

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2011**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the securities
2 department; and to amend and reenact subsection 5 of section 10-04-03 of the North Dakota
3 Century Code, relating to collection of fees, civil penalties, and other moneys collected under
4 the Securities Act.

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 other income, to the
9 securities department for the purpose of defraying the expenses of the securities department,
10 for the biennium beginning July 1, 2019, and ending June 30, 2021, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
11			
12			
13	Salaries and wages	\$1,848,667	\$314,891
14	Operating expenses	<u>506,047</u>	<u>87,514</u>
15	Total all funds	\$2,354,714	\$402,405
16	Less estimated income	<u>170,000</u>	<u>2,587,119</u>
17	Total general fund	\$2,184,714	(\$2,184,714)
18	Full-time equivalent positions	9.00	1.00
			10.00

19 **SECTION 2. AMENDMENT.** Subsection 5 of section 10-04-03 of the North Dakota Century
20 Code is amended and reenacted as follows:

21 5. A special fund is established in the state treasury and designated as the securities
22 department special fund. All fees, civil penalties, or other moneys collected under this
23 chapter must be deposited in the general fund of the state treasury securities
24 department special fund, except funds permitted to be deposited into the investor

1 education and technology fund under subsection 4 or civil penalties collected from
2 enforcement actions for the purpose of distribution to aggrieved investors, which may
3 be deposited in the investor restitution fund. Funds in the investor restitution fund are
4 appropriated to the securities commissioner on a continuing basis for distribution to
5 aggrieved investors.

6 a. The moneys deposited in the securities department special fund are reserved for
7 use by the securities department to defray the expenses of the department in the
8 discharge of administrative and regulatory powers and duties of the department
9 as prescribed by law. Deposits under this subdivision are subject to the
10 applicable laws relating to the appropriations of state funds and to the deposit
11 and expenditure of state moneys. The securities commissioner is responsible for
12 the proper expenditure of these moneys as provided by law.

13 b. The office of management and budget shall transfer any balance in the securities
14 department special fund in excess of the amounts necessary for department
15 expenditures pursuant to the department's biennial appropriation to the general
16 fund.