

**Sixty-seventh Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 5, 2021**

HOUSE BILL NO. 1003
(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to provide an appropriation to the department of human services; to amend and reenact the new section to chapter 53-06.1, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly, and section 54-12-11 of the North Dakota Century Code, relating to the salary of the attorney general and charitable gaming tax revenue distributions; to provide for a transfer; to provide an exemption; to provide for a statement of legislative intent; to provide for a report; to provide for a legislative management study; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. 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, 2021, and ending June 30, 2023.

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$45,954,981	\$4,340,368	\$50,295,349
Operating expenses	15,588,646	844,392	16,433,038
Capital assets	804,380	934,841	1,739,221
Grants	4,418,440	(515,000)	3,903,440
Human trafficking victims grants	1,400,000	(298,121)	1,101,879
Forensic nurse examiners grants	250,000	691	250,691
Statewide litigation funding pool	0	4,650,000	4,650,000
Litigation fees	150,000	(22,500)	127,500
Intellectual property attorney	442,085	(442,085)	0
Medical examinations	660,000	0	660,000
North Dakota lottery	5,191,454	63,390	5,254,844
Arrest and return of fugitives	10,000	(1,500)	8,500
Gaming commission	7,489	0	7,489
Criminal justice information sharing	3,631,121	443,847	4,074,968
Law enforcement	2,982,284	66,643	3,048,927
Total all funds	\$81,490,880	\$10,064,966	\$91,555,846
Less estimated income	<u>35,886,284</u>	<u>13,022,844</u>	<u>48,909,128</u>
Total general fund	\$45,604,596	(\$2,957,878)	\$42,646,718
Full-time equivalent positions	245.00	8.00	253.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-EIGHTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
Criminal history improvement system	\$400,000	\$400,000
Capital assets	1,851,956	1,111,706
Undercover vehicles	200,000	0
Automated biometric identification system	316,000	300,000
Charitable gaming technology system	400,000	475,000
Statewide litigation funding pool	0	4,650,000

Additional income	<u>250,000</u>	<u>0</u>
Total all funds	\$3,417,956	\$6,936,706
Total other funds	<u>3,217,956</u>	<u>6,936,706</u>
Total general fund	\$200,000	\$0

SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT. In addition to the amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the attorney general for the purposes of defraying the expenses of the office, for the biennium beginning July 1, 2021, and ending June 30, 2023. The attorney general shall notify the office of management and budget and the legislative council of any funding made available pursuant to this section.

SECTION 4. APPROPRIATION - 2019-21 BIENNIUM - SEXUAL ASSAULT EVIDENCE COLLECTION KIT TRACKING SYSTEM - DRUG ANALYZERS - EXEMPTION - ONE-TIME FUNDING. There is appropriated from federal funds, not otherwise appropriated, the sum of \$355,000, or so much as the sum as may be necessary, to the attorney general, of which \$255,000 is for the development and implementation of a sexual assault evidence collection kit tracking system and \$100,000 is for drug analyzers with federal funding received from the department of transportation, for the period beginning with the effective date of this Act, and ending June 30, 2021. The funding provided under this section is not subject to section 54-44.1-11 and any unexpended funds may be continued and are available for the program during the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item.

SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID ADDICTION PREVENTION AND TREATMENT PROGRAM - APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - ONE-TIME FUNDING - REPORT. The office of management and budget shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds deposited in the attorney general refund fund to the department of human services which is appropriated to the department of human services for the purpose of defraying the expenses of an opioid addiction prevention and treatment program during the biennium beginning July 1, 2021, and ending June 30, 2023. The department of human services shall consult with the attorney general on the use of funding for the program. The attorney general shall notify the legislative council and office of management and budget of any lawsuit settlement proceeds that become available for transfer to the department of human services for this program. This funding is considered a one-time funding item.

