

JOURNAL OF THE SENATE

Forty-eighth Legislative Assembly

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SIXTIETH DAY

Bismarck, March 30, 1983

The Senate convened at 9:00 a.m., with President Sands presiding.

The prayer was offered by Senator LeRoy Erickson.

Dear Lord, God Almighty, people have elected us to represent them in this great chamber to the task of law-making, law-changing. It is their lives who are affected by our actions.

It is an awesome responsibility to tax people.

It is an awesome responsibility to make laws to change laws.

We ask for Your guidance, wisdom, and love as we set about our tasks to debate, to discuss, to inform, each day before we decide the many issues before us.

Give us also the concern for the needs of our people over their wants. Give us compassion, courage, energy, cheerful spirits, and a sense of humor to carry us along, that we do not lose hope, that we may keep a positive attitude, that we may retain patience and our vision for the future.

As we try to be leaders, help us to remember we want to be good servants. We pray in the name of our Lord and Greatest Servant of all, Jesus Christ. Amen.

ROLL CALL

The roll was called and all Senators were present.

A quorum was declared by the President.

REVISION AND CORRECTION OF THE JOURNAL

MR. PRESIDENT: Your Committee on Revision and Correction of the Journal has carefully examined the Journal of the Fifty-ninth day and finds the same to be correct.

SEN. TWETEN, Chairman

SEN. J. MEYER MOVED that the report be adopted, which motion prevailed.

MOTION

SEN. LIPS MOVED that the Senate request the return of HB 1007 from the House, which motion prevailed.

MESSAGE TO THE HOUSE
SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the Senate requests the return of HB 1007.

Very respectfully,
LEO LEIDHOLM, Secretary

MOTIONS

SEN. KILANDER MOVED that the Senate reconsider the action whereby HB 1473 was passed, which motion prevailed.

SEN. KILANDER MOVED that HB 1473 be rereferred to the Committee on Industry, Business, and Labor, which motion prevailed.

APPOINTMENT OF CONFERENCE COMMITTEES

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1011, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1011:

Sens. Fritzell, Tweten, Heigaard

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1014, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1014:

Sens. Naaden, Tennefos, Grotberg

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1015, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1015:

Sens. Fritzell, Streibel, Stromme

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1019, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1019:

Sens. Fritzell, Tweten, Walsh

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1020, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1020:

Sens. Naaden, Tweten, Tallackson

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1021, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1021:

Sens. Naaden, Wenstrom, Stromme

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1022, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1022:

Sens. Naaden, Tweten, Walsh

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1023, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1023:

Sens. Tweten, Nelson, Tallackson

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1024, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1024:

Sens. Thane, Wenstrom, Walsh

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1027, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1027:

Sens. Naaden, Nelson, Stromme

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1030, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1030:

Sens. Tennefos, Fritzell, Walsh

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1031, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1031:

Sens. Nelson, Tennefos, Heigaard

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1032, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1032:

Sens. Nelson, Tennefos, Heigaard

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1033, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1033:

Sens. Fritzell, Tennefos, Heigaard

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1034, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1034:

Sens. Lips, Thane, Grotberg

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1036, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1036:

Sens. Tennefos, Wenstrom, Grotberg

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1037, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1037:

Sens. Fritzell, Tennefos, Heigaard

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1038, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1038:

Sens. Wenstrom, Fritzell, Walsh

SEN. MUTCH MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1336, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1336:

Sens. Dykshoorn, Kilander, Satrom

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1429, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1429:

Sens. Thane, Streibel, Tallackson

MESSAGE FROM THE HOUSE
HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith the following which the House has passed unchanged:

SCR 4053, SCR 4054

Very respectfully,
CHARLES FLEMING, Chief Clerk

MOTION

SEN. NETHING MOVED that the Senate stand at recess until 10:30 a.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Sands presiding.

MESSAGE FROM THE HOUSE
HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith the following which the Senate has requested:

HB 1007

Very respectfully,
CHARLES FLEMING, Chief Clerk

MOTION

SEN. LIPS MOVED that HB 1007 be rereferred to the Committee on Appropriations, which motion prevailed.

REPORTS OF STANDING COMMITTEES

MR. PRESIDENT: Your Committee on Judiciary to which was referred HB 1643 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and

reenact subsection 3 of section 16.1-08-02 of the North Dakota Century Code and sections 16.1-08.1-02 and 16.1-08.1-03 of the North Dakota Century Code as amended by sections 3 and 4 of Senate Bill No. 2268, as approved by the forty-eighth legislative assembly, relating to the reporting of campaign contributions.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 3 of section 16.1-08-02 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. All political committees formed for the purpose of administering the segregated fund provided for herein shall file a statement listing all contributions received in excess of one hundred dollars in the aggregate for the calendar year covered by the statement, showing the name and mailing address of each contributor of an amount in excess of one hundred dollars in the aggregate for the calendar year covered by the statement, and a listing of all disbursements made for political purposes, no later than October fifteenth of each calendar year with the office of secretary of state. Within thirty days of the close of the calendar year all political committees shall file a supplemental statement in the same form for the last three months of the calendar year.
 - a. The form of all statements required by this chapter shall be as prescribed by the secretary of state.
 - b. The secretary of state may arrange an audit of any statement filed pursuant to this chapter. The secretary of state shall arrange an audit of any statement that the attorney general requests to be audited. The results of the audit shall be reported to the attorney general.
 - c. Records and statements shall be preserved by the secretary of state for a period of four years from the date of filing. The records and statements are public records and shall be open to public inspection.

SECTION 2. AMENDMENT. Section 16.1-08.1-02 of the North Dakota Century Code as contained in section 3 of Senate Bill No. 2268, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

16.1-08.1-02. Statement required of candidates - Contents - Additional statements. Any candidate for a public office at any general, primary, or special election, or any candidate who sought a public office or is seeking a public office and who is soliciting or accepting contributions for any political purpose, shall make and file a statement in accordance with this section. The statement shall contain a detailed statement of all contributions received from each individual or a political committee which exceed one hundred dollars in the aggregate for the calendar year.

The statement shall include the name and mailing address of all contributors listed. All statements filed pursuant to this section shall be consecutive and, taken together, shall cover the entire calendar year's receipts up through the cutoff date for each statement. In determining the amount of individual contributions from any contributor, all amounts received from the same contributor during the reporting period shall be aggregated for the purposes of the statements required by this chapter.

The statement required of a candidate shall be filed with the secretary of state no later than ~~4:00~~ four p.m. on the tenth day prior to the date of the general, primary, or special election in which the candidate's name appears on the ballot or in which the candidate seeks election through write-in votes complete from the beginning of that calendar year through the fifteenth day prior to the date of the general, primary, or special election. A complete statement for the entire calendar year shall be filed no later than ~~4:00~~ four p.m. on the ~~fifteenth~~ thirtieth day of January of the following calendar year, regardless of whether the candidate's name appeared on the ballot for any office during that calendar year or whether the candidate did not seek election at any election through write-in votes. If the filing date falls on a Saturday or Sunday or a holiday on which the office of the secretary of state is closed, the report shall be filed no later than ~~4:00~~ four p.m. on the next business day on which the office of the secretary of state is open.

The form of all statements required by this chapter shall be as prescribed by the secretary of

state. Statements of a legislative candidate shall be filed in the office of the county auditor of the candidate's county of residence under the same limitations as apply to the filing of statements with the secretary of state. Statements of state office candidates and any other required statements shall be filed in the office of the secretary of state.

No candidate shall be required to file any statement required by this chapter if the candidate has not received any contributions in excess of one hundred dollars during the calendar year.

SECTION 3. AMENDMENT. Section 16.1-08.1-03 of the North Dakota Century Code as contained in section 4 of Senate Bill No. 2268, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

16.1-08.1-03. Contributions statement required of political parties. Any political party which receives contributions in excess of one hundred dollars and which contributes money to a candidate in excess of one hundred dollars shall, within fifteen days of the close of the calendar year, do one of the following:

1. File a statement listing the total amount contributed to or expended on behalf of a candidate or candidates.
2. File a statement containing a detailed list of all contributions received from an individual or political committee which exceed one hundred dollars in amount. The statement shall include the name and mailing address of all contributors listed.

Any such statement shall be filed with the secretary of state no later than ~~4-00~~ four p.m. on the ~~fifteenth~~ thirtieth day of January following the close of the calendar year which is the subject of the statement. If the filing date falls on a Saturday or Sunday or a holiday on which the office of the secretary of state is closed, the statement shall be filed on the next available day on which the office of the secretary of state is open."

And renumber the lines and pages accordingly

SEN. CHRISTENSEN, Chairman

HB 1643 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Finance and Taxation to which was referred HB 1727 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

In lieu of the amendments to engrossed House Bill No. 1727 adopted by the Senate as found on pages 1627 through 1629 of the Senate Journal, engrossed House Bill No. 1727 is amended as follows:

On page 1 of the engrossed bill, line 1, after the word "to" insert the words "create and enact a new section to chapter 57-39.2 and a new section to chapter 57-40.2 of the North Dakota Century Code, providing a deduction to reimburse retailers for administrative expenses in connection with collection and payment of sales and use taxes; to"

On page 1 of the engrossed bill, line 8, delete the words "; to provide an" and insert in lieu thereof the words ", relating to a definition of calendar quarter and to payment of coal facilities privilege tax by plants not electrical generating plants; and to provide an effective date and an expiration date."

On page 1 of the engrossed bill, delete line 9

On page 2 of the engrossed bill, line 32, delete the word "twentieth" and insert in lieu thereof the word "twenty-second"

On page 2 of the engrossed bill, line 33, delete the word "ninety" and insert in lieu thereof the word "seventy"

On page 3 of the engrossed bill, line 9, delete the word "ninety" and insert in lieu thereof the word "seventy"

On page 3 of the engrossed bill, line 12, delete the word "ninety" and insert in lieu thereof the word "seventy"

On page 3 of the engrossed bill, line 19, delete the word "ninety" and insert in lieu thereof the word "seventy"

On page 3 of the engrossed bill, line 22, delete the word "four" and insert in lieu thereof the word "ten"

On page 3 of the engrossed bill, after line 30, insert the following new section:

"SECTION 3. A new section to chapter 57-39.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

Deduction to reimburse retailer for administrative expenses.

