

Introduced by

Legislative Management

1 A BILL for an Act to provide an appropriation to the legislative assembly for the payment of dues  
 2 and costs related to a special legislative session and the legislative council for the payment of  
 3 fees, employer retirement contributions, and legislative council salaries and wages; to amend  
 4 and reenact section 24-02-37.3 of the North Dakota Century Code, as amended by section 10  
 5 of House Bill No. 1012, as approved by the sixty-eighth legislative assembly, relating to budget  
 6 section approval limits for the flexible transportation fund; to provide for a legislative  
 7 management study; to provide for a legislative management report; to provide for retroactive  
 8 application; and to provide an effective date.

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

10 **SECTION 1. APPROPRIATION - 2021-23 BIENNIUM - LEGISLATIVE ASSEMBLY.** There  
 11 is appropriated out of any moneys in the general fund in the state treasury, not otherwise  
 12 appropriated, the sum of \$5,000, or so much of the sum as may be necessary, to the legislative  
 13 assembly for international legislators' forum dues for the period beginning May 10, 2023, and  
 14 ending June 30, 2023.

15 **SECTION 2. APPROPRIATION - LEGISLATIVE ASSEMBLY - ONE-TIME FUNDING.**  
 16 There is appropriated out of any moneys in the general fund in the state treasury, not otherwise  
 17 appropriated, the sum of \$425,000, or so much of the sum as may be necessary, to the  
 18 Legislative Assembly for costs related to the 2023 special legislative session, for the period  
 19 beginning with the effective date of this Act and ending June 30, 2025. The funding provided in  
 20 this section is considered a one-time funding item.

21 **SECTION 3. APPROPRIATION - LEGISLATIVE COUNCIL - REPORT - ONE-TIME**  
 22 **FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury,  
 23 not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary,  
 24 to the legislative council for the purpose of contracting for a performance audit of the state

1 auditor and for other consulting services of interim committees, for the biennium beginning  
2 July 1, 2023, and ending June 30, 2025. The chairman of the legislative management shall  
3 arrange for the audit and receive the audit report. The performance audit must address the  
4 efficiency and effectiveness of the state auditor's office relative to industry best practices. The  
5 performance audit must include a review of the appropriateness of the number of hours to  
6 complete audits; methods used to monitor staff time and allocate hours charged to audits; billing  
7 processes; quality assurance processes; the adequacy and timeliness of communications with  
8 audited entities, governing boards, and the public; and other areas as determined by the  
9 chairman of the legislative management. The funding provided in this section is considered a  
10 one-time funding item.

11 **SECTION 4. APPROPRIATION - LEGISLATIVE COUNCIL - EMPLOYER RETIREMENT**  
12 **CONTRIBUTION FUNDING.** There is appropriated out of any moneys in the general fund in the  
13 state treasury, not otherwise appropriated, the sum of \$58,283, or so much of the sum as may  
14 be necessary, to the legislative council for the purpose of providing funding for the cost of the  
15 one percent employer retirement contribution increase included in House Bill No. 1040, as  
16 approved by the sixty-eighth legislative assembly, for the biennium beginning July 1, 2023, and  
17 ending June 30, 2025.

18 **SECTION 5. APPROPRIATION - LEGISLATIVE COUNCIL.** There is appropriated out of  
19 any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of  
20 \$255,000, or so much of the sum as may be necessary, to the legislative council for salaries  
21 and wages, for the period beginning with the effective date of this Act and ending June 30,  
22 2025.

23 **SECTION 6. AMENDMENT.** Section 24-02-37.3 of the North Dakota Century Code as  
24 amended by section 10 of House Bill No. 1012, as approved by the sixty-eighth legislative  
25 assembly, is amended and reenacted as follows:

26 **SECTION 10. AMENDMENT.** Section 24-02-37.3 of the North Dakota Century  
27 Code as created by section 1 of Senate Bill No. 2113, as approved by the sixty-eighth  
28 legislative assembly, is amended and reenacted as follows:

29 **24-02-37.3. Flexible transportation fund - Budget section approval - Report.**

30 There is created in the state treasury the flexible transportation fund. The fund  
31 consists of eligible federal or state funding and any contributed private funds.

