

**Sixty-eighth Legislative Assembly of North Dakota
In Regular Session Commencing Tuesday, January 3, 2023**

SENATE BILL NO. 2003
(Appropriations Committee)

AN ACT to provide an appropriation for defraying the expenses of the attorney general; to amend and reenact sections 53-12.1-09 and 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund to the multijurisdictional drug task force grant fund and the salary of the attorney general; to provide a transfer; to provide an exemption; 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, 2023, and ending June 30, 2025, as follows:

| | <u>Base Level</u> | <u>Adjustments or Enhancements</u> | <u>Appropriation</u> |
|--------------------------------------|-------------------|--|----------------------|
| Salaries and wages | \$50,832,646 | (\$537,204) | \$50,295,442 |
| Operating expenses | 15,237,498 | 3,503,607 | 18,741,105 |
| Capital assets | 648,055 | 4,585,572 | 5,233,627 |
| Grants | 3,903,440 | 400,000 | 4,303,440 |
| Human trafficking victims grants | 1,101,879 | 3,525 | 1,105,404 |
| Forensic nurse examiners grants | 250,691 | 791 | 251,482 |
| Statewide litigation funding pool | 0 | 5,000,000 | 5,000,000 |
| Litigation fees | 127,500 | 0 | 127,500 |
| Medical examinations | 660,000 | 0 | 660,000 |
| Children's forensic interviews | 0 | 304,560 | 304,560 |
| North Dakota lottery | 5,254,844 | 61,790 | 5,316,634 |
| Arrest and return of fugitives | 8,500 | 0 | 8,500 |
| Gaming commission | 7,489 | 0 | 7,489 |
| Criminal justice information sharing | 4,074,968 | 412,169 | 4,487,137 |
| Law enforcement | <u>3,048,927</u> | <u>82,770</u> | <u>3,131,697</u> |
| Total all funds | \$85,156,437 | \$13,817,580 | \$98,974,017 |
| Less estimated income | 42,509,719 | 4,836,388 | 47,346,107 |
| Total general fund | \$42,646,718 | \$8,981,192 | \$51,627,910 |
| Full-time equivalent positions | 253.00 | 13.00 | 266.00 |

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

| <u>One-Time Funding Description</u> | <u>2021-23</u> | <u>2023-25</u> |
|--|----------------|----------------|
| Criminal history improvement system | \$400,000 | \$0 |
| Automated biometric identification system | 300,000 | 0 |
| Charitable gaming technology system | 475,000 | 0 |
| Additional income | 250,000 | 0 |
| Missing persons database | 300,000 | 0 |
| Prosecuting case management system | 1,000,000 | 0 |
| Charitable gaming tax information technology costs | 50,000 | 0 |
| Capital assets | 1,111,706 | 2,818,877 |

| | | |
|---|------------------|------------------|
| State crime laboratory capital improvements | 0 | 250,000 |
| Statewide litigation funding pool | 4,650,000 | 5,000,000 |
| Staff operating and equipment costs | 0 | 792,090 |
| Inflationary increases | 0 | 156,463 |
| Anti-methamphetamine program | 0 | 1,772,038 |
| Law enforcement resiliency grants | 0 | 400,000 |
| Total all funds | \$8,536,706 | \$11,189,468 |
| Total other funds | <u>8,536,706</u> | <u>6,582,122</u> |
| Total general fund | \$0 | \$4,607,346 |

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The attorney general shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

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, 2023, and ending June 30, 2025. 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. TRANSFER - LOTTERY OPERATING FUND TO GAMING AND EXCISE TAX ALLOCATION FUND - STATEWIDE LITIGATION FUNDING POOL. Notwithstanding sections 53-12.1-09 and 53-12.1-10, the attorney general shall transfer \$2,760,000 from the lottery operating fund to the gaming and excise tax allocation fund by June 30, 2023, for the purpose of defraying litigation expenses of the state through the statewide litigation funding pool during the period beginning with the effective date of this Act, and ending June 30, 2025.

SECTION 5. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND. The statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which \$1,797,748 is from the general fund and \$3,202,252 is from the gaming and excise tax allocation fund, which the attorney general shall transfer to eligible state agencies for litigation expenses during the biennium beginning July 1, 2023, and ending June 30, 2025. The attorney general may not use funding from the statewide litigation funding pool to pay judgments under section 32-12-04.

SECTION 6. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - CHARITABLE GAMING OPERATING FUND. The estimated income line item in section 1 of this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses related to the continued development and implementation of the charitable gaming technology system.

SECTION 7. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,105,404 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, 2023, and ending June 30, 2025. 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-ninth 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 2023-24 interim on the status and results of the grant program.

SECTION 8. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$251,482 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, 2023, and ending June 30, 2025. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-ninth 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-ninth 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 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The grants line item in section 1 of this Act includes \$400,000 from the general fund for the purpose of providing law enforcement resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025. Funding provided under this Act must be used to defray administrative, therapeutic, training, and outreach-related costs of providing mental health and wellness support services to current and retired correctional and law enforcement personnel. The attorney general shall establish guidelines to award funding under this section. Any organization that receives a grant under this section shall report to the attorney general and the attorney general shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of the funds received and the outcomes of its programs.

