

PROPOSED AMENDMENTS TO SENATE BILL NO. 2003

Page 1, line 1, after "general" insert "; 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 an exemption; and to provide for a report"

Page 1, remove lines 8 through 23

Page 2, replace lines 1 and 2 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$8,829,760	\$84,172,920
Less estimated income	<u>30,647,320</u>	<u>7,656,426</u>	<u>38,303,746</u>
Total general fund	\$44,695,840	\$1,173,334	\$45,869,174
Full-time equivalent positions	237.00	7.00	244.00"

Page 2, line 3, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY**"

Page 2, line 4, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 5 through 21 with:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956

Undercover vehicles	0	300,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	<u>0</u>	<u>400,000</u>
Total all funds	\$17,667,000	\$3,267,956
Total other funds	<u>17,567,000</u>	<u>2,967,956</u>
Total general fund	\$100,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. 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, 2019.

SECTION 4. 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, ~~2007~~2019, ~~one~~two hundred five thousand six hundred ~~twenty-five~~ 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 5. 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 fifty-two thousand four hundred thirty-six dollars through June 30, 2016~~one hundred sixty thousand one hundred forty-nine dollars through June 30, 2020, and one hundred fifty-seven thousand nine dollarsone hundred sixty-four thousand nine hundred fifty-four dollars thereafter.

SECTION 6. 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, 2019, and ending June 30, 2021. 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 7. 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-sixth legislative assembly, shall pay a reasonable fee established by the attorney general to the attorney general to be deposited in the state's general fund for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 8. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM. The \$815,000 from the general fund appropriated to the attorney general for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, 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 statewide automated victim information and notification program, during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 9. HUMAN TRAFFICKING VICTIMS GRANT PROGRAM - REQUIREMENTS - REPORTS. The human trafficking victims grants line item in section 1 of this Act includes \$1,625,000 from the general fund for the purpose of providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims for the biennium beginning July 1, 2019, and ending June 30, 2021. 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-seventh 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 2019-20 interim on the status and results of the grant program.

SECTION 10. FORENSIC NURSE EXAMINERS GRANT PROGRAM - REPORTS. The forensic nurse examiners grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing forensic nurse examiner program grants for community-based or hospital-based sexual assault examiner programs, for the biennium beginning July 1, 2019, and ending June 30, 2021. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-seventh 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-seventh 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 11. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - EXEMPTION - GAMING TAX ALLOCATION. The estimated income line item in section 1 of this Act includes \$400,000 from the attorney general operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. Notwithstanding the provisions of section 53-06.1-12, from the deposits designated for deposit in the general fund under subsection 3 of section 53-06.1-12 in fiscal year 2020, the attorney general shall deposit \$400,000 into the attorney general operating fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 12. 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 biennium, 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, 2019, and ending June 30, 2021."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$41,179,043	\$3,902,881	\$45,081,924
Operating expenses	15,977,281	475,981	16,453,262
Capital assets	2,742,372	529,964	3,272,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000		150,000
Intellectual property attorney	426,924	17,837	444,761
Medical examinations	660,000		660,000
North Dakota lottery	5,336,797	(147,847)	5,188,950
Arrest and return of fugitives	10,000		10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,369	3,631,014
Law enforcement	2,901,608	78,136	2,979,744
Human trafficking victims grants	125,000	1,500,000	1,625,000
Additional expenses		250,000	250,000

Forensic nurse examiners grants		250,000	250,000
Total all funds	\$75,343,160	\$9,079,760	\$84,422,920
Less estimated income	30,647,320	7,906,426	38,553,746
General fund	\$44,695,840	\$1,173,334	\$45,869,174
FTE	237.00	7.00	244.00

Department 125 - Attorney General - Detail of Senate Changes

	Adjusts Funding for Base Payroll Changes¹	Adds Funding for Salary and Benefit Increases²	Adjusts Funding for Various FTE Positions³	Adds Funding for a Social Security Investigation Program⁴	Adjusts Funding for Salaries⁵	Adds Funding for a Medicaid Fraud Control Unit Program⁶
Salaries and wages	(\$1,854,110)	\$2,209,473	(\$416,589)	\$453,288	\$1,878,462	\$1,333,717
Operating expenses				136,520		398,809
Capital assets				72,080		84,800
Grants						
Litigation fees						
Intellectual property attorney	1,109	16,728				
Medical examinations						
North Dakota lottery	130,243	97,007				
Arrest and return of fugitives						
Gaming commission	(1)					
Criminal justice information sharing	53,532	50,837				
Law enforcement	(73,926)	137,163			14,899	
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants						
Total all funds	(\$1,743,153)	\$2,511,208	(\$416,589)	\$661,888	\$1,893,361	\$1,817,326
Less estimated income	(250,559)	668,601	0	661,888	2,075,818	1,635,593
General fund	(\$1,492,594)	\$1,842,607	(\$416,589)	\$0	(\$182,457)	\$181,733
FTE	0.00	0.00	(3.00)	2.00	0.00	7.00

