

**FIRST ENGROSSMENT
with House Amendments**

Fifty-sixth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2419

Introduced by

Senators W. Stenehjem, G. Nelson, Nething

Representatives DeKrey, Devlin, Dorso

1 A BILL for an Act to create and enact a new section to chapter 54-12 of the North Dakota
2 Century Code, relating to funds recovered by the attorney general; and to amend and reenact
3 section 54-12-18 of the North Dakota Century Code, relating to the attorney general refund
4 fund.

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

6 **SECTION 1.** A new section to chapter 54-12 of the North Dakota Century Code is
7 created and enacted as follows:

8 **Recovery of funds - Limitations.** All funds recovered by the attorney general as a
9 result of negotiated settlements or court proceedings must be deposited in a special fund in the
10 state treasury and may be appropriated only by the legislative assembly, except when:

- 11 1. A specific fund or special account is otherwise designated by law; or
- 12 2. The options open to the attorney general leave no choice as to the disposition of
13 the proceeds if the state is to recover funds in a multistate settlement.

14 **SECTION 2. AMENDMENT.** Section 54-12-18 of the 1997 Supplement to the North
15 Dakota Century Code is amended and reenacted as follows:

16 **54-12-18. Special fund established - Continuing appropriation.** A special fund is
17 established in the state treasury and designated as the attorney general refund fund. The
18 attorney general shall deposit all moneys recovered by the consumer protection division for
19 refunds to consumers in cases where persons or parties are found to have violated the
20 consumer fraud laws, all costs, expenses, attorney's fees, and civil penalties collected by the
21 division regarding any consumer protection or antitrust matter, all cash deposit bonds paid by
22 applicants for a transient merchant's license who do not provide a surety bond, and all funds
23 and fees collected by the gaming section for licensing tribal gaming and for the investigation of
24 gaming employees, applicants, organizations, manufacturers, distributors, or tribes involved in

1 state or tribal gaming. The moneys in the fund are appropriated, as necessary, for the following
2 purposes:

- 3 1. To provide refunds of moneys recovered by the consumer protection and antitrust
4 division on behalf of specifically named consumers;
- 5 2. To pay valid claims against cash deposit bonds posted by transient merchant
6 licensees;
- 7 3. To refund, upon expiration of the two-year period after the expiration of the
8 transient merchant's license, the balance of any cash deposit bond remaining after
9 the payment of valid claims;
- 10 4. To pay costs, expenses, and attorney's fees and salaries incurred in the operation
11 of the consumer protection division; and
- 12 5. To pay the actual costs of background investigations, licensing, and enforcement
13 of gaming in the state or pursuant to Indian gaming compacts.

14 At the end of each fiscal year any moneys in the fund in excess of the amounts required for
15 subsections 1, 2, 3, and 5 must be deposited in the general fund. The attorney general, with
16 the concurrence of the director of the office of management and budget, shall establish the
17 necessary accounting procedures for use of the attorney general refund fund, particularly with
18 respect to expenditures under subsection 4.