- 1           1. The flexible transportation fund must be administered and expended by the  
2           director and may be used for the following:
  - 3           a. Providing a match for federal funding obtained by the department of  
4           transportation.
  - 5           b. State-funded road and bridge construction and maintenance, and  
6           transportation support costs including staffing, facilities, and operational  
7           expenditures on the state highway system.
  - 8           c. State-funded road and bridge construction and maintenance activities within  
9           the state but off of the state highway system. The director shall establish the  
10          terms and provisions of the program.
- 11          2. All money derived from the investment of the flexible transportation fund or any  
12          portion of the fund, must be credited to the flexible transportation fund. The  
13          director shall monthly transmit all moneys collected and received under this  
14          chapter to the state treasurer to be transferred and credited to the flexible  
15          transportation fund.
- 16          3. The director must receive budget section approval for any project that  
17          utilizes more than ~~fifteen~~ million dollars from the fund except for projects  
18          that match federal or private funds and the amount utilized from the fund is  
19          fifty percent or less of total project costs. Any request considered by the  
20          budget section must comply with section 54-35-02.9.
- 21          4. The director shall allocate at least twenty-five percent of motor vehicle  
22          excise tax collections deposited in the flexible transportation fund pursuant  
23          to section 57-40.3-10 for non-oil-producing county and township road and  
24          bridge projects as follows:
  - 25          a. The funds must be allocated by the department to counties for  
26          projects or grants for the benefit of counties and organized and  
27          unorganized townships;
  - 28          b. The department shall establish criteria to distribute the funds;
  - 29          c. The funds must be used for the maintenance and improvement of  
30          county and township paved and unpaved roads and bridges;

- 1 d. Priority must be given to projects that match federal funds and to  
2 projects that improve roadways that serve as local corridors;  
3 e. An organized township is not eligible to receive funding if the township  
4 does not maintain any roadways or does not levy at least eighteen  
5 mills for general purposes; and  
6 f. For purposes of this subsection, "non-oil-producing county" means a  
7 county that received no allocation of funding or a total allocation of  
8 less than five million dollars under subsection 2 of section 57-51-15 in  
9 the most recently completed even-numbered fiscal year before the  
10 start of each biennium.

- 11 5. The director shall provide periodic reports to the budget section regarding  
12 the status of the fund and projects receiving allocations from the fund.

13 **SECTION 7. LEGACY FUND EARNINGS - REPORT TO LEGISLATIVE MANAGEMENT.**

14 Each biennium, the state retirement and investment office shall provide a report including the  
15 amount of legacy fund earnings above the percent of market value that would have been  
16 transferred to the legacy earnings fund had Senate Bill No. 2330 not been passed by the sixty-  
17 eighth legislative assembly to the legislative management.

18 **SECTION 8. LEGISLATIVE MANAGEMENT STUDY - STATE FIRE AND TORNADO**

19 **FUND AND STATE BONDING FUND ADMINISTRATION.** During the 2023-24 interim, the  
20 legislative management shall consider studying, in collaboration with the insurance  
21 commissioner and the director of the office of management and budget, the feasibility and  
22 desirability of changing administration of the state fire and tornado fund and state bonding fund  
23 from the insurance commissioner to the director of the office of management and budget. The  
24 study must include an analysis of the statutory changes necessary to accomplish the change in  
25 administration and other statutory changes necessary to facilitate the office of management and  
26 budget's administration of these funds. The legislative management shall report its findings and  
27 recommendations, together with any legislation required to implement the recommendations, to  
28 the sixty-ninth legislative assembly.

29 **SECTION 9. LEGISLATIVE MANAGEMENT STUDY - MANAGEMENT AND**  
30 **MAINTENANCE OF STATE FACILITIES.**

- 1           1.    During the 2023-24 interim, the legislative management shall consider studying the  
2                   policies and procedures of state agencies, excluding institutions under the control of  
3                   the state board of higher education, for managing, maintaining, and leasing state  
4                   facilities.
- 5           2.    The study must include consideration of:
  - 6                   a.    The most efficient and cost-effective organizational structure for managing,  
7                   maintaining, and leasing state facilities, including a comparison of allocating  
8                   funding and full-time equivalent positions to various agencies and centralizing  
9                   funding and full-time equivalent positions under one agency.
  - 10                  b.    The costs and benefits of leasing or owning state facilities.
  - 11                  c.    The appropriate use of contracts for service and full-time equivalent positions for  
12                   custodial services, mechanical services, snow removal, lawn care, and  
13                   maintenance.
- 14           3.    The legislative management shall report its findings and recommendations, together  
15                   with any legislation required to implement the recommendations, to the sixty-ninth  
16                   legislative assembly.

17           **SECTION 10. LEGISLATIVE MANAGEMENT STUDY - GUARDIANSHIP PROGRAMS.**

18    During the 2023-24 interim, the legislative management shall study the state's guardianship  
19    programs. The study must include consideration of the existing structure for the programs under  
20    the office of management and budget, judicial branch, and department of health and human  
21    services; the feasibility of consolidating the programs under one agency; and an appropriate  
22    level of funding for the programs. The legislative management shall report its findings and  
23    recommendations, together with any legislation required to implement the recommendations, to  
24    the sixty-ninth legislative assembly.

25           **SECTION 11. RETROACTIVE APPLICATION.** Section 1 of this Act applies retroactively to  
26    May 10, 2023, and sections 3, 4, and 6 through 10 of this Act apply retroactively to July 1, 2023.

27           **SECTION 12. EFFECTIVE DATE.** This Act becomes effective immediately upon its filing  
28    with the secretary of state.