	Adds Funding for the State Fire Marshal Office⁷	Adjusts Base Level Funding⁸	Adds Funding for Microsoft Office 365 Licenses⁹	Removes Funding from the Tobacco Settlement Trust Fund¹⁰	Adds Funding for the Lottery Narcotics Task Force¹¹	Adds Funding for the Human Trafficking Victims Grant Program¹²
Salaries and wages	\$298,640					
Operating expenses	124,888	(\$953,900)	\$168,000	(\$200,000)	\$1,664	
Capital assets		(2,094,872)				
Grants		1,223,440			755,000	
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery		(375,097)				
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing						
Law enforcement						
Human trafficking victims grants						\$1,500,000
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$423,528	(\$2,200,429)	\$168,000	(\$200,000)	\$756,664	\$1,500,000
Less estimated income	423,528	(1,223,063)	0	(200,000)	756,664	0
General fund	\$0	(\$977,366)	\$168,000	\$0	\$0	\$1,500,000
FTE	1.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for a Forensic Nurse Examiners Grant Program¹³	Adds Funding for Criminal Justice Information Sharing Improvements¹⁴	Adds One-Time Funding for a Criminal History Improvement Project¹⁵	Adds One-Time Funding for Capital Assets¹⁶	Adds One-Time Funding for Undercover Vehicles¹⁷	Adds One-Time Funding for Finger Identification System Replacement¹⁸
Salaries and wages						
Operating expenses			\$400,000			
Capital assets				\$1,851,956	\$300,000	\$316,000
Grants						
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery						
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing		\$140,000				
Law enforcement						
Human trafficking victims grants						
Additional expenses						
Forensic nurse examiners grants	\$250,000					
Total all funds	\$250,000	\$140,000	\$400,000	\$1,851,956	\$300,000	\$316,000
Less estimated income	0	140,000	400,000	1,851,956	0	316,000
General fund	\$250,000	\$0	\$0	\$0	\$300,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-Time Funding for a Charitable Gaming Technology System¹⁹	Adds One-Time Funding for Additional Income from Other Sources²⁰	Total Senate Changes
Salaries and wages			\$3,902,881
Operating expenses	\$400,000		475,981
Capital assets			529,964
Grants			1,978,440
Litigation fees			
Intellectual property attorney			17,837
Medical examinations			
North Dakota lottery			(147,847)
Arrest and return of fugitives			
Gaming commission			(1)
Criminal justice information sharing			244,369
Law enforcement			78,136
Human trafficking victims grants			1,500,000
Additional expenses		\$250,000	250,000
Forensic nurse examiners grants			250,000
Total all funds	\$400,000	\$250,000	\$9,079,760
Less estimated income	400,000	250,000	7,906,426
General fund	\$0	\$0	\$1,173,334
FTE	0.00	0.00	7.00

¹ Funding is adjusted for base payroll changes.

² The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$1,033,650	\$373,193	\$1,406,843
Health insurance increase	808,957	295,408	1,104,365
Total	\$1,842,607	\$668,601	\$2,511,208

³ The following FTE positions and related funding are adjusted:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Paralegal	(1.00)	(\$134,989)	\$0	(\$134,989)
Criminal records specialist II	(1.00)	(125,320)	0	(125,320)
Assistant Attorney General	(1.00)	(255,460)	0	(255,460)
Administrative assistant II	(1.00)	(125,320)	0	(125,320)
Forensic scientist	1.00	224,500	0	244,500
	(3.00)	(\$416,589)	\$0	(\$416,589)

⁴ Federal funding of \$661,888 and 2 FTE criminal investigator positions are added for a Social Security Administration cooperative disability investigation program. The program will partner state and federal personnel to investigate social security-related fraud.

⁵ Funding is adjusted to reduce \$182,457 from the general fund and add \$2,075,818 from other funds, of which \$163,121 is from federal funds, \$83,537 is from the Attorney General operating fund, \$1,419,038 is from the Attorney General refund fund, and \$410,122 is from the Attorney General 24/7 sobriety fund. Including adjustments from base payroll changes, the total reduction from the general fund is \$1,675,051 and the total increase from other funds is \$1,825,259, a net increase of \$150,208.

⁶ Funding and FTE positions are added for a Medicaid Fraud Control Unit program. The federal government will pay up to 90 percent of the expenses of the program for the first 3 years. After the first 3 years, the federal government will pay up to 75 percent of the expenses of the program. Of the 7 FTE positions added, 2 are attorney positions, 2 are auditor positions, 2 are criminal investigator positions, and 1 is an administrative assistant position. Funding added is shown below.

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Federal Funds</u>	<u>Total</u>
Salaries and wages	7.00	\$133,372	\$1,200,345	\$1,333,717
Operating expenses	0.00	39,881	358,928	398,809
Capital assets	0.00	8,480	76,320	84,800
Total	7.00	\$181,733	\$1,635,593	\$1,817,326

⁷ Funding of \$423,528 is added for 1 FTE Fire Marshal administrative assistant position (\$128,716), 1 previously unfunded Deputy Fire Marshall position (\$169,924), and related operating expenses (\$124,888). Of the total, \$382,488 is from the Attorney General operating fund and \$41,040 is from the reduced cigarette ignition propensity fund.