1. A retailer who files the monthly return required by section 57-39.2-12 and pays the tax due on the return within the time limitations prescribed by this chapter may deduct and retain two percent of the tax due on the return.
2. The aggregate of deductions allowed by this section and section 5 of this Act may not exceed two hundred dollars per month for each business location which has been issued a sales tax permit by the commissioner.
3. The deduction allowed retailers by this section is to reimburse retailers for expenses incurred in keeping records, preparing and filing returns, remitting the tax, and supplying information to the commissioner upon request."

On page 6 of the engrossed bill, line 28, delete the word "four" and insert in lieu thereof the word "ten"

On page 6 of the engrossed bill, line 30, delete the word "twentieth" and insert in lieu thereof the word "twenty-second"

On page 7 of the engrossed bill, line 6, delete the word "four" and insert in lieu thereof the word "ten"

On page 7 of the engrossed bill, after line 31, insert the following new section:

"SECTION 5. A new section to chapter 57-40.2 of the North Dakota Century Code is hereby created and enacted to read as follows:

Deduction to reimburse retailer for administrative expenses.

1. A retailer who pays the tax due and files the monthly return required by section 57-40.2-07 within the time limitations prescribed may deduct and retain two percent of the tax due on the return.

2. The aggregate of deductions allowed by this section and section 3 of this Act may not exceed two hundred dollars per month for each business location which has been issued a sales tax permit by the commissioner.
3. The deduction allowed retailers by this section is to reimburse retailers for expenses incurred in keeping records, preparing and filing returns, remitting the tax, and supplying information to the commissioner upon request."

On page 8 of the engrossed bill, line 15, after the period insert the following new sentence: "The penalty does not apply if ninety-five percent of the tax due has been paid with the monthly return and the taxpayer files an amended monthly return and pays the total tax due within sixty days from the original due date."

On page 12 of the engrossed bill, line 17, overstrike the words "subsection 2"

On page 12 of the engrossed bill, line 18, overstrike the word "of"

On page 15 of the engrossed bill, delete lines 1 through 9 and insert in lieu thereof the following new section:

"SECTION 15. EFFECTIVE DATE - EXPIRATION DATE.

Sections 1 through 5 of this Act are effective only for taxes accruing from April 1, 1985, through June 30, 1985, and are ineffective for taxes accruing after June 30, 1985. The provisions of sections 57-39.2-11, 57-39.2-12, and 57-40.2-07 as they existed on March 31, 1985, shall be in effect for taxes accruing after June 30, 1985."

And renumber the lines, sections, and pages accordingly

SEN. GOODMAN, Chairman

HB 1727 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Political Subdivisions to which was referred HB 1730 has had the same under consideration and recommends that the same DO NOT PASS.

SEN. HOLMBERG, Chairman

HB 1730 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

CONSIDERATION OF AMENDMENTS

SEN. GOODMAN MOVED that the amendments to SB 2493 as recommended by the Committee on Finance and Taxation as printed on pages 1936-1945 of the Senate Journal be adopted, which motion prevailed.

MESSAGE TO THE HOUSE

SENATE CHAMBER

MADAM SPEAKER: I have the honor to return herewith the following which the Senate has amended:

HB 1052

Very respectfully,
LEO LEIDHOLM, Secretary

MESSAGE FROM THE HOUSE

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to inform you that the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2047: Reps. Stofferahn, C. Williams, Swiontek
SB 2068: Reps. E. Pomeroy, A. Williams, Martinson
SB 2431: Reps. G. Pomeroy, Schneider, Timm

Very respectfully,
CHARLES FLEMING, Chief Clerk

MOTION

SEN. NOTHING MOVED that the Senate stand in recess until 1:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Sands presiding.

CONSIDERATION OF MESSAGE FROM HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2092 as printed on pages 1800 and 1801 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2092:

Sens. Thane, Naaden, Stromme

MESSAGES TO THE HOUSE

SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the Senate has refused to concur in the House amendments to SB 2092, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2092: Sens. Thane, Naaden, Stromme

Very respectfully,
LEO LEIDHOLM, Secretary

SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the President has appointed as a conference committee to act with a like committee from the House on:

HB 1011: Sens. Fritzell, Tweten, Heigaard
HB 1014: Sens. Naaden, Tennefos, Grotberg
HB 1015: Sens. Fritzell, Streibel, Stromme
HB 1019: Sens. Fritzell, Tweten, Walsh
HB 1020: Sens. Naaden, Tweten, Tallackson
HB 1021: Sens. Naaden, Wenstrom, Stromme

Very respectfully,
LEO LEIDHOLM, Secretary

SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the President has appointed as a conference committee to act with a like committee from the House on:

HB 1022: Sens. Naaden, Tweten, Walsh
HB 1023: Sens. Tweten, Nelson, Tallackson
HB 1024: Sens. Thane, Wenstrom, Walsh
HB 1027: Sens. Naaden, Nelson, Stromme
HB 1030: Sens. Tennefos, Fritzell, Walsh
HB 1031: Sens. Nelson, Tennefos, Heigaard

Very respectfully,
LEO LEIDHOLM, Secretary

SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the President has appointed as a conference committee to act with a like committee from the House on:

HB 1032: Sens. Nelson, Tennefos, Heigaard
HB 1033: Sens. Fritzell, Tennefos, Heigaard
HB 1034: Sens. Lips, Thane, Grotberg
HB 1036: Sens. Tennefos, Wenstrom, Grotberg
HB 1037: Sens. Fritzell, Tennefos, Heigaard
HB 1038: Sens. Wenstrom, Fritzell, Walsh

Very respectfully,
LEO LEIDHOLM, Secretary

SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the President has appointed as a conference committee to act with a like committee from the House on:

HB 1336: Sens. Dykshoorn, Kilander, Satrom

HB 1429: Sens. Thane, Streibel, Tallackson

Very respectfully,
LEO LEIDHOLM, Secretary

MESSAGES FROM THE HOUSE

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith the following which the House has failed to pass:

SB 2239

Very respectfully,
CHARLES FLEMING, Chief Clerk

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith SB 2018, SB 2020, SB 2037, SB 2039, SB 2040, SB 2044, SB 2277, and SB 2413 which the House has amended as follows:

HOUSE AMENDMENTS TO SB 2018

On page 1, line 14, delete the numeral "\$1,000,000", and insert in lieu thereof the numeral "\$750,000"

On page 1, line 15, delete the numeral "\$1,000,000", and insert in lieu thereof the numeral "\$750,000"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment decreases the amount by \$250,000. Past experience indicated that this fund may not need more than \$750,000.

HOUSE AMENDMENTS TO SB 2020

On page 1 of the engrossed bill, line 2, delete the words "and authorizing a board of"

On page 1 of the engrossed bill, line 3, delete the words "university and school lands loan" and insert in lieu thereof the words "; authorizing a developmentally disabled facility loan fund", and delete the word "construction,"

On page 1 of the engrossed bill, line 4, delete the words "reconstruction, and acquisition" and insert in lieu thereof the word "establishment"

On page 1 of the engrossed bill, line 5, after the word "disabled" insert the words ", chronically mentally ill, and physically disabled" and after the word "persons" and before the period insert the words "; and authorizing the board of university and school

lands to invest in a developmentally disabled facility loan fund program"

- On page 1 of the engrossed bill, line 18, delete the numerals "34,132,917" and insert in lieu thereof the numerals "34,921,452"
- On page 1 of the engrossed bill, line 24, delete the numerals "189,228,007" and insert in lieu thereof the numerals "192,893,296"
- On page 1 of the engrossed bill, line 25, delete the numerals "380,984,613" and insert in lieu thereof the numerals "385,438,437"
- On page 1 of the engrossed bill, line 26, delete the numerals "250,811,975" and insert in lieu thereof the numerals "253,764,321"
- On page 1 of the engrossed bill, line 27, delete the numerals "130,172,638" and insert in lieu thereof the numerals "131,674,116"
- On page 2 of the engrossed bill, line 2, delete the numerals "205,621" and insert in lieu thereof the numerals "210,475"
- On page 2 of the engrossed bill, line 5, delete the numerals "818,126" and insert in lieu thereof the numerals "822,980"
- On page 2 of the engrossed bill, line 6, delete the numerals "597,590" and insert in lieu thereof the numerals "599,017"
- On page 2 of the engrossed bill, line 7, delete the numerals "220,536" and insert in lieu thereof the numerals "223,963"
- On page 2 of the engrossed bill, line 8, delete the numerals "130,393,174" and insert in lieu thereof the numerals "131,898,079"
- On page 2 of the engrossed bill, line 9, delete the numerals "251,409,565" and insert in lieu thereof the numerals "255,507,638"
- On page 2 of the engrossed bill, line 10, delete the numerals "381,802,739" and insert in lieu thereof the numerals "387,405,717"
- On page 2 of the engrossed bill, delete lines 16 through 30 and insert in lieu thereof the following new sections:

"SECTION 3. DEVELOPMENTALLY DISABLED FACILITY LOAN FUND PROGRAM NO. 2. There is hereby created a developmentally disabled facility loan fund program no. 2 for the purpose of making loans to nonprofit corporations, organized in the localities in which facilities are proposed to be located, for project costs, including the cost of real estate, construction, reconstruction, acquisition, furnishings, and equipment, and administrative costs related to the establishment thereof, of facilities for developmentally disabled, chronically mentally ill, and physically disabled persons. The loan fund may borrow an amount not to exceed five million dollars from the common school trust fund to finance the program. The loan shall be repaid from any moneys in the lands and minerals trust fund not otherwise appropriated. Any interest earned by the loan fund before loans are made shall be credited by the Bank to the lands and minerals trust fund. The loan fund program shall be administered by the Bank of North Dakota in the same manner the Bank administers the program established by chapter 6-09.6, except that all payments of principal and interest shall be credited by the Bank to the lands and minerals trust fund after the Bank has deducted a service fee for administering the program equivalent to an annual fee of one-half of one percent of the principal balance of the outstanding loans.

