30.2-75. Enforcement – Appeals.**~~

19 ~~— The administrator may bring an action in a court of competent jurisdiction to enforce this~~
20 ~~chapter. A person in this state aggrieved by an audit that in any form requests the payment of~~
21 ~~money or a civil penalty is entitled to a hearing before the board~~~~state treasurer.~~ ~~A demand for a~~
22 ~~hearing must be made within thirty days of the request by the administrator. The request by the~~
23 ~~administrator must contain notice of the right to a hearing. The board's~~~~state treasurer's~~ ~~decision~~
24 ~~is the final order of the agency and is appealable to the district court. Any amount of money~~
25 ~~requested by the administrator which may increase over time is tolled at the time of filing an~~
26 ~~appeal, retroactive to the date of the request.~~

27 **SECTION 5. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
28 amended and reenacted as follows:

29 **54-11-13. Salary of state treasurer.**

30 The annual salary of the state treasurer is ~~one hundred thirty thousand~~~~one hundred thirty-~~
31 ~~nine thousand two hundred fifty-six~~ dollars through June 30, ~~2024~~2026, and ~~one hundred thirty-~~

1 ~~five thousand two hundred one hundred forty-three thousand four hundred thirty-four~~ dollars
2 thereafter.

3 ~~— SECTION 24. AMENDMENT. Section 54-27-15.1 of the North Dakota Century Code is~~
4 ~~amended and reenacted as follows:~~

5 ~~— 54-27-15.1. State treasurer's checks, warrants, and warrant checks – Cancellation –~~
6 ~~Deposit to common schools trust fund – Subsequent payment – Continuing~~
7 ~~appropriation.~~

8 ~~— The state treasurer, at the beginning of each fiscal year, shall prepare a list of the checks,~~
9 ~~warrants, and warrant checks drawn on various depositories which are more than two years old~~
10 ~~which remain outstanding and unpaid and shall show the number, date, payee, with address of~~
11 ~~payee if available, amount, and fund, if available, against which said instrument was drawn. A~~
12 ~~copy of such list must then be used as an authority for writing a receipt of the total of such~~
13 ~~check or checks and shall credit such amount to the common schools trust fund pursuant to~~
14 ~~chapter 47-30.2. One copy of such receipt with list of instruments affected must be provided to~~
15 ~~the unclaimed property administrator of unclaimed properties. In the event such check, warrant,~~
16 ~~or warrant check is at any subsequent time presented for payment, or a claim is made by any~~
17 ~~person for the amount of any such instrument, further proceedings must be conducted in~~
18 ~~accordance with chapter 47-30.2. These expenditures are hereby subject to a standing and~~
19 ~~continuing appropriation.~~

20 ~~— SECTION 25. AMENDMENT. Subsection 6 of section 57-38-57 of the North Dakota~~
21 ~~Century Code is amended and reenacted as follows: —~~

22 ~~— 6. — Upon request, the tax commissioner may furnish to the unclaimed property division of~~
23 ~~the board of university and school lands administrator, a taxpayer's name, address,~~
24 ~~and federal identification number for identifying the taxpayer as the owner of an~~
25 ~~unclaimed voucher authorized by the tax commissioner or to locate the apparent~~
26 ~~owner of unclaimed property as provided under chapter 47-30.2.~~

27 ~~— SECTION 26. AMENDMENT. Subsection 3 of section 57-39.2-23 of the North Dakota~~
28 ~~Century Code is amended and reenacted as follows: —~~

29 ~~— 3. — The commissioner may furnish to workforce safety and insurance, the job insurance-~~
30 ~~division of job service North Dakota, and the secretary of state, upon request of the~~
31 ~~respective agency, a list or lists of holders of permits issued under this chapter or~~

1 ~~chapter 57-40.2, together with the addresses and tax department file identification-~~
2 ~~numbers of those permitholders. The agency may use the list or lists only for the~~
3 ~~purpose of administering the duties of the agency. The commissioner may furnish to~~
4 ~~the unclaimed property division of the board of university and school~~
5 ~~landsadministrator, upon its request, the name, address, and the permitholder's~~
6 ~~federal identification number for the sole purpose of identifying the owner of an~~
7 ~~unclaimed voucher authorized by the commissioner.~~

8 ~~—SECTION 27. AMENDMENT. Subsection 8 of section 57-39.2-23 of the North Dakota-~~
9 ~~Century Code is amended and reenacted as follows:—~~

10 ~~— 8. Upon request, the commissioner may furnish to the unclaimed property division of~~
11 ~~the board of university and school landsadministrator, a taxpayer's name, address,~~
12 ~~and federal identification number for identifying the owner of an unclaimed voucher~~
13 ~~authorized by the commissioner or to locate the apparent owner of unclaimed property~~
14 ~~as provided under chapter 47-30.2.~~

15 **SECTION 6. EMERGENCY.** The sum of \$295,000 in the total special funds line item in
16 section 1 of this Act and identified as one-time funding in section 2 of this Act for information
17 technology projects is declared to be an emergency measure.

