

Sixty-seventh
Legislative Assembly
of North Dakota

ENGROSSED HOUSE BILL NO. 1003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;
 2 to provide an appropriation to the department of human services; to amend and reenact
 3 ~~section~~sections 53-06.1-12 and 54-12-11 of the North Dakota Century Code, relating to the
 4 gaming tax allocation fund and the salary of the attorney general; to provide for a transfer; to
 5 provide an exemption; to provide for a statement of legislative intent; ~~and~~ to provide for a report;
 6 to provide for a legislative management study; and to declare an emergency.

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

8 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
 9 as may be necessary, are appropriated out of any moneys in the general fund in the state
 10 treasury, not otherwise appropriated, and from special funds derived from federal funds and
 11 other income, to the attorney general for the purpose of defraying the expenses of the attorney
 12 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>
15 Salaries and wages	\$45,954,981	\$2,827,832	\$48,782,813
16 Operating expenses	15,588,646	87,126	15,675,772
17 Capital assets	804,380	934,841	1,739,221
18 Grants	4,418,440	(755,000)	3,663,440
19 Human trafficking victims grants	1,400,000	(298,166)	1,101,834
20 Forensic nurse examiners grants	250,000	674	250,674
21 Statewide litigation funding pool	0	3,000,000	3,000,000
22 Litigation fees	150,000	(22,500)	127,500
23 Intellectual property attorney	442,085	(442,085)	0
24 Medical examinations	660,000	0	660,000

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1	North Dakota lottery	5,191,454	62,077	5,253,531
2	Arrest and return of fugitives	10,000	(1,500)	8,500
3	Gaming commission	7,489	0	7,489
4	Criminal justice information sharing	3,631,121	170,802	3,801,923
5	Law enforcement	2,982,284	(279,299)	2,702,985
6	Total all funds	\$81,490,880	\$5,284,802	\$86,775,682
7	Less estimated income	35,886,284	7,213,762	43,100,046
8	Total general fund	\$45,604,596	(\$1,928,960)	\$43,675,636
9	Full-time equivalent positions	245.00	3.00	248.00
10	Salaries and wages	\$45,954,981	\$4,140,206	\$50,095,187
11	Operating expenses	15,588,646	801,822	16,390,468
12	Capital assets	804,380	934,841	1,739,221
13	Grants	4,418,440	(515,000)	3,903,440
14	Human trafficking victims grants	1,400,000	(298,121)	1,101,879
15	Forensic nurse examiners grants	250,000	691	250,691
16	Statewide litigation funding pool	0	4,000,000	4,000,000
17	Litigation fees	150,000	(22,500)	127,500
18	Intellectual property attorney	442,085	(442,085)	0
19	Medical examinations	660,000	0	660,000
20	North Dakota lottery	5,191,454	63,390	5,254,844
21	Arrest and return of fugitives	10,000	(1,500)	8,500
22	Gaming commission	7,489	0	7,489
23	Criminal justice information sharing	3,631,121	443,847	4,074,968
24	Law enforcement	2,982,284	66,643	3,048,927
25	Total all funds	\$81,490,880	\$9,172,234	\$90,663,114
26	Less estimated income	35,886,284	12,372,844	48,259,128
27	Total general fund	\$45,604,596	(\$3,200,610)	\$42,403,986
28	Full-time equivalent positions	245.00	7.00	252.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO

30 **SIXTY-EIGHTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding

1 items approved by the sixty-sixth legislative assembly for the 2019-21 biennium and the
2 one-time funding items included in the appropriation in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2019-21</u>	<u>2021-23</u>
4	Criminal history improvement system	\$400,000	\$400,000
5	Capital assets	1,851,956	1,111,706
6	Undercover vehicles	200,000	0
7	Automated biometric identification system	316,000	300,000
8	Charitable gaming technology system	400,000	475,000
9	Statewide litigation funding pool	0	3,000,000
10	Additional income	250,000	0
11	Total all funds	\$3,417,956	\$5,286,706
12	Total other funds	3,217,956	5,286,706
13	Total general fund	\$200,000	\$0
14	<u>Statewide litigation funding pool</u>	<u>0</u>	<u>4,000,000</u>
15	<u>Additional income</u>	<u>250,000</u>	<u>0</u>
16	<u>Total all funds</u>	<u>\$3,417,956</u>	<u>\$6,286,706</u>
17	<u>Total other funds</u>	<u>3,217,956</u>	<u>6,286,706</u>
18	<u>Total general fund</u>	<u>\$200,000</u>	<u>\$0</u>