SECTION 6. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - TRANSFER - LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING. The statewide litigation funding pool line item in section 1 of this Act includes \$3,000,000 from the strategic investment and improvements fund, which the attorney general shall transfer to eligible state agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is considered a one-time funding item. The attorney general may not use funding from the litigation pool to pay judgments under section 32-12-04.

SECTION 7. ESTIMATED INCOME - EXEMPTION - USE OF GAMING TAX ALLOCATION FUND - TRANSFER - LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING. The statewide litigation funding pool line item in section 1 of this Act includes \$1,650,000 from the gaming tax allocation fund. Notwithstanding section 53-06.1-12, the attorney general shall transfer this funding to eligible state agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June 30, 2023, after the distribution of gaming tax revenue grants provided for in section 17 of this Act. The attorney general may not use funding from the litigation pool to pay judgments under section 32-12-04. This funding is considered a one-time funding item.

SECTION 8. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - CHARITABLE GAMING OPERATING FUND. The estimated income line item in section 1 of this Act includes \$475,000 from the charitable gaming operating fund for defraying expenses related to the continued development and implementation of the charitable gaming technology system.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,101,879 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims and related administrative costs for the biennium beginning July 1, 2021, and ending June 30, 2023. The attorney general may provide grants for the development and implementation of direct care emergency or long-term crisis services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-eighth legislative assembly on the use of the funds received and the outcomes of its program. The attorney general shall report to the legislative management during the 2021-22 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,691 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs and related administrative costs, for the biennium beginning July 1, 2021, and ending June 30, 2023. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-eighth legislative assembly on the use of the funds received and the outcomes of its programs. The attorney general shall report to the appropriations committees of the sixty-eighth legislative assembly on the number of nurses trained, the number and location of nurses providing services related to sexual assault nurse examiner programs, and documentation of collaborative efforts to assist victims, which includes nurses, the hospital or clinic, law enforcement, and state's attorneys.

SECTION 11. ESTIMATED INCOME - SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND - REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND. The estimated income line item in section 1 of this Act includes \$1,374,989 for the purpose of providing salary equity increases to employees in the attorney general's office, of which \$1,249,083 is from the attorney general refund fund for bureau of criminal investigation positions and Medicaid fraud control unit positions and \$125,906 is from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund for fire marshal office positions, for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 12. LEGISLATIVE INTENT - ATTORNEY GENERAL - SALARY EQUITY INCREASES - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$2,577,624 of funding in the attorney general refund fund, of which \$1,160,896 is derived from January 2021 lawsuit settlement proceeds and \$1,416,728 is derived from March 2021 lawsuit settlement proceeds, and \$251,812 of funding in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, under the supervision of the state investment board for the period beginning July 1, 2021, and ending June 30, 2025. It is the intent of the sixty-seventh legislative assembly that \$2,577,624 in the attorney general refund fund and any investment earnings on the funding be retained in the attorney general refund fund and \$251,812 in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund and any investment earnings on the funding be retained in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases as provided for in section 11 of this Act and for the cost to continue the salary equity increases during the 2023-25 biennium, subject to legislative appropriations.

SECTION 13. AMENDMENT. The new section to chapter 53-06.1 of the North Dakota Century Code, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

Charitable gaming operating fund - Attorney general - State treasurer —Continuing— appropriation - Allocations - Transfer to the general fund.

1. There is created in the state treasury the charitable gaming operating fund. The fund consists of all gaming taxes, monetary fines, and interest and penalties collected under this chapter.

2. Excluding moneys in the charitable gaming operating fund appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming, ~~all other~~ the attorney general shall allocate remaining moneys in the charitable gaming operating fund are appropriated to the attorney general on a continuing basis for quarterly allocations ~~as follows:~~
 - a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
 - b. ~~Five~~ Subject to legislative appropriations, five percent of the total moneys deposited in the charitable gaming operating fund to cities and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.
3. On or before June thirtieth of each odd-numbered year, the attorney general shall certify to the state treasurer the amount of accumulated funds in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the general fund prior to the end of each biennium.

