

**FIRST ENGROSSMENT  
with House Amendments  
ENGROSSED SENATE BILL NO. 2004**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the state department  
2 of health; to amend and reenact section 23-01-02 of the North Dakota Century Code, relating to  
3 compensation of members of the health council; to provide a statement of legislative intent; to  
4 provide for a report; and to provide for a legislative management study.

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

6 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds  
7 as may be necessary, are appropriated out of any moneys in the general fund in the state  
8 treasury, not otherwise appropriated, and from special funds derived from federal funds and  
9 other income, to the state department of health for the purpose of defraying the expenses of the  
10 state department of health, for the biennium beginning July 1, 2021, and ending June 30, 2023,  
11 as follows:

|    | <u>Base Level</u>                 | Adjustments or<br><u>Enhancements</u> | <u>Appropriation</u> |
|----|-----------------------------------|---------------------------------------|----------------------|
| 12 |                                   |                                       |                      |
| 13 |                                   |                                       |                      |
| 14 | Salaries and wages                | \$3,643,394                           | \$41,362,968         |
| 15 | Operating expenses                | (820,983)                             | 31,577,543           |
| 16 | Capital assets                    | 481,580                               | 2,646,393            |
| 17 | Grants                            | 1,991,853                             | 55,249,145           |
| 18 | Tobacco prevention                | 507,958                               | 13,410,022           |
| 19 | Women, infants, and children food | 120,000                               | 19,900,000           |
| 20 | payments                          |                                       |                      |
| 21 | Statewide health strategies       | 0                                     | 3,000,000            |
| 22 | COVID-19                          | <u>0</u>                              | <u>13,446,460</u>    |
| 23 | Total all funds                   | \$22,370,262                          | \$180,592,531        |
| 24 | Less estimated income             | <u>121,951,679</u>                    | <u>136,999,495</u>   |

|   |                                |              |             |              |
|---|--------------------------------|--------------|-------------|--------------|
| 1 | Total general fund             | \$36,270,590 | \$7,322,446 | \$43,593,036 |
| 2 | Full-time equivalent positions | 204.00       | 3.50        | 207.50       |

3       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**  
 4 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
 5 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the  
 6 2021-23 biennium one-time funding items included in the appropriation in section 1 of this Act:

| 7  | <u>One-Time Funding Description</u>          | <u>2019-21</u>   | <u>2021-23</u>   |
|----|--|------------------|------------------|
| 8  | Microbiology laboratory capital improvements | \$1,220,000      | \$0              |
| 9  | Microbiology laboratory technology upgrades  | 483,000          | 0                |
| 10 | Women, infants, and children system upgrade  | 354,554          | 0                |
| 11 | Vital records system technology updates      | 0                | 275,000          |
| 12 | Statewide health strategies initiative       | 0                | 3,000,000        |
| 13 | COVID-19 response                            | 0                | 9,262,341        |
| 14 | Forensic examiner upgrades                   | <u>0</u>         | <u>910,000</u>   |
| 15 | Total all funds                              | \$2,057,554      | \$13,447,341     |
| 16 | Less estimated income                        | <u>1,967,554</u> | <u>7,919,065</u> |
| 17 | Total general fund                           | \$90,000         | \$5,528,276      |

18       The 2021-23 biennium one-time funding amounts are not a part of the entity's base budget  
 19 for the 2023-25 biennium. The state department of health shall report to the appropriations  
 20 committees of the sixty-eighth legislative assembly on the use of this one-time funding for the  
 21 biennium beginning July 1, 2021, and ending June 30, 2023.

22       **SECTION 3. COVID-19 BORROWING AUTHORITY - APPROPRIATION.** The state  
 23 department of health, subject to the approval of the emergency commission, may borrow up to  
 24 \$25,000,000 from the Bank of North Dakota for the purposes of responding to the COVID-19  
 25 public health emergency. Any moneys borrowed from the Bank of North Dakota pursuant to this  
 26 section are appropriated and may be spent by the state department of health for testing, contact  
 27 tracing, and other costs related to responding and mitigating the COVID-19 public health  
 28 emergency for the biennium beginning July 1, 2021, and ending June 30, 2023. If the state  
 29 department of health does not have sufficient funds to repay the Bank of North Dakota, the  
 30 department shall request a deficiency appropriation from the sixty-eighth legislative assembly

1 sufficient for repayment of the amount borrowed plus interest. The funding in this section is  
2 considered one-time funding.

