JUDICIARY COMMITTEE

The Judiciary Committee was assigned five studies:

- Section 7 of House Bill 1417 (2025) directed a study of court fines and fees, including fines and fees relating to travel permits, presentence investigations, the drug court program, electronic monitoring, alcohol monitoring, and the 24/7 Sobriety Program. The study required consideration of the total amount collected; rate of fees collected, including any money expended to collect the fines and fees; evaluation of practices in other states; and the overall impacts on a defendant.
- Section 5 of House Bill 1425 (2025) directed a study of the costs and savings associated with pretrial service programs operating in the state and opportunities to reinvest savings to improve re-entry outcomes. The study required a review of the effect of pretrial services on admissions to county jail, detention facilities, medical costs of participants, rate of failure to appear in court, rate of recidivism, and rate of participation in treatment programs. The study also required a review of opportunities for counties, courts, and state agencies to invest cost-savings associated with pretrial services in programs, treatment, and services that will further reduce recidivism and promote public health.
- Section 6 of House Bill 1549 (2025) directed a study to consider expanding access to criminal record sealing. The study required a review of the automation of record sealing for individuals eligible to file a petition to seal a criminal record under North Dakota Century Code (NDCC) Section 12-60.1-02, the expansion of eligibility for record sealing, and the potential costs and benefits of creating processes for criminal record expungement alongside, or in lieu of, avenues for criminal record sealing.
- Section 9 of Senate Bill 2015 (2025) directed a study of sentencing, correctional, and parole systems within the state, with a focus on improving transparency, consistency, and outcomes in the administration of justice. The study required a comprehensive review of sentencing requirements and incarceration impacts, including an evaluation of the potential impacts of requiring offenders sentenced to the custody of the Department of Corrections and Rehabilitation (DOCR) to serve 85 percent of their terms in secured facilities. The study required a review of cost analyses, consideration of data and trends relating to criminal offenses and sentencing, consideration of recidivism trends, consideration of rehabilitation and re-entry opportunities, definitions of terms related to sentencing and incarceration, and safety and accountability measures for minimum security facilities and transitional facilities. The study also required a review of the structure and function of the State Parole Board, including provisions of Chapter 12-59 and any rules adopted by the board, membership structure, appointment process, terms, quorum, and meeting transparency and a review of parole eligibility requirements and determinations, victim rights and notification systems, and the role and input of DOCR in parole-related matters.
- Section 2 of Senate Bill 2334 (2025) directed a study of the ownership of alcoholic beverage establishments by licensed charitable gaming organizations. The study required an evaluation of the prevalence of the ownership of alcoholic beverage establishments by licensed charitable gaming organizations; the process of obtaining ownership of alcoholic beverage establishments, including the use of subsidiaries, partnerships, and organizations; the benefits and detriments of licensed charitable gaming organizations owning alcoholic beverage establishments; and the interaction between gaming manufacturers and distributors and licensed charitable gaming organizations.

The Legislative Management assigned the committee the responsibility:

- For statutory or constitutional revisions.
- To review any executive order issued by the President of the United States which has not been affirmed by a vote of Congress and signed into law, and recommend to the Attorney General and the Governor that the executive order be further reviewed to determine the constitutionality of the order and whether the state should seek an exemption from the order or seek to have the order declared to be an unconstitutional exercise of legislative authority by the President, pursuant to Section 54-03-32.
- To review uniform laws recommended by the Commission on Uniform Laws, pursuant to Section 54-35-02.

The Legislative Management assigned the committee the responsibility to receive the following 11 reports:

- A report from the Department of Health and Human Services (DHHS) regarding the findings and recommendations of the task force established to review juvenile justice diversion services and programs, pursuant to Section 16 of House Bill 1012 (2025).
- A report from the Attorney General regarding the use and effectiveness of the Peace Officer and Correctional Officer Appreciation Grant Program, pursuant to Section 1 of House Bill 1193 (2025).

- A report from the Highway Patrol on the findings and recommendations from the study of the driver's license points system and the traffic fee schedule, pursuant to Section 6 of House Bill 1298 (2025).
- A report from the Attorney General by November 1 of each year summarizing activity regarding any civilly forfeited property, pursuant to Section 19-03.1-36.8(4).
- Annual reports from the Supreme Court on the status of the program to assist rural counties and municipalities in recruiting attorneys, pursuant to Section 27-02.2-13.
- A report from the DHHS on services provided by DOCR relating to individuals at the State Hospital who have been committed to the care and custody of the Commissioner of DHHS, pursuant to Section 50-06-31.
- A biennial report from the North Dakota Racing Commission addressing the issue of the liability of charitable organizations that receive and disburse money handled through account wagering, pursuant to Section 53-06.2-04.
- A report from the North Dakota Lottery regarding the operation of the lottery, pursuant to Section 53-12.1-03.
- A report from DOCR, in collaboration with three pilot counties, before January 1, 2027, regarding the process and outcome of the Prosecution-Led Diversion Supervision Pilot Program, pursuant to Section 54-23.3-10.2.
- A report from DOCR relating to procedures for tracking uniform data points, standardizing and automating criminal justice data collection, retention, and dissemination, and improving data connectivity between system partners, pursuant to Section 54-23.3-16.
- Annual reports from the Director of the Commission on Legal Counsel for Indigents containing pertinent data on the indigent defense contract system and established public defender offices, pursuant to Section 54-61-03.

Committee members were Senators Janne Myrdal (Chairman), Ryan Braunberger, Jose L. Castaneda, Claire Cory, Dick Dever, Diane Larson, and Dean Rummel and Representatives TJ Brown, Nels Christianson, Adam Goldwyn, Karla Rose Hanson, Lawrence R. Klemin, Ben Koppelman, Gregory Stemen, Bill Tveit, and Steve Vetter.

Representative Liz Conmy served on the committee until her death on April 25, 2026.

COURT FINES AND FEES STUDY

Section 7 of House Bill 1417 (2025) directed a study of court fines and fees, including fines and fees relating to travel permits, presentence investigations, the drug court program, electronic monitoring, alcohol monitoring, and the 24/7 Sobriety Program. The study required consideration of the total amount collected; rate of fees collected, including any money expended to collect the fines and fees; an evaluation of practices in other states; and the overall impacts on a defendant.

Background

Cities, states, and courts throughout the United States levy fines or fees on defendants at nearly every stage of the criminal justice system. Fines are monetary punishments for infractions, misdemeanors, or felonies, and are intended to punish offenders and deter others from committing similar offenses. According to the National Conference of State Legislatures, the monetary penalties and legal financial obligations associated with the criminal justice system and their effect on low-income defendants are a growing concern among policymakers. In North Dakota, the Legislative Assembly has not increased monetary court administrative fees since 2003.

Court Administration Fee

Section 29-26-22 requires a court, upon a plea or finding of guilt, to impose a court administration fee in lieu of the assessment of court costs in all criminal cases except infractions. The court administration fee must include a fee of $125 for a Class B misdemeanor, $200 for a Class A misdemeanor, $400 for a Class C felony, $650 for a Class B felony, and $900 for a Class A or Class AA felony.

Indigent Defense and Court Facility Fee

Section 29-26-22 requires an additional $100 indigent defense and court facility fee in all criminal cases except infractions. Of the additional $100 court administration fee, the first $750,000 collected per biennium must be deposited in the Indigent Defense Administration Fund, which must be used for indigent defense services, and the next $460,000 collected per biennium must be deposited in the Court Facilities Improvement and Maintenance Fund. After the minimum thresholds have been collected, one-half of the additional court administration fee must be deposited in each fund.

Collection of Restitution for Insufficient Funds Checks

Section 12.1-32-08 requires a court, when restitution ordered by the court is the result of a finding that the defendant issued a check or draft without sufficient funds or without an account, to impose as costs the greater of the sum of $10 or an amount equal to 25 percent of the amount of restitution ordered, except the amount may not exceed $1,000. The state-employed clerks of district court are required to remit the funds collected to the State Treasurer for deposit in the Restitution Collection Assistance Fund. The funds deposited into the fund are appropriated to the judicial branch on a continuing basis for the purpose of defraying expenses incident to the collection of restitution, including operating expenses and the compensation of additional necessary personnel.

Fee Assessment for Funding Crime Victim and Witness Programs

Section 27-01-10 allows the governing body of a county to, by resolution, authorize the district judges serving that county to assess a fee of not more than $25 as part of a sentence imposed on a defendant who pleads guilty to or is convicted of a criminal offense or of violating a municipal ordinance for which the maximum penalty that may be imposed by law for the offense or violation includes imprisonment. All fees paid to a district or municipal court must be deposited monthly in the county or city treasury for allocation by the governing body of the county or city to a private, nonprofit domestic violence or sexual assault program or a victim and witness advocacy program of which the primary function is to provide direct services to victims of and witnesses to crime.

Travel Permit

Section 12-65-08 requires any probationer or parolee residing in the state who requests a travel permit to travel to another state to pay a travel permit fee of $10, unless waived by DOCR. The department must transfer all travel permit funds collected to the state treasury for deposit in the Probationer and Parolee Violation Transportation Fund.

