

**Fifty-ninth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 4, 2005**

HOUSE BILL NO. 1003
(Appropriations Committee)
(At the request of the Governor)

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to provide an appropriation for defraying the expenses of the racing commission; to provide an exemption; to provide for racing commission expenses; to provide a statement of legislative intent; to provide for duties of the attorney general; to provide for a salary equity review and recommendation; to amend and reenact subsection 1 of section 53-06.2-02 and section 54-12-11 of the North Dakota Century Code, relating to the membership of the racing commission and the salary of the attorney general; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. BASE LEVEL FUNDING INFORMATION. The amounts identified in this section represent the base level funding component appropriated to the attorney general in section 3 of this Act as follows:

Salaries and wages	\$18,461,301
Operating expenses	7,995,471
Capital assets	1,830,250
Grants	5,891,560
Litigation fees	50,000
State school finance lawsuit	240,000
Arrest and return of fugitives	10,000
Gaming commission	5,109
Total all funds - Base level	\$34,483,691
Less estimated income - Base level	17,429,474
Total general fund - Base level	\$17,054,217

SECTION 2. FUNDING ADJUSTMENTS OR ENHANCEMENTS INFORMATION. The amounts identified in this section represent the funding adjustments or enhancements to the base funding level for the attorney general which are included in the appropriation in section 3 of this Act as follows:

Salaries and wages	\$926,395
Operating expenses	488,324
Capital assets	(44,200)
Grants	52,496
Gaming commission	(70)
Total all funds - Adjustments/enhancements	\$1,422,945
Less estimated income - Adjustments/enhancements	(515,729)
Total general fund - Adjustments/enhancements	\$1,938,674

SECTION 3. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the attorney general for the purpose of defraying the expenses of the attorney general, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

Salaries and wages	\$19,387,696
Operating expenses	8,483,795

Capital assets	1,786,050
Grants	5,944,056
Litigation fees	50,000
State school finance lawsuit	240,000
Arrest and return of fugitives	10,000
Gaming commission	5,039
Total all funds	\$35,906,636
Less estimated income	16,913,745
Total general fund appropriation	\$18,992,891

SECTION 4. APPROPRIATION - RACING COMMISSION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the racing commission for the purpose of defraying the expenses of the racing commission, for the biennium beginning July 1, 2005, and ending June 30, 2007, as follows:

Racing commission	\$367,145
Total all funds	\$367,145
Less estimated income	249,666
Total general fund appropriation	\$117,479

SECTION 5. SCHOOL FINANCE LAWSUIT. The state school finance lawsuit line item in section 3 of this Act is for the purpose of defraying the expenses of defending the state's school finance system for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 6. ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND - LOCAL GAMING ENFORCEMENT GRANTS. The grants line item in section 3 of this Act includes \$617,000 for local gaming enforcement grants.

SECTION 7. FIRE AND TORNADO FUND - FEES. The attorney general shall charge and collect fees for services provided by the state fire marshal program to entities covered by the fire and tornado fund under chapter 26.1-22. Fees under this section may be collected in amounts of up to a total of \$310,000 for the biennium beginning July 1, 2005, and ending June 30, 2007. All fees collected under this section must be deposited in the attorney general's operating fund.

SECTION 8. PETROLEUM RELEASE COMPENSATION FUND - FEES. The attorney general shall charge and collect fees for services provided by the state fire marshal program to entities covered by the petroleum release compensation fund under chapter 23-37. Fees under this section may be collected in amounts of up to a total of \$35,000 for the biennium beginning July 1, 2005, and ending June 30, 2007. All fees collected under this section must be deposited in the attorney general's operating fund.

SECTION 9. ESTIMATED INCOME - RACING PROMOTION, PURSE, AND BREEDERS' FUNDS. Notwithstanding section 53-06.2-11, the estimated income line item in section 4 of this Act includes \$73,889 from the racing promotion fund, \$73,889 from the purse fund, and \$73,888 from the breeders' fund for the purpose of defraying the administrative and operating costs of the racing commission for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 10. FEDERAL FUNDS - REDUCTION IN GENERAL FUND EXPENDITURES. If the attorney general receives federal funds that may be used to replace the reduction in federal Byrne grant funds for drug enforcement activities during the 2005-07 biennium, the attorney general may seek emergency commission approval to receive and spend the federal funds but may not spend moneys from the general fund added by the legislative assembly to the extent of the federal funds received for this purpose for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 11. ATTORNEY GENERAL REFUND FUND TRANSFER TO THE GENERAL FUND - EXCEPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance

in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2005.