3 **SECTION 4. CONTINGENT APPROPRIATION - STATEWIDE HEALTH STRATEGIES.**

4 One-time funding of \$1,500,000 appropriated from the community health trust fund for statewide  
5 health strategies in section 1 of this Act is contingent on the state department of health securing  
6 dollar-for-dollar matching funds.

7 **SECTION 5. ESTIMATED INCOME - INSURANCE TAX DISTRIBUTION FUND.** The  
8 estimated income line item in section 1 of this Act includes the sum of \$1,125,000 from the  
9 insurance tax distribution fund for rural emergency medical services grants.

10 **SECTION 6. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The estimated  
11 income line item in section 1 of this Act includes the sum of \$20,837,620 from the community  
12 health trust fund for the following programs:

|   |                  |
|---|------------------|
| 13 Behavioral risk factor survey                                      | \$200,000        |
| 14 Behavioral health loan repayment                                   | 234,500          |
| 15 Domestic violence prevention                                       | 300,000          |
| 16 Women's way  | 329,500          |
| 17 Dentists' loan repayment   | 360,000          |
| 18 Local public health state aid                                      | 525,000          |
| 19 Cancer programs  | 580,324          |
| 20 Forensic examiner contract   | 1,000,000        |
| 21 Statewide health strategies initiative                             | 1,500,000        |
| 22 Local public health pandemic response grants                       | 4,515,296        |
| 23 Tobacco prevention and control                                     | 5,043,000        |
| 24 Tobacco prevention and control grants to local public health units | <u>6,250,000</u> |
| 25 Total community health trust fund                                  | \$20,837,620     |

26 **SECTION 7. AMENDMENT.** Section 23-01-02 of the North Dakota Century Code is  
27 amended and reenacted as follows:

28 **23-01-02. Health council - Members, terms of office, vacancies, compensation,**  
29 **officers, meetings.**

30 The health council consists of nine members appointed by the governor including four  
31 persons from the health care field, and five persons representing consumer interests. The

1 governor may select members to the council from recommendations submitted by trade,  
2 professional, and consumer organizations. On the expiration of the term of any member, the  
3 governor, in the manner provided by this section, shall appoint for a term of three years,  
4 persons to take the place of members whose terms on the council are about to expire. The  
5 officers of the council must be elected annually. Any state agency may serve in an advisory  
6 capacity to the health council at the discretion of the council. The council shall meet at least  
7 twice each year and at other times as the council or its chairman may direct. The health council  
8 shall have as standing committees any committees the council may find necessary. The  
9 chairman of the council shall select the members of these committees. The members of the  
10 council are entitled to receive ~~sixty-two dollars and fifty cents~~ as compensation ~~per day~~ at the  
11 rate set for a member of the legislative assembly under subsection 1 of section 54-03-20 and  
12 their necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09  
13 while attending council meetings or in the performance of any special duties as the council may  
14 direct. The per diem and expenses must be audited and paid in the manner in which the  
15 expenses of state officers are audited and paid. The compensation provided for in this section  
16 may not be paid to any member of the council who received salary or other compensation as a  
17 regular employee of the state, or any of its political subdivisions, or any institution or industry  
18 operated by the state.

19 **SECTION 8. LEGISLATIVE INTENT - FUNDING FOR COVID-19 RESPONSE.** It is the  
20 intent of the sixty-seventh legislative assembly that the state department of health use federal  
21 COVID-19 funds or other available funds for defraying expenses related to local public health  
22 pandemic response grants before accessing \$4,515,296 appropriated from the community  
23 health trust fund in section 1 of this Act.

24 **SECTION 9. LEGISLATIVE MANAGEMENT STUDY - STATE DEPARTMENT OF**  
25 **HEALTH.** During the 2021-22 interim, the legislative management shall consider studying the  
26 roles of the state health officer, health council, medical advisory board, and governor as they  
27 relate to the administration of the state department of health. The study must include  
28 consideration of the role of the health council if the governor seeks to terminate the appointment  
29 of the state health officer or to adjust the salary of or take punitive action against the state  
30 health officer. Additionally, the study must include whether the orders of the state health officer  
31 regarding public health directives have primacy over orders issued by the governor. The

Sixty-seventh  
Legislative Assembly

- 1 legislative management shall report its findings and recommendations, together with any
- 2 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.