

Sixty-eighth
Legislative Assembly
of North Dakota

ENGROSSED SENATE BILL NO. 2003

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general;
2 to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating
3 to the creation of an opioid settlement fund; to amend and reenact sections 53-12.1-09 and
4 54-12-11 of the North Dakota Century Code, relating to transfers from the lottery operating fund
5 to the multijurisdictional drug task force grant fund and the salary of the attorney general; to
6 provide a transfer; to provide an exemption; to provide for a report; and to provide for a
7 legislative management study.

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

9 **SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds
10 as may be necessary, are appropriated out of any moneys in the general fund in the state
11 treasury, not otherwise appropriated, and from special funds derived from federal funds and
12 other income, to the attorney general for the purpose of defraying the expenses of the attorney
13 general, for the biennium beginning July 1, 2023, and ending June 30, 2025, as follows:

		Adjustments or		
	<u>Base Level</u>	<u>Enhancements</u>	<u>Appropriation</u>	
14				
15				
16	Salaries and wages	\$50,832,646	\$5,642,965	\$56,475,611
17	Operating expenses	15,237,498	2,450,937	17,688,435
18	Capital assets	648,055	2,912,522	3,560,577
19	Grants	3,903,440	0	3,903,440
20	Human trafficking victims grants	1,101,879	9,601	1,111,480
21	Forensic nurse examiners grants	250,691	2,181	252,872
22	Statewide litigation funding pool	0	5,000,000	5,000,000
23	Litigation fees	127,500	0	127,500
24	Medical examinations	660,000	0	660,000

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1	North Dakota lottery	5,254,844	178,602	5,433,446
2	Arrest and return of fugitives	8,500	0	8,500
3	Gaming commission	7,489	0	7,489
4	Criminal justice information sharing	4,074,968	471,677	4,546,645
5	Law enforcement	<u>3,048,927</u>	<u>4,145,778</u>	<u>7,194,705</u>
6	Total all funds	\$85,156,437	\$20,814,263	\$105,970,700
7	Less estimated income	<u>42,509,719</u>	<u>(125,870)</u>	<u>42,383,849</u>
8	Total general fund	\$42,646,718	\$20,940,133	\$63,586,851
9	Full-time equivalent positions	253.00	7.00	260.00

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>
15	Criminal history improvement system	\$400,000	\$0
16	Automated biometric identification system	300,000	0
17	Charitable gaming technology system	475,000	0
18	Additional income	250,000	0
19	Missing persons database	300,000	0
20	Prosecuting case management system	1,000,000	0
21	Charitable gaming tax information technology costs	50,000	0
22	Capital assets	1,111,706	2,818,877
23	Statewide litigation funding pool	4,650,000	5,000,000
24	Staff operating and equipment costs	0	792,090
25	Inflationary increases	0	156,463
26	Back the blue grants	0	3,500,000
27	Law enforcement resiliency grants	<u>0</u>	<u>400,000</u>
28	Total all funds	\$8,536,706	\$12,667,430
29	Total other funds	<u>8,536,706</u>	<u>2,050,084</u>
30	Total general fund	\$0	\$10,617,346

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

5 **SECTION 3. ADDITIONAL INCOME - APPROPRIATION - REPORT.** In addition to the
6 amounts appropriated to the attorney general in section 1 of this Act, there is appropriated from
7 federal or other funds, the sum of \$250,000, or so much of the sum as may be necessary, to the
8 attorney general for the purposes of defraying the expenses of the office, for the biennium
9 beginning July 1, 2023, and ending June 30, 2025. The attorney general shall notify the office of
10 management and budget and the legislative council of any funding made available pursuant to
11 this section.

12 **SECTION 4. TRANSFER - STATEWIDE LITIGATION FUNDING POOL TO STATE**
13 **AGENCIES - ESTIMATED INCOME - GAMING AND EXCISE TAX ALLOCATION FUND.** The
14 statewide litigation funding pool line item in section 1 of this Act includes \$5,000,000, of which
15 \$4,557,748 is from the general fund and \$442,252 is from the gaming and excise tax allocation
16 fund, which the attorney general shall transfer to eligible state agencies for litigation expenses
17 during the biennium beginning July 1, 2023, and ending June 30, 2025. The attorney general
18 may not use funding from the litigation pool to pay judgments under section 32-12-04.

19 **SECTION 5. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM -**
20 **CHARITABLE GAMING OPERATING FUND.** The estimated income line item in section 1 of
21 this Act includes \$736,000 from the charitable gaming operating fund for defraying expenses
22 related to the continued development and implementation of the charitable gaming technology
23 system.

24 **SECTION 6. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS -**
25 **REPORTS.** The human trafficking victims grants line item in section 1 of this Act includes
26 \$1,111,480 from the general fund for the purpose of providing grants to organizations involved
27 in providing prevention and treatment services related to human trafficking victims and related
28 administrative costs for the biennium beginning July 1, 2023, and ending June 30, 2025. The
29 attorney general may provide grants for the development and implementation of direct care
30 emergency or long-term crisis services, residential care, training for law enforcement, support of
31 advocacy services, and programs promoting positive outcomes for victims. Any organization

1 that receives a grant under this section shall report to the attorney general and the
2 appropriations committees of the sixty-ninth legislative assembly on the use of the funds
3 received and the outcomes of its program. The attorney general shall report to the legislative
4 management during the 2023-24 interim on the status and results of the grant program.

