

**FIRST ENGROSSMENT
with House Amendments
ENGROSSED SENATE BILL NO. 2184**

Introduced by

Senators Lee, Burckhard, K. Roers

Representatives Mitskog, Weisz

1 A BILL for an Act to create and enact a new section to chapter 43-51 of the North Dakota
2 Century Code, relating to uniform regulation of occupations and professions; and to amend and
3 reenact section 54-10-27 of the North Dakota Century Code, relating to the duties of the state
4 auditor.

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

6 **SECTION 1.** A new section to chapter 43-51 of the North Dakota Century Code is created
7 and enacted as follows:

8 **Uniform administration of boards.**

- 9 1. As used in this section, the term "board" includes the state board of accountancy, state
10 electrical board, North Dakota real estate appraiser qualifications and ethics board,
11 state real estate commission, secretary of state with respect to contractor licensing,
12 North Dakota board of medicine, and state board of dental examiners.
- 13 2. A board shall regulate the board's occupation or profession in the least restrictive
14 manner appropriate to protect public health and safety. At the first regularly scheduled
15 meeting of each calendar year, a board shall discuss this requirement and related
16 plans to remove unnecessary restrictions and regulatory burdens. The board shall
17 include the plan in the board's minutes.
- 18 3. A board shall develop a mission statement consistent with the board's obligation of
19 protecting public health and safety. The board shall recite the mission statement at the
20 beginning of each regularly scheduled board meeting.
- 21 4. A board shall follow processes to allow for efficient and accurate processing of
22 licensing applications, including timely communication to an applicant to address
23 issues or deficiencies.

- 1 a. A board may adopt rules to provide for issuance of a provisional or temporary
2 license between board meetings for a routine application as determined by the
3 board.
- 4 b. If a board does not defer routine application approval to staff or selected board
5 members, the board shall convene at least monthly to ensure timely issuance of
6 licenses. A board may adopt rules defining what is considered a routine
7 application that may be approved by staff or selected board members.
- 8 5. A board may assist in providing education for a licensee or an individual interested in
9 pursuing the regulated occupation or profession.
- 10 6. The governor shall appoint the members of a board as provided by law and may
11 remove a member for cause, misconduct, incapacity, or neglect of duty. After
12 expiration of a board member's term, the board member may continue to serve until
13 the governor makes an appointment to fill the position.
- 14 7. A board shall set and maintain an annual budget and financial statements accounting
15 for fees collected. The board shall maintain an appropriate reserve as determined by
16 the board.
- 17 8. A board may contract for administrative and support services to assist in the operation
18 of the board.
- 19 9. A board may contract with the information technology department and may obtain and
20 purchase services through the information technology department, including electronic
21 mail systems, website services, and cybersecurity services.
- 22 10. Unless otherwise specifically provided by law, a board member who has a direct and
23 substantial personal or pecuniary interest in a matter before the board shall disclose
24 the fact and may not participate in or vote on that matter without the consent of a
25 majority of the board.
- 26 11. Annually, the attorney general shall conduct online or in-person training for new board
27 members. The training must include information regarding open meetings and open
28 records, lobbying, and conflicts of interests. During the first year of a board member's
29 initial term, the board member shall attend the training and after the first year, the
30 board member may attend the training. A board may offer additional orientation
31 training to a new board member.

1 **SECTION 2. AMENDMENT.** Section 54-10-27 of the North Dakota Century Code is
2 amended and reenacted as follows:

3 **54-10-27. Occupational and professional boards - Audits and reports.**

- 4 1. The governing board of any occupational or professional board shall provide for an
5 audit once every two years by a certified public accountant or licensed public
6 accountant. The accountant conducting the audit shall submit the audit report to the
7 state auditor's office. If the report is in the form and style prescribed by the state
8 auditor, the state auditor may not audit that board. An occupational or professional
9 board may request the state auditor to conduct its audit, and if the state auditor agrees
10 to conduct the audit, the state auditor shall deposit the fees charged to the
11 occupational or professional board into the state auditor operating account. The state
12 auditor may charge an occupational or professional board a fee not to exceed ninety
13 dollars an hour for the costs of reviewing the audit report.
- 14 2. Instead of providing for an audit every two years, an occupational or professional
15 board that has less than two ~~hundred thousand~~million dollars of annual receipts may
16 submit an annual report to the state auditor. The report must contain the information
17 required by the state auditor. The state auditor also may make any additional
18 examination or audit determined necessary in addition to the annual report. ~~When a~~
19 ~~report is not filed, the~~The state auditor may charge the occupational or professional
20 board an amount equal to the fair value of the additional examination or audit and any
21 other services rendered. The state auditor may charge an occupational or professional
22 board a fee not to exceed ~~eighty-six~~ninety dollars an hour for the costs of reviewing
23 the annual report.
- 24 3. If an audit report or annual report shows the amount of the unobligated and
25 undesigned balance of a board's operating fund exceeds two hundred fifty thousand
26 dollars, the report must include a statement from the board regarding the board's
27 plans for handling this excess amount.