

JOURNAL OF THE HOUSE

Forty-ninth Legislative Assembly

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FIFTY-SEVENTH DAY

Bismarck, March 29, 1985

The House convened at 9:00 a.m., with Speaker R. Hausauer presiding.

The prayer was offered by Reverend Donald Bentz, Faith Lutheran Church, Bismarck, North Dakota.

ROLL CALL

The roll was called and all Representatives were present, except Representatives C. Anderson, Eckroth, Gerntholz, Graba, Gullickson, Gunsch, O. Hanson, Keller, Kelly, Laughlin, Lipsiea, Melby, Myrdal, Nicholas, V. Olson, Opedahl, O'Shea, R. Pederson, J. Peterson, Rice, Riehl, Rydell, Smette, O. Solberg, R. Solberg, Starke, Thompson, Vander Vorst, Wald, Whalen, Winkelman .

A quorum was declared by the Speaker.

REVISION AND CORRECTION OF THE JOURNAL

MR. SPEAKER: Your Committee on Revision and Correction of the Journal has carefully examined the Journal of the Fifty-sixth Day and finds the same to be correct.

REP. KENT, Chairman

REP. MYRDAL MOVED that the report be adopted, which motion prevailed.

REQUEST

REP. KRETSCHMAR REQUESTED that the record show that members of the Appropriations Committee and the Agriculture Committee were absent during roll call and for several votes on bills and were excused, which request was granted.

COMMUNICATION

State of North Dakota
EXECUTIVE OFFICE
Bismarck

March 28, 1985

The Honorable Roy Hausauer
Speaker of the House
House Chambers
State Capitol
Bismarck, North Dakota 58505

Dear Mr. Speaker:

This is to inform you that on March 27, 1985, I signed the following:

HB 1094, HB 1098, HB 1104, HB 1123, HB 1128, HB 1135,
 HB 1140, HB 1143, HB 1157, HB 1171, HB 1191, HB 1211,
 HB 1244, HB 1247, HB 1271, HB 1279, HB 1284, HB 1339,
 HB 1352, HB 1372, HB 1382, HB 1383, HB 1384, HB 1402,
 HB 1416, HB 1418, HB 1420, HB 1426, HB 1438, HB 1441,
 HB 1454, HB 1468, HB 1475, HB 1483, HB 1484, HB 1496,
 HB 1503, HB 1509, HB 1510, HB 1535, HB 1538, HB 1546,
 HB 1551, HB 1554, HB 1564, HB 1586, HB 1590, HB 1592,
 HB 1595, HB 1607, HB 1610, HB 1618, HB 1621, HB 1639,
 HB 1648, HB 1649, HB 1650, HB 1651, HB 1657.

Sincerely,

GEORGE A. SINNER
 Governor

MOTIONS

REP. MARTIN MOVED that the House reconsider the action whereby the committee report on SCR 4022 was accepted and SCR 4022 was placed on the calendar, which motion prevailed.

REP. MARTIN MOVED that SCR 4022 be rereferred to the Committee on Joint Constitutional Revision, which motion prevailed.

SPEAKER R. HAUSAUER ANNOUNCED that SCR 4022 was rereferred to the Committee on Joint Constitutional Revision.

SIXTH ORDER OF BUSINESS

REP. TIMM MOVED that the amendments to HB 1081 as recommended by the conference committee as printed on pages 2437-2439 of the House Journal be adopted, and when so adopted, recommends that HB 1081 DO PASS, which motion prevailed.