SECTION 4. LOAN AUTHORITY. The board of university and school lands is hereby authorized to invest an amount not to exceed five million dollars from the common school trust fund in the developmentally disabled facility loan fund program no. 2. The term of this investment shall not exceed twenty-five years and the rate of interest shall not exceed ten and one-half percent. The common school trust fund shall have a security interest in the properties of the lands and minerals trust fund in the amount of the loan.

SECTION 5. APPROPRIATION. There is hereby appropriated out of any moneys in the lands and minerals trust fund, not otherwise appropriated, the sum of \$1,144,300, or so much thereof as may be necessary, for the purpose of making payments of principal and interest to the common school trust fund on any loans made from it pursuant to section 3, for the biennium beginning July 1, 1983, and ending June 30, 1985.

SECTION 6. PSYCHIATRIC RESIDENCY PROGRAM. It is the intent of the legislative assembly that the

department of human services be permitted to continue the psychiatric residency program in cooperation with the university of North Dakota within the limits of available appropriations.

SECTION 7. FACILITY STAFF TRAINING. It is the intent of the legislative assembly that the department of human services design and implement a facility staff training system in cooperation with the director of institutions and the board of higher education to assure adequate and appropriate staff development and training for the providers of community-based care on behalf of developmentally disabled persons.

SECTION 8. COMPREHENSIVE COMMUNITY RESIDENTIAL PROGRAM. It is the intent of the legislative assembly that the department of human services implement a comprehensive community residential program for developmentally disabled children, including the use of intermediate care facilities and other such foster home and group home resources as deemed appropriate."

And renumber the lines, sections, and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Department of Human Services

The salaries and wages line item is increased by \$788,535, of which \$701,796 is from the general fund and \$86,739 is from other funds. This increase will allow funds for four percent salary increases the first year of the biennium and no salary increases in the second year. A contingent salary increase of two percent in the second year amounting to \$331,524 is to be provided in a separate appropriation bill.

The other grants, benefits, and claims line item is adjusted as follows:

	<u>Adjustment</u>	<u>Total</u>	<u>General Fund</u>	<u>Estimated Income</u>
1. Increased to provide a four percent increase in AFDC payments the first year and two percent the second year. The basic requirement increase from the current \$437 per month to \$454 for the first year and \$463 for the second year.		\$ 871,363	\$277,025	\$ 594,338

2. Increased Title XIX grants for ICF/MR at Grafton/San Haven as a result of increases in salaries at those two institutions.	452,115	180,846	271,269
3. Increased to provide funds for the increased state's share of boarding care costs as contained in House Bill No. 1575; \$317,291 of the \$528,818 increase has been removed from the Department of Public Instruction budget for in-state boarding costs. House Bill No. 1575 provides that all boarding care costs for handicapped students be paid by the Department of Human Services.	528,818	528,818	
4. Increased to provide funds for House Bill No. 1644, which increases the state's responsibility for reimbursement to counties for general assistance supplementary payments for individuals residing in adult family care homes from 50 percent to 80 percent.	1,109,067	1,109,067	
5. Adjustment to reflect the Department of Human Services receiving a Title XIX waiver for certain developmentally disabled services.	-0-	(2,000,000)	2,000,000
6. Increased to provide funds for House Bill No. 1236 which increases the state's share from 50 percent to 100 percent of the amount expended to furnish care to mentally retarded persons who reside in boarding homes for the aged and infirm.	703,926	703,926	
Total adjustment to other grants, benefits, and claims line item	\$3,665,289	\$799,682	\$2,865,607

Governor's Council on Human Resources

The salaries and wages line item is increased by \$4,854, of which \$3,427 is from the general fund and \$1,427 is from other funds. This increase will allow funds for four percent salary increases the first year of the biennium and no salary increases in the second year. A contingent salary increase of two percent in the second year amounting to \$2,039 is to be provided in a separate appropriation bill.

In addition, new Sections 3, 4, and 5 are added to create a Developmentally Disabled Loan Fund Program No. 2 for facilities for developmentally disabled, chronically mentally ill, and physically disabled persons; to give the Board of University and School Lands the authority to invest up to \$5 million from the common school trust fund in the Developmentally Disabled Faculty Loan Fund Program No. 2; and to appropriate \$1,144,300 from the lands and minerals trust fund for the purpose of making payments of principal and interest to the common school trust fund.

The new Section 6 allows the Department of Human Services to continue the psychiatric residency program in cooperation with the University of North Dakota should funds be available in the next biennium. The new Section 7 provides direction to the Department of Human Services in the establishment of a facility staff training program to assure adequate and appropriate staff development and training for providers of community-based care of developmentally disabled persons.

The new Section 8 states it is the Legislative Assembly's intent that the Department of Human Services implement a comprehensive community residential program for developmentally disabled children.

HOUSE AMENDMENTS TO SB 2037

On page 1 of the reengrossed bill, line 13, delete the numerals "19,171,300" and insert in lieu thereof the numerals "26,671,300"

On page 1 of the reengrossed bill, line 14, delete the numerals "19,171,300" and insert in lieu thereof the numerals "26,671,300"

On page 1 of the reengrossed bill, delete lines 19 through 27

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

To add \$7,500,000 to the distribution of general fund revenue to local political subdivisions to reflect five

percent of estimated increase in general fund revenues due to increased sales, use, and income tax rates.

HOUSE AMENDMENTS TO SB 2039

On page 1 of the engrossed bill, line 14, delete the numerals "214,196" and insert in lieu thereof the numerals "218,806"

On page 1 of the engrossed bill, after line 17, insert the following line:

"Coal reclamation research grants 500,000"

On page 1 of the engrossed bill, line 19, delete the numerals "20,147,621" and insert in lieu thereof the numerals "20,652,231"

On page 1 of the engrossed bill, line 20, delete the numerals "15,011,008" and insert in lieu thereof the numerals "15,513,313"

On page 1 of the engrossed bill, line 21, delete the numerals "5,136,613" and insert in lieu thereof the numerals "5,138,918"

On page 2 of the engrossed bill, after line 5, insert the following new section:

"SECTION 4. TRANSFER. There is hereby authorized, as included in the coal reclamation research grant line item in section 1 of this Act, a transfer of \$500,000, or so much thereof as may be necessary, from the coal development impact fund for the purposes of funding the coal reclamation research project. Such funds shall be transferred by the director of the energy development impact office from the reclamation research line item of the coal development impact fund to the land reclamation research center operating fund, upon receipt of an itemized statement of expenditures from the land reclamation research center."

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Energy Development Impact Office

The salaries and wages line item is increased by \$4,610: \$2,305 from the general fund and \$2,305 from other funds. This increase will allow funds for four percent salary increases the first year of the biennium and no salary increases in the second year. A contingent salary increase

of two percent in the second year amounting to \$1,956 is to be provided in a separate appropriation bill.

This amendment adds a new line item entitled coal reclamation research grant in the amount of \$500,000 to provide funding for the coal reclamation research project from the coal development impact fund. A new section is added to the bill to authorize a transfer of these funds to the land reclamation research center operating fund.

HOUSE AMENDMENTS TO SB 2040

On page 1 of the engrossed bill, line 14, delete the numerals "5,318,089" and insert in lieu thereof the numerals "5,435,302"

On page 1 of the engrossed bill, line 22, delete the numerals "12,171,395" and insert in lieu thereof the numerals "12,288,608"

On page 2 of the engrossed bill, line 11, delete the numerals "13,671,395" and insert in lieu thereof the numerals "13,788,608"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

The salaries and wages line item of the State Game and Fish Department is increased by \$117,213 from other funds. This increase will allow funds for four percent salary increases the first year of the biennium and no salary increases in the second year. A contingent salary increase of two percent in the second year amounting to \$49,259 is to be provided in a separate appropriation bill.

HOUSE AMENDMENTS TO SB 2044

In addition to the amendments to Senate Bill No. 2044 as found on pages 2073 and 2074 of the House Journal, Senate Bill No. 2044 is amended as follows:

On page 1, line 18, delete the words "sections 57-38-07, 57-38-29, and 57-38-30" and insert in lieu thereof the words "chapter 57-38"

And renumber the lines and pages accordingly

HOUSE AMENDMENTS TO SB 2277

On page 1 of the engrossed bill, line 1, delete the word "section" and insert in lieu thereof the word "sections", and after the numerals "15-40.1-07" insert the words "and 15-41-06"

On page 1 of the engrossed bill, line 3, after the word "payments" and before the period insert the words

"and coursework requirements for high school students"

On page 3 of the engrossed bill, after line 18, insert the following new section:

"SECTION 2. AMENDMENT. Section 15-41-06 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-41-06. High school courses - Requirements - Credits. Four units of high school work shall be considered the minimum number of any year from the ninth grade ~~to~~ through the twelfth grade, except that students in their fourth year of standard high school coursework may be enrolled in fewer than four units if the students require fewer than four units for graduation in that year and if they are enrolled in an equivalent number of academic or vocational coursework hours at any one of the following: an institution under the control and administration of the state board of higher education, Jamestown college, Mary college, Bismarck junior college, Lake Region community college, the university of North Dakota-Williston, or a tribally controlled community college located in this state. In addition, students from the ages of sixteen through eighteen who are enrolled in approved alternative high school education programs may be enrolled in fewer than four units of standard high school coursework. All unit courses shall be taught a minimum of forty minutes a day for at least one hundred eighty days, subject to the provisions of section 15-47-33, except that all natural science courses shall exceed forty minutes to such an extent as may be determined by the superintendent of public instruction. In all high schools and in all schools maintaining any of the grades from the ninth to the twelfth and doing high school work, it shall be made possible for each grade to complete four units of work each year. The work which is done by pupils in any school which does not conform to the requirements contained in this section shall not be accredited by the superintendent of public instruction through state high school examinations or otherwise."