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

26 **SECTION 4. APPROPRIATION - 2019-21 BIENNIUM - SEXUAL ASSAULT EVIDENCE**
27 **COLLECTION KIT TRACKING SYSTEM - DRUG ANALYZERS - EXEMPTION - ONE-TIME**
28 **FUNDING.** There is appropriated from federal funds, not otherwise appropriated, the sum of
29 \$355,000, or so much as the sum as may be necessary, to the attorney general, of which
30 \$255,000 is for the development and implementation of a sexual assault evidence collection kit
31 tracking system and \$100,000 is for drug analyzers with federal funding received from the

1 department of transportation, for the period beginning with the effective date of this Act, and
2 ending June 30, 2021. The funding provided under this section is not subject to section
3 54-44.1-11 and any unexpended funds may be continued and are available for the program
4 during the biennium beginning July 1, 2021, and ending June 30, 2023. This funding is
5 considered a one-time funding item.

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

18 **SECTION 6. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - TRANSFER -**
19 **LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING.** The statewide litigation
20 funding pool line item in section 1 of this Act includes ~~\$3,000,000~~\$4,000,000 from the strategic
21 investment and improvements fund, which the attorney general shall transfer to eligible state
22 agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June
23 30, 2023. This funding is considered a one-time funding item. The attorney general may not use
24 funding from the litigation pool to pay judgments under section 32-12-04.

25 **SECTION 7. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -**
26 **GAMING TAX ALLOCATION FUND.** The estimated income line item in section 1 of this Act
27 includes \$475,000 from the gaming tax allocation fund for defraying expenses related to the
28 continued development and implementation of the charitable gaming technology system.

29 **SECTION 8. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -**
30 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes
31 ~~\$1,101,834~~\$1,101,879 from the general fund for the purpose of providing grants to

1 organizations involved in providing prevention and treatment services related to human
2 trafficking victims and related administrative costs for the biennium beginning July 1, 2021, and
3 ending June 30, 2023. The attorney general may provide grants for the development and
4 implementation of direct care emergency or long-term crisis services, residential care, training
5 for law enforcement, support of advocacy services, and programs promoting positive outcomes
6 for victims. Any organization that receives a grant under this section shall report to the attorney
7 general and the appropriations committees of the sixty-eighth legislative assembly on the use of
8 the funds received and the outcomes of its program. The attorney general shall report to the
9 legislative management during the 2021-22 interim on the status and results of the grant
10 program.

11 **SECTION 9. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS.** The
12 forensic nurse examiners grants line item in section 1 of this Act includes ~~\$250,674~~\$250,691
13 from the general fund for the purpose of providing forensic nurse examiner program grants for
14 community-based or hospital-based sexual assault examiner programs and related
15 administrative costs, for the biennium beginning July 1, 2021, and ending June 30, 2023. Any
16 organization that receives a grant under this section shall report to the attorney general and the
17 appropriations committees of the sixty-eighth legislative assembly on the use of the funds
18 received and the outcomes of its programs. The attorney general shall report to the
19 appropriations committees of the sixty-eighth legislative assembly on the number of nurses
20 trained, the number and location of nurses providing services related to sexual assault nurse
21 examiner programs, and documentation of collaborative efforts to assist victims which includes
22 nurses, the hospital or clinic, law enforcement, and state's attorneys.

23 **SECTION 10. ESTIMATED INCOME - SALARY EQUITY INCREASES - ATTORNEY**
24 **GENERAL REFUND FUND - REDUCED CIGARETTE IGNITION PROPENSITY AND**
25 **FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND.** The estimated income line item in
26 section 1 of this Act includes ~~\$1,133,232 from the attorney general refund fund~~\$1,374,989 for
27 the purpose of providing salary equity increases to employees in the attorney general's office, of
28 which ~~\$1,007,326 is~~\$1,249,083 is from the attorney general refund fund for bureau of criminal
29 investigation positions and Medicaid fraud control unit positions and \$125,906 is from the
30 Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund for fire
31 marshal office positions, for the biennium beginning July 1, 2021, and ending June 30, 2023.