HB 1081 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MOTION

REP. KRETSCHMAR MOVED that the rules be suspended and that HB 1081 be placed on the Eleventh order, as amended, for second reading and final passage, and dispense with the reading of the title, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1081: A BILL for an Act to amend and reenact sections 51-07-11, 57-22-18, 57-55-01.1, 57-55-02, 57-55-03, 57-55-04, 57-55-05, 57-55-06, 57-55-07, subsection 1 of section 57-55-10, and subsection 2 of section 57-55-11 of the North Dakota Century Code, relating to the payment of mobile home taxes and to tax permits.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 80 YEAS, 0 NAYS, 26 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kent; Kloubec; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Linderman; Lindgren; Lloyd; Martin; Martinson; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Pederson, R.; Retzer; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Shockman; Skjerven; Solberg, R.; Starke; Strinden; Timm; Tollefson; Ulmer; Vander Vorst; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Wold; Speaker Hausauer, R.

NAYS: None

ABSENT AND NOT VOTING: Berg, G.; Eckroth; Gerntholz; Graba; Gullickson; Gunsch; Hanson, O.; Kelly; Kingsbury; Kuchera; Laughlin; Lautenschlager; Lipsiea; Melby; Nowatzki; Opedahl; Peterson, J.; Rice; Rydell; Smette; Solberg, O.; Stofferahn; Thompson; Unhjem; Wald; Winkelman

HB 1081 passed and the title was agreed to.

SIXTH ORDER OF BUSINESS

REP. GATES MOVED that the amendments to HB 1318 as recommended by the conference committee as printed on pages 2173-2174 of the House Journal be adopted, and when so adopted, recommends that HB 1318 DO PASS, which motion prevailed.

HB 1318 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MOTION

REP. KRETSCHMAR MOVED that the rules be suspended and that HB 1318 be placed on the Eleventh order, as amended, for second reading and final passage, and dispense with the reading of the title, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1318: A BILL for an Act to provide for the licensure of dietitians and nutritionists; and to provide a penalty.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 75 YEAS, 5 NAYS, 26 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, R.; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kent; Kloubec; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Linderman; Lindgren; Lloyd; Martinson; Mertens; Meyer; Moore; Myrdal; Nalewaja; Nicholas; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Pederson, R.; Retzer; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Shockman; Skjerven; Solberg, R.; Starke; Strinden; Timm; Tollefson; Ulmer; Vander Vorst; Watne; Wentz; Williams, A.; Williams, C.; Williams, W.; Speaker Hausauer, R.

NAYS: Brokaw; Martin; Melby; Murphy; Whalen

ABSENT AND NOT VOTING: Berg, G.; Eckroth; Gerntholz; Graba; Gullickson; Gunsch; Hanson, O.; Kelly; Kingsbury; Kuchera; Laughlin; Lautenschlager; Lipsiea; Nowatzki; Opedahl; Peterson, J.; Rice; Rydell; Smette; Solberg, O.; Stofferahn; Thompson; Unhjem; Wald; Winkelman; Wold

HB 1318 passed and the title was agreed to.

**MESSAGES TO THE SENATE
HOUSE CHAMBER**

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

SB 2017, SB 2035, SB 2049, SB 2053

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM 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 2009: Reps. Thompson, L. Hanson, Nowatzki

SB 2028: Reps. Kingsbury, Gunsch, Graba

SB 2249: Reps. Winkelman, Unhjem, Kelly

ROY GILBREATH, Chief Clerk

FRIDAY, MARCH 29, 1985

2497

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to return herewith the following which the House has amended:

SCR 4010, SCR 4056, SCR 4066

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

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

SCR 4070, SCR 4074, SCR 4075, SCR 4078, SCMR 1

ROY GILBREATH, Chief Clerk

MESSAGES FROM THE SENATE

SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate has adopted the conference committee report on HB 1204, HB 1233, HB 1242, and HB 1295 and subsequently passed the same.