Presentence Investigation

Section 12.1-32-02 requires the court to order a defendant to pay $50 to DOCR at the time a presentence investigation is initiated to partially defray the costs incurred by the department for the preparation of the presentence report.

Treatment Court Program

Section 29-26-22 allows the court, upon the defendant's successful completion of an approved adult treatment court program, to waive all unpaid fines, fees, and costs imposed in the criminal judgment sentencing the defendant to the treatment court program, except restitution.

24/7 Sobriety Program

Section 54-12-30 authorizes a criminal justice agency to collect program fees from offenders participating in the 24/7 Sobriety Program, including fees for twice-per-day breath alcohol testing, urine testing, drug patch testing, installation and deactivation fees for remote electronic alcohol monitoring devices, and remote electronic alcohol monitoring daily fees. The criminal justice agency must pay all program fees into the general fund of the governing body. The governing body is required to pay any daily fees collected for remote electronic monitoring to the 24/7 Sobriety Program Fund.

Section 54-12-28 allows the Attorney General, in cooperation with law enforcement, the judiciary, DOCR, and the traffic safety division of the Department of Transportation, to adopt guidelines, policies, and procedures to administer the 24/7 Sobriety Program, including sobriety testing twice per day, 7 days per week, electronic monitoring, including home surveillance and remote electronic alcohol monitoring, urine testing and drug patch testing, and to establish program fees.

Collection of Court Fees

Section 29-26-22.1 allows the court, within 10 years of the date of entry of a judgment that imposes a fine, imposes a requirement that restitution or reparations be paid, or assesses costs against a defendant, to order the judgment be docketed by the clerk of court in the judgment docket, in the same manner in which a civil judgment for money is docketed.

Testimony

The committee received testimony from a representative of the Supreme Court regarding criminal fines and fees assessed and collected by the court system. During the 2023-25 biennium, the court system collected approximately $6,000,000 in court fees. The criminal court administration fee was the largest source of court fee revenue, generating approximately $3,800,000. The testimony indicated criminal court administration fees range from $125 to $900 per case, depending on the classification of the offense. The committee was informed the indigent defense administration and court facility fee was the second largest source of court fee revenue, generating approximately $1,945,000. Of the total amount collected for the indigent defense administration and court facility fee, approximately $1,117,000 was distributed to the Indigent Defense Administration Fund and approximately $827,000 was distributed to the Court Facilities Improvement and Maintenance Fund. As of June 30, 2025, the court system had an outstanding accounts receivable balance of approximately $31,500,000, including $12,100,00 in traffic fines, fees, and forfeitures.

Testimony from a representative of the Supreme Court indicated as the age of an outstanding fee increases, the likelihood of collecting the fee decreases significantly. Approximately 9 percent of fee balances are collected 1 to 2 years after assessment, while approximately 3.7 percent are collected 2 to 3 years after assessment. The committee was informed approximately 80 percent of the $31.5 million in accounts receivable are more than 2 years old. A county's state's attorney must file an order to show cause before the court may take judicial action for the collection of fines and fees and before additional punishment may be imposed by the court, the prosecution must establish that the defendant had the ability to pay the applicable fines and fees and intentionally chose not to do so. The committee was informed fines and fees do not serve as a deterrent to repeat offenders. The committee also was informed of the Supreme Court's collection priority list for defendants with multiple financial obligations. Under the priority list, restitution is given the highest priority, followed by the indigent defense application fee and the indigent defense facility and administrative fee. The testimony indicated, in extreme circumstances, a legislative appropriation may be necessary if fees dedicated to specific funds remain unpaid.

The committee received testimony from a representative of the Commission on Legal Counsel for Indigents regarding the impacts of fines and fees on criminal defendants. The testimony indicated public defenders are appointed in approximately 80 percent of felony cases in the state. The committee was informed of research conducted in Alabama on the effect of court-imposed fines and fees which found that individuals responsible for paying court fines and fees often experience significant financial hardships. Approximately 83 percent of respondents reported forgoing basic necessities such as rent, food, medical care, and child support obligations to pay for court fines and fees. Additionally, approximately 50 percent of those surveyed had been incarcerated due to nonpayment, 44 percent had turned to payday loans to meet obligations, and 38 percent committed a new offense to pay outstanding court fees. The committee was informed of potential constitutional concerns for imprisoning a defendant based on a defendant's inability to pay court fines and fees.

The committee received testimony from a representative of DOCR which indicated the department assesses fees for presentence investigations, travel permits, electronic monitoring, alcohol monitoring, drug testing, and polygraph examinations. During the 2023-25 biennium, the department collected $17,900 in presentence investigation fees, $3,160 in travel permit fees, $163,200 in secure continuous remote alcohol monitoring fees, $4,885 in drug patch fees, $26,712 in GPS monitoring fees, and $42,800 in polygraph examinations fees. The committee was informed approximately $6 million in supervision fees were assessed during the biennium, with approximately $1.5 million collected, representing a collection rate of approximately 25 percent. The estimated cost of collecting financial obligations in 2024 was approximately $820,000.

The committee received testimony from representatives of the Fines and Fees Justice Center regarding the impact of fines and fees on recidivism and criminal defendants. The testimony indicated fines and fees have little or no deterrent effect on criminal behavior or recidivism, particularly when offenses involve impulse, passion, or mistake. A 2022 Oklahoma study found monetary court fees did not measurably reduce recidivism and individuals with outstanding fines and fees were more likely to experience subsequent court sanctions and prolonged court involvement. The testimony indicated a 2024 followup study found no measurable effect on recidivism. However, individuals without fines or fees were 15 percent less likely to be jailed during the following 44 months, 30 percent less likely to receive a warrant in the underlying case, and 18 percent less likely to receive a warrant from another jurisdiction.

Committee Considerations

Committee members expressed concern regarding the rate of fees collected, the money expended to collect fines and fees, and the amount of outstanding court debt. The committee discussed the impact of fee collections on various state funds and considered whether insufficient collections could result in the need for additional legislative appropriations. Committee members acknowledged the substantial amount of outstanding accounts receivable may cause fines and fees to become symbolic for individuals who refuse to pay.

Committee members agreed fines and fees generally do not deter criminal activity, with the exception of speeding-related fines and fees. Some committee members expressed concern the accumulation of fines and fees may increase the likelihood of recidivism and result in additional costs to taxpayers through increased court involvement and incarceration. Other members expressed concern that eliminating court fees could shift the costs of administering the court system onto the taxpayers.

The committee considered eliminating the restitution collection assistance fee imposed on insufficient funds checks or checks issued without an account. The committee also considered eliminating additional court fees. Committee members recognized court fees help support the administration of the state court system and improvements to court facilities. The committee agreed that reducing court fees may require an appropriation from the General Fund.

Conclusion

The committee makes no recommendation regarding its study of court fines and fees.

PRETRIAL SERVICE PROGRAMS STUDY

Section 5 of House Bill 1425 (2025) directed a study of the costs and savings associated with pretrial service programs operating in the state and opportunities to reinvest savings to improve re-entry outcomes. The study required a review of the effect of pretrial services on admissions to county jail, detention facilities, medical costs of participants, rate of failure to appear in court, rate of recidivism, and rate of participation in treatment programs. The study also required a review of opportunities for counties, courts, and state agencies to invest cost-savings associated with pretrial services in programs, treatment, and services that will further reduce recidivism and promote public health.

Background

House Bill 1015 (2019) appropriated $755,034 of ongoing funding from the General Fund and provided 7 full-time equivalent (FTE) positions for a pretrial services pilot program. The Department of Corrections and Rehabilitation was required to establish a pretrial services program as a pilot project in three judicial districts of the state during the 2019-21 biennium. The bill directed DOCR and the judicial branch to collaborate with the Commission on Legal Counsel for Indigents and county and regional corrections personnel to develop guidelines and procedures for the administration of a pretrial services program for individuals charged with felony and misdemeanor offenses in district court. In 2020, a pretrial services pilot project was launched in the East Central, North Central, and South Central Judicial Districts.

The Department of Corrections and Rehabilitation Review Committee received testimony during the 2020-21 interim regarding the pretrial services pilot project indicating the goal of pretrial services was to reduce incarceration, criminal activity, and failures to appear at a trial while connecting defendants with services in the community. Pretrial services provide supervision to defendants as a condition of release from custody pending trial in district court. Since its launch, the pilot project has expanded to include the Northeast Judicial District with the expansion into Devils Lake.

The 2021 Legislative Assembly provided an additional $882,352 in funding from the General Fund for 5 new FTE positions to provide a total of $1,637,386. The 2023 Legislative Assembly added $754,765 from the General Fund for 3 new FTE positions for pretrial services. The 2023 Legislative Assembly also appropriated $1,000,000 in one-time funding and an FTE position for a Prosecution-Led Diversion Supervision Pilot Program.

