

**SENATE BILL NO. 2031**

Introduced by

Legislative Council

(Budget Section)

1 A BILL for an Act relating to the review of state agency applications for grants from the federal  
2 government or private entities.

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

4 **SECTION 1. Definitions.** In this Act, unless the context otherwise requires:

- 5 1. "Application" includes any request for receipt of a grant, but does not include an  
6 inquiry concerning the availability of a grant or any terms of a grant.
- 7 2. "Grant" includes any conveyance of money or property, including a gift or donation,  
8 which is not required to be repaid or which is not paid with full consideration from  
9 the state agency receiving the grant and which must be requested of or applied for  
10 from the federal government or any private entity. The term does not include any  
11 grant that has been approved or appropriated by the legislative assembly.
- 12 3. "Grant information report" means a report providing detailed information on a  
13 proposed grant, as provided in section 3 of this Act.
- 14 4. "State agency" means any entity of the state, but does not include an agency or  
15 institution under the control of the board of higher education.

16 **SECTION 2. Applications for grants - Grant information reports - Approval.**

17 Notwithstanding any other state law authorizing a state agency to apply for any grant or  
18 grant-in-aid, a state agency may not submit an application for a grant until the state agency has  
19 submitted the application and a grant information report to the emergency commission and has  
20 received approval of the emergency commission or of the budget section of the legislative  
21 council as provided under this Act.

22 **SECTION 3. Grant information report - Contents.** The grant information report must  
23 include:

- 1           1. A summary of the grant and its purpose, including an analysis of how the grant will
- 2                     support existing state policies and programs;
- 3           2. Any conditions, terms, or requirements of the grant;
- 4           3. The amount of new funds to be obtained from the grant and the amount, if any, of
- 5                     state funds required to fulfill any condition of the grant;
- 6           4. The number of new employee positions needed if the grant is received and plans
- 7                     to reduce or eliminate those positions at the end of the grant period;
- 8           5. The effect of the grant on other state agencies or political subdivisions;
- 9           6. Whether the grant is duplicative of any program, policy, or other grant already
- 10                    existing or which may be applied for by other state agencies or political
- 11                    subdivisions;
- 12           7. The effect of the grant on private entities, including any comments received
- 13                    concerning the grant;
- 14           8. Whether any state law, rule, or contract must be superseded, modified, suspended,
- 15                    waived, or amended to obtain the grant or to fulfill the terms of the grant;
- 16           9. The reputation, policies, and goals of any entity providing the grant;
- 17           10. Whether the legislative assembly has indicated an intent to reject the moneys or
- 18                    the program fostered by the grant; and
- 19           11. Any other relevant or pertinent information.

20           **SECTION 4. Consideration of application.** The emergency commission shall take

21 action regarding the application within thirty days after receiving the application.

22           **SECTION 5. Budget section consideration.** If a state agency's request to submit an

23 application is denied by the emergency commission, the state agency may submit the request

24 to the budget section of the legislative council for consideration at the budget section's next

25 regularly scheduled meeting. Before the meeting, the legislative council shall distribute a copy

26 of the application and the grant information report to each member of the budget section. The

27 budget section may approve the application, notwithstanding previous denial of the application

28 by the emergency commission.

29           **SECTION 6. Effect of approval.** Approval by the emergency commission or the

30 budget section of the legislative council to submit an application under this Act does not bind

1 the emergency commission or the budget section in exercising responsibilities under chapter  
2 54-16.

3           **SECTION 7. Effect of denial.** A state agency whose application for a grant has been  
4 denied by the emergency commission or the budget section of the legislative council may seek  
5 legislative approval or appropriation concerning the grant application from the legislative  
6 assembly.