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate does not concur in the House amendments to SB 2002, SB 2003, SB 2005, SB 2010, SB 2011, and SB 2014 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2002: Sens. Streibel, Tennefos, Stromme
SB 2003: Sens. Thane, Nelson, Stromme
SB 2005: Sens. Thane, Nelson, Shea
SB 2010: Sens. Nelson, Tweten, Mushik
SB 2011: Sens. Naaden, Nelson, Stromme
SB 2014: Sens. Tweten, Thane, Walsh

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate does not concur in the House amendments to SB 2019, SB 2021, SB 2025, SB 2029, and SB 2032 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2019: Sens. Tweten, Nelson, Walsh
SB 2021: Sens. Wenstrom, Streibel, Mushik
SB 2025: Sens. Tennefos, Streibel, Walsh
SB 2029: Sens. Thane, Lips, Shea
SB 2032: Sens. Tennefos, Wenstrom, Tallackson

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. 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 1010: Sens. Tennefos, Wenstrom, Tallackson
 HB 1019: Sens. Wenstrom, Tweten, Mushik
 HB 1035: Sens. Naaden, Streibel, Kusler

LEO LEIDHOLM, Secretary

REPORTS OF CONFERENCE COMMITTEES

MR. SPEAKER: Your Conference Committee to which was referred Engrossed HB 1069 has had the same under consideration and recommends that the SENATE RECEDE from its amendments as found on pages 2164-2165 of the House Journal and that Engrossed HB 1069 be amended as follows:

- On page 5 of the engrossed bill, line 33, after the word "been" insert the following words "diagnosed and"
- On page 5 of the engrossed bill, line 35, after the word "elsewhere" insert the following words "by a court of competent jurisdiction,"
- On page 6 of the engrossed bill, line 2, delete the word "owning" and insert in lieu thereof the word "purchasing"
- On page 7 of the engrossed bill, line 22, after the word "parks" insert the words "where hunting is not allowed by proclamation"
- On page 8 of the engrossed bill, line 2, after the period insert the words "Such an ordinance supersedes this section within the jurisdiction of the political subdivision."
- On page 8 of the engrossed bill, line 16, delete the word "who"
- On page 8 of the engrossed bill, line 17, delete the words "is over eighteen years of age and"
- On page 8 of the engrossed bill, line 26, delete the numerals "62.1-01-01" and insert in lieu thereof the numerals "62.1-02-01"
- On page 10 of the engrossed bill, line 22, delete the numerals "62.1-02-11" and insert in lieu thereof the numerals "62.1-02-10"
- On page 11 of the engrossed bill, line 4, delete the words "on a target range" and insert in lieu thereof the words "lawfully engaged in target shooting"
- On page 13 of the engrossed bill, line 22, delete the words "An unloaded rifle or shotgun while carried in a motor" and insert in lieu thereof the words "A bow and arrow, an unloaded rifle or shotgun, or an unloaded weapon that will expel, or is readily capable of expelling, a projectile by the action of a spring, compressed air, or compressed gas"

including any such weapon commonly referred to as a BB gun, air rifle, or CO₂ gun, while carried in a motor vehicle"

On page 13 of the engrossed bill, line 23, delete the word "vehicle"

And renumber the lines and pages accordingly

For the Senate: Sens. Holmberg, Olson, Redlin (refused to sign)

For the House: Reps. Lindgren, Dalrymple, R. Solberg

REP. LINDGREN MOVED that the report be adopted, which motion prevailed.

Engrossed HB 1069 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred Engrossed HB 1574 has had the same under consideration and recommends that the SENATE RECEDE from its amendments as found on page 2037 of the House Journal and that Engrossed HB 1574 be amended as follows:

That the Senate recede from its amendments as found on page 1393 of the Senate Journal and page 2037 of the House Journal, and that engrossed House Bill 1574 be amended as follows:

On page 1 of the engrossed bill, line 1, delete the word "a" and insert in lieu thereof the word "two", and delete the word "subsection" and insert in lieu thereof the word "subsections"

On page 1 of the engrossed bill, line 3, delete the word "from" and insert in lieu thereof the words "and a temporary partial exemption and county optional temporary exemption from the tax for"

On page 1 of the engrossed bill, line 7, delete the word "A" and insert in lieu thereof the word "Two", and delete the word "subsection" and insert in lieu thereof the word "subsections"

On page 1 of the engrossed bill, line 8, delete the word "is" and insert in lieu thereof the word "are"

On page 1 of the engrossed bill, delete lines 10 through 19 and insert in lieu thereof the following new subsections:

"For coal gasification plants constructed after July 1, 1985, the tax shall be either the amount provided in subsection 1 or ten cents on each one thousand cubic feet [28,316.85 liters] of synthetic natural gas produced for the purpose of sale, whichever is greater.