Eligibility for Pretrial Services

To be eligible for pretrial services, a defendant must be in custody and may not be on supervised probation or parole. Additionally, to be eligible for the program a defendant must be a North Dakota resident with an address in a pretrial judicial district, reconcile all outstanding warrants or holds from other jurisdictions, be charged with an offense of a Class A misdemeanor or greater, and be in district court. Pretrial services are eligible only for new cases in a jurisdiction participating in the program.

Testimony

The committee received testimony from a representative of DOCR regarding an update on the Pretrial Services Program. The Pretrial Services Program was created with the goals of increasing defendant compliance with court appearances, reducing additional criminal behavior, providing an alternative to detention, addressing issues relating to county jail capacity, and offering the defendant an opportunity to continue employment and retain community support.

The committee received information on the success of pretrial services and its impact on local jail populations. The committee was informed defendants participating in pretrial services had fewer days in jail and, in some locations, lower rates of rearrest and failure to appear. The estimated cost of pretrial supervision was approximately $7.67 per day. The testimony also indicated pretrial services reduced the need for counties to house inmates in other facilities, including estimated additional housing costs of $4,100 per day for Cass County and $2,600 per day for Grand Forks County. The committee was informed pretrial services provide supervision by trained personnel for sex offenders, violent offenders, and other individuals who may pose a risk to public safety.

The committee received testimony from a representative of the Bureau of Criminal Investigation regarding the 24/7 Sobriety Program. The program began as a pilot program in 2007 and was implemented statewide in 2009. The committee was informed the program is intended to reduce recidivism among individuals charged with or convicted of alcohol-related offenses. State courts may require participation as a condition of release on bond or as a condition of a sentence. Individuals enrolled in the program must complete either twice-daily testing at a designated testing site or be monitored through a continuous alcohol monitoring (CAM) bracelet, remote breath test, drug patch, or urine analysis. The CAM bracelets and remote breath-testing devices are owned by the state. The participants are assessed a fee of $2 per day for twice-daily testing, $5 per day for remote breath testing, $6 per day for CAM bracelet monitoring, and $60 for each drug patch. The testimony indicated 1,379 individuals were actively participating in the program, including 552 using CAM bracelets, 432 using drug patches, 279 participating in twice-daily testing, 117 using remote breath testing, and 18 participating in urine analysis. The committee was informed that local sheriff's offices incur the costs of administering the program, including costs for testing devices, test analysis, recordkeeping, and personnel.

The committee received testimony from a representative of the North Dakota Sheriff's and Deputies Association. Senate Bill 2365 (2025) proposed an amendment to Section 54-12-30 to prohibit courts from waiving program fees for offenders enrolled in the 24/7 Sobriety Program. The bill was not enacted. The committee was informed several counties incur costs exceeding the fees collected to operate and administer the program. The testimony indicated Burleigh County annually incurred approximately $125,000 more than was collected in program fees. Testimony indicated continued support for the program but emphasized the importance of maintaining state and local partnerships and avoiding additional costs to counties and taxpayers. The committee requested additional information identifying counties in which costs to operate and administer the program exceed the fees collected. No additional information was provided to the committee.

The committee received testimony from a representative of the Burleigh County Sheriff's Department on the effects of pretrial services on admissions to county jails. The Burleigh Morton Detention Center was one of the first pilot locations for pretrials services. During the pilot project, the detention center had an average daily population of 262 inmates. The detention center currently houses an average of 350 inmates per day, with an all-time high of 370 inmates. The committee was informed the costs per day to house an inmate range between $115 and $200, and the cost per inmate increases when the jail population is lower. Testimony indicated pretrial services have reduced the number of inmates housed at the detention center, allowing the detention center to house additional contract inmates from other jurisdictions. Contract rates to house inmates are reviewed every 2 years and adjusted to reflect the facility's expenses per day. The committee was informed Burleigh County is in the process of leasing additional bed space to DOCR to assist with overcrowding at state-run facilities.

Committee Considerations

Committee members expressed concern with the failure of the counties to provide additional information regarding expenditures and collections to operate the 24/7 Sobriety Program. The committee expressed concern with removing the courts' ability to waive program fees due to potential constitutional challenges. The committee agreed the concern may be addressed by a county's ability to choose the type of testing used when a court waives program fees. Committee members expressed support for the program and considered the cost of twice-daily breath testing to be less than the cost of incarceration. The committee discussed eliminating program fees for participants and funding the costs through state General Fund appropriations. Committee members acknowledged eliminating financial barriers could increase participation and program success and reduce county concerns related to fee waivers. The committee also acknowledged eliminating participation fees would shift administration costs to the state and would alter the program's funding model. Additionally, the committee acknowledged counties would remain responsible for administrative staff without receiving funding from participant fees.

Conclusion

The committee makes no recommendation regarding its study of costs and savings associated with pretrial service programs operating in the state and opportunities to reinvest savings to improve re-entry outcomes.

EXPANDING CRIMINAL RECORD-SEALING STUDY

Section 6 of House Bill 1549 (2025) directed a study of expanding access to criminal record sealing. The study required a review of the automation of record sealing for individuals eligible to file a petition to seal a criminal record under Section 12-60.1-02, the expansion of eligibility for record sealing, and the potential costs and benefits of creating processes for criminal record expungement alongside, or in lieu of, avenues for criminal record sealing.

Background

Section 12-60.1-02 provides an individual may file a petition to seal a criminal record if the individual pled guilty to or was found guilty of a misdemeanor offense and has not been convicted of a new crime for at least 3 years before filing the petition. An individual who pled guilty to or was found guilty of a felony offense may petition to seal the record if the individual has not been convicted of a new crime for at least 5 years before filing the petition. An individual also may petition to seal a criminal record if the individual was granted an unconditional pardon of the criminal conviction by the Governor. An individual may not file a petition to seal a criminal record for a felony offense involving violence or intimidation during the 10 years in which the offender is ineligible to possess a firearm or for an offense for which an offender has been ordered to register as an offender against children or a sexual offender.

Filing a Petition

Section 12-60.1-03 provides a petition to seal a criminal record must be filed in the existing criminal case for the offense. A petition must include the petitioner's full name and address, the reason why the petition should be granted, the petitioner's criminal history in the state and any other state, federal court, and foreign country, including prior and pending criminal charges, charges for which an imposition of sentence has been deferred or stayed, and all prior requests by the petitioner for a pardon, return of arrest records, expungement, or sealing of a criminal record, whether granted or not. The petitioner shall file a proposed order when filing a petition to seal a criminal record and must provide service to the prosecuting official.

Court Review

Section 12-60.1-04 provides the court may grant a petition to seal a criminal record if the court determines by clear and convincing evidence:

- The petitioner has shown good cause for granting the petition;
- The benefits to the petitioner outweigh the presumption of openness of the criminal record;
- The petitioner has completed all terms of imprisonment and probation for the offense;
- The petitioner has paid all restitution ordered by the court for commission of the offense;
- The petitioner has demonstrated reformation warranting relief; and
- The petition complies with all requirements under Chapter 12-60.1.

In determining whether to grant a petition, the court is required to consider the nature and severity of the underlying crime that would be sealed, the risk posed by the petitioner to society, the length of time since the petitioner committed the offense, the petitioner's rehabilitation since the offense, aggravating or mitigating factors relating to the underlying crime, the petitioner's criminal record, employment history, and community involvement, the recommendations of law enforcement, prosecutors, corrections officials, and those familiar with the petitioner and the offense, and the recommendations of the victims.

Testimony

The committee received testimony from a representative of the State Court Administrator's office which indicated 12 states have enacted clean slate laws to automate sealing of eligible criminal records. Clean slate laws seal records from public access rather than destroy the records altogether. Each state law differs in eligibility requirements, waiting periods, responsible agencies, and exclusions. Some states assign responsibility to the court and others assign responsibility to state police or other executive agencies. The committee was informed common eligibility requirements require the petitioner to have no pending charges, no subsequent convictions, and to have satisfied all financial obligations. The testimony indicated no state provides automatic sealing of criminal records without an individual reviewing and validating the eligibility of each record. Several states have experienced significant delays in implementation and the estimated costs for implementing an automated record-sealing process in other states included $5.8 million in Connecticut, $2 million in initial costs and $4.75 million in recurring costs in Delaware, and $7 million for system updates and new positions in Oklahoma.

The committee was informed of the challenges associated with implementing an automated record-sealing process, including integrating agency information systems, calculating waiting periods, identifying disqualifying convictions or pending cases in other jurisdictions, verifying financial obligations, and coordinating among agencies. The costs of implementing an automated record-sealing process in North Dakota are uncertain but likely would include significant technology upgrades and additional personnel. The testimony indicated future implementation would require 2 to 3 years of planning, programming, technology upgrades, and changes to agency practices.

Committee Consideration

The committee expressed concern regarding the system upgrades and costs associated with implementing an automated record-sealing process in the state. The committee was unable to obtain information on the number of individuals who petition the courts to seal criminal records. Committee members acknowledged a potential need to expand access to criminal record sealing but recognized other states continue to experience challenges in developing and implementing automated record-sealing processes.

Conclusion

The committee makes no recommendation regarding its study on expanding access to criminal record sealing.

SENTENCING, CORRECTIONS, AND PAROLE STUDY

Section 9 of Senate Bill 2015 (2025) directed a study of sentencing, correctional, and parole systems within the state, with a focus on improving transparency, consistency, and outcomes in the administration of justice. The study required a comprehensive review of sentencing requirements and incarceration impacts, including an evaluation of the potential impacts of requiring offenders sentenced to the custody of DOCR to serve 85 percent of their terms in secured facilities. The study required a review of cost analyses, consideration of data and trends relating to criminal offenses and sentencing, consideration of recidivism trends, consideration of rehabilitation and re-entry opportunities, definitions of terms related to sentencing and incarceration, and safety and accountability measures for minimum security facilities and transitional facilities. The study also required a review of the structure and function of the State Parole Board, including provisions of Chapter 12-59 and any rules adopted by the board, membership structure, appointment process, terms, quorum, and meeting transparency and a review of parole eligibility requirements and determinations, victim rights and notification systems, and the role and input of DOCR in parole-related matters.

Background

During the 2025 legislative session, the committee, at the request of the Attorney General, introduced Senate Bill 2128. The bill proposed new sentencing requirements for violent crimes and amended release program eligibility for violent offenders. The bill required criminal offenders sentenced for a violent crime to serve 85 percent of the offender's term of imprisonment in a secured facility. The bill also required all offenders to serve 50 percent of the offender's term of imprisonment prior to release on parole.

Senate Bill 2128 failed to pass in the House and a study of sentencing, corrections, and parole was amended into Senate Bill 2015.

Sentencing

During sentencing, the court may consider a variety of factors in determining whether a term of imprisonment is appropriate. Section 12.1-32-04 provides sentencing factors which are intended to guide the exercise of judicial discretion and are codified to help the court evaluate whether incarceration is necessary or whether community-based alternatives may better serve the interest of justice and rehabilitation. Every individual convicted of an offense who is sentenced by the court must be sentenced to one or a combination of sentencing alternatives, including probation, imprisonment in a state facility or regional correctional center, imprisonment in an alternative facility or program, payment of a fine or restitution, a no contact order, treatment court, a veterans treatment docket, a restorative justice program, mental health court, or an order prohibiting contact.

Department of Corrections and Rehabilitation

The Department of Corrections and Rehabilitation was created in 1989 by the Legislative Assembly through Senate Bill 2212 and is responsible for the direction, guidance, and planning of adult and juvenile correctional facilities and programs within the state. Included within the purview of the department are the State Penitentiary and any of its affiliated facilities, parole and probation for adult offenders, the North Dakota Youth Correctional Center, community programs and services for juvenile offenders under the Division of Juvenile Services, and any other programs developed by the department. The Director of the department is appointed by the Governor.

When a judgment is executed to include a term of imprisonment, the designation of a correctional facility is at the discretion of DOCR and not the sentencing judge. Under Section 29-27-07, if a judge imposes a term of imprisonment to a state correctional facility, the judge may not designate the state correctional facility in which the offender is to be confined but shall commit the defendant to the legal and physical custody of DOCR.

After the sentence is imposed, the sheriff of the county, upon receipt of a certified copy of the sentence, must take and deliver the defendant to the correctional facility designated by DOCR. After assuming custody of the convicted individual, the department may transfer the inmate from one correctional facility to another for the purpose of safety, security, discipline, or medical care, or if the department determines it is in the best interest of the public, the inmate, or the department.

The department has broad authority to determine how an inmate's sentence is served so long as the offender remains legally in the department's custody. Community-based options including work release, educational release, community residential programs, and treatment or transitional placements, which have been used by the department for offenders since the department was created in 1989.

Eligibility for Release Programs

Section 12.1-48.1-02 allows DOCR and the State Parole Board to use community-based programming for all offenders except those convicted of Class AA gross sexual imposition or murder. Section 12.1-48.1-02 provides any offender, other than an offender sentenced to life without parole for gross sexual imposition or murder, may be eligible for programs outside facilities under the control of DOCR when the department determines the offender is not a high security risk, not likely to commit a crime of violence, and is likely to be rehabilitated by such program.

The Director of DOCR may authorize participation in an outside program for an offender who has 10 years or less remaining on a sentence. If an offender has more than 10 years remaining on a sentence, the Director, with approval of the State Parole Board, may authorize participation in an outside program.

Violent Offenders

Section 12.1-32-09.1 requires an offender convicted of a violent crime to serve 85 percent of the offender's term of imprisonment before being released from confinement on any basis. The statute provides an offender who is convicted and receives a sentence of imprisonment is not eligible for release from confinement on any basis until 85 percent of the sentence imposed by the court has been served or the sentence is commuted. The section applies to offenses including murder, manslaughter, Class B felony aggravated assault, kidnapping, gross sexual imposition by force or threat of serious bodily injury, robbery, burglary, or an attempt to commit the offenses.

State Parole Board

The State Parole Board consists of six members appointed by the Governor for terms of 3 years. One of the members must be a person experienced in law enforcement, which may include experience as a prosecuting attorney, one member must be a licensed attorney, and four members must be persons qualified by special experience, education, or training. The Governor may remove a member of the board only for disability, inefficiency, neglect of duty, or malfeasance in office.

The chairman, appointed by the Governor, designates three members of the board for each meeting of the board. The meetings must be held as often as required to properly conduct the business of the board. The board may take action only upon the concurrence of at least two members who participate in the same meeting. The final decision of at least two members who participated in the same board meeting constitutes the decision of the board.

Section 12-59-03 requires the State Parole Board to formulate rules and regulations governing the manner in which inmates may become eligible for discharge on parole. The board shall consider all pertinent information regarding each inmate, including the circumstances of the offense, the presentence report, the inmate's family, educational, and social history and criminal record, the inmate's conduct, employment, participation in education and treatment programs while in the custody of DOCR, and the inmate's medical and psychological records.

Under Section 12-59-04, the decisions of the State Parole Board to grant or deny parole are open records; however, parole records of DOCR obtained in the discharge of an official duty by any member of the board or employee of a division or department of DOCR on behalf of the board may not be disclosed except in the manner provided under Section 12-47-36.

Testimony

Attorney General's Office

A representative of the Attorney General's office provided information regarding the district court's sentencing process and inmate release policies of DOCR. The testimony asserted a sentence imposed by an elected judge following a criminal proceeding should be upheld. The testimony indicated a sentence of a term of incarceration is a result of careful deliberation and, most often, agreement by the defendant. The committee was informed approximately 95 percent of convictions result from guilty pleas or plea bargains. After a guilty plea has been entered, the judge, after considering the statutory sentencing factors, may impose sentencing including probation, treatment, fines, imprisonment, and other sentencing options under Section 12.1-32-02. A judicial sentence must remain within the statutory sentencing alternatives and ranges established by the Legislative Assembly. The testimony reviewed the legislative directives on judicial sentences, including presumptive probation for most Class C felonies and Class A misdemeanors. If a judge sentences an offender to a term of incarceration in a state facility, the judge has determined based on individualized, case-specific information, analysis, statutes, case law, and risk assessment, that a specific prison term is the best option available to protect the public and to serve the interest of justice. The testimony contended the Director, an appointed official at DOCR, should not have the authority to supersede an elected judge's decision to incarcerate an offender in a secured facility.

The committee was informed DOCR uses several processes to determine when an inmate is eligible to be released from prison and enter community programming. These processes include good time, case planning, parole referrals, halfway house placement, and work or education release. The committee was informed DOCR's case planning may present certain violent offenders to the State Parole Board after serving only 25 percent of the offender's sentence in a state facility and DOCR may place inmates in unsecured halfway houses before parole or after parole has been denied.

Testimony from the representative of the Attorney General indicated inmates under the custody of DOCR receive good-time credit up front rather than accruing credit on a monthly basis. The testimony contended DOCR routinely releases violent inmates to unsecured transitional facilities or into the community without approval of the State Parole Board. According to the testimony, DOCR places inmates in unlocked, unsecured homes to serve the inmate's term of incarceration regardless of court orders and State Parole Board decisions. The committee was informed when pretrial detainees, inmates, probationers, and parolees violate the conditions of their release or their conditions of sentence, DOCR determines whether to report the violations to prosecutors and the courts. If DOCR does not report the violation, the individual will not be charged with a new crime and the release conditions will not be revoked. The testimony asserted the department can then include the individuals in its successfully completed statistics.

Law Enforcement

The committee received testimony from representatives of the Mandan Police Department, Bismarck Police Department, North Dakota Police Chiefs Association, and Cass County Sheriff's Office. The committee was informed of the negative impacts of the sentencing, correctional, and parole and probation systems on public safety and regional jails. The committee also was informed of concerns regarding accountability in probation and parole practices. The testimony indicated law enforcement across the state do not receive notification from DOCR when a defendant is

released back in the defendant's community after serving a fraction of the defendant's sentence. The testimony indicated law enforcement concern regarding insufficient accountability, which has resulted in repeated violations and continued victimization of local communities across the state. According to the testimony, the early release practices of DOCR without proper rehabilitation have caused continuous arrests of the same individuals resulting in a negative impact on local jails and increased costs to local taxpayers. The testimony indicated a criminal investigation requires significant investigative hours involving detectives, supervisors, and specialized resources. Law enforcement officers expressed frustration regarding the early release of inmates to unsecured facilities within their communities. The testimony indicated Bismarck Police Department officers spend a disproportionate amount of time and resources on repeated interactions with a small segment of the population.