SECTION 14. 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 one hundred ~~fifty-nine~~ sixty-five thousand ~~four~~ eight hundred ~~ninety-five~~ dollars through June 30, ~~2020~~ 2022, and one hundred ~~sixty-three~~ sixty-nine thousand ~~three~~ one hundred ~~ninety-four~~ sixty-two dollars thereafter.

SECTION 15. CRIMINAL HISTORY RECORD CHECKS - FEES. Any individual or entity requesting a criminal history record check from the bureau of criminal investigation, as a result of legislation enacted by the sixty-seventh legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 16. EXEMPTION - CONTINGENT FEE ARRANGEMENT. Notwithstanding section 54-12-08.1, the attorney general may contract for legal services compensated by a contingent fee arrangement for ongoing multistate technology litigation during the period beginning with the effective date of this Act and ending June 30, 2023.

SECTION 17. EXEMPTION - GAMING TAX REVENUE GRANTS. Notwithstanding section 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and counties relating to the seventh and eighth quarters of the 2019-21 biennium through October 31, 2021.

SECTION 18. EXEMPTION - ATTORNEY GENERAL REFUND FUND. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund which would otherwise be transferred to the general fund on June 30, 2021.

SECTION 19. EXEMPTION - REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND. Notwithstanding subsection 6 of section 18-13-03, the attorney general may invest \$125,906 from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases to fire marshal office positions during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 20. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT. The amount appropriated to the attorney general from the general fund for a concealed weapon rewrite project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the 2017-19 and 2019-21 bienniums, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the concealed weapon rewrite project, during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 21. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The amount appropriated to the attorney general from other funds for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws and continued into the 2019-21 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the legal case management system during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 22. EXEMPTION - INFORMATION TECHNOLOGY EQUIPMENT. The amount appropriated to the attorney general from the general fund for the purchase of information technology equipment as contained in section 1 of chapter 28 of the 2019 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the purchase of information technology equipment, during the biennium beginning July 1, 2021, and ending June 30, 2023.

SECTION 23. LEGISLATIVE INTENT - GAMING DIVISION. It is the intent of the sixty-seventh legislative assembly that the expenses of the attorney general's gaming division be paid from gaming tax revenues.

SECTION 24. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT ATTORNEYS. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating attorney and legal-related positions in state government. The study must include an analysis of the number of attorney and legal-related positions in state government, the agency to which the positions are assigned, the type of work performed by the positions, and any efficiencies that may be gained through the consolidation of these positions into the attorney general's office. The study must include consultation with the attorney general and any agency with attorney and legal-related positions in state government for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT LITIGATION FUNDING. During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating litigation-related funding in state government. The study must include an analysis of litigation-related funding in state government agency budgets, including the purpose and source of funding for the litigation and any efficiencies that may be gained through the consolidation of the litigation funding into the attorney general's office. The study must include consultation with the attorney general and any agency with litigation-related funding appropriated for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 26. LEGISLATIVE MANAGEMENT STUDY - CHARITABLE GAMING LAWS. During the 2021-22 interim, the legislative management shall consider studying laws regarding the state's charitable gaming taxation and use of net proceeds for eligible organizations. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 27. LEGISLATIVE MANAGEMENT STUDY - GAMING ADDICTION AND SUPPORT. During the 2021-22 interim, the legislative management shall consider studying the economic and societal impacts of gambling addiction in the state. The study must include a review of the trend of

gambling addiction since the expansion of electronic pull tab gambling in the state, state funding provided for gambling addiction and disorder prevention and treatment, and support programs for individuals and families affected by gambling addiction. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

SECTION 28. EMERGENCY. Sections 4 and 16 of this Act are 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 Sixty-seventh 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 86 Nays 5 Absent 3

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 43 Nays 3 Absent 1

President of the Senate

Secretary of the Senate

Received by the Governor at _____ M. on _____, 2021.

Approved at _____ M. on _____, 2021.

Governor

Filed in this office this _____ day of _____, 2021,

at _____ o'clock _____ M.

Secretary of State