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1005 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$1,605,584	\$2,581,015	(\$788,326)	\$1,792,689
New and vacant FTE pool		54,672	(18,026)	36,646
Operating expenses	265,346	1,069,604	(510,000)	559,604
Coal severance payments	118,000	122,000		122,000
Carbon dioxide pipeline payments		2,000,000	(1,000,000)	1,000,000
Total all funds	\$1,988,930	\$5,827,291	(\$2,316,352)	\$3,510,939
Less estimated income	0	1,711,352	(1,416,352)	295,000
General fund	\$1,988,930	\$4,115,939	(\$900,000)	\$3,215,939
FTE	7.00	11.00	(4.00)	7.00

Department 120 - State Treasurer - Detail of Senate Changes

	Removes a Transfer of Unclaimed Property ¹	Adds Salary Equity Funding ²	Adjusts Funding for Carbon Dioxide Pipeline Payments ³	Increases Funding for One-Time Items ⁴	Total Senate Changes
Salaries and wages	(\$888,326)	\$100,000			(\$788,326)
New and vacant FTE pool	(18,026)				(18,026)
Operating expenses	(695,000)			\$185,000	(510,000)
Carbon dioxide pipeline payments			(\$1,000,000)		(1,000,000)
Total all funds	(\$1,601,352)	\$100,000	(\$1,000,000)	\$185,000	(\$2,316,352)
Less estimated income	(1,601,352)	0	0	185,000	(1,416,352)
General fund	\$0	\$100,000	(\$1,000,000)	\$0	(\$900,000)
FTE	(4.00)	0.00	0.00	0.00	(4.00)

¹ Funding of \$1,601,352 from special funds, including \$8,000 of one-time funding, and 4 FTE positions related to a transfer of unclaimed property from the Department of Trust Lands to the State Treasurer are removed. The House added the funding and FTE positions.

² Funding of \$100,000 from the general fund is added for salary equity increases. The House version did not include this funding.

³ Funding for carbon dioxide pipeline payments is decreased by \$1 million, from \$2 million to \$1 million. The House version provided \$2 million.

⁴ One-time funding from the strategic investment and improvements fund (SIIF) for operating expenses related to information technology costs is increased by \$185,000, from \$110,000 to \$295,000. The House version provided \$110,000 of one-time funding from SIIF.

The Senate version removes various sections, which were added in the House version, related to the transfer of unclaimed property from the Department of Trust Lands to the State Treasurer and adds an emergency clause related to one-time funding of \$295,000 from SIIF for information technology projects.

25.0149.03000

Sixty-ninth
Legislative Assembly
of North Dakota

**FIRST ENGROSSMENT
with Senate Amendments
ENGROSSED HOUSE BILL NO. 1005**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state treasurer;
2 to amend and reenact section 54-11-13 of the North Dakota Century Code, relating to the salary
3 of the state treasurer; and to declare an emergency.

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

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
12 Salaries and wages	\$1,605,584	\$187,105	\$1,792,689
13 New and vacant FTE pool	0	36,646	36,646
14 Operating expenses	265,346	294,258	559,604
15 Coal severance payments	118,000	4,000	122,000
16 Carbon dioxide pipeline payments	<u>0</u>	<u>1,000,000</u>	<u>1,000,000</u>
17 Total all funds	\$1,988,930	\$1,522,009	\$3,510,939
18 Total special funds	<u>0</u>	<u>295,000</u>	<u>295,000</u>
19 Total general fund	\$1,988,930	\$1,227,009	\$3,215,939
20 Full-time equivalent positions	7.00	0.00	7.00

21 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**
22 **SEVENTIETH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

1 items included in the appropriation in section 1 of this Act which are not included in the entity's
2 base budget for the 2027-29 biennium and which the entity shall report to the appropriations
3 committees of the seventieth legislative assembly regarding the use of this funding:

<u>One-Time Funding Description</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Information technology projects	\$0	\$295,000	\$295,000
Total	\$0	\$295,000	\$295,000

7 **SECTION 3. NEW AND VACANT FTE POOL - LIMITATION - TRANSFER REQUEST.** The
8 state treasurer may not spend funds appropriated in the new and vacant FTE pool line item in
9 section 1 of this Act, but may request the office of management and budget to transfer funds
10 from the new and vacant FTE pool line item to the salaries and wages line item in accordance
11 with the guidelines and reporting provisions included in House Bill No. 1015, as approved by the
12 sixty-ninth legislative assembly.

13 **SECTION 4. SPECIAL FUNDS - STRATEGIC INVESTMENT AND IMPROVEMENTS**

14 **FUND - OFFICE AND INFORMATION TECHNOLOGY PROJECTS.** The sum of \$295,000
15 included in the other funds line item in section 1 of this Act and identified as one-time funding in
16 section 2 of this Act is from the strategic investment and improvements fund for information
17 technology projects.