⁸ Base level funding is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Adjusts funding for operating expenses	(\$775,404)	(\$843,728)	(\$1,619,132)
Adds federal funding for sex offender sentencing, monitoring, apprehending, registering, and tracking (SMART) operating expenses	0	650,000	650,000
Adds federal funding for the Project Safe Neighborhood program	0	291,232	291,232
Reduces funding for crime laboratory bond payments	(118,512)	0	(118,512)
Reduces funding for capital assets	(83,450)	(1,892,910)	(1,976,360)
Adds federal funding for community-oriented policing grants	0	1,021,237	1,021,237
Reduces funding for other federal grants	0	(73,797)	(73,797)
Reduces funding for North Dakota lottery operating expenses	0	(375,097)	(375,097)
Total	(\$977,366)	(\$1,223,063)	(\$2,200,429)

⁹ Funding is added from the general fund for Microsoft Office 365 license expenses.

¹⁰ Funding of \$200,000 is removed from the tobacco settlement trust fund provided during the 2015-17 and 2017-19 bienniums.

¹¹ Funding of \$756,664 is provided to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium. This change will reduce general fund revenues. The statutory change is made in a separate section of the bill.

¹² Funding of \$1.5 million is added for the human trafficking victims grants program, to provide a total of \$1,625,000 from the general fund for the 2019-21 biennium. The allowable uses and reporting requirements of the program are identified in a separate section of the bill.

¹³ Funding of \$250,000 is added from the general fund for a forensic nurse examiners grant program. The Attorney General received a one-time appropriation of \$150,000 from the strategic investment and improvements fund for this program for the 2017-19 biennium. The reporting requirements of the program are identified in a separate section of the bill.

¹⁴ Funding of \$140,000 is added from the Attorney General refund fund for Criminal Justice Information Sharing projects and improvements, including a common statute table database (\$40,000), portal improvements (\$50,000), and broker interface implementation (\$50,000).

¹⁵ One-time funding of \$400,000 is appropriated from the Attorney General refund fund for a criminal history improvement project.

¹⁶ One-time funding of \$1,851,956 is added from federal funds for capital assets, to provide total funding for capital assets of \$3,272,336 for the 2019-21 biennium.

¹⁷ One-time funding of \$300,000 from the general fund is added for the replacement of 12 Bureau of Criminal Investigation undercover vehicles.

¹⁸ One-time funding of \$316,000 is added for an automated finger identification system replacement project, of which \$158,000 is from the Attorney General refund fund and \$158,000 is from federal funds.

¹⁹ One-time funding of \$400,000 is added from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system. An exemption is added to the bill to allow the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 in the Attorney General operating fund rather than depositing the revenue in the general fund as provided for in North Dakota Century Code Section 53-06.1-12.

²⁰ One-time funding of \$250,000 is added from additional federal or other funds received during the 2019-21 biennium, the same amount provided for the 2017-19 biennium. This amount is appropriated in a separate section of the bill.

This amendment also:

- Removes a section identifying \$200,000 from the tobacco settlement trust fund.
- Adds a section allowing the Attorney General to retain the balance in the Attorney General refund fund for the 2019-21 biennium rather than transferring the balance to the general fund at the end of the 2017-19 biennium.
- Amends section 54-12-11 related to the salary of the Attorney General.
- Amends section 53-12.1-09 to increase the quarterly transfer from the lottery operating fund to the multijurisdictional drug task force grant fund from \$105,625 to \$200,000 to provide total transfers of \$1.6 million each biennium.
- Adds a section requiring any person or entity requesting a criminal history record check from the Bureau of Criminal Investigation to pay a reasonable fee established by the Attorney General to the Attorney General to be deposited in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2017-19 funding for the statewide automated victim information and notification program into the 2019-21 biennium.
- Adds a section identifying \$1,625,000 from the general fund for human trafficking victim grants and requires reports be provided to the Attorney General, the appropriations committees of the 2021 Legislative Assembly, and the Legislative Management.
- Adds a section identifying \$250,000 from the general fund for forensic nurse examiners grants and requiring reports be provided to the Attorney General and the appropriations committees of the 2021 Legislative Assembly.
- Adds a section identifying \$400,000 from the Attorney General operating fund for the purpose of purchasing equipment and software for a charitable gaming technology system and to require the Attorney General to deposit \$400,000 of gaming tax revenue collected during fiscal year 2020 into the Attorney General operating fund during the 2019-21 biennium rather than depositing the revenue in the general fund.
- Adds a section allowing the Attorney General to continue unexpended 2015-17 funding that was continued into the 2017-19 biennium for a concealed weapon rewrite project into the 2019-21 biennium.