SECTION 12. LEGISLATIVE INTENT - FUNDING PRIORITY. It is the intent of the fifty-ninth legislative assembly that the attorney general prioritize the attorney general's funding appropriated by the legislative assembly for the biennium beginning July 1, 2005, and ending June 30, 2007, to continue, to the extent possible, the drug enforcement activities that were previously paid for from federal Byrne grant funds.

SECTION 13. MEDICARE AND MEDICAID FRAUD ABUSE. The attorney general shall consider, in consultation with the United States department of justice, the feasibility of naming the state of North Dakota as a plaintiff in medicare and medicaid fraud abuse cases being considered by the United States department of justice for the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 14. SALARY REVIEW AND RECOMMENDATION. During the 2005-06 interim, the director of the office of management and budget shall conduct an equity review of the salaries of all attorneys and paralegals employed as full-time employees with all branches of government within the state of North Dakota, including attorneys and paralegals employed by the state board of higher education and workforce safety and insurance. The director shall provide to the governor for inclusion in the 2007-09 biennial executive budget recommendation the funding necessary to adjust the salaries of attorneys and paralegals in a manner that makes attorney and paralegal salaries comparable and equitable throughout state government. In determining comparable positions based upon years of experience and importance of position, the director shall consult with the attorney general.

SECTION 15. AMENDMENT. Subsection 1 of section 53-06.2-02 of the North Dakota Century Code is amended and reenacted as follows:

1. A North Dakota racing commission is established in the office of the attorney general. The commission is subject to the supervision and direction of the attorney general, except with regard to the commission's authority to spend the funds described in subsection 6 of section 53-06.2-11. The attorney general may require payment for any services rendered to the racing commission. Payment for such services must be deposited into the attorney general's operating fund. The commission consists of the chairman and four other members appointed by the governor. Of the members appointed by the governor, one must be appointed from a list of four nominees, one of whom is nominated by the state chapter or affiliate of the American quarter horse racing association, one of whom is nominated by the state chapter or affiliate of the United States trotting association, one of whom is nominated by the state chapter or affiliate of the international Arabian horse association, and one of whom is nominated by the state chapter or affiliate of the North Dakota thoroughbred association. The members serve five-year terms and until a successor is appointed and qualified. A member appointed to fill a vacancy arising from other than the natural expiration of a term serves only for the unexpired portion of the term and may be reappointed. The terms of the commissioners must be staggered so that one term expires each July first. At the expiration of the five-year term of each incumbent member of the commission, the governor shall appoint a new member to the commission.

SECTION 16. AMENDMENT. Section 54-12-11 of the North Dakota Century Code is amended and reenacted as follows:

54-12-11. Salary of attorney general. The annual salary of the attorney general is ~~seventy one thousand seventy two dollars through December 31, 2001, seventy three thousand two hundred four dollars through June 30, 2002~~ seventy six thousand two hundred four dollars through June 30, 2006, and ~~seventy four thousand six hundred sixty eight~~ seventy four thousand eight hundred eighty-four dollars thereafter.

SECTION 17. EMERGENCY. Section 11 of this Act is declared to be an emergency measure.

Speaker of the House

President of the Senate

Chief Clerk of the House

Secretary of the Senate

This certifies that the within bill originated in the House of Representatives of the Fifty-ninth Legislative Assembly of North Dakota and is known on the records of that body as House Bill No. 1003 and that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 87 Nays 3 Absent 4

Speaker of the House

Chief Clerk of the House

This certifies that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 45 Nays 0 Absent 2

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2005.

Approved at _____ M. on _____, 2005.

Governor

Filed in this office this _____ day of _____, 2005,

at _____ o'clock _____ M.

Secretary of State