5 **SECTION 7. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS.** The
6 forensic nurse examiners grants line item in section 1 of this Act includes \$252,872 from the
7 general fund for the purpose of providing forensic nurse examiner program grants for
8 community-based or hospital-based sexual assault examiner programs and related
9 administrative costs, for the biennium beginning July 1, 2023, and ending June 30, 2025. Any
10 organization that receives a grant under this section shall report to the attorney general and the
11 appropriations committees of the sixty-ninth legislative assembly on the use of the funds
12 received and the outcomes of its programs. The attorney general shall report to the
13 appropriations committees of the sixty-ninth legislative assembly on the number of nurses
14 trained, the number and location of nurses providing services related to sexual assault nurse
15 examiner programs, and documentation of collaborative efforts to assist victims which includes
16 nurses, the hospital or clinic, law enforcement, and state's attorneys.

17 **SECTION 8. BACK THE BLUE GRANT PROGRAM - MATCHING REQUIREMENT -**
18 **REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in
19 section 1 of this Act includes \$3,500,000 from the general fund for the purpose of providing
20 back the blue grants to assist local law enforcement agencies with workforce recruitment and
21 retention, for the biennium beginning July 1, 2023, and ending June 30, 2025. Of the funding
22 available under this program, \$1,500,000 is available exclusively to local law enforcement
23 agencies employing ten or fewer employees working in a law enforcement capacity.

- 24 1. To be eligible for a grant under this section, a law enforcement agency must have
25 incurred workforce recruitment and retention-related expenditures. Eligible
26 expenditures include:
- 27 a. Bonuses paid to new and current law enforcement officers;
 - 28 b. Tuition and fee payments made on behalf of law enforcement trainees; and
 - 29 c. Costs to upgrade law enforcement equipment.

- 1 2. Law enforcement agencies seeking reimbursement for workforce recruitment and
- 2 retention-related expenditures must submit a report of actual expenditures incurred to
- 3 the attorney general with the grant application.
- 4 3. The attorney general:
- 5 a. May spend the funds for this program only to the extent the applicant has
- 6 secured one dollar of matching funds from nonstate sources for every four dollars
- 7 provided by the attorney general;
- 8 b. Shall reimburse each eligible applicant fifty percent of allowable expenditures;
- 9 c. May not award funding for this program to state or federal law enforcement
- 10 entities; and
- 11 d. Shall report to the sixty-ninth legislative assembly regarding the number of grants
- 12 awarded under this section.

13 **SECTION 9. LAW ENFORCEMENT RESILIENCY GRANT PROGRAM - REPORT TO**

14 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The law enforcement line item in section 1 of this
15 Act includes \$400,000 from the general fund for the purpose of providing law enforcement
16 resiliency program grants, for the biennium beginning July 1, 2023, and ending June 30, 2025.
17 Funding provided under this Act must be used to defray administrative, therapeutic, training,
18 and outreach-related costs of providing mental health and wellness support services to current
19 and retired correctional and law enforcement personnel. The attorney general shall establish
20 guidelines to award funding under this section. Any organization that receives a grant under this
21 section shall report to the attorney general and the attorney general shall report to the
22 appropriations committees of the sixty-ninth legislative assembly on the use of the funds
23 received and the outcomes of its programs.

24 **SECTION 10.** A new section to chapter 50-06 of the North Dakota Century Code is created
25 and enacted as follows:

26 **Opioid settlement fund.**

27 There is created in the state treasury an opioid settlement fund. The fund consists of opioid
28 litigation funds received by the state. Moneys received by the state as a result of opioid litigation
29 must be deposited in the fund. Moneys in the fund may be used as authorized by legislative
30 appropriation. The legislative assembly shall consult with the governor in determining the use of
31 the moneys in the fund. As used in this section, "opioid litigation" means civil litigation, demand,

1 or settlement in lieu of litigation alleging unlawful conduct related to the marketing, sale, or
2 distribution of opioids in this state or other alleged illegal actions that contributed to the
3 excessive use of opioids.