Prosecutors

The committee received testimony from a prosecutor from the Burleigh County State's Attorney office regarding the discrepancies between terms of imprisonment imposed by district courts and the amount of time offenders serve in the custody of DOCR. The committee was informed of the importance of having a transparent sentencing and correction system. The testimony indicated, according to the American Law Institute, a sentencing and correction system must have accountability to the public and the legitimacy of its operations as perceived by all affected communities. The committee was provided examples of offenders who had served substantially less time than the offender's court-imposed term of imprisonment. The testimony indicated one offender received a sentence to include a term of incarceration in a state facility for 1,826 days for possession of child sexual abuse material and served only 45 days, or 2.5 percent of the sentence before release. Another offender received a 1,096-day sentence for aggravated assault and served 90 days, or 8.2 percent before release. The committee was informed under Section 12.1-32-02, a judge can sentence an offender to a halfway house if the judge concludes that placement in a halfway house is appropriate. The testimony contended DOCR should not unilaterally have the authority to override the sentencing court's decision to transfer an offender sentenced to a term of incarceration back into the community. The testimony indicated the American Law Institute recommends states give as little power as possible to the departments of correction to override the judgments of sentencing courts. The committee was informed of 11 states in the Midwest, North Dakota has the lowest average prison sentence at 2.35 years.

Testimony indicated the number of violent offenders in DOCR custody increased 45 percent from December 31, 2015, to December 31, 2023, while the number of offenders required to serve 85 percent of their sentences under state law decreased. The committee was informed the state's parole rate was 80 percent in 2019 and 2020, and 78 percent in 2021 and 2022. The committee received information on DOCR's role in establishing parole review dates and providing information to the State Parole Board. The committee was informed the American Law Institute recommends completely removing authority from state parole boards and providing transparency in sentencing, including requiring offenders to serve at least 70 percent of a court-imposed sentence in a secured facility.

State Parole Board

The committee received testimony from a representative of the State Parole Board which indicated the members of the board include a former judge, a former chief of police, a previous official with DOCR, a state's attorney, an attorney, and previous general counsel to the Governor. The board is a six-member rotating panel that meets monthly to review applications for parole. Each board member reviews approximately 30 applications per meeting, including sentencing reports and attached presentence, psychiatric, and psychological documents. The testimony stated many inmates have serious psychiatric disorders, such as schizophrenia or bipolar disorder, which cannot be effectively treated by DOCR. The testimony indicated roughly 2 weeks before a regularly scheduled meeting, the board will receive an agenda from DOCR to include reports and information on the various applicants. Before the parole hearing begins there is an executive session, during which the board will discuss each case with the case managers and receive additional information from the applicant and any victims. Once the session concludes, the board will conduct the parole hearing to include an interview of the applicant and recommendations from the Transitional Planning Services Division of DOCR.

Department of Corrections and Rehabilitation

The committee received testimony from DOCR regarding sentencing, incarceration, transitional facilities, rehabilitation, recidivism, and impacts of increasing sentencing requirements. As of December 8, 2025, the department's inmate population included 1,697 inmates housed at prison facilities and 171 inmates housed at transitional facilities. The total population in DOCR facilities, county jails, and other placements was 2,252, which was 18 percent above operational capacity. Transitional facilities provide re-entry services, treatment, work and education opportunities, and assistance with employment, transportation, and housing. The testimony indicated state law generally allows eligible offenders to participate in release programs if the offender is not a high security risk, is not likely to commit a violent crime, and is likely to benefit from the program.

The committee was informed transitional facility placement is not available to every inmate and requires minimum custody status, compliance with programming and behavioral requirements, and completion of required programs. The department considers criminal history, escape history, prior transitional placement, supervision history, institutional

behavior, victim concerns, gang involvement, and medical and psychological stability when reviewing the placement of inmates. The testimony indicated the department has required residents to wear GPS monitoring devices at transitional facilities since September 2025. Since implementation of the GPS monitoring devices, escapes from transitional facilities have decreased from 16 to 2, and monthly incident reports have decreased from 132 to 90. The committee was informed early transitional placement for 4 to 6 months is associated with lower 1-year recidivism rates as opposed to waiting for the final 2 months before release. According to the testimony, violent offenders placed in transitional facilities had a 39 percent larger reduction in recidivism than nonviolent offenders. The committee also was informed transitional facilities had an 86 percent successful completion rate among residents in 2024.

The department estimates that requiring offenders to serve at least 50 percent of the offender's sentences before parole eligibility would require an additional 100,195 bed days at a cost of $100 per day, increasing the DOCR budget by approximately $10 million per biennium. The testimony contended eliminating transitional facilities could move approximately 300 inmates back into the department's prisons. The department estimated reducing transitional placements would increase prison-related costs by $6.84 million per biennium and result in approximately $4.07 million in lost wages, taxes, fines, fees, restitution, and child support. The committee was informed transitional facilities provide necessary treatment programming to 306 inmates. The testimony indicated the department's performance-based sentence reduction allows eligible offenders to earn up to 5 days of credit per month based on treatment, education, work performance, and good conduct. The committee was informed the credit reductions offered in state law must be earned, rather than awarded at the beginning of a sentence.

Commission on Legal Counsel for Indigents

The committee received testimony from a representative of the Commission on Legal Counsel for Indigents stating DOCR is operating over capacity. The testimony contended inadequate population management would result in the prisons reaching capacity, forcing inmates to be transferred to local jails or dentition facilities, which do not provide rehabilitation services for inmates as is provided within the prison system.

Committee Considerations

Some committee members noted mandatory sentencing is necessary to provide accountability for offenders, transparency in sentencing outcomes, security and safety to victims of violent crimes, and integrity to the judicial process. Other members expressed concern with limiting DOCR's and the State Parole Board's discretion and authority to utilize community-based programming for low-risk offenders.

The committee considered a bill draft relating to sentence reduction credit and eligibility requirements precedent to parole for inmates sentenced to DOCR. The bill draft would have required an inmate to serve at least 40 percent of the inmate's sentence imposed by the court with the addition of any good-time earned as a requirement for parole eligibility. Committee members recognized the State Parole Board has the authority to parole an inmate at any time during the inmate's sentence. Committee members discussed the influence of DOCR on the State Parole Board and some members expressed frustration regarding the unchecked internal policy of the department and board. Committee members expressed concern regarding a mandatory minimum term to be served before parole, regardless of the sentence or circumstances. Committee members discussed the balance of allowing a judge to impose a sentence, at the time of sentencing, while allowing the State Parole Board to assess an inmate's behavior once incarcerated. Committee members also expressed concern with the potential fiscal impact of requiring inmates to serve additional time before parole. Some committee members expressed concern that requiring an inmate to serve 40 percent of a sentence was too low and a judge's sentence should be honored to provide justice to the victims and accountability to the defendant.

The committee considered a bill draft relating to administrative rules for DOCR. The bill draft would have subjected DOCR to the Administrative Agencies Practice Act with respect to the placement of offenders committed to the department, the transfer of inmates from one correctional facility to another, and the release of inmates to release programs. The committee discussed potential impacts of subjecting DOCR to the administrative rules process, including potential appeals of final decisions of the department. Committee members also discussed the importance of requiring agencies to adhere to administrative rules for purposes of accountability, including public comments, open hearings, and review from the Attorney General's office.

The committee considered a bill draft relating to a report from DOCR regarding the department's management of inmate populations. The bill draft would require DOCR to identify in its annual report to the Legislative Management each correctional facility or other facility contracted by the department for inmate placement and include the number of inmates housed at each correctional facility categorized by the type of offense for which the offender was convicted.

Recommendation

The committee recommends a bill draft [27.0229.01000] relating to requiring a report from DOCR regarding the department's management of inmate populations.

OWNERSHIP OF ALCOHOLIC BEVERAGE ESTABLISHMENTS BY CHARITABLE GAMING ORGANIZATIONS STUDY

Section 2 of Senate Bill 2334 (2025) directed a study of the ownership of alcoholic beverage establishments by licensed charitable gaming organizations. The study required an evaluation of the prevalence of the ownership of alcoholic beverage establishments by licensed charitable gaming organizations; the process of obtaining ownership of alcoholic beverage establishments, including the use of subsidiaries, partnerships, and organizations; the benefits and detriments of licensed charitable gaming organizations owning alcoholic beverage establishments; and the interaction between gaming manufacturers and distributors and licensed charitable gaming organizations.

