

HOUSE BILL NO. 1031

Introduced by

Legislative Management

(Government Finance Committee)

1 A BILL for an Act to create and enact a new section to chapter 54-35 of the North Dakota
2 Century Code, relating to legislative management studies of state agency fees.

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

4 **SECTION 1.** A new section to chapter 54-35 of the North Dakota Century Code is created
5 and enacted as follows:

6 **Legislative interim committee review of state agency fees.**

7 1. During each interim, the legislative management shall assign to one or more interim
8 committees a study of selected state agency fees as provided in this section. The
9 legislative management shall assign the studies in a manner that provides for the
10 review of each state agency fee at least once every ten years.

11 2. a. An interim committee assigned a fee study shall request the appropriate state
12 agency to prepare an analysis of and provide a recommendation for each
13 selected state agency fee.

14 b. The analysis must include:

15 (1) A comparison of revenue generated by the fee to the cost incurred to
16 provide the services associated with the fee;

17 (2) The history of the fee, including when it was created and any subsequent
18 changes;

19 (3) The appropriateness of the fee amount and the affordability of the fee to the
20 public; and

21 (4) The appropriateness of using other government revenues to pay a portion of
22 services associated with the fee and the effect of the use of other revenues.

- 1 c. The recommendation must identify whether the fee should remain unchanged or
2 be eliminated, increased, decreased, or otherwise modified, and the rationale for
3 the recommendation.
- 4 3. An interim committee assigned a fee study shall:
5 a. Consider, as part of the study:
6 (1) Whether revenue from the fee should cover the entire cost of the services
7 associated with the fee or whether the cost of the services should be
8 subsidized by another revenue source;
9 (2) The appropriateness of the fee amount; and
10 (3) The appropriateness of the use of the fee revenue.
11 b. Make a recommendation regarding the fee which identifies whether the fee
12 should remain unchanged or be eliminated, increased, decreased, or otherwise
13 modified.
14 c. Report its findings and recommendations to the legislative management. As part
15 of its recommendations, the committee shall identify potential state agency fees
16 to be reviewed during the subsequent interim.
- 17 4. Any state agency authorized by the legislative assembly to impose a fee shall provide
18 data, analysis, and other information as requested by the interim committee
19 conducting a study under this section.