4 **SECTION 11. AMENDMENT.** Section 53-12.1-09 of the North Dakota Century Code is
5 amended and reenacted as follows:

6 **53-12.1-09. Operating fund - Continuing appropriation - Authorization of**
7 **disbursements - Report - Net proceeds.**

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

- 21 1. Payment of a prize as the director deems appropriate to the owner of a valid, winning
22 ticket;
- 23 2. Notwithstanding section 53-12.1-10, payment of a marketing expense that is directly
24 offset by cosponsorship funds collected;
- 25 3. Payment of a gaming system or related service expense, retailer record and credit
26 check fees, game group dues, and retailer commissions; and
- 27 4. Transfer of net proceeds:
 - 28 a. Eighty thousand dollars must be transferred to the state treasurer each quarter
29 for deposit in the gambling disorder prevention and treatment fund;
 - 30 b. An amount for the lottery's share of a game's prize reserve pool must be
31 transferred to the multistate lottery association;

- 1 c. Starting July 1, 2019~~2023~~, two hundred fifty thousand dollars must be transferred
2 to the state treasurer each quarter for deposit in the attorney general
3 multijurisdictional drug task force grant fund; and
- 4 d. The balance of the net proceeds, less holdback of any reserve funds the director
5 may need for continuing operations, must be transferred to the state treasurer on
6 at least an annual basis for deposit in the state general fund.

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

9 **54-12-11. Salary of attorney general.**

10 The annual salary of the attorney general is one hundred ~~sixty-five~~seventy-five thousand
11 ~~eight~~nine hundred ~~forty-five~~twenty-eight dollars through June 30, ~~2022~~2024, and one hundred
12 ~~sixty-nine~~eighty-two thousand ~~one~~nine hundred ~~sixty-two~~sixty-five dollars thereafter.

13 **SECTION 13. CRIMINAL HISTORY RECORD CHECKS - FEES.** Any individual or entity
14 requesting a criminal history record check from the bureau of criminal investigation, as a result
15 of legislation enacted by the sixty-eighth legislative assembly, shall pay a reasonable fee
16 established by the attorney general to the attorney general to be deposited in the general fund
17 for the biennium beginning July 1, 2023, and ending June 30, 2025.

18 **SECTION 14. EXEMPTION - CONTINGENT FEE ARRANGEMENT.** Notwithstanding
19 section 54-12-08.1, the attorney general may contract for legal services compensated by a
20 contingent fee arrangement for ongoing multistate technology litigation during the biennium
21 beginning July 1, 2023, and ending June 30, 2025.

22 **SECTION 15. EXEMPTION - ATTORNEY GENERAL REFUND FUND.** Notwithstanding
23 section 54-12-18, the attorney general may retain the balance in the attorney general refund
24 fund which would otherwise be transferred to the general fund on June 30, 2023.

25 **SECTION 16. EXEMPTION - CONCEALED WEAPON REWRITE PROJECT.** The amount
26 appropriated to the attorney general from the general fund for a concealed weapon rewrite
27 project as contained in section 1 of chapter 37 of the 2015 Session Laws and continued into the
28 2017-19, 2019-21, and 2021-23 bienniums, is not subject to the provisions of section
29 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general
30 for the concealed weapon rewrite project, during the biennium beginning July 1, 2023, and
31 ending June 30, 2025.

1 **SECTION 17. EXEMPTION - CRIMINAL HISTORY IMPROVEMENT PROJECT.** The
2 amount of \$400,000 appropriated from the attorney general refund fund in the operating
3 expenses line item for the criminal history improvement project in section 1 of chapter 3 of the
4 2021 Session Laws is not subject to section 54-44.1-11 and is available for the project during
5 the biennium beginning July 1, 2023, and ending June 30, 2025.

6 **SECTION 18. EXEMPTION - COVID-19 FUNDS - JUSTICE ASSISTANCE GRANTS.** The
7 amount of \$2,082,871 appropriated from federal funds derived from COVID-19 funds for justice
8 assistance grants during the 2019-21 biennium in section 1 of chapter 27 and continued into the
9 2021-23 biennium in section 2 of chapter 27 of the 2021 Session Laws is not subject to section
10 54-44.1-11 and is available for the program during the biennium beginning July 1, 2023, and
11 ending June 30, 2025.

12 **SECTION 19. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amount
13 of \$1,350,000 appropriated from federal funds derived from the state fiscal recovery fund, of
14 which \$300,000 was for a missing persons database, \$1,000,000 was for the replacement of
15 the prosecuting case management system, and \$50,000 was for charitable gaming information
16 technology costs, in subsections 19, 20, and 42 of section 1 of chapter 550 of the 2021 Special
17 Session Session Laws is not subject to section 54-44.1-11 and is available for the program
18 during the biennium beginning July 1, 2023, and ending June 30, 2025.

19 **SECTION 20. LEGISLATIVE MANAGEMENT STUDY - STATE CRIME LABORATORY.**
20 During the 2023-24 interim, the legislative management shall study the services and needs of
21 the North Dakota state crime laboratory, including staffing and equipment needs; the need for
22 forensic scientists with training in firearms and fingerprint analysis; the feasibility and desirability
23 of remodeling current state crime laboratory facilities, acquiring other vacant laboratory facilities
24 in the state, and operating additional state crime laboratory facilities in the state; services the
25 state crime laboratory should have the capability of providing to support law enforcement
26 entities in the state; and whether the state crime laboratory should be administratively separate
27 from the bureau of criminal investigation. The legislative management shall report its findings
28 and recommendations, together with any legislation required to implement the
29 recommendations, to the sixty-ninth legislative assembly.