

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED HOUSE BILL NO. 1004**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the public health  
2 division of the department of health and human services; to create and enact a new section to  
3 chapter 54-27 of the North Dakota Century Code, relating to the deposit of judgment funds; to  
4 provide for a legislative management report; to provide for a transfer; and to provide for an  
5 exemption.

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

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

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
15 Salaries and wages	\$41,362,968	\$3,830,044	\$45,193,012
16 Operating expenses	31,242,543	6,478,670	37,721,213
17 Capital assets	1,796,393	(326,613)	1,469,780
18 Grants	55,812,575	15,857,570	71,670,145
19 Tobacco prevention	13,410,022	814,235	14,224,257
20 Women, infants, and children food 21 payments	19,900,000	0	19,900,000
22 COVID-19	4,459,766	93,280,500	97,740,266
23 Public health laboratory capital project	<u>0</u>	<u>55,120,000</u>	<u>55,120,000</u>
24 Total all funds	\$167,984,267	\$175,054,406	\$343,038,673

1	Less estimated income	<u>129,409,112</u>	<u>168,895,106</u>	<u>298,304,218</u>
2	Total general fund	\$38,575,155	\$6,159,300	\$44,734,455
3	Full-time equivalent positions	210.50	5.00	215.50

4       **SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE**  
5 **SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding  
6 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the  
7 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

8	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
9	Vital records system technology upgrades	\$275,000	\$0
10	Statewide health strategies initiative	3,000,000	0
11	COVID-19 response	9,262,341	0
12	Forensic examiner upgrades	910,000	0
13	COVID-19 response - House Bill No. 1395	87,290,597	0
14	Public health laboratory capital project	<u>15,000,000</u>	<u>55,120,000</u>
15	Total all funds	\$115,737,938	\$55,120,000
16	Less estimated income	<u>110,209,662</u>	<u>55,120,000</u>
17	Total general fund	\$5,528,276	\$0

18       The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget  
19 for the 2025-27 biennium. The department of health and human services shall report to the  
20 appropriations committees of the sixty-ninth legislative assembly on the use of this one-time  
21 funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

22       **SECTION 3. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

23 Notwithstanding section 54-16-04, the director of the office of management and budget shall  
24 transfer appropriation authority between line items within section 1 of this Act, subdivisions 1, 2,  
25 and 3 of section 1 of Senate Bill No. 2012, and any other appropriation authority for the  
26 department of health and human services approved by the sixty-eighth legislative assembly for  
27 the biennium beginning July 1, 2023, and ending June 30, 2025, as requested by the  
28 department of health and human services. The department of health and human services shall  
29 notify the legislative council of any transfer made pursuant to this section. The department shall  
30 report to the budget section after June 30, 2024, any transfer made in excess of \$50,000 and to

1 the appropriations committees of the sixty-ninth legislative assembly regarding any transfers  
2 made pursuant to this section.

3 **SECTION 4. FUNDING TRANSFERS - EXEMPTION - AUTHORIZATION - REPORT.**

4 Notwithstanding section 54-16-04, the director of the office of management and budget shall  
5 transfer appropriation authority from line items within section 1 of this Act, subdivisions 1, 2,  
6 and 3 of Senate Bill No. 2012, and any other appropriation authority for the department of  
7 health and human services approved by the sixty-eighth legislative assembly to subdivision 4 of  
8 Senate Bill No. 2012, for the biennium beginning July 1, 2023, and ending June 30, 2025, as  
9 requested by the department of health and human services. The department of health and  
10 human services shall notify the legislative council of any transfer made pursuant to this section.  
11 The department shall report to the budget section after June 30, 2024, any transfer made in  
12 excess of \$50,000 and to the appropriations committees of the sixty-ninth legislative assembly  
13 regarding any transfers made pursuant to this section.

14 **SECTION 5. TRANSFER OF APPROPRIATION AUTHORITY.** Section 1 of this Act and  
15 section 1 of Senate Bill No. 2012 includes appropriation authority for the department of health  
16 and human services for the biennium beginning July 1, 2023, and ending June 30, 2025. On  
17 July 1, 2023, the office of management and budget shall combine the appropriation authority  
18 contained in section 1 of this Act and section 1 of Senate Bill No. 2012, and any other  
19 appropriation authority for the department of health and human services in other bills approved  
20 by the sixty-eighth legislative assembly, into one budget for the department of health and human  
21 services. The department of health and human services shall submit one budget request for the  
22 biennium beginning July 1, 2025, and ending June 30, 2027.

23 **SECTION 6. ESTIMATED INCOME - INSURANCE TAX DISTRIBUTION FUND.** The  
24 estimated income line item in section 1 of this Act includes the sum of \$1,125,000 from the  
25 insurance tax distribution fund for rural emergency medical services grants.