- a. For all coal conversion facilities, other than electrical generating plants, which commence construction after July 1, 1985, the production from the facilities shall be exempt from sixty-five percent of the tax imposed by this section for a period of five years from the date of first production from the facility. The operator of each facility shall certify to the tax commissioner the date of first production of the facility.
- b. The board of county commissioners may, by resolution, grant to the operator of a coal conversion facility, other than an electrical generating plant, located within the county a partial or complete exemption from the remaining thirty-five percent of tax imposed by this section for a period not exceeding five years from the date of the first production from the facility. Notwithstanding the provisions of section 57-60-14, any tax collected which is based upon the production of a facility subject to the exemption provided by this subsection shall be allocated entirely to the county for allocation as provided in section 57-60-15."

And renumber the lines and pages accordingly

For the Senate: Sens. Wright, Moore, Waldera

For the House: Reps. Goetz, R. Anderson, Richard

REP. GOETZ MOVED that the report be adopted, which motion prevailed.

Engrossed HB 1574 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred SB 2186 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on pages 2040-2041 of the House Journal and that SB 2186 be amended as follows:

That the House recede from its amendments as found on pages 2040-2041 of the House Journal and pages 1660-1661 of the Senate Journal and that Senate Bill No. 2186 be amended as follows:

On page 1, line 1, after the word "reenact" insert the words and numerals "section 57-38-01.15 and"

On page 1, line 2, delete the words "to require" and insert in lieu thereof the words "relating to"

On page 1, line 3, delete the words "to use the same form"

On page 1, after line 6, insert the following section:

"SECTION 1. AMENDMENT. Section 57-38-01.15 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-38-01.15. ~~Itemization~~ Proration and itemization of deductions and exemptions.

1. ~~Any individual taxpayer~~ Individual taxpayers filing a North Dakota income tax ~~return~~ returns pursuant to the provisions of this chapter, other than section 57-38-30.3, may itemize deductions in lieu of taking a ~~standard~~ the zero bracket amount deduction even though a ~~standard~~ the zero bracket amount deduction was used in determining federal taxable income; provided, that married persons filing separately for state income tax purposes must both either itemize or take the ~~standard~~ zero bracket amount deduction. This provision of law is effective for taxable years beginning on or after January 1, 1979. Itemized deductions must be apportioned between spouses in the proportion that the adjusted gross income of each bears to their combined gross income. Exemptions for themselves or their dependents are to be reported in the same way that they would have been reported in separate federal returns if separate federal returns had been filed.
2. If married persons file separate North Dakota income tax returns and one spouse elects to file pursuant to the provisions of section 57-38-30.3 and the other does not, the spouse that elects not to file pursuant to section 57-38-30.3 may either itemize or use the zero bracket amount deduction. Itemized deductions must be apportioned between spouses in the proportion that the adjusted gross income of each bears to their combined gross income. The spouse not electing to file pursuant to section 57-38-30.3 is entitled to claim only those exemptions which pertain to that spouse."