Background

Senate Bill 2334, as introduced, amended the definition of an alcoholic beverage establishment, for purposes of gaming, to include establishments licensed as a brewer taproom. The bill was amended in the House to include a study of the ownership of alcoholic beverage establishments by charitable gaming organizations. The standing committee discussed the increasing prevalence of charities owning an alcoholic beverage establishment either directly or through a subsidiary or affiliate. The committee expressed interest in studying the revenue gaming manufacturers and distributors receive from charitable gaming organizations, along with the incentives gaming manufacturers and distributors may offer to charitable gaming organizations to use their devices.

Charitable Organizations and Gaming Licenses

Section 25 of Article XI of the Constitution of North Dakota allows the Legislative Assembly to authorize bona fide nonprofit veterans', charitable, educational, religious, or fraternal organizations; civic and service clubs; or other public-spirited organizations to conduct games of chance when the entire net proceeds of the games are devoted to educational, charitable, patriotic, fraternal, religious, or other public-spirited uses.

The Attorney General is responsible for determining whether an organization applying for a gaming license is eligible to conduct gaming and for issuing gaming licenses. According to the February 27, 2026, site license list published by the Attorney General's office, there were 940 active sites and 603 licenses issued in the state. State law does not prohibit an eligible organization, its affiliates, or a closely related organization from owning, leasing, or operating an alcoholic beverage establishment.

Site Authorization

Before applying for a gaming license, an organization must obtain site authorization from the governing body of the city or county in which the proposed site is located. Section 53-06.1-03(2) provides authority to the governing body of a city or county to approve the location of gaming sites. The governing body of a city or county may charge a fee of up to $100 for a site authorization. Section 53-06.1-03 allows a governing body to deny a site authorization for just cause or in accordance with an ordinance or a written policy, which may be more stringent than state law.

Section 53-06.1-03(3) limits an organization to 10 electronic pull-tab devices at each site. The section also limits an eligible organization to operating a maximum of 15 sites, unless the organization was operating more than 15 sites before January 1, 2023.

Alcoholic Beverage Establishment

North Dakota Administrative Code Section 99-01.3-02-01(3) defines a bar as a retail alcoholic beverage establishment where alcoholic beverages are dispensed and consumed. The definition provides a bar does not include off-sale liquor stores, gas stations, grocery stores, or convenience stores, but includes a bar located within a hotel, bowling center, or restaurant. A bar must be licensed under NDCC Chapter 5-02 and devoted to the serving of alcoholic beverages for consumption by guests on the premises.

The Legislative Assembly enacted Senate Bill 2304 (2023), now codified in Section 53-06.1-01, which provides the definition for "alcoholic beverage establishment." The section defines an "alcoholic beverage establishment" as an establishment licensed under Section 5-01-21 or Chapter 5-02 at which alcoholic beverages are sold, dispensed, and consumed by guests on the premises. The statute specifically excludes liquor stores, gas stations, grocery stores, and convenience stores from the definition of alcoholic beverage establishments.

Section 53-06.1-03(3)(g) provides a grandfather clause allowing an organization to continue conducting gaming at a site, including with the assistance of a bar employee, if the organization was operating gaming at that site on January 1, 2023, regardless of whether the site meets the definition of "alcoholic beverage establishment" under Section 53-06.1-01(2). State law does not prohibit a licensed organization or its affiliate from owning an alcoholic beverage establishment.

Gross Proceeds, Allowable Expenses, and Gaming Tax

The three primary terms defined in Section 53-06.1-01 related to gaming revenue are "gross proceeds," which means all cash and checks received from conducting games; "adjusted gross proceeds," which means gross proceeds less cash prizes, cost of merchandise prizes, gaming tax, and federal excise tax; and "net proceeds," which means adjusted gross proceeds less allowable expenses and state gaming tax. Section 53-06.1-11 allows an amount equal to 60 percent of the adjusted gross proceeds per quarter to be deducted from the adjusted gross proceeds as allowable expenses. The allowable expense amount may be used for any purpose that does not violate gaming laws or rules. Allowable expenses do not include the state gaming tax, which is deducted separately.

Section 25 of Article XI of the Constitution of North Dakota requires the entire net proceeds of games of chance to be devoted to educational, charitable, patriotic, fraternal, religious, or other public-spirited uses. Net proceeds, which are 40 percent of the adjusted gross proceeds, may be used only as provided under NDCC Section 53-06.1-11.1 and the Administrative Code. Organizations are prohibited, under Section 53-06.1-11.1(3), from using net proceeds for the "erection, acquisition, property taxes, special assessments, improvement, maintenance, or repair of real property owned or leased by an organization unless the real property is used exclusively for an eligible use, by a fraternal or veterans organization, or for office or storage space." The section requires the disbursement of net proceeds to be reported quarterly to the Attorney General.

Section 53-06.1-12 imposes a gaming tax on adjusted gross proceeds. The tax is 1 percent of adjusted gross proceeds of $50,000 or less and $500 plus 12 percent of adjusted gross proceeds exceeding $50,000. The tax is remitted to the Attorney General for deposit in the Charitable Gaming Operating Fund.

Testimony

State Gaming Commission

The committee received testimony from a representative of the State Gaming Commission which reported adjusted gross proceeds from charitable gaming organizations in the state totaled approximately $285 million in 2025. Approximately $243 million of the proceeds were generated through electronic pull-tab machines. Charitable gaming organizations are permitted to allocate up to 60 percent of proceeds toward gaming-related expenses. As of February 2026, 323 charitable gaming organizations were licensed in the state. The committee was informed that 21 gaming organizations have direct or indirect ownership interests in 30 alcoholic beverage establishments. The testimony indicated the list was not comprehensive because owners of alcoholic beverage establishments are not required to disclose affiliations with charitable gaming organizations under state law. The testimony indicated some charitable gaming organizations appear to own alcoholic beverage establishments directly through a nonprofit corporation with the same name as the organization. Other organizations form separate for-profit corporations under a different name. The committee was informed purchasing an alcoholic beverage establishment is not an allowable use of gaming net proceeds or a gaming expense.

The testimony indicated ownership of an alcoholic beverage establishment may provide a stable location for charitable gaming and reduce the need to secure additional gaming sites. Limited site availability has contributed to competition among gaming organizations. Approximately 930 sites conduct charitable gaming in North Dakota. Demand for sites from new organizations seeking to enter charitable gaming and existing organizations seeking additional sites remains high. The committee received information on concerns regarding the balance between gaming activities and an organization's primary charitable purpose. The committee was informed questions have been raised regarding whether organizations are conducting gaming in support of their primary charitable purpose or operating primarily as a gaming business. The testimony indicated as organizations obtain additional gaming sites, the distinction between the charitable purpose and gaming activities has become less clear.

The committee was informed the interactions among gaming manufacturers, distributors, charitable gaming organizations, and site lessors are restricted by state law and administrative rules to prevent financial incentives or outside influence from affecting charitable gaming operations. Distributors generally may provide gaming equipment only to authorized parties and may not offer incentives, influence gaming operations, provide bookkeeping services, or interfere with relationships between organizations and site lessors. Manufactures may sell or distribute gaming equipment and supplies only to licensed distributors and may not provide incentives to charitable gaming organizations or gaming sites. State law also restricts site lessors from conducting gaming, providing gaming equipment or loans, influencing an organization's gaming decisions, or influencing an organization's selection of a distributor.

North Dakota League of Cities

The committee received testimony from a representative of the North Dakota League of Cities indicating the North Dakota League of Cities does not have a position regarding the topic of charitable gaming organizations owning an alcoholic beverage establishment. The testimony indicated the state and cities or counties both authorize charitable gaming at specific locations. Following the changes to state law in 2025, a city or county may deny a site authorization only in accordance with an ordinance or written policy adopted or amended following public comment.

Cities and counties may establish limits on gaming operations, including the types of games allowed, the number of electronic pull-tab devices, the number of blackjack tables, and the number of sites an organization may operate. The North Dakota League of Cities has developed a model policy to assist cities with establishing standardized procedures for site authorization applications, including procedures for changes to organizations or sites during an authorized term. The committee was informed the model policy includes optional local nexus provisions that could require a charitable gaming organization seeking authorization at a new site to demonstrate a connection to the community. Cities may not require a charitable gaming organization to donate net proceeds to the city, county, or local community programs as a condition of receiving a site authorization or deny authorization solely because an organization has not previously conducted gaming at the site.

North Dakota Association of Counties

The committee received testimony from a representative of the North Dakota Association of Counties which indicated counties generally have not adopted policies governing siting authorization of charitable gaming organizations. The committee also was informed the counties recognize the importance of maintaining local control over charitable gaming and site selection.

North Dakota Gaming Alliance

The committee received testimony from a representative of the North Dakota Gaming Alliance informing the committee potential legislation prohibiting gaming organizations from acquiring property could result in potential legal challenges by charitable gaming organizations. The testimony contended the decision on whether a charitable gaming organization should own an alcoholic beverage establishment should be left to each individual organization. The testimony indicated while not every organization that shows interest ultimately pursues such ownership, there is a growing trend of organizations choosing to own an alcoholic beverage establishment.

Committee Considerations

The committee acknowledged the benefits of requiring cities to establish written policies governing site selection for charitable gaming organizations seeking to establish operation in a community. The committee agreed such policies provide cities with additional criteria for evaluation of proposed locations and maintaining local control over site selection. The committee expressed concerns with establishing statewide requirements to limit or remove local authority over the ownership of alcoholic beverage establishments by licensed charitable gaming organizations.

Conclusion

The committee made no recommendation regarding its study on the ownership of alcoholic beverage establishments by licensed charitable gaming organizations.

UNIFORM LAW REVIEW

The North Dakota Commission on Uniform State Laws consists of 11 members. The primary function of the commission is to represent North Dakota on the Uniform Law Commission (ULC), also known as the National Conference of Commissioners on Uniform State Laws. The ULC consists of representatives of all states, and its purpose is to promote uniformity in state law on all subjects on which uniformity is desirable and practicable and to serve state government by improving state laws for better interstate relationships. Under Sections 54-35-02 and 54-55-04, the state commission may submit its recommendations for enactment of uniform laws or proposed amendments to existing uniform laws to the Legislative Management for its review and recommendation during the interim between legislative sessions.

The commission presented the following recommendations to the committee:

- The Uniform Consumer Debt Default Judgments Act (UCDDJA), which the ULC approved in 2023. The UCDDJA establishes rules a plaintiff must follow to obtain a default judgment in a consumer debt collection lawsuit. The UCDDJA provides for specific pleading and notice requirements and applies to awards to recover unsecured consumer debt, secured consumer debt if the action only seeks to obtain a money judgment, or for an outstanding deficiency existing after the disposition of property used as collateral for a consumer debt. The UCDDJA does not apply to an action to possess or dispose of real or personal property, or an action to collect a debt owed to a government, governmental subdivision, or agency in which the government, governmental subdivision, or agency is the plaintiff.
- The Uniform Occupational Licenses of Servicemembers and Military Spouses Act, which the ULC approved in 2026. The purpose of the Uniform Occupational Licenses of Servicemembers and Military Spouses Act is to create efficiencies for service members and their spouses who are obtaining an occupational license in a different state because of military relocation orders.
- The Uniform Antitrust Pre-Merger Notification Act (UAPMNA), which the ULC approved in 2024. The UAPMNA aims to improve the efficiency of the state merger review process. Under the UAPMNA, state attorneys general have the authority to review forms and associated materials filed under the federal Hart-Scott-Rodino Antitrust

Improvements Act. The Hart-Scott-Rodino Antitrust Improvements Act requires companies proposing to engage in certain mergers or acquisitions to file a notice with the Federal Trade Commission and the United States Department of Justice Antitrust Division before the closing date of the transaction. The forms and associated materials filed under the Hart-Scott-Rodino Antitrust Improvements Act contain information about proposed transactions, including information used to determine any potential anticompetitive effects of the contemplated transaction. Generally, a state's attorney general is the public official enforcing federal and state merger law. However, these public officials cannot access the information filed under the Hart-Scott-Rodino Antitrust Improvements Act unless the information is provided pursuant to a subpoena. The UAPMNA makes the merger review process at the state level more efficient, while respecting the confidential information associated with these transactions.

- The Uniform Public Expression Protection Act (UPEPA), which the ULC approved in 2020. The UPEPA is designed to prevent an abusive type of litigation called a strategic lawsuit against public participation. A strategic lawsuit against public participation action is usually filed as a defamation, invasion of privacy, nuisance, or other type of claim. However, the plaintiff's goal is often to prevent the defendant from exercising the right of freedom of speech or of the press, the right to assemble or petition, or the right of association, guaranteed by the United States Constitution, on a matter of public concern. The UPEPA provides a mechanism for the efficient review and dismissal of these actions.

Conclusion

The committee makes no recommendation regarding these uniform Acts.

TECHNICAL CORRECTIONS

The committee continued the practice of reviewing the Century Code to determine if there are inaccurate or obsolete name and statutory references or superfluous language. The committee considered a bill draft addressing the following statutory provisions:

- Section 1 corrects a cross-reference to Chapter 23-09, replacing it with a corrected reference to Chapter 23-09, which relates to food and lodging establishments and assisted living facilities.
- Section 2 corrects a minor drafting error related to the location of the word "assets" as it relates to credit union and cooperative financial institution assets.
- Section 3 corrects an inaccurate cross-reference to Section 44-04-18.7(4), replacing it with a corrected reference to Section 44-04-18.7(5), which provides the definition of "criminal justice agency."
- Section 4 corrects an inaccurate cross-reference to Section 12.1-27.2-01(4), replacing it with a corrected reference to Section 12.1-27.2-01(6), which relates to the definition of "sexual conduct."
- Section 5 corrects an inaccurate cross-reference to Section 14-07.7-03(1), replacing it with a corrected reference to Section 14-07.7-17, which relates to violations of a civil protection order.
- Section 6 corrects an inaccurate cross-reference to Section 15.1-09-33, replacing it with a corrected reference to Section 15.1-19-03.1, which relates to the recitation of the pledge of allegiance in schools.
- Section 7 removes the word "certify" in Section 15.1-21-12.2 to correct a typographical error.
- Section 8 corrects punctuation issues present in the section.
- Sections 9 and 10 update references to a federal law pertaining to the certificate of ascertainment which was relocated to 3 U.S.C. 5 following the passage of the Electoral Count Reform Act in 2022.
- Section 11 removes language referencing protected health information received or maintained under Chapter 23-01.1, which was repealed following the enactment of House Bill 1036 (2013), effective August 1, 2015.
- Section 12 corrects an inaccurate cross-reference to Section 23.1-04-04.1, replacing it with a corrected reference to Section 23.1-01-04, which relates to the Department of Environmental Quality's rulemaking authority.
- Section 13 corrects an inaccurate cross-reference to Section 39-03-14.2, replacing it with a corrected reference to Section 39-03.1-14.2, which relates to benefit payments to an alternate payee under a qualified domestic relations order.
- Section 14 relates to agencies or divisions of agencies exempt from certain regulatory analysis requirements for administrative rulemaking. Among the agencies and divisions listed in Section 28-32-08.1(5) is the repealed Real Estate Trust Account Committee, which is removed in the bill draft.

- Sections 15, 20, and 21 relate to the transition of certain responsibilities for publishing and distributing the Session Laws, compilations, and codifications of the laws passed by the Legislative Assembly from the Secretary of State to the Legislative Council. House Bill 1002 (2025) transferred a number of these responsibilities, but certain provisions were inadvertently omitted, which are addressed in the bill draft.
- Section 16 removes an incorrect cross-reference to Section 32-29.3-30, resulting from a typographical error.
- Section 17 corrects an inaccurate cross-reference to Section 57-15-10(5), replacing it with a corrected reference to Section 57-15-10(4), which relates to levy authority from a library fund as provided in Section 40-38-02.
- Section 18 corrects an inaccurate cross-reference to Section 11-18-23.2, replacing it with a corrected reference to Section 11-18-23, which relates to filing or recording documents with Social Security numbers.
- Section 19 corrects an inaccurate cross-reference to Section 45-22-22.1(5), replacing it with a corrected reference to Section 45-22-21.1(5), which relates to revocation of a domestic limited liability partnership registration.
- Section 22 removes two obsolete reporting requirements for the Office of Management and Budget.
- Section 23 corrects an inaccurate cross-reference to Section 54-44.8-10, replacing it with a corrected reference to Section 54-44.8-08, which relates to the telephone access line and radio communications access surcharge.

Recommendation

The committee recommends a bill draft [27.0236.01000] to make technical corrections throughout the Century Code.

REVIEW OF EXECUTIVE ORDERS

Pursuant to Section 54-03-32, the Legislative Management delegated to the committee the responsibility to review any executive order issued by the President of the United States which has not been affirmed by a vote of Congress and signed into law, and recommend to the Attorney General and the Governor that the executive order be further reviewed to determine the constitutionality of the order and whether the state should seek an exemption from the order or seek to have the order declared to be an unconstitutional exercise of legislative authority by the President. The committee monitored and reviewed the executive orders issued between April 2024 and March 2026.

Conclusion

The committee makes no recommendation regarding the executive orders issued between April 2024 and March 2026.

REQUIRED REPORTS

Report on Civilly Forfeited Property

The committee received a report from a representative of the Attorney General's office, pursuant to Section 19-03.1-36.8, relating to civil asset forfeiture cases in the state for the preceding fiscal year, including information about the type, approximate value, and disposition of any civilly forfeited property and the amount of proceeds received. The report indicated of the counties that submitted reports, the net total of forfeited currency in the state from July 1, 2023, through June 30, 2024, was $119,063. In addition, four motorized vehicles were seized with gross proceeds of sales totaling $11,715 and three firearms were held, sold, or disposed of with a value totaling $1,940.