1 **SECTION 11. LEGISLATIVE INTENT - ATTORNEY GENERAL - SALARY EQUITY**

2 **INCREASES - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE**

3 **INVESTMENT BOARD.** The attorney general may invest up to ~~\$2,266,464~~\$2,577,624 of
4 funding in the attorney general refund fund, of which \$1,160,896 is derived from January 2021
5 lawsuit settlement proceeds and \$1,416,728 is derived from March 2021 lawsuit settlement
6 proceeds, and \$251,812 of funding in the Reduced Cigarette Ignition Propensity and Firefighter
7 Protection Act enforcement fund, under the supervision of the state investment board for the
8 period beginning July 1, 2021, and ending June 30, 2025. It is the intent of the sixty-seventh
9 legislative assembly that ~~\$2,266,464~~\$2,577,624 in the attorney general refund fund and any
10 investment earnings on the funding be retained in the attorney general refund fund and
11 \$251,812 in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act
12 enforcement fund and any investment earnings on the funding be retained in the Reduced
13 Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of
14 providing salary equity increases as provided for in section 7-10 of this Act and for the cost to
15 continue the salary equity increases during the 2023-25 biennium, subject to legislative
16 appropriations.

17 **SECTION 12. AMENDMENT.** Section 53-06.1-12 of the North Dakota Century Code is
18 amended and reenacted as follows:

19 **53-06.1-12. Gaming tax - ~~Deposits and allocations~~Gaming tax allocation fund -**
20 **Attorney general - State treasurer - Allocations - Transfer to the general fund.**

- 21 1. A gaming tax is imposed on the total gross proceeds received by a licensed
22 organization in a quarter and it must be computed and paid to the attorney general on
23 a quarterly basis on the tax return. This tax must be paid from adjusted gross
24 proceeds and is not part of the allowable expenses. For a licensed organization with
25 gross proceeds:
- 26 a. Not exceeding one million five hundred thousand dollars the tax is one percent of
 - 27 gross proceeds.
 - 28 b. Exceeding one million five hundred thousand dollars the tax is fifteen thousand
 - 29 dollars plus two and twenty-five hundredths percent of gross proceeds exceeding
 - 30 one million five hundred thousand dollars.
- 31 2. The tax must be paid to the attorney general at the time tax returns are filed.

1 ~~3.—Except as provided in subsection 4, the attorney general shall deposit gaming taxes,~~
2 ~~monetary fines, and interest and penalties collected in the general fund in the state~~
3 ~~treasury.~~

4 ~~4.3.~~ The attorney general shall deposit ~~seven percent of the total~~all taxes, ~~monetary fines,~~
5 ~~and interest and penalties,~~ less refunds, collected under this section into a gaming tax
6 allocation fund. Pursuant to legislative appropriation, ~~the attorney general shall~~
7 ~~distribute up to seven percent of~~ moneys ~~deposited~~ in the fund ~~must be distributed~~
8 quarterly to cities and counties in proportion to the taxes collected under this section
9 from licensed organizations conducting games within each city, for sites within city
10 limits, or within each county, for sites outside city limits. If a city or county allocation
11 under this subsection is less than two hundred dollars, that city or county is not entitled
12 to receive a payment for the quarter and the undistributed amount must be included in
13 the total amount to be distributed to other cities and counties for the quarter.

14 ~~4.~~ Pursuant to legislative appropriation, the attorney general shall use moneys available
15 in the gaming tax allocation fund for the administration and operating costs associated
16 with charitable gaming.

17 ~~5.~~ On or before June thirtieth of each odd-numbered year, the attorney general shall
18 certify to the state treasurer the amount of accumulated funds in the gaming tax
19 allocation fund which exceed fifty percent of the amount appropriated by the legislative
20 assembly for administrative and operating costs associated with charitable gaming for
21 the subsequent biennium. The state treasurer shall transfer the certified amount from
22 the gaming tax allocation fund to the general fund before the end of each biennium.