18 **SECTION 5. AMENDMENT.** Section 54-11-13 of the North Dakota Century Code is
19 amended and reenacted as follows:

20 **54-11-13. Salary of state treasurer.**

21 The annual salary of the state treasurer is ~~one hundred thirty thousand~~ one hundred thirty-
22 nine thousand two hundred fifty-six dollars through June 30, ~~2024~~ 2026, and ~~one hundred thirty-~~
23 ~~five thousand two hundred~~ one hundred forty-three thousand four hundred thirty-four dollars
24 thereafter.

25 **SECTION 6. EMERGENCY.** The sum of \$295,000 in the total special funds line item in
26 section 1 of this Act and identified as one-time funding in section 2 of this Act for information
27 technology projects is declared to be an emergency measure.

State Treasurer - Budget No. 120
Agency Worksheet - House Bill No. 1005

	House Version				Senate Version				Senate Compared to House Version			
	FTE Positions	General Fund	Other Funds	Total	FTE Positions	General Fund	Other Funds	Total	Increase (Decrease)			
									FTE Positions	General Fund	Other Funds	Total
2025-27 Biennium Base Level	7.00	\$1,988,930	\$0	\$1,988,930	7.00	\$1,988,930	\$0	\$1,988,930	0.00	\$0	\$0	\$0
2025-27 Ongoing Funding Changes												
Salary increase		\$61,957	\$31,661	\$93,618		\$61,957	\$0	\$61,957			(\$31,661)	(\$31,661)
Health insurance increase		42,037	24,020	66,057		42,037	0	42,037			(24,020)	(24,020)
Funding to replace the 2023-25 vacant FTE pool		21,090		21,090		21,090		21,090				0
2025-27 new and vacant FTE pool		(15,705)	(7,726)	(23,431)		(15,705)	0	(15,705)			7,726	7,726
Salary equity funding				0		100,000		100,000		\$100,000		100,000
Transfers \$14,372 from operating to salaries - Base				0				0				0
FTE unclaimed property positions	4.00		858,397	858,397	0.00		0	0	(4.00)		(858,397)	(858,397)
Unclaimed property operating expenses			687,000	687,000			0	0			(687,000)	(687,000)
Information technology rate adjustments		13,630		13,630		13,630		13,630				0
Coal severance shortfall payments		4,000		4,000		4,000		4,000				0
Carbon dioxide in lieu of payments		2,000,000		2,000,000		1,000,000		1,000,000		(1,000,000)		(1,000,000)
Total ongoing funding changes	4.00	\$2,127,009	\$1,593,352	\$3,720,361	0.00	\$1,227,009	\$0	\$1,227,009	(4.00)	(\$900,000)	(\$1,593,352)	(\$2,493,352)
One-Time Funding Items												
Information technology projects - SIIF			\$110,000	\$110,000			\$295,000	\$295,000			\$185,000	\$185,000
Office furniture or equipment			8,000	8,000			0	0			(8,000)	(8,000)
Total one-time funding changes	0.00	\$0	\$118,000	\$118,000	0.00	\$0	\$295,000	\$295,000	0.00	\$0	\$177,000	\$177,000
Total Changes to Base Level Funding	4.00	\$2,127,009	\$1,711,352	\$3,838,361	0.00	\$1,227,009	\$295,000	\$1,522,009	(4.00)	(\$900,000)	(\$1,416,352)	(\$2,316,352)
2025-27 Total Funding	11.00	\$4,115,939	\$1,711,352	\$5,827,291	7.00	\$3,215,939	\$295,000	\$3,510,939	(4.00)	(\$900,000)	(\$1,416,352)	(\$2,316,352)

Federal funds included in other funds

\$0

\$0

\$0

Total ongoing changes - Percentage of base level

57.1%

106.9%

N/A

187.1%

0.0%

61.7%

N/A

61.7%

N/A

N/A

N/A

N/A

Total changes - Percentage of base level

57.1%

106.9%

N/A

193.0%

0.0%

61.7%

N/A

76.5%

N/A

N/A

N/A

N/A

Other Sections in State Treasurer - Budget No. 120

Section Description	House Version	Senate Version
New and vacant FTE pool line item	Section 3 provides for the use of funding in the new and vacant FTE pool line item.	Section 3 provides for the use of funding in the new and vacant FTE pool line item.
Strategic investment and improvements fund (SIIF)	Section 4 identifies \$110,000 from SIIF for information technology projects.	Section 4 identifies \$295,000 from SIIF for information technology projects.
Transfer of unclaimed property administration	Sections 5 through 22 and 24 through 27 transfer the administration of unclaimed property from the Department of Trust Lands to the State Treasurer.	
Salary of State Treasurer	Section 23 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.	Section 5 provides the statutory changes necessary to increase the State Treasurer's salary by 3 percent on July 1, 2025, and by 3 percent on July 1, 2026.
Emergency clause		Section 6 provides an emergency clause related to the one-time funding from SIIF for information technology projects.