SECTION 10. AMENDMENT. Section 53-12.1-09 of the North Dakota Century Code is amended and reenacted as follows:

53-12.1-09. Operating fund - Continuing appropriation - Authorization of disbursements - Report - Net proceeds.

There is established within the state treasury the lottery operating fund into which must be deposited all revenue from the sale of tickets, interest received on money in the fund, and all other fees and moneys collected, less a prize on a lottery promotion, prize on a winning ticket paid by a retailer, and a retailer's commission. Except for moneys in the lottery operating fund appropriated by the legislative assembly for administrative and operating costs of the lottery under section 53-12.1-10, all other money in the fund is continuously appropriated for the purposes specified in this section. During each regular session, the attorney general shall present a report to the appropriations committee of each house of the legislative assembly on the actual and estimated operating revenue and expenditures for the current biennium and projected operating revenue and expenditures for the subsequent biennium authorized by this section. A payment of a prize or expense or transfer of net proceeds by the lottery may be made only against the fund or money collected from a retailer on the sale of a ticket. A disbursement from the fund must be for the following purposes:

1. Payment of a prize as the director deems appropriate to the owner of a valid, winning ticket;
2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly offset by cosponsorship funds collected;
3. Payment of a gaming system or related service expense, retailer record and credit check fees, game group dues, and retailer commissions; and
4. Transfer of net proceeds:
 - a. Eighty thousand dollars must be transferred to the state treasurer each quarter for deposit in the gambling disorder prevention and treatment fund;
 - b. An amount for the lottery's share of a game's prize reserve pool must be transferred to the multistate lottery association;
 - c. Starting July 1, ~~2019~~2023, two hundred fifty thousand dollars must be transferred to the state treasurer each quarter for deposit in the attorney general multijurisdictional drug task force grant fund; and

- d. The balance of the net proceeds, less holdback of any reserve funds the director may need for continuing operations, must be transferred to the state treasurer on at least an annual basis for deposit in the state general fund.

SECTION 11. 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 ~~sixty-five~~seventy-nine thousand ~~eight~~three hundred ~~forty-five~~twelve dollars through June 30, ~~2022~~2024, and one hundred ~~sixty-nine~~eighty-six thousand ~~one~~four hundred ~~sixty-two~~eighty-four dollars thereafter.

SECTION 12. 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-eighth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the general fund for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 13. 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 biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 14. 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 2021-23 biennium through October 31, 2023.

SECTION 15. 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, 2023.

SECTION 16. 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, 2019-21, and 2021-23 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, 2023, and ending June 30, 2025.

SECTION 17. EXEMPTION - LEGAL CASE MANAGEMENT SYSTEM. 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, continued into the 2019-21 biennium for the statewide automated victim information and notification system, and continued into the 2021-23 biennium for the legal case management system, 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, 2023, and ending June 30, 2025.

SECTION 18. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT. The amount of \$400,000 appropriated from the attorney general refund fund in the operating expenses line item for the criminal history improvement project in section 1 of chapter 3 of the 2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 19. EXEMPTION - AUTOMATED BIOMETRIC IDENTIFICATION SYSTEM. The amount of \$300,000 appropriated from federal funds to upgrade the automated biometric identification system during the 2021-23 biennium in section 1 of chapter 3 of the 2021 Session Laws is not subject to

section 54-44.1-11 and is available for the system during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 20. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS. The amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 21. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND. The amount of \$1,000,000 appropriated from federal funds derived from the state fiscal recovery fund for the replacement of the prosecuting case management system in subsection 20 of section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 22. LEGISLATIVE MANAGEMENT STUDY - STATE CRIME LABORATORY. During the 2023-24 interim, the legislative management shall study the services and needs of the North Dakota state crime laboratory, including staffing and equipment needs; the need for forensic scientists with training in firearms and fingerprint analysis; the feasibility and desirability of remodeling current state crime laboratory facilities, acquiring other vacant laboratory facilities in the state, and operating additional state crime laboratory facilities in the state; services the state crime laboratory should have the capability of providing to support law enforcement entities in the state; and whether the state crime laboratory should be administratively separate from the bureau of criminal investigation. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 23. ATTORNEY COST-SAVINGS - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The attorney general shall report to the appropriations committees of the sixty-ninth legislative assembly regarding any cost-savings realized by hiring full-time equivalent attorney positions instead of contracting for third-party legal counsel during the 2023-25 biennium.

SECTION 24. EMERGENCY. The \$250,000 appropriated from the general fund in the capital assets line item in section 1 for state crime laboratory capital improvements and sections 4 and 14 of this Act are declared to be an emergency measure.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Sixty-eighth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2003 and that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 46 Nays 0 Absent 1

President of the Senate

Secretary of the Senate

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

Vote: Yeas 87 Nays 4 Absent 3

Speaker of the House

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 2023.

Approved at _____ M. on _____, 2023.

Governor

Filed in this office this _____ day of _____, 2023,

at _____ o'clock _____ M.

Secretary of State