23 **SECTION 13. AMENDMENT.** Section 54-12-11 of the North Dakota Century Code is
24 amended and reenacted as follows:

25 **54-12-11. Salary of attorney general.**

26 The annual salary of the attorney general is one hundred ~~forty-nine~~sixty-five thousand
27 ~~four~~eight hundred ~~ninety-five~~sixty-nine dollars through June 30, ~~2020~~2022, and one hundred
28 ~~sixty-three~~sixty-eight ~~sixty-nine~~sixty-nine thousand ~~three~~one hundred ~~ninety-four~~thirty-three ~~sixty-two~~
29 dollars thereafter.

30 **SECTION 14. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity
31 requesting a criminal history record check from the bureau of criminal investigation, as a result

1 of legislation enacted by the sixty-seventh legislative assembly, shall pay a reasonable fee
2 established by the attorney general to the attorney general to be deposited in the state's general
3 fund for the biennium beginning July 1, 2021, and ending June 30, 2023.

4 **SECTION 15. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding
5 section 54-12-08.1, the attorney general may contract for legal services compensated by a
6 contingent fee arrangement for ongoing multi-state technology litigation during the period
7 beginning with the effective date of this Act and ending June 30, 2023.

8 **SECTION 16. EXEMPTION - GAMING TAX REVENUE GRANTS.** Notwithstanding section
9 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and
10 counties relating to the seventh and eighth quarters of the 2019-21 biennium through
11 October 31, 2021.

12 **SECTION 17. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding
13 section 54-12-18, the attorney general may retain the balance in the attorney general refund
14 fund which would otherwise be transferred to the general fund on June 30, 2021.

15 **SECTION 18. EXEMPTION - REDUCED CIGARETTE IGNITION PROPENSITY AND**
16 **FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND.** Notwithstanding subsection 6 of
17 section 18-13-03, the attorney general may invest \$125,906 from the Reduced Cigarette
18 Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing
19 salary equity increases to fire marshal office positions during the biennium beginning July 1,
20 2021, and ending June 30, 2023.

21 **SECTION 19. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT.** The amount
22 appropriated to the attorney general from the general fund for a concealed weapon rewrite
23 project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the
24 2017-19 and 2019-21 bienniums, is not subject to the provisions of section 54-44.1-11. Any
25 unexpended funds from this appropriation are available to the attorney general for the
26 concealed weapon rewrite project, during the biennium beginning July 1, 2021, and ending
27 June 30, 2023.

28 **SECTION 20. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND**
29 **NOTIFICATION PROGRAM.** The amount appropriated to the attorney general from other funds
30 for the statewide automated victim information and notification system as contained in
31 sections 1 and 8 of chapter 3 of the 2017 Session Laws and continued into the 2019-21

1 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this
2 appropriation are available to the attorney general for the legal case management system
3 during the biennium beginning July 1, 2021, and ending June 30, 2023.

4 **SECTION 21. EXEMPTION - INFORMATION TECHNOLOGY EQUIPMENT.** The amount
5 appropriated to the attorney general from the general fund for the purchase of information
6 technology equipment as contained in section 1 of chapter 28 of the 2019 Session Laws, is not
7 subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation
8 are available to the attorney general for the purchase of information technology equipment,
9 during the biennium beginning July 1, 2021, and ending June 30, 2023.

10 **SECTION 22. LEGISLATIVE INTENT - GAMING DIVISION.** It is the intent of the
11 sixty-seventh legislative assembly that the expenses of the attorney general's gaming division
12 be paid from gaming tax revenues.

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

24 **SECTION 24. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT**
25 **LITIGATION FUNDING.** During the 2021-22 interim, the legislative management shall consider
26 studying the feasibility and desirability of consolidating litigation-related funding in state
27 government. The study must include an analysis of litigation-related funding in state government
28 agency budgets, including the purpose and source of funding for the litigation and any
29 efficiencies that may be gained through the consolidation of the litigation funding into the
30 attorney general's office. The study must include consultation with the attorney general and any
31 agency with litigation-related funding appropriated for the 2021-23 biennium. The legislative

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

3 **SECTION 25. LEGISLATIVE MANAGEMENT STUDY - CHARITABLE GAMING LAWS.**

4 During the 2021-22 interim, the legislative management shall consider studying laws regarding
5 the state's charitable gaming taxation and use of net proceeds for eligible organizations. The
6 legislative management shall report its findings and recommendations, together with any
7 legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

8 **SECTION 26. EMERGENCY.** Sections 4 and 15 of this Act are declared to be an
9 emergency measure.