Commission on Legal Counsel for Indigents Annual Report

The committee received a report from the Director of the Commission on Legal Counsel for Indigents, as required by Section 54-61-03, regarding pertinent data on the operation, needs, and cost of the indigent defense contract system and any established public defender offices. The report indicated the commission provides legal services to persons who are indigent and who are charged with misdemeanors and felonies in state district court. As of January 1, 2026, the commission provides counsel to all individuals charged with a crime at the initial appearance. The commission also provides counsel to indigent persons who are parties in some juvenile cases and other miscellaneous matters.

The report indicated in fiscal year 2025, the commission provided legal counsel services in 16,536 case assignments. The commission's 2023-25 biennium budget consisted of $20,608,898 from the General Fund and $2,011,022 from the commission's special fund, for a total of $22,619,920. The special fund consists of statutory fees paid by defendants, which include the court administration fee, an indigent defense/facility improvement fee of $100, and the $35 indigent defense application fee from criminal cases. The report indicated during the last fiscal year, 71 percent of case assignments were new adult criminal cases, 12 percent were adult revocation of probation cases, 13 percent were juvenile cases (delinquency, child in need of protection, or guardianship), and 4 percent were appeals, postconviction, or other cases.

North Dakota Racing Commission Report

The committee received a report from the Director of the North Dakota Racing Commission pursuant to Section 53-06.2-04. The report indicated the commission's primary mission is to regulate and promote pari-mutual wagering and live horse racing in the state. The commission's duties include licensing and overseeing North Dakota's live racetracks, off-track betting facilities, and account deposit wagering companies.

The report outlined biennial tax revenues generated for commission funds totaling $2,407,357 for the 2023-25 biennium. The report indicated the commission helps support over 500 full- and part-time jobs annually throughout the state. Many of these jobs are located at Chippewa Downs on the Turtle Mountain Band of Chippewa Indians lands.

Lottery Report

The committee received a report from the Director of the North Dakota Lottery regarding the operation of the lottery, pursuant to Section 53-12.1-03. The report indicated, for the 2023-25 biennium, the lottery had a fixed appropriation of $2.4 million for salaries and fringe benefits for 10 full-time equivalent (FTE) positions and $3 million for operating expenses, totaling $5.4 million. The lottery has a continuing appropriation for variable expenses of prizes, retailer commissions, online gaming system vendor fees, and Multi-State Lottery Association group dues which have a direct incremental relationship with sales but are unable to be budgeted. The report indicated the appropriation funds 8 FTE positions in the Attorney General's office Lottery Division, 1 FTE position in the Information Technology Division, and 1 FTE position in the Finance and Administration Division. The appropriation also funds 2 part-time draw operators and 1 part-time customer service specialist.

The report indicated lottery sales for the 2023-25 biennium totaled $67 million, with transfers of $16.2 million, of which $13.6 million was transferred to the General Fund; $640,000 to the Compulsive Gambling Prevention and Treatment Fund; and $2 million to the Multijurisdictional Drug Task Force Grant Fund. The committee was informed projected lottery sales for the 2025-27 biennium are $71.7 million, anticipating transfers of $18.5 million, with $15.8 million to the General Fund; $640,000 to the Compulsive Gambling Prevention and Treatment Fund; and $2 million to the Multijurisdictional Drug Task Force Grant Fund.

Department of Health and Human Services Report on State Hospital

The committee received a report from the Superintendent of the State Hospital relating to individuals at the State Hospital committed to the care and custody of the Commissioner of DHHS, pursuant to Section 50-06-31. The report indicated DHHS and DOCR have worked together since 2007 to provide security services for the sex offender treatment program at the State Hospital. Subsequent statutory modifications expanded the agreement to encompass security services for all patients served at the State Hospital.

The committee was informed, under this interagency agreement, the James River Correctional Center delivers comprehensive security consultation, training, and operational support to the State Hospital. The report indicated during the 2023-25 biennium, State Hospital employees completed foundational security training and advanced and specialized security training, including crisis response. The report indicated the facility maintained continuous perimeter security through an integrated camera system and regular correctional officer patrols.

Report on Juvenile Justice Diversion Services and Programs

The committee received a report from a representative of DHHS regarding the findings and recommendations of the task force established to review juvenile justice diversion services and programs, pursuant to Section 16 of House Bill 1012 (2025). The report indicated a significant portion of grant funds remain unused due to challenges in recruiting staff to provide services to families and children within local communities. The report also indicated barriers to juvenile justice diversion services include limited service availability, communication and system challenges, and restrictions on eligibility for diversion services.

The recommendations of the diversion task force include maximizing educational opportunities across courts, schools, and law enforcement systems to enhance communication and relationships, update eligibility criteria for diversion services to expand services to youth, and provide regional service mapping.

Report on Attorney Recruitment Program

The committee received a report from the Deputy State Court Administrator on the status of the program to assist rural counties and municipalities in recruiting attorneys, pursuant to Section 27-02.2-13. The report indicated the Rural Attorney Recruitment Program was established to encourage attorneys to live and work in rural communities with an incentive payment of $45,000 paid in equal installments over 5 years. Program participants are capped at eight attorneys per community matches. The North Dakota Court System adopted Supreme Court Administrative Rule 62 to guide implementation of the program.

The 69th Legislative Assembly adopted two changes to the program. Senate Bill 2211 (2025) expanded the statute allowing the Supreme Court to review applications for recruitment to include retention of attorneys who seek to participate. The bill also removed population requirements for counties leaving the requirement for the number of attorneys available in the county at five or fewer. No changes were made to the municipality requirements. The report indicated the changes allow more communities to qualify while also focusing on keeping attorneys in more rural areas. The report indicated there are 37 counties that meet the definition of "five or fewer" attorneys available.

The report indicated there are eight attorneys on the eligible attorney roster and nine eligible communities on the program roster. As of March 24, 2026, there are six contracts in place. The report indicated the state's total cost for the program for the 2025-27 biennium is $13,500. To date, the program has paid out a total of $108,000 in incentive payments. The state has paid $54,000, contracted communities have paid $37,800, and the State Bar Association of North Dakota has paid $16,200. The committee was informed there have been no other direct costs to the program.

Report on Driver's License Points System and the Traffic Fee Schedule

The committee received a report from representatives of the Highway Patrol on the findings and recommendations from the study of the driver's license points system and the traffic fee schedule, pursuant to House Bill 1298 (2025). The report indicated North Dakota's driver's license points system developed as part of the state's broader revision of traffic enforcement in 1973. Points are entered on a driver's record following a conviction, admission, or adjudication of driving-related violations. A driver who accumulates 12 points is subject to a 7-day suspension, with an additional 7 days imposed for each additional point.

The report indicated traffic enforcement is most effective when penalties are proportional to the danger a violation poses to the traveling public. The report also outlined opportunities to align fines and points with behaviors that contribute to fatalities and serious injuries. The report indicated many fines have remained unchanged for more than 50 years. The report also indicated the administrative costs associated with processing traffic citations often exceed the revenue generated by statutory fees, further supporting the need for a modernized fee structure.

Report on Peace Officer and Correctional Officer Appreciation Grant Program

The committee received a report from the Finance Director of the Attorney General's office regarding the use and effectiveness of the Peace Officer and Correctional Officer Appreciation Grant Program, pursuant to Section 1 of House Bill 1193 (2025). The report indicated $3.5 million was appropriated to the Attorney General's office to provide grants to local law enforcement agencies for retention bonuses and to provide tuition and fee payments for law enforcement training.

The report indicated 1,490 officers have received a bonus from the grant program. The average bonus received from cities and counties with more than 11 officers was $1,781 and the average received for cities and counties with less than 10 officers was $2,675. The report also indicated the grant program aided in retention of trained employees and provided a morale boost among the law enforcement agencies.

Report on Tracking Uniform Data Points and Criminal Justice Data Collection

The committee received a report from a representative of DOCR regarding procedures for tracking uniform data points; standardizing and automating criminal justice data collection, retention, and dissemination; and improving data connectivity between system partners, pursuant to Section 54-23.3-16. The report indicated concerns regarding the system because each state or local entity has an independent system, identifiers, and sometimes different definitions. The committee was informed the systems do not communicate with one another. The report indicated two potential approaches to address concerns, consisting of creating a centralized hub that would interface with the existing state systems or creating a point-to-point connection between individual systems. The report indicated potential challenges would include significant costs for creating a new system, complexity of working with multiple vendors of existing systems, and assignment of responsibilities for managing the system and future updates.

Report on Prosecution-Led Diversion Supervision Pilot Program

The committee will receive a report, subsequent to its adjournment, regarding the process and outcome of the Prosecution-Led Diversion Supervision Pilot Program, pursuant to Section 54-23.3-10.2. Section 54-23.3-10.2 requires DOCR to establish a prosecution-led diversion supervision program as a pilot project in three counties during the 2025-27 biennium. The Department of Corrections and Rehabilitation is required to implement the program no later than January 1, 2026, and collaborate with DHHS, the North Dakota Association of Counites, county state's attorneys, the Commission on Legal Counsel for Indigents, county and regional correctional facilities, and public and private treatment providers to develop guidelines and procedures for the administration of the program. The department is required to report to the Legislative Management regarding the process and outcome of the program and any recommendations for legislation before January 1, 2027.