26 **SECTION 7. ESTIMATED INCOME - COMMUNITY HEALTH TRUST FUND.** The estimated  
27 income line item in section 1 of this Act includes the sum of \$20,837,620 from the community  
28 health trust fund for the following programs:

29 Behavioral risk factor survey	\$200,000
30 Behavioral health loan repayment	234,500
31 Domestic violence offender treatment	1,000,000

1	Domestic violence prevention	1,000,000
2	Women's way	329,500
3	Dentists' loan repayment	360,000
4	Local public health state aid	3,275,000
5	Cancer programs	580,324
6	Forensic examiner contract	1,000,000
7	Tobacco cessation grants	500,000
8	Youth vaping prevention grants	300,000
9	Tobacco prevention and control	5,043,000
10	Tobacco prevention and control grants to local public health units	<u>6,250,000</u>
11	Total community health trust fund	\$20,072,324

12       **SECTION 8. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The  
13 estimated income line item in section 1 of this Act includes the sum of \$55,120,000 from federal  
14 funds derived from the state fiscal recovery fund for a public health laboratory capital project.

15       **SECTION 9.** A new section to chapter 54-27 of the North Dakota Century Code is created  
16 and enacted as follows:

17       **Deposit of JUUL Labs, Inc., judgment funds.**

18       Eighty percent of any funds received by the state under the consent judgment adopted by  
19 the south central judicial district court in its consent judgment entered December 8, 2022, [Civil  
20 No. 08-2022-CV-02972] in State of North Dakota, ex rel. Drew H. Wrigley v. JUUL Labs, Inc.,  
21 must be deposited in the community health trust fund.

22       **SECTION 10. TRANSFER - ATTORNEY GENERAL REFUND FUND TO COMMUNITY**

23 **HEALTH TRUST FUND.** The attorney general shall transfer eighty percent of any funds  
24 deposited in the attorney general refund fund during the biennium beginning July 1, 2021, and  
25 ending June 30, 2023, relating to the consent judgment entered December 8, 2022, [Civil  
26 No. 08-2022-CV-02972] in State of North Dakota, ex rel. Drew H. Wrigley v. JUUL Labs, Inc., to  
27 the community health trust fund on July 1, 2023.

28       **SECTION 11. USE OF PUBLIC HEALTH CRISIS RESPONSE GRANT FUNDS.** The public  
29 health division of the department of health and human services shall use \$870,000 of funding  
30 made available through the federal COVID-19 public health crisis response grant for public  
31 health workforce to provide grants to local public health units. To be eligible to receive a grant,

1 local public health units must apply for this grant funding by December 31, 2023. Any public  
2 health workforce funds not awarded to local public health units may be used by the department  
3 of health and human services for workforce efforts pursuant to federal grant guidance.

4 **SECTION 12. LABORATORY BUILDING STEERING COMMITTEE.** The department of  
5 health and human services shall establish a laboratory building steering committee to oversee  
6 the design and construction of the laboratory building project for the biennium beginning July 1,  
7 2023, and ending June 30, 2025. The committee must include representation from the  
8 department of health and human services, department of environmental quality, office of  
9 management and budget, the governor's office, and the legislative assembly. The legislative  
10 assembly representation must include one member of the senate appointed by the senate  
11 majority leader, one member of the house appointed by the house majority leader, and one  
12 member of the minority party from either the senate or the house appointed by the minority  
13 leaders of the senate and the house.

14 **SECTION 13. EXEMPTION - 2021-23 BIENNIUM APPROPRIATION - STATEWIDE**  
15 **HEALTH STRATEGIES.** The sum of \$3,000,000, of which \$1,500,000 is from the community  
16 health trust fund and \$1,500,000 is from other income derived from matching funds,  
17 appropriated for statewide health strategies in section 1 of chapter 32 of the 2021 Session  
18 Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this  
19 appropriation are available for statewide health strategies initiatives during the biennium  
20 beginning July 1, 2023, and ending June 30, 2025. The amount appropriated from the  
21 community health trust fund is contingent on the department of health and human services  
22 securing dollar-for-dollar matching funds.

23 **SECTION 14. EXEMPTION - 2021-23 BIENNIUM APPROPRIATION - PUBLIC HEALTH**  
24 **LABORATORY CAPITAL PROJECT.** The sum of \$15,000,000 of federal funds, derived from  
25 the state fiscal recovery fund, appropriated for a public health laboratory capital project in  
26 subdivision 7 of section 1 of chapter 550 of the 2021 Special Session Session Laws, is not  
27 subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation  
28 are available for the public health laboratory capital project during the biennium beginning  
29 July 1, 2023, and ending June 30, 2025.