

**FIRST ENGROSSMENT  
with Senate Amendments  
ENGROSSED HOUSE BILL NO. 1024**

Introduced by

Appropriations Committee

1 A BILL for an Act to provide an appropriation for defraying the expenses of the department of  
2 environmental quality; to amend and reenact sections 23.1-10-02 and 23.1-10-05 of the North  
3 Dakota Century Code, relating to the environmental quality restoration fund and revenue to the  
4 fund and to provide for an exemption.

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 federal funds and  
9 other income, to the department of environmental quality for the purpose of defraying the  
10 expenses of the department of environmental quality, for the biennium beginning July 1, 2023,  
11 and ending June 30, 2025, as follows:

	<u>Base Level</u>	Adjustments or <u>Enhancements</u>	<u>Appropriation</u>
14 Salaries and wages	\$32,551,817	\$4,553,049	\$37,104,866
15 Operating expenses	10,771,898	6,475,528	17,247,426
16 Capital assets	1,247,172	(78,672)	1,168,500
17 Grants	<u>15,060,118</u>	<u>22,138,000</u>	<u>37,198,118</u>
18 Total all funds	\$59,631,005	\$33,087,905	\$92,718,910
19 Less estimated income	<u>46,969,930</u>	<u>29,966,956</u>	<u>76,936,886</u>
20 Total general fund	\$12,661,075	\$3,120,949	\$15,782,024
21 Full-time equivalent positions	166.00	7.00	173.00

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

1 items approved by the sixty-seventh legislative assembly for the 2021-23 biennium and the  
2 2023-25 biennium one-time funding items included in the appropriation in section 1 of this Act:

3	<u>One-Time Funding Description</u>	<u>2021-23</u>	<u>2023-25</u>
4	Laboratory information management system	\$1,000,000	\$0
5	Chemistry laboratory inflation	0	116,800
6	Loan fund administration	0	177,350
7	Drinking water program portal	0	325,000
8	Environmental data systems upgrade	<u>0</u>	<u>1,365,444</u>
9	Total all funds	\$1,000,000	\$1,984,594
10	Less estimated income	<u>0</u>	<u>1,796,794</u>
11	Total general fund	\$1,000,000	\$187,800

12 The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget  
13 for the 2025-27 biennium. The department of environmental quality shall report to the  
14 appropriations committees of the sixty-ninth legislative assembly on the use of this one-time  
15 funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

16 **SECTION 3. ESTIMATED INCOME - ENVIRONMENT AND RANGELAND PROTECTION**

17 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$250,000  
18 from the environment and rangeland protection fund. This amount includes \$50,000 for a grant  
19 to the North Dakota stockmen's association environmental services program.

20 **SECTION 4. ESTIMATED INCOME - PETROLEUM TANK RELEASE COMPENSATION**

21 **FUND.** The estimated income line item in section 1 of this Act includes the sum of \$723,595  
22 from the petroleum tank release compensation fund for expenses related to the petroleum tank  
23 release program.

24 **SECTION 5. AMENDMENT.** Section 23.1-10-02 of the North Dakota Century Code is  
25 amended and reenacted as follows:

26 **23.1-10-02. Environmental quality restoration fund - Continuing appropriation.**

27 There is established an environmental quality restoration fund into which the funds  
28 recovered in this chapter may be deposited. The fund is to be administered by the department  
29 of environmental quality and may be used by the department for costs of environmental  
30 assessment, removal, corrective action, or monitoring as determined on a case-by-case basis.  
31 All moneys placed in the fund under this section and section 23.1-10-05 are appropriated to the

1 department on a continuing basis. If, on the first day of July in any year, the amount of  
2 uncommitted or unrestricted money in the environmental quality restoration fund is more than  
3 five million dollars, the amount in excess of five million dollars must be transferred to the  
4 general fund.

5 **SECTION 6. AMENDMENT.** Section 23.1-10-05 of the North Dakota Century Code is  
6 amended and reenacted as follows:

7 **23.1-10-05. Revenue to the fund.**

8 Revenue from the following sources must be deposited in the state treasury and credited to  
9 the fund:

- 10 1. ~~If the balance of the fund is less than five million dollars, moneys~~Moneys recovered by  
11 the department in an action or administrative proceeding based on violation of the  
12 state's environmental statutes, including actions for administrative expense recoveries,  
13 civil penalties, compensatory damages; and money paid pursuant to any agreement,  
14 stipulation, or settlement. This section does not limit the department's ability to agree  
15 to a supplemental environmental project as part of a settlement.
- 16 2. Moneys donated to the department for the purposes of this chapter.
- 17 3. Transfers from the abandoned oil and gas well plugging and site reclamation fund  
18 under subdivision f of subsection 2 of section 38-08-04.5.
- 19 4. Moneys received from a federal agency for the purpose of this section.
- 20 5. Any other moneys as may be deposited in the fund for use in carrying out the  
21 purposes of this chapter.

22 **SECTION 7. EXEMPTION - LABORATORY INFORMATION MANAGEMENT SYSTEM.**

23 The sum of \$1,000,000, appropriated from the general fund for the laboratory information  
24 management system in section 1 of chapter 52 of the 2021 Session Laws, is not subject to the  
25 provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for  
26 the laboratory information management system during the biennium beginning July 1, 2023,  
27 and ending June 30, 2025.