

**FIRST ENGROSSMENT  
with Conference Committee Amendments  
ENGROSSED SENATE BILL NO. 2013**

Introduced by

Appropriations Committee

(At the request of the Governor)

1 A BILL for an Act to provide an appropriation for defraying the expenses of the commissioner of  
2 university and school lands; to provide for distributions from permanent funds; and to amend  
3 and reenact section 57-62-04 of the North Dakota Century Code, relating to the energy  
4 infrastructure and impact office.

**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 from special funds derived from the state lands  
8 maintenance fund and the oil and gas impact grant fund in the state treasury, to the  
9 commissioner of university and school lands for the purpose of defraying the expenses of the  
10 commissioner of university and school lands, for the biennium beginning July 1, 2013, and  
11 ending June 30, 2015, as follows:

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$4,145,824	\$1,011,191	\$5,157,015
15 Accrued leave payments	0	108,541	108,541
16 Operating expenses	1,431,096	544,767	1,975,863
17 Capital assets	0	65,550	65,550
18 Grants	99,778,269	(99,778,269)	0
19 Energy infrastructure and impact office	0	700,826	700,826
20 Contingencies	<u>100,000</u>	<u>100,000</u>	<u>200,000</u>
21 Total special funds	\$105,455,189	(\$97,247,394)	\$8,207,795
22 Full-time equivalent positions	24.75	6.25	31.00

23 **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO**  
24 **SIXTY-FOURTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time

1 funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and  
2 the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2011-13</u>	<u>2013-15</u>
4	Contingent energy impact grants	\$30,000,000	\$0
5	Contingent energy impact grants -	5,000,000	0
6	new development counties		
7	Capital assets	10,000	65,550
8	Private lands study	0	50,000
9	Flood impact grants	<u>30,000,000</u>	<u>0</u>
10	Total all funds	\$65,010,000	\$115,550
11	Less estimated income	<u>35,010,000</u>	<u>115,550</u>
12	Total general fund	\$30,000,000	\$0

13 The 2013-15 one-time funding amounts are not a part of the entity's base budget for the  
14 2015-17 biennium. The department shall report to the appropriations committees of the  
15 sixty-fourth legislative assembly on the use of this one-time funding for the biennium beginning  
16 July 1, 2013, and ending June 30, 2015.

17 **SECTION 3. OIL AND GAS IMPACT GRANTS - EXEMPTION.** Section 54-44.1-11 does  
18 not apply to appropriations made for oil and gas impact grants in House Bill No. 1358, as  
19 approved by the sixty-third legislative assembly, or to the energy infrastructure and impact office  
20 line item in section 1 of this Act.

21 **SECTION 4. OIL AND GAS IMPACT GRANTS - FLOOD-IMPACTED POLITICAL**  
22 **SUBDIVISION INFRASTRUCTURE DEVELOPMENT GRANTS - 2011-13 - EXEMPTION.**

23 Section 54-44.1-11 does not apply to appropriations made by the sixty-second legislative  
24 assembly for oil and gas impact grants and flood-impacted political subdivision infrastructure  
25 development grants pursuant to chapter 579 of the 2011 Session Laws.

26 **SECTION 5. APPROPRIATION LINE ITEM TRANSFERS.** Upon approval of the board of  
27 university and school lands, the commissioner of university and school lands may transfer  
28 between the various line items in section 1 of this Act, including transfers from the contingencies  
29 line item to all other line items. The commissioner shall notify the office of management and  
30 budget of each transfer made pursuant to this section.

1       **SECTION 6. DISTRIBUTIONS TO STATE INSTITUTIONS.** Pursuant to section 1 of  
2 article IX of the Constitution of North Dakota, the board of university and school lands shall  
3 distribute during the biennium beginning July 1, 2013, and ending June 30, 2015, the following  
4 amounts, from the permanent funds managed for the benefit of the following entities:

5	Common schools	\$130,326,000
6	North Dakota state university	2,066,000
7	University of North Dakota	1,814,000
8	Youth correctional center	810,000
9	School for the deaf	720,000
10	State college of science	731,428
11	State hospital	803,428
12	Veterans' home	325,428
13	Valley City state university	372,000
14	North Dakota vision services - school for the blind	331,428
15	Mayville state university	236,000
16	Dakota college at Bottineau	49,428
17	Dickinson state university	49,428
18	Minot state university	<u>49,428</u>
19	Total	\$138,683,996

20       **SECTION 7. PRIVATE LAND STUDY - EMERGENCY COMMISSION APPROVAL FOR**  
21 **ADDITIONAL FUNDS.** The operating expenses line item in section 1 of this Act includes the  
22 sum of \$50,000 from the strategic investment and improvements fund for a study provided for in  
23 House Bill No. 1338, as approved by the sixty-third legislative assembly, of private lands owned  
24 adjacent to lands under control of the United States army corps of engineers. If the \$50,000  
25 provided for the study is insufficient, the department of trust lands may seek emergency  
26 commission approval for additional funding from the state contingencies appropriation of up to  
27 \$50,000 for the biennium beginning July 1, 2013, and ending June 30, 2015.

28       **SECTION 8. AMENDMENT.** Section 57-62-04 of the North Dakota Century Code is  
29 amended and reenacted as follows:

1           **57-62-04. Energy infrastructure and impact office - Appointment of director.**

2           There is hereby created an energy infrastructure and impact office, to be a division within  
3 the office of the commissioner of the board of university and school lands, the director of which  
4 must be appointed by and serve at the pleasure of the board of university and school lands. The  
5 director shall have knowledge of state and local government and shall have experience or  
6 training in the fields of taxation and accounting. The salary of the director must be set by the  
7 commissioner of university and school lands within the limits of legislative appropriations. The  
8 director may employ such other persons as may be necessary and may fix their compensation  
9 within the appropriation made for such purpose. The board of university and school lands shall  
10 fill any vacancy in the position of director in the same manner as listed above and, in addition,  
11 ~~shall serve as an appeals board under rules promulgated by the board of university and school~~  
12 ~~lands to reconsider grant applications for aid under this chapter which have been denied by the~~  
13 ~~director.~~ All action by the board of university and school lands, including appointment of a  
14 director, must be by majority vote.

15           **SECTION 9. OIL AND GAS IMPACT GRANT DISTRIBUTION - DUST CONTROL.** If the  
16 dust control pilot project provided for in House Bill No. 1358, as approved by the sixty-third  
17 legislative assembly, is deemed effective by the director of the energy infrastructure and impact  
18 office, the board of university and school lands may approve up to \$3,000,000 of additional oil  
19 and gas impact grants to counties for dust control.

20           **SECTION 10. OIL AND GAS IMPACT GRANT DISTRIBUTION - NEW COUNTIES -**  
21 **OTHER USES.** Notwithstanding any other provisions of this Act, the director of the energy  
22 infrastructure and impact office may include within recommendations to the board of university  
23 and school lands for oil and gas impact grants up to \$5,000,000 of the funds designated for  
24 counties experiencing oil and gas development in House Bill No. 1358, as approved by the  
25 sixty-third legislative assembly, to any eligible political subdivision if, by January 1, 2015, the  
26 funds have not been committed to counties meeting the eligibility requirements for this funding,  
27 under provisions of House Bill No. 1358, as approved by the sixty-third legislative assembly.