And renumber the lines and pages accordingly

HOUSE AMENDMENTS TO SB 2413

In lieu of the amendments to Engrossed Senate Bill No. 2413 adopted by the House as found on page 2007 of the House Journal, Senate Bill No. 2413 is amended as follows:

On page 1 of the engrossed bill, line 16, after the word "to" insert the word "such" and after the word "damages" insert the words "as defined in section 32-21-02."

On page 1 of the engrossed bill, line 16, delete the word "for:"

On page 1 of the engrossed bill, delete lines 17 through 24

And renumber the lines and pages accordingly

Very respectfully,
CHARLES FLEMING, Chief Clerk

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to transmit herewith the following which the Speaker has signed and your signature is respectfully requested:

HB 1582, HB 1618, HCR 3020, HCR 3087

Very respectfully,
CHARLES FLEMING, Chief Clerk

REPORT OF PROCEDURAL COMMITTEE

MR. PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that they have examined the following bills and find the same correctly enrolled:

SB 2062, SB 2084, SB 2125, SB 2145, SB 2189, SB 2224,
SB 2267, SB 2294, SB 2319, SB 2321, SB 2382, SB 2386,
SB 2404, SB 2447, SB 2448, SB 2465, SB 2474, SCR 4030,
SCR 4043

SEN. FRITZELL, Chairman

SEN. DYKSHOORN MOVED that the report be adopted, which motion prevailed.

REPORTS OF CONFERENCE COMMITTEES

MR. PRESIDENT: Your Conference Committee to which was referred SB 2199 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on pages 1303 and 1304 of the Senate Journal and that SB 2199 be amended as follows:

On page 1, line 3, after the word "schoolbus" insert the words "and school vehicle"

On page 1, line 9, after the word "schoolbus" insert the words "and school vehicle"

On page 1, line 10, after the word "schoolbus" insert the words "or a school vehicle"

On page 1, line 23, overstrike the words "All drivers over the age of sixty-five must"

On page 1, overstrike lines 24 through 27

On page 1, line 28, overstrike the words "capacity of seventeen or more passengers." and insert immediately thereafter the following sentence: "This section does not prohibit regular members of the faculty of an elementary or high school from operating vehicles for the purpose of transporting students to regular or special events related to the educational programs in which the students are enrolled."

And renumber the lines and pages accordingly

For the Senate: Sens. Bakewell, Erickson, Berube

For the House: Reps. Halmrast, O'Connell, Black

SB 2199 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2219 has had the same under consideration and recommends that your conference committee, having been unable to agree, recommends that the conference committee be discharged and a new conference committee be appointed.

For the Senate: Sens. Olson, Holmberg, Waldera

For the House: Reps. Koski, Gerl, Black

SB 2219 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2245 has had the same under consideration and recommends that the SENATE ACCEDE to the House amendments as found on page 1767 of the Senate Journal and that Engrossed SB 2245 be amended as follows:

On page 1 of the engrossed bill, line 2, delete the word "three" and insert in lieu thereof the word "one"

On page 1 of the engrossed bill, line 2, delete the word "sections" and insert in lieu thereof the word "section"

On page 1 of the engrossed bill, line 6, delete the word ", and"

On page 1 of the engrossed bill, delete line 7

On page 1 of the engrossed bill, line 8, delete the words "gas stations, and grocery stores"

And renumber the lines, sections, and pages accordingly

For the Senate: Sens. Todd, Stenehjem, J. Meyer

For the House: Reps. Hill, Stofferahn, A. Olson

SB 2245 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2473 has had the same under consideration and recommends that the SENATE ACCEDE to the House amendments as found on pages 1813-1815 of the Senate Journal.

For the Senate: Sens. David, Dykshoorn, Satrom

For the House: Reps. E. Pomeroy, R. Meiers, Kretschmar

SB 2473 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MOTIONS

SEN. LIPS MOVED that HB 1007 be returned to the Senate floor from the Committee on Appropriations, which motion prevailed.

SEN. LIPS MOVED that the Senate reconsider the action whereby HB 1007 was passed, which motion prevailed on a division vote.

SEN. LIPS MOVED that HB 1007 be referred back to the Committee on Appropriations, which motion prevailed.

MOTION

SEN. NOTHING MOVED that the Senate stand in recess until 2:30 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Sands presiding.

MOTION

SEN. NOTHING MOVED that the rules be suspended, that SB 2493 be placed at the head of the Eleventh order, as amended, for second reading and final passage, which motion prevailed.

SECOND READING OF A SENATE BILL

SB 2493: A BILL for an Act to amend and reenact sections 26-01-11, 26-16-10, 26-27-13, and 26-40-14 of the North Dakota Century Code, or in the alternative to amend and reenact sections 26.1-03-17, 26.1-09-10, 26.1-14-13, and 26.1-17-10 of the North Dakota Century Code as created by House Bill No. 1054 and amended by House Bill No. 1068, as approved by the forty-eighth legislative assembly, relating to insurance premium taxes; to provide for retroactive application; to provide a penalty; and to declare an emergency.

Which has been read.

SEN. MATCHIE MOVED that SB 2493 be amended as follows:

On page 1, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and reenact sections 26-01-11, 26-16-10, 26-27-13, and 26-40-14 of the North Dakota Century Code, or in the alternative to amend and reenact sections 26.1-03-17, 26.1-09-10, 26.1-14-13, and 26.1-17-10 of the North Dakota Century Code as created by House Bill No. 1054 and amended by House Bill No. 1068, as approved by the forty-eighth legislative assembly, relating to insurance premium taxes; to provide for retroactive application; to provide a penalty; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE
STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. If House Bill No. 1054 and House Bill No. 1068 do not become effective, section 26-01-11 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-01-11. Commissioner of insurance to collect premium tax - Insurance companies generally - ~~Domestic fire insurance companies--~~ Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner of insurance shall collect the following ~~annual taxes from insurance companies doing business within the state-~~
- 1- ~~From from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year, such with respect to all lines of insurance except accident and sickness insurance and a tax of one-half of one percent of the gross amount of premiums, assessments, membership fees, subscriber fees, policy fees, and finance and service charges with respect to~~

accident and sickness insurance. The tax to be is payable at the time when the annual statement of business required by law is filed, provided, however, that on or before March first of each year and shall be deposited in the general fund in the state treasury. However, this tax shall not apply to considerations for annuities.

2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. Such tax shall be collected for the purpose of assisting in the maintenance of the fire marshal's department and shall be payable on or before March first in each year. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for an amount equal to the examination fees paid to the commissioner under section 26-01-04 and sections 26-01-06 through 26-01-10 and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.
3. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of the tax for each day of delay, excepting the first day after the tax became due.

SECTION 2. AMENDMENT. If House Bill No. 1054 does not become effective but House Bill No. 1068 does become effective, section 26-01-11 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-01-11. Commissioner of insurance to collect premium tax - Insurance companies generally - Domestic fire insurance companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner of insurance shall collect the following annual taxes from insurance companies doing business within the state-
 - 1- From from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year, such with respect to all lines of insurance except accident and sickness insurance and a tax of one-half of one percent of the gross amount of premiums, assessments, membership fees, subscriber fees, policy fees, and finance and service charges with respect to accident and sickness insurance. The tax to be is payable at the time when the annual statement of business required by law is filed; provided, however, that on or before March first of each year and shall be deposited in the general fund in the state treasury. However, this tax shall not apply to considerations for annuities.
2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. Such tax shall be collected for the purpose of assisting in the maintenance of the fire marshal's department and shall be payable on or before March first in each year. The An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax

imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid by any as a member of a comprehensive health association under subsection 4 of section 26-16.1-08 is a credit against the premium and income tax for which the member may be liable for the year in which the assessment was paid, a credit for an amount equal to the examination fees paid to the commissioner under section 26-01-04 and sections 26-01-06 through 26-01-10, and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.

3. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of the tax for each day of delay, excepting the first day after the tax became due.

SECTION 3. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-16-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-16-10. Attorney's license fee and gross premium tax in lieu of other taxes. The attorney, in lieu of all other state, county, or municipal fees and taxes of any and every character in this state, shall pay annually to the state, on account of the transaction of the reciprocal or interinsurance exchange business in this state, a license fee of fifteen dollars and a tax of two and one-half percent of as provided by section 26-01-11 on the gross premiums or deposits collected from subscribers in this state after deducting therefrom all sums returned to such subscribers or credited to their accounts other than for losses.

SECTION 4. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-27-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-27-13. Funds of medical care corporations tax exempt - Insurance premium tax - Law governing charitable organizations applicable. Every corporation subject to the provisions of this chapter is hereby declared to be a charitable and benevolent organization and its funds shall be exempt from taxation by the state or any political subdivision thereof, except for the tax imposed by section 26-01-11. Except as otherwise provided in this chapter, the laws of this state relating to and affecting nonprofit charitable and benevolent corporations shall be applicable to all corporations created under the provisions of this chapter, with the exception that the real property of such corporations shall be subject to taxation.

SECTION 5. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-40-14 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-40-14. Exemption from taxation. The property, income, premiums, and activities of the company are exempt from all taxes and assessments and from any fees specified for licenses and certifications of the insurance laws with the exception of except for the tax imposed by section 26-01-11 and any assessment made by the insurance guaranty association in the event that an affirmative election is held in accordance with section 26-40-12.

SECTION 6. AMENDMENT. If House Bill No. 1068 does not become effective, section 26.1-03-17 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-03-17. Commissioner to collect premium tax - Insurance companies generally - Domestic fire companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner shall collect the following annual taxes from insurance companies doing business within the state-
- 1- From from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except a fraternal benefit society, doing business in this state except steek and mutual companies organized

under the laws of this state, a tax equal in amount to two and one-half percent of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year with respect to all lines of insurance except accident and sickness insurance and a tax of one-half of one percent of the gross amount of premiums, assessments, membership fees, subscriber fees, policy fees, and finance and service charges with respect to accident and sickness insurance. This tax shall not apply to considerations for annuities. The tax is payable at the time when the annual statement of business required by law is filed on or before March first of each year and shall be deposited in the general fund in the state treasury.

2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. The tax is collected for the purpose of assisting in the maintenance of the fire marshal's department and is payable on or before March first of each year. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, and 26.1-03-19 through 26.1-03-22 and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.

3. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of such tax for each day of delay, excepting the first day after the tax became due.

SECTION 7. AMENDMENT. Section 26.1-03-17 of the North Dakota Century Code as created by House Bill No. 1054 and as amended by House Bill No. 1068, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-03-17. Commissioner to collect premium tax - Insurance companies generally - ~~Domestic fire companies--~~ Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner shall collect the following annual taxes from insurance companies doing business within the state-
- 1- From from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except a fraternal benefit society, doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year with respect to all lines of insurance except accident and sickness insurance and a tax of one-half of one percent of the gross amount of premiums, assessments, membership fees, subscriber fees, policy fees, and finance and service charges with respect to accident and sickness insurance. This tax shall does not apply to considerations for annuities. The tax is payable at the time when the annual statement of business required by law is filed on or before March first of each year and shall be deposited in the general fund in the state treasury.

2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. The tax is collected for the purpose of assisting in the maintenance of the fire marshal's department and is payable on or before March first of each year. The An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid by any as a member of a comprehensive health association under subsection 4 of section 26.1-08-09 is a credit against the premium tax for which the member may be liable for the year in which the assessment was paid, a credit against the tax due for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, and 26.1-03-19 through 26.1-03-22, and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.
3. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of such tax for each day of delay, excepting the first day after the tax became due.

SECTION 8. AMENDMENT. Section 26.1-09-10 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly is hereby amended and reenacted to read as follows:

26.1-09-10. Attorney's license fee and gross premium tax in lieu of other taxes. The attorney, in lieu of all other state, county, or municipal fees and taxes of any and every character in this state, shall pay annually to the state, on account of the transaction of the reciprocal or interinsurance exchange business in this state, a license fee of fifteen dollars and a tax of two and one-half percent of as provided by section 26.1-03-17 on the gross premiums or deposits collected from subscribers in this state after deducting therefrom all sums returned to the subscribers or credited to their accounts other than for losses.

SECTION 9. AMENDMENT. Section 26.1-14-13 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-14-13. Exemption from taxation. The property, income, premiums, and activities of the company are exempt from all taxes and assessments and from any fees specified for licenses and certifications of the insurance laws with the exception of except for the tax imposed by section 26.1-03-17 and any assessment made by the insurance guaranty association in the event that an affirmative election is held in accordance with section 26.1-14-15.

SECTION 10. AMENDMENT. Section 26.1-17-10 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-17-10. Nonprofit corporation tax exempt - Insurance premium tax - Law governing charitable organizations applicable. Every nonprofit health service corporation is a charitable and benevolent organization and is exempt from taxation by the state or any political subdivision thereof, except that the tax imposed by section 26.1-03-17 is applicable to a corporation subject to this chapter and the real property of a nonprofit health service corporation is subject to ad valorem taxes and special assessments for special improvements. Except as otherwise provided in this chapter, the laws of this state relating to and affecting nonprofit charitable and benevolent corporations are applicable to all nonprofit health service corporations writing health service contracts.

SECTION 11. RETROACTIVE APPLICATION. This Act is retroactive and applies to taxable years beginning after December 31, 1981. A taxpayer who paid the tax imposed by section 26-01-11 on the 1982 premium year or who paid state income tax for the 1982 tax year before the passage and approval of this Act is entitled to a credit against the tax imposed by this Act in an amount equal to the tax paid. The credit shall be applied against the tax imposed for 1982 and any remaining credit shall be applied against the tax imposed for 1983. The credit may not exceed the tax imposed by this Act for 1982 and 1983. If a taxpayer was not subject to the tax imposed by section 26-01-11 before January 1, 1982, the tax imposed by this Act on that taxpayer is payable within sixty days after the effective date of this Act.

SECTION 12. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval."

And renumber the lines and pages accordingly

SEN. MATCHIE MOVED that the proposed amendments be adopted, which motion lost.

SEN. LASHKOWITZ MOVED that SB 2493 be amended as follows:

On page 1, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and reenact sections 26-01-11, 26-16-10, 26-27-13, and 26-40-14 of the North Dakota Century Code, or in the alternative to amend and reenact sections 26.1-03-17, 26.1-09-10, 26.1-14-13, and 26.1-17-10 of the North Dakota Century Code as created by House Bill No. 1054 and amended by House Bill No. 1068, as approved by the forty-eighth legislative assembly, relating to insurance premium taxes; to provide for retroactive application; to provide for authority to determine surplus, contributed surplus, or reserves; to temporarily restrict rate increases as the result of the tax and require issuance of subpoenas; to provide a penalty; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF THE STATE OF NORTH DAKOTA:

SECTION 1. AMENDMENT. If House Bill No. 1054 and House Bill No. 1068 do not become effective, section 26-01-11 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-01-11. Commissioner of insurance to collect premium tax - Insurance companies generally - Domestic fire insurance companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner of insurance shall collect the following annual taxes from insurance companies doing business within the state:
 - 1- From every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent the percentage, as determined under subsection 2, of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year; such. The tax to be is payable at the time when the annual statement of business required by law is filed; provided, however, that on or before March first of each year and shall be deposited in the general fund in the state treasury. However, this tax shall not apply to considerations for annuities.
2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. Such tax shall be collected for the purpose of assisting in the maintenance of the fire marshal's department and shall be payable on or before March first in each year. The rate of tax paid by an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization is determined by the amount of its surplus, contributed surplus, and reserves. The commissioner of insurance shall ascertain the total surplus, contributed surplus, and reserves of all insurance companies, nonprofit health

service corporations, health maintenance organizations, and prepaid legal service organizations doing business in this state, and from that total shall determine the average surplus, contributed surplus, and reserves of an insurer doing business in this state. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves below the average determined by the commissioner for an insurer writing the same lines of insurance is one percent. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves equal to or exceeding the average for an insurer writing the same lines of insurance is two percent.

3. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for an amount equal to the examination fees paid to the commissioner under section 26-01-04 and sections 26-01-06 through 26-01-10 and a credit against the tax due for 1982, 1983, 1984, 1985, and 1986 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.
4. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of the tax for each day of delay, excepting the first day after the tax became due.

SECTION 2. AMENDMENT. If House Bill No. 1054 does not become effective but House Bill No. 1068 does become effective, section 26-01-11 of the 1981 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-01-11. Commissioner of insurance to collect premium tax - Insurance companies generally - Domestic fire insurance companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner of insurance shall collect the following annual taxes from insurance companies doing business within the state:
 1. From every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent the percentage, as determined under subsection 2, of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year, such. The tax to be is payable at the time when the annual statement of business required by law is filed; provided, however, that on or before March first of each year and shall be deposited in the general fund in the state treasury. However, this tax shall not apply to considerations for annuities.
 2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. Such tax shall be collected for the purpose of assisting in the maintenance of the fire marshal's department and shall be payable on or before March first in each year. The rate of tax paid by an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service

organization is determined by the amount of its surplus, contributed surplus, and reserves. The commission of insurance shall ascertain the total surplus, contributed surplus, and reserves of all insurance companies, nonprofit health service corporations, health maintenance organizations, and prepaid legal service organizations doing business in this state, and from that total shall determine the average surplus, contributed surplus, and reserves of an insurer doing business in this state. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves below the average determined by the commissioner for an insurer writing the same lines of insurance is one percent. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves equal to or exceeding the average for an insurer writing the same lines of insurance is two percent.

3. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid by any as a member of a comprehensive health association under subsection 4 of section 26-16.1-08 is a credit against the premium and income tax for which the member may be liable for the year in which the assessment was paid, a credit for an amount equal to the examination fees paid to the commissioner under section 26-01-04 and sections 26-01-06 through 26-01-10, and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits

under this subsection may not exceed the total tax liability under subsection 1.

4. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of the tax for each day of delay, excepting the first day after the tax became due.

SECTION 3. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-16-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-16-10. Attorney's license fee and gross premium tax in lieu of other taxes. The attorney, in lieu of all other state, county, or municipal fees and taxes of any and every character in this state, shall pay annually to the state, on account of the transaction of the reciprocal or interinsurance exchange business in this state, a license fee of fifteen dollars and a tax of ~~two and one-half percent~~ as provided by section 26-01-11 on the gross premiums or deposits collected from subscribers in this state after deducting therefrom all sums returned to such subscribers or credited to their accounts other than for losses.

SECTION 4. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-27-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

26-27-13. Funds of medical care corporations tax ~~exempt - Insurance premium tax - Law governing charitable organizations applicable.~~ Every corporation subject to the provisions of this chapter is hereby declared to be a charitable and benevolent organization and its funds shall be exempt from taxation by the state or any political subdivision thereof, except for the tax imposed by section 26-01-11. Except as otherwise provided in this chapter, the laws of this state relating to and affecting nonprofit charitable and benevolent corporations shall be applicable to all corporations created under the provisions of this chapter, with the exception that the real property of such corporations shall be subject to taxation.

SECTION 5. AMENDMENT. If House Bill No. 1054 does not become effective, section 26-40-14 of the

North Dakota Century Code is hereby amended and reenacted to read as follows:

26-40-14. Exemption from taxation. The property, income, premiums, and activities of the company are exempt from all taxes and assessments and from any fees specified for licenses and certifications of the insurance laws with the exception of except for the tax imposed by section 26-01-11 and any assessment made by the insurance guaranty association in the event that an affirmative election is held in accordance with section 26-40-12.

SECTION 6. AMENDMENT. If House Bill No. 1068 does not become effective, section 26.1-03-17 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-03-17. Commissioner to collect premium tax - Insurance companies generally - Domestic fire companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner shall collect the following annual taxes from insurance companies doing business within the state-
- 1- From from every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except a fraternal benefit society, doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent the percentage, as determined under subsection 2, of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year. This tax shall does not apply to considerations for annuities. The tax is payable at the time when the annual statement of business required by law is filed on or before March first of each year and shall be deposited in the general fund in the state treasury.
2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax

upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. The tax is collected for the purpose of assisting in the maintenance of the fire marshal's department and is payable on or before March first of each year. The rate of tax paid by an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization is determined by the amount of its surplus, contributed surplus, and reserves. The commissioner of insurance shall ascertain the total surplus, contributed surplus, and reserves of all insurance companies, nonprofit health service corporations, health maintenance organizations, and prepaid legal service organizations doing business in this state, and from that total shall determine the average surplus, contributed surplus, and reserves of an insurer doing business in this state. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves below the average determined by the commissioner for an insurer writing the same lines of insurance is one percent. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves equal to or exceeding the average for an insurer writing the same lines of insurance is two percent.

3. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, and 26.1-03-19 through 26.1-03-22 and a credit

against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.

4. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of such tax for each day of delay, excepting the first day after the tax became due.

SECTION 7. AMENDMENT. Section 26.1-03-17 of the North Dakota Century Code as created by House Bill No. 1054 and as amended by House Bill No. 1068, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-03-17. Commissioner to collect premium tax - Insurance companies generally - Domestic fire companies-- Computation - Credits - Penalty.

1. Before issuing the annual certificate required by law, the commissioner shall collect the following annual taxes from insurance companies doing business within the state-
- 1- From every stock and mutual insurance company, nonprofit health service corporation, health maintenance organization, and prepaid legal service organization, except a fraternal benefit society, doing business in this state except stock and mutual companies organized under the laws of this state, a tax equal in amount to two and one-half percent the percentage, as determined under subsection 2, of the gross amount of premiums, assessments, membership fees, and subscriber fees, policy fees, and finance and service charges received in this state during the preceding year. This tax shall does not apply to considerations for annuities. The tax is payable at the time when the annual statement of business required by law is filed on or before March

first of each year and shall be deposited in the general fund in the state treasury.

2. From every domestic fire insurance company, whether mutual, stock, or otherwise, a tax upon its fire insurance premiums or assessments, or both, equal to one-half of one percent of the gross premiums and assessments, less return premiums on all direct business received by it, or by its agent for it, in cash or otherwise in this state. The tax is collected for the purpose of assisting in the maintenance of the fire marshal's department and is payable on or before March first of each year. The rate of tax paid by an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization is determined by the amount of its surplus, contributed surplus, and reserves. The commissioner of insurance shall ascertain the total surplus, contributed surplus, and reserves of all insurance companies, nonprofit health service corporations, health maintenance organizations, and prepaid legal service organizations doing business in this state, and from that total shall determine the average surplus, contributed surplus, and reserves of an insurer doing business in this state. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves below the average determined by the commissioner for an insurer writing the same lines of insurance is one percent. The percentage rate of tax under subsection 1 of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization having a surplus, contributed surplus, and reserves equal to or exceeding the average for an insurer writing the same lines of insurance is two percent.
3. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit

against the tax due for the amount of any assessment paid by any as a member of a comprehensive health association under subsection 4 of section 26.1-08-09 is a credit against the premium tax for which the member may be liable for the year in which the assessment was paid, a credit against the tax due for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, and 26.1-03-19 through 26.1-03-22, and a credit against the tax due for 1982, 1983, 1984, and 1985 for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection may not exceed the total tax liability under subsection 1.

4. After March 1, 1984, any person failing to pay the tax imposed by subsection 1, within the time required, is subject to a penalty of five percent of the amount of tax due or one hundred dollars, whichever is greater, plus six percent of such tax for each day of delay, excepting the first day after the tax became due.

SECTION 8. AMENDMENT. Section 26.1-09-10 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly is hereby amended and reenacted to read as follows:

26.1-09-10. Attorney's license fee and gross premium tax in lieu of other taxes. The attorney, in lieu of all other state, county, or municipal fees and taxes of any and every character in this state, shall pay annually to the state, on account of the transaction of the reciprocal or interinsurance exchange business in this state, a license fee of fifteen dollars and a tax of two and one-half percent of as provided by section 26.1-03-17 on the gross premiums or deposits collected from subscribers in this state after deducting therefrom all sums returned to the subscribers or credited to their accounts other than for losses.

SECTION 9. AMENDMENT. Section 26.1-14-13 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth

legislative assembly, is hereby amended and reenacted to read as follows:

26.1-14-13. Exemption from taxation. The property, income, premiums, and activities of the company are exempt from all taxes and assessments and from any fees specified for licenses and certifications of the insurance laws with the exception of except for the tax imposed by section 26.1-03-17 and any assessment made by the insurance guaranty association in the event that an affirmative election is held in accordance with section 26.1-14-15.

SECTION 10. AMENDMENT. Section 26.1-17-10 of the North Dakota Century Code as created by House Bill No. 1054, as approved by the forty-eighth legislative assembly, is hereby amended and reenacted to read as follows:

26.1-17-10. Nonprofit corporation tax exempt - Insurance premium tax - Law governing charitable organizations applicable. Every nonprofit health service corporation is a charitable and benevolent organization and is exempt from taxation by the state or any political subdivision thereof, except that the tax imposed by section 26.1-03-17 is applicable to a corporation subject to this chapter and the real property of a nonprofit health service corporation is subject to ad valorem taxes and special assessments for special improvements. Except as otherwise provided in this chapter, the laws of this state relating to and affecting nonprofit charitable and benevolent corporations are applicable to all nonprofit health service corporations writing health service contracts.

SECTION 11. RETROACTIVE APPLICATION. This Act is retroactive and applies to taxable years beginning after December 31, 1981. A taxpayer who paid the tax imposed by section 26-01-11 on the 1982 premium year or who paid state income tax for the 1982 tax year before the passage and approval of this Act is entitled to a credit against the tax imposed by this Act in an amount equal to the tax paid. The credit shall be applied against the tax imposed for 1982 and any remaining credit shall be applied against the tax imposed for 1983. The credit may not exceed the tax imposed by this Act for 1982 and 1983. If a taxpayer was not subject to the tax imposed by section 26-01-11 before January 1, 1982, the tax imposed by this Act on that taxpayer is payable within sixty days after the effective date of this Act.

SECTION 12. DETERMINATION OF INVESTMENTS AND ASSETS CONSIDERED AS SURPLUS OR RESERVES. The commissioner may by rule determine the investments and assets, including land, buildings, and improvements used as a home or regional office, which must be included within the surplus, contributed surplus, or reserves of any insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to regulation by the commissioner.

SECTION 13. RATE INCREASES RESTRICTED. Notwithstanding any statutory provision authorizing insurance companies, nonprofit health service corporations, health maintenance organizations, and prepaid legal service organizations to make rates for their policies and contracts, an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization doing business in this state may not increase its rates in effect during 1983 or 1984 as the result of payment of the tax imposed by this Act without complying with this section. The insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization may increase its rates only after approval by the commissioner of insurance. Prior to filing a rate increase schedule or plan with the commissioner, the insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization shall give a thirty-day notice of a hearing to every one of its policyholders or contract holders in this state. The notice must include a statement of the proposed rate increase and identify the place, date, and time of a hearing on the rate increase. The insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization must hold a hearing in every county in this state in which there resides a policyholder or contract holder subject to the rate increase. The results of the hearings must be filed with the rate increase filing. The commissioner of insurance may not approve the rate increase unless there exists an extreme economic emergency which directly affects the solvency of the filer. A decision of the commissioner to allow the rate increase may be appealed to district court in the manner provided by chapter 28-32, but in the court's discretion it may consider evidence not restricted to the record by any policyholder or contract holder subject to the rate increase. The court may affirm the rate increase only if the insurance company, nonprofit health

service corporation, health maintenance organization, or prepaid legal service organization shows it is subjected to an extreme economic emergency and the provisions of this section have been fulfilled.

SECTION 14. SUBPOENA FOR RATE INCREASE INFORMATION. For the purpose of providing information for hearings and determinations under section 13 of this Act, upon the written request of any policyholder or contract holder, or legal representative of the policyholder or contract holder, of an insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization, the commissioner of insurance shall require by subpoena the production of the documents and other objects described in such subpoena for the person making the request, and the cost of serving such subpoena shall be paid by the person requesting it. The request for a subpoena to compel the production of documentary evidence must show general relevance and reasonable scope of the evidence sought, and must also specify with particularity the books, papers, or documents desired.

SECTION 15. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval."

And renumber the lines and pages accordingly

SEN. LASHKOWITZ MOVED that the proposed amendments to SB 2493 be adopted, which motion lost.

ROLL CALL

The question being on the final passage of the bill as amended, the roll was called and there were 41 YEAS, 11 NAYS, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Dotzenrod; Dykshoorn; Erickson; Fritzell; Goodman; Grotberg; Heigaard; Miller Heinrich; Holmberg; Kilander; Leibhan; Lips; Lodoen; Maixner; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Redlin; Reiten; Satrom; Stenehjelm; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom; Wogsland; Wright

NAYS: Barth; Berube; Hilken; Krauter; Kusler; Lashkowitz; Matchie; Meyer, D.; Meyer, J.; Waldera; Walsh

ABSENT AND NOT VOTING: Lee

SB 2493 passed, the title was agreed to, and the emergency clause carried.

SEN. NETHING MOVED that the vote by which SB 2493 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MOTIONS

SEN. NETHING MOVED that SB 2493 be reprinted, which motion prevailed.

SEN. LIPS MOVED that Senator Heigaard replace Senator Tallackson on the Conference Committee on SB 2005, which motion prevailed.

MESSAGE TO THE HOUSE SENATE CHAMBER

MADAM SPEAKER: I have the honor to inform you that the President has appointed Senator Heigaard to replace Senator Tallackson on the Conference Committee on SB 2005.

Very respectfully,
LEO LEIDHOLM, Secretary

MESSAGES FROM THE HOUSE HOUSE CHAMBER

MR. PRESIDENT: I have the honor to inform you that the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2092: Reps. Mushik, Mertens, Peterson

MR. PRESIDENT: I have the honor to inform you that the Speaker has appointed Representative Mushik to replace Representative Backes on the Conference Committee on SB 2029.

Very respectfully,
CHARLES FLEMING, Chief Clerk

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to inform you that the House has reconsidered its action whereby it did not concur in the Senate amendments to HB 1429, and now wishes to inform you that it does now concur in the Senate amendments to HB 1429, and subsequently failed to pass the same. Also, the House has dissolved the House Conference Committee on HB 1429.

Very respectfully,
CHARLES FLEMING, Chief Clerk

MOTION

SEN. NETHING MOVED that the rules be suspended, that HB 1727 be placed on the Sixth order of business, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SEN. GOODMAN moved that the amendments to HB 1727 as recommended by the Committee on Finance and Taxation be adopted.

MOTION

SEN. DOTZENROD MOVED that the question be divided on the motion to adopt the proposed amendments to HB 1727, that Section 15 be voted upon separately, which motion prevailed.

The question being on the motion to adopt Section 15 of the proposed amendments to HB 1727, Section 15 was adopted on a division vote.

The question being on the remainder of the proposed amendments to HB 1727, the amendments were adopted on a voice vote.

MOTION

SEN. NETHING MOVED that the rules be suspended, that HB 1727 be placed on the Fourteenth order of business, as amended, for second reading and final passage, which motion prevailed.

SECOND READING OF A HOUSE BILL

HB 1727: A BILL for an Act to create and enact a new section to chapter 57-39.2 and a new section to chapter 57-40.2 of the North Dakota Century Code, providing a deduction to reimburse retailers for administrative expenses in connection with collection and payment of sales and use taxes; to amend and reenact section 57-39.2-11, subsection 1 of section 57-39.2-12, section 57-40.2-07, subsection 1 of section 57-51-05, sections 57-51-06, 57-51-17, 57-60-02, 57-60-05, 57-61-01, 57-61-02, and 57-61-05 of the North Dakota Century Code, relating to monthly payment of sales and use taxes, gross production tax, privilege tax on coal facilities, and the coal severance tax; to repeal subsection 6 of section 57-51-01 and section 57-60-04 of the North Dakota Century Code, relating to a definition of calendar quarter and to payment of coal facilities privilege tax by plants not electrical generating plants; and to provide an effective date and an expiration date.

Which has been read.

Sen. Goodman declared he had a conflict of interest on HB 1727. Sen. Nothing moved that Sen. Goodman be permitted to vote on HB 1727, which motion prevailed.

SEN. WRIGHT MOVED that the question be divided on the final passage of HB 1727, that Sections 1 through 5 be voted upon separately, Sections 6 through 14 be voted upon separately, and then the final passage of HB 1727 be voted upon, which motion prevailed.

ROLL CALL

The question being on the final passage of Sections 1 through 5 of HB 1727, the roll was called and there were 39 YEAS, 13 NAYS, 1 ABSENT AND NOT VOTING.

YEAS: Barth; Berube; Christensen; Dotzenrod; Dykshoorn; Erickson; Fritzell; Goodman; Heigaard; Miller Heinrich; Hilken; Holmberg; Kilander; Krauter; Kusler; Lashkowitz; Leibhan; Lodoen; Maixner; Matchie; Meyer, J.; Mutch; Naaden; Nething; Olson; Peterson; Redlin; Reiten; Satrom; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Todd; Waldera; Walsh; Wenstrom; Wogsland

NAYS: Adams; Bakewell; David; Grotberg; Lee; Meyer, D.; Moore; Nelson; Parker; Stromme; Tweten; Vosper; Wright

ABSENT AND NOT VOTING: Lips

Sections 1 through 5 of HB 1727 passed.

ROLL CALL

The question being on the final passage of Sections 6 through 14 of HB 1727, the roll was called and there were 48 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Barth; Berube; Christensen; Dotzenrod; Dykshoorn; Erickson; Fritzell; Goodman; Heigaard; Miller Heinrich; Hilken; Holmberg; Kilander; Krauter; Kusler; Lashkowitz; Lee; Leibhan; Lips; Lodoen; Maixner; Matchie; Meyer, J.; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Redlin; Reiten; Satrom; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Walsh; Wogsland; Wright

NAYS: David; Grotberg; Meyer, D.; Stromme

ABSENT AND NOT VOTING: Wenstrom

Sections 6 through 14 of HB 1727 passed.

ROLL CALL

The question being on the final passage of the bill as amended, the roll was called and there were 38 YEAS, 15 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Barth; Christensen; Dotzenrod; Goodman; Heigaard; Miller Heinrich; Hilken; Holmberg; Kilander; Krauter; Kusler; Lashkowitz; Leibhan; Lips; Lodoen; Maixner; Matchie; Meyer, J.; Moore; Mutch; Naaden; Nelson; Nething; Olson; Peterson; Redlin; Reiten; Satrom; Stenehjem; Tallackson; Thane; Todd; Waldera; Walsh; Wenstrom; Wogsland

NAYS: Berube; David; Dykshoorn; Erickson; Fritzell;
Grotberg; Lee; Meyer, D.; Parker; Streibel; Stromme;
Tennefos; Tweten; Vosper; Wright

ABSENT AND NOT VOTING: None

HB 1727 passed and the title was agreed to.

SEN. NOTHING MOVED that the vote by which HB 1727 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MOTION

SEN. NOTHING MOVED that the opinion of the Attorney General regarding dividing the question be printed in the Journal, which motion prevailed.

PRESENTATION OF PETITIONS AND COMMUNICATIONS

STATE OF NORTH DAKOTA
Robert O. Wefald
ATTORNEY GENERAL
State Capitol
Bismarck, North Dakota 58505

March 30, 1983

Lieutenant Governor Ernest M. Sands
President of the Senate
Senate Chamber
State Capitol
Bismarck, North Dakota 58505

Dear Lieutenant Governor Sands:

In response to your written inquiry of March 30, 1983, it is my opinion that when a question is divided pursuant to Senate Rule 316, the resultant divisions may be acted upon individually by a majority vote, notwithstanding the fact that the final vote on the entire bill may constitutionally require a two-thirds vote. This is not meant to imply that the requirements for final approval of the question are changed in any way.

Sincerely,

Robert O. Wefald

POINT OF PERSONAL PRIVILEGE

SEN. NOTHING: Mr. President: I rise on a point of personal privilege and request that my remarks be printed in the Journal.

Mr. President and ladies and gentlemen of the Senate: Senate Bill No. 2497, as we know, provides a mix of individual and corporate income taxes that will increase revenues about \$103.5 million. Ninety million dollars of this is going to be from individuals and about \$13.5 million from corporations. The energy tax credit is repealed in total.

The short form and long form rates are adjusted to reflect an increase from seven and one-half to ten and one-half percent. Now the question is, as has been talked about, what do these rates do? Do they really abuse the so-called "poor"? I don't think so, and here's why.

First of all, let's look at the income tax of individuals. According to the charts that were referred to in yesterday's debate, provided by the tax department this past week, a \$10,000 adjusted gross income will result in a \$31 tax. I submit to you that's approximately 60 cents per week. A \$12,000 adjusted gross income would be assessed \$59 in tax. That is just a shade over \$1 per week. A \$15,000 adjusted gross income would produce a tax of \$106 per year. That is about \$2 per week. If one has a \$25,000 adjusted gross income, your state tax according to that chart would be \$297, or about \$5.71 per week.

Eighty-four percent of the taxpayers of North Dakota, according to that chart, would be below the level of a \$25,000 adjusted gross income. If you earn \$25,000 per year, you are earning about \$2,083 per month. On a weekly basis, that would be about \$480 per week. Of that \$480 you would pay about \$5.71 per week income tax.

Mr. President and ladies and gentlemen of the Senate, I think people in that earning area and that salary bracket probably leave more for service tips per week than that tax would amount to.

What then of the corporate tax schedule? Let's first review why a business selects to organize a corporation. It was said on this floor last week that it was for tax breaks. I truly can't follow that logic. The three basic forms of doing business are the generally accepted forms: No. 1, you operate a business as an individual; No. 2, you can choose to do business as a partnership; No. 3, you can choose to be incorporated.

What are the considerations when you decide which form of business you want to have? I can tell you the main consideration of doing business as a corporation is not because of tax breaks. One of the main considerations is because the business would continue if something happened to the principal owner. The second reason is because there are advantages for raising capital. The third reason is

because it's easier for estate planning. A fourth main consideration is because it is possible to limit personal liability of owners. Those are the basic reasons why people choose to operate as a corporation. Incorporate for tax benefits, for tax breaks . . . hardly . . . hardly, Mr. President and fellow Senators.

Corporations pay income tax on profits and they pay those taxes, both state and federal. The owners of the corporations pay the income tax on dividends and can pay both state and federal, unless they're exempt as domestic dividends. Corporations pay increases on Social Security taxes over and above what an individual would pay if you were operating a business in that fashion. Corporations pay sales taxes, just like any other business does. As a matter of fact, corporations pay all of the taxes that an individual businessman or partnership would pay, plus more.

Why are we concerned about the tax effect on corporations? Well, my concern is in several areas. No. 1, I think we must remain competitive with other states if we want to develop jobs. We must remain competitive with our tax structure for corporations if we truly mean we want to have jobs for people.

We must keep in mind that corporations do pay other taxes. They pay an unemployment tax, a workmen's compensation tax, a sales tax, a gas tax, Social Security tax. There are a whole host of taxes that corporations pay.

Let's look at the difference from the individual tax rate and the corporate tax rate in North Dakota and see how drastically it has changed since 1978. In six words: Individuals' taxes reduced, corporate taxes increased.

Let me give you an example of that. In 1978, the individual tax collections in North Dakota were \$69,169,492. Corporate taxes at that same time were \$13,190,353.

In 1979, the individual rate was dropped to \$48 million, almost \$49 million. The corporate tax increased from \$13 million to \$17.5 million.

In 1980, the individual income tax increased from \$48 million to \$53 million and the corporate income tax increased from \$17 million to almost \$26 million.

In 1981, the individual income tax increased from \$53 million to about \$62.5 million and the corporate tax increased from \$26 million to \$29 million.

And then in 1982, after the action of this legislative session and some other things, the individual income tax

collected for 1982, was estimated to be \$35 million, and the corporate income tax increased from \$29 million to \$32 million.

In addition to the rate reductions enacted in 1981, the individual rates were also adjusted on the short forms by the reduction in the federal tax. Because of that reduction, it is really unfair to compare the increases in percentages of the individual income tax to the 1981 rate, and to compare the corporate rate increase to the individual rate increase, because the corporate tax rate was not decreased by the federal tax reduction. Granted, there were some business depreciation changes. But they applied to all businesses, including agriculture, and not corporate alone.

What then is a fair comparison? Should the corporate rate and the individual rate be compared to the taxable income produced? Well, if that's a fair comparison, let us compare the effect of tax rates as we have them in Senate Bill No. 2497. Incidentally, this comparison is based on the assumption of a married couple with two children, filing a joint return.

Let's look at the rates involved. It is my understanding that if you have a taxable income of \$10,000 and you are a corporation, you're going to pay \$435 income tax. If you are an individual, your total tax obligation would be \$31.

If you are a corporation and have a \$15,000 total tax obligation under this bill, you would pay \$735, and if you are an individual, you would pay \$106.

If you are a corporation with \$20,000 taxable income, you are going to pay \$1,035. The individual would pay \$194.

If you are a corporation with \$30,000 taxable income, your tax is going up to \$1,785 and the individual will be at \$422.

If you would have a taxable income of \$50,000, the corporation would pay \$3,585 and the individual would pay \$1,093.

Then, if you are one of the biggies, and you have a taxable income of \$100,000, your corporate tax obligations, according to the provisions of this bill, would compute to about \$8,835 and your individual basis would be \$3,388.

Those taxes are in addition to all of the other business taxes that we know corporations pay.

Maybe we should use the average tax obligation for the measurement, so let us look at the average tax obligation,

which is the total tax obligation divided by taxable income. As you run through that scale, it is rather interesting, because as you look through the same income structure that I have given you, you will find that the average tax obligation is much larger for a corporation than for an individual: For \$10,000, it is four cents; the individual three-tenths of a cent. For \$15,000, it is five cents and the average obligation for an individual is seven-tenths of a cent. For \$20,000, it is five cents and one cent; \$30,000, six cents and one cent; \$50,000, seven cents and two cents; and \$100,000, nine cents and three cents.

I think that either of these comparisons will show that we are taxing corporations at a level reaching a degree of imbalance.

Again, it is difficult to provide an exact measurement because the federal tax reduction and the income tax indexing will have an effect on the individual rates. However, the corporate rates in Senate Bill No. 2497, will raise about \$3 million more than that proposed in the joint Democrat caucus tax plan of January 21, 1983.

Senate Bill No. 2497 will raise about \$103 million in needed revenues for the next biennium. We will then revert to the present income and corporate rates of 1981. The 1985 session will then be able to review the structure.

Mr. President and ladies and gentlemen of the Senate, I believe Senate Bill No. 2497 is a fair tax bill for this body to pass.

I urge you to support both of the taxes in the division and then to support the bill on second reading and final passage.

SECOND READING OF A SENATE BILL

SB 2497: A BILL for an Act to amend and reenact sections 57-38-29, 57-38-30, and subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to the rate of income tax on individuals and corporations; to repeal section 57-38-29.1 of the North Dakota Century Code, relating to the energy cost relief credit allowed to individual income tax filers; and to provide an effective date and an expiration date.

Which has been read.

The question will be divided on the passage of SB 2497 (Senate Journal page 1958), Section 2 will be voted upon separately, then Section 1 will be voted upon separately, then the final passage of SB 2497 will be voted upon separately.

ROLL CALL

The question being on the final passage of Section 2 of SB 2497, the roll was called and there were 36 YEAS, 17 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Dykshoorn; Erickson; Fritzell; Goodman; Grotberg; Hilken; Holmberg; Kilander; Lee; Leibhan; Lips; Lodoen; Maixner; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Reiten; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom; Wright

NAYS: Barth; Berube; Dotzenrod; Heigaard; Miller Heinrich; Krauter; Kusler; Lashkowitz; Matchie; Meyer, D.; Meyer, J.; Redlin; Satrom; Stromme; Waldera; Walsh; Wogsland

ABSENT AND NOT VOTING: None

Section 2 of SB 2497 passed.

ROLL CALL

The question being on the final passage of Section 1 of SB 2497, the roll was called and there were 33 YEAS, 20 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Dykshoorn; Erickson; Fritzell; Goodman; Holmberg; Kilander; Lee; Leibhan; Lips; Lodoen; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Reiten; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom; Wright

NAYS: Barth; Berube; Dotzenrod; Grotberg; Heigaard; Miller Heinrich; Hilken; Krauter; Kusler; Lashkowitz; Maixner; Matchie; Meyer, D.; Meyer, J.; Redlin; Satrom; Stromme; Waldera; Walsh; Wogsland

ABSENT AND NOT VOTING: None

Section 1 of SB 2497 passed.

POINT OF PERSONAL PRIVILEGE

SEN. REDLIN: Mr. President: I rise on a point of personal privilege and request that my remarks be printed in the Journal.

Mr. President, ladies and gentlemen of the Senate: Our party has strong feelings about how North Dakota income tax should be levied. We have tried, both in committee and on the floor, MANY TIMES, to compromise with the majority to reach an agreement we could all accept.

However, even though a two-thirds vote is needed from both houses, there has been no willingness to even consider finding income tax levels acceptable to both parties in this Senate. Now we are faced with the choice of having to vote for a bill we don't think is what it should be or of voting against it so that the bill is killed and we have to start over.

There's been too much delay in this legislative session already:

1. More conference committees than I've ever seen (mostly due to unwillingness to compromise on employees' salaries).
2. The disappointment of holding vetoes and other bills on the calendar without action.

We don't want this process slowed down further. Therefore, I have prevailed upon several members of our party to consider voting "yes" on this bill to keep it alive even though they may not agree with it. If they can do so, this bill will go to the House and to conference committee. There, we hope a reasonable compromise will be reached.

ROLL CALL

The question being on the final passage of the bill as amended, the roll was called and there were 37 YEAS, 16 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Dykshoorn; Erickson; Fritzell; Goodman; Grotberg; Hilken; Holmberg; Kilander; Lee; Leibhan; Lips; Lodoen; Meyer, D.; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Reiten; Stenehjelm; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom; Wright

NAYS: Barth; Berube; Dotzenrod; Heigaard; Miller Heinrich; Krauter; Kusler; Lashkowitz; Maixner; Matchie; Meyer, J.; Redlin; Satrom; Waldera; Walsh; Wogsland

ABSENT AND NOT VOTING: None

SB 2497 passed and the title was agreed to.

SEN. NOTHING MOVED that the vote by which SB 2497 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MOTIONS

SEN. NETHING MOVED that SB 2497 be reprinted, which motion prevailed.

SEN. REITEN MOVED that Senator Todd replace Senator Reiten on the Conference Committee on SB 2350, which motion prevailed.

POINT OF PERSONAL PRIVILEGE

SEN. NETHING: Mr. President: I rise on a point of personal privilege and request that my remarks be printed in the Journal.

Mr. President, ladies and gentlemen of the Senate: Friday, April 1, is Good Friday, which is an official state holiday, and Legislative Assembly employees will be paid for that day the same as other state employees. The Legislative Assembly will also be in recess on Monday, April 4, and in recognition of the uncompensated overtime which all employees have put in since the beginning of this session, Legislative Assembly employees will also be paid for that day.

REPORT OF PROCEDURAL COMMITTEE

MR. PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that they have examined the following bill and find the same correctly engrossed:

SB 2493

SEN. FRITZELL, Chairman

SEN. MOORE MOVED that the report be adopted, which motion prevailed.

MESSAGES TO THE HOUSE

SENATE CHAMBER

MADAM SPEAKER: I have the honor to transmit herewith the following which the Senate has passed and your favorable consideration is requested on:

SB 2493

Very respectfully,
LEO LEIDHOLM, Secretary

SENATE CHAMBER

MADAM SPEAKER: I have the honor to return herewith the following which the Senate has amended:

HB 1727

Very respectfully,
LEO LEIDHOLM, Secretary

MOTION

SEN. NETHING MOVED that after the reading of HB 1730, the Senate adjourn and convene at 9:00 a.m., Thursday, March 31, 1983, which motion prevailed.

LEO LEIDHOLM, Secretary