On page 1, line 16, overstrike the word "and"

On page 1, overstrike line 17

On page 1, line 18, overstrike the words "dependents are" and insert immediately thereafter the word "is"

On page 1, line 19, overstrike the word "them" and insert immediately thereafter the word "it"

On page 2, delete lines 6 through 10

And renumber the lines, sections, and pages accordingly

For the Senate: Sens. Adams, Moore, Waldera

For the House: Reps. Moore, Martin, Sauter

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

SB 2186 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred Engrossed SB 2204 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on page 1817 of the House Journal and that Engrossed SB 2204 be amended as follows:

On page 2 of the engrossed bill, line 29, delete the words "may be"

On page 2 of the engrossed bill, line 30, delete the word "eligible" an insert in lieu thereof the comma and words ", due to income and resource considerations, reasonably anticipate the necessity to apply"

And renumber the lines and pages accordingly

For the Senate: Sens. Stenehjem, Christensen, Heinrich

For the House: Reps. Hamerlik, Nalewaja, DeMers

REP. HAMERLIK MOVED that the report be adopted, which motion prevailed.

Engrossed SB 2204 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred Engrossed SB 2410 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on page 1980 of the House Journal.

For the Senate: Sens. Kelly, Stenehjem, Meyer

For the House: Reps. Nalewaja, Hamerlik, Oban

REP. NALEWAJA MOVED that the report be adopted, which motion prevailed.

Engrossed SB 2410 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred SB 2438 has had the same under consideration and recommends that the SENATE ACCEDE to the amendments as found on pages 1734-1735 of the House Journal and that SB 2438 be further amended as follows:

On page 1, line 11, after the word "action" insert the words "entry of the decree of"

On page 1, line 18, after the word "action" insert the words "entry of the", and after the word "decree" insert the words "of separation"

And renumber the lines accordingly

For the Senate: Sens. Stenehjem, Olson, Lashkowitz

For the House: Reps. Murphy, Eckroth, Ulmer

REP. MURPHY MOVED that the report be adopted, which motion prevailed.

SB 2438 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Conference Committee to which was referred Engrossed SB 2464 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on pages 1949-1951 of the House Journal and that Engrossed SB 2464 be amended as follows:

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 "44-11-02" insert the numerals "44-11-10, and 44-11-13"

On page 1 of the engrossed bill, line 3, after the word "official" insert the words ", the fees of the special commissioner and payment of stenographer's expenses, and payment of costs upon dismissal and the filing of an indemnity bond with regard to gubernatorial removal of public officials"

On page 1 of the engrossed bill, line 13, after the comma insert the following: "or upon the relation of ten percent of the qualified electors voting at the preceding general election for the office of governor in that political subdivision or district in which the person charged is an officer, whichever is least,"

On page 1 of the engrossed bill, after line 21, insert the following new sections:

"SECTION 2. AMENDMENT. Section 44-11-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

44-11-10. Fees of special commissioner - Stenographer - Witnesses. The fees of the special commissioner provided for by this chapter shall be ~~six~~ one hundred dollars per day, and in addition thereto, he shall receive his mileage from his residence to the place of trial the same as is allowed by law to sheriffs. He ~~shall have power to may~~ employ a stenographer, ~~who shall be paid fifteen cents per folio for the original transcript of testimony and five cents per folio for copies required and pay the expenses of the stenographer.~~ Such expenses shall be itemized by the commissioner and filed with his report and findings and audited and allowed by the governor. Witnesses giving testimony before such commissioner, the number to be limited by the commissioner, shall be allowed the same fees as witnesses in district court. In proceedings to remove a county officer, such fees shall be paid by the county upon allowance by the board of county commissioners in the same manner as other claims against the county, and if a municipal or township officer, then by the city council, board of city commissioners, or board of township supervisors, in the same manner as other claims against the municipality are paid.

SECTION 3. AMENDMENT. Section 44-11-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

44-11-13. Costs on dismissal of charges - Bond. When charges are preferred against any of the officers mentioned in section 44-11-01 by qualified ~~voters~~ electors other than the state's attorney or attorney general, as provided in section 44-11-02, and upon such hearing it shall appear that such charges were not preferred in good faith, then all of the costs of the proceedings under this chapter, not exceeding the sum of ~~three~~ five hundred dollars, in the discretion of the governