



North Dakota Legislative Council

Prepared for the Legislative Task Force on Government Efficiency
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SUMMARY OF GOVERNOR SCHAFER RECOMMENDATIONS FOR STATE AGENCY CONSOLIDATION AND ELIMINATION

This memorandum provides information regarding recommendations from former Governor Edward T. Schafer for state agency consolidation and elimination.

1993-95 BIENNIUM RECOMMENDATIONS

The 1993-95 biennium executive budget included the following recommendations from Governor Schafer:

No.	Recommendation	Approved by the 1993 Legislative Assembly?
1.	Consolidate budgeting for insurance tax to fire departments formally in the Insurance Department	No
2.	Transfer wholesale liquor regulation and licensing from the State Treasurer to the Attorney General	No
3.	Transfer administration of services provided to North Dakota blind citizens from Grand Forks to Bismarck, merge funding for the School for the Blind into the budget of the Department of Public Instruction, and close the State School for the Blind in Grand Forks	No
4.	Move the State Toxicologist from the North Dakota State University campus to the Department of Health and Consolidated Laboratories facilities in Bismarck	Yes ¹
5.	Combine the Securities Commission with the Insurance Commissioner	No ²
6.	Discontinue appropriation authority for certain commodity groups by providing them with a continuing appropriation, including the Corn Utilization Council, Edible Bean Council, Honey Promotion, Milk Stabilization Board, Oilseed Council, Potato Council, Turkey Promotion, and Wheat Commission	Yes ³
7.	Combine branch research center budgets with the Main Experiment Station budget	No
8.	Provide funding for the International Peace Garden as a special line item within the Department of Parks and Tourism. Previously, the State Historical Board had supervisory authority over the International Peace Garden.	No ⁴
9.	Combine the Soil Conservation Committee into the State Water Commission	No
10.	Combine the Centennial Trees Commission into the Governor's office	No
11.	Transfer the boiler inspection program from the Workers Compensation Bureau to the Insurance Commissioner	Yes ⁵
12.	Transfer the crime victims reparation program from the Workers Compensation Bureau to the Department of Corrections and Rehabilitation	Yes
13.	Transfer authority for the child sexual abuse investigation team from the Department of Human Services to the Attorney General	Yes

¹House Bill No. 1058 (1995) changed the name of the Department of Health and Consolidated Laboratories to the State Department of Health. House Bill No. 1247 (2021), combined the State Department of Health and the Department of Human Services into the Department of Health and Human Services.

²Senate Bill No. 2214 (2025) combined the Securities Department with the Insurance Department.

³House Bill No. 1203 (1993) provided various agriculture commodity agencies continuing appropriation authority from special funds under the control of each agency; however, the Legislative Assembly continued to provide a specific appropriation for the budget of each agency for the 1993-95 biennium but discontinued the specific commodity group appropriations beginning in the 1995-97 biennium.

⁴House Bill No. 1400 (1993) separated the Department of Parks and Tourism into the Parks and Recreation Department and the Department of Tourism. The Legislative Assembly continued to provide the State Historical Society with the supervisory authority over funding provided for the International Peace Garden.

⁵House Bill No. 1024 (2019) transferred authority for the boiler inspection program from the Insurance Commissioner to the Department of Environmental Quality.

1995-97 BIENNIUM RECOMMENDATIONS

The 1995-97 biennium executive budget included the following recommendations from Governor Schafer:

No.	Recommendation	Approved by the 1995 Legislative Assembly?
1.	Eliminate the Centennial Trees Commission, provide a grant through the Forest Service budget for the Centennial Trees Commission as a nonprofit organization, and provide the centennial trees program trust fund to be administered by the Forest Service	Yes
2.	Combine the Board of Animal Health into the Agriculture Department	Yes
3.	Eliminate the Soil Conservation Committee agency and provide funding for per diem and expense reimbursement for the seven Soil Conservation Committee members in the Agriculture Department	No
4.	Eliminate the Atmospheric Resource Board and transfer its duties to the State Water Commission	No ¹
5.	Eliminate the Retirement and Investment Office and the Public Employees Retirement System and establish two new agencies called the State Investment Office for the administration of the State Investment Board and the Public Employees Benefits System that would administer the Public Employees Retirement System's retirement, group health insurance, deferred compensation, and flexible compensation programs and the Retirement and Investment Office's Teachers' Fund for Retirement program	No
6.	Eliminate the Land Reclamation Research Center and include federal funds available for land reclamation research into the Main Research Station	No
7.	Consolidate budgeting for insurance tax payments to fire departments formally in the Insurance Department	Yes
8.	Eliminate the North Dakota-Saskatchewan-Manitoba Boundary Advisory Committee	Yes
9.	Eliminate the Yellowstone-Missouri-Fort Union Commission	No ²
10.	Eliminate the Governor's Council on Human Resources, including its committees on youth, employment of people with disabilities, and women and provide the duties of the Committee on Aging continue within the Department of Human Services	Yes ³

¹The Atmospheric Resource Board, originally the Weather Modification Board, was a division of the State Water Commission or the Department of Water Resources from the creation of the board in House Bill No. 1372 (1981) until its repeal in Senate Bill No. 2308 (2025).

²The 1995 Legislative Assembly transferred budget authority for the Yellowstone-Missouri-Fort Union Commission from the Governor's office to the State Historical Society. Senate Bill No. 2424 (2001) renamed the Commission as the Yellowstone-Missouri Rivers Confluence Commission. The Commission was repealed in House Bill No. 1379 (2015).

³Senate Bill No. 2181 (1995) repealed North Dakota Century Code Chapter 50-26 related to the Governor's Council on Human Resources; established a Committee on Aging (Section 50-06-05.6) within the Department of Human Services, a Committee on Employment of People with Disabilities (Section 50-06.1-16) now known as the State Rehabilitation Council within the Department of Health and Human Services, and a Commission on the Status of Women within the Department of Commerce Division of Economic Development and Finance; and provided the Committee on Children and Youth become the Children and Family Services Division of the Department of Human Services. The Commission on the Status of Women was repealed in Senate Bill No. 2308 (2025).

1997-99 BIENNIUM RECOMMENDATIONS

The 1997-99 biennium executive budget included the following recommendations from Governor Schafer:

No.	Recommendation	Approved by the 1997 Legislative Assembly?
1.	Combine the Agricultural Products Utilization Commission into the Department of Economic Development and Finance	Yes ¹
2.	Combine the Soil Conservation Committee into the North Dakota State University Extension Service	Yes ²
3.	Transfer the Pride of Dakota program from the Agriculture Department to the Department of Economic Development and Finance	No ³
4.	Eliminate the Land Reclamation Research Center and include federal funds available for land reclamation research into the Main Research Station	Yes ⁴

¹Senate Bill No. 2032 (2001) created the Department of Commerce by combining the Department of Economic Development and Finance, the Tourism Department, and the Office of Management and Budget's Division of Community Services (formally known as the Office of Intergovernmental Assistance) and created a Division of Workforce Development within the

Department of Commerce. The Agricultural Products Utilization Commission program was administered by the Department of Commerce until it was transferred to the Agriculture Commissioner in Senate Bill Nos. 2009 and 2328 (2019) and House Bill No. 1018 (2019).

²The Legislative Assembly approved the executive recommendation to combine the Soil Conservation Committee into the North Dakota State University Extension Service but made additional statutory changes, including removing the authority of the Soil Conservation Committee to hire staff and other duties relating to coordinating programs of soil districts.

³The Legislative Assembly has continued to provide the Department of Agriculture be the state agency to administer the Pride of Dakota program.

⁴The Land Reclamation Research Center ceased operations in September 1996. As a result, the 1997 Legislative Assembly approved the Governor's recommendation to transfer full-time equivalent positions and federal funds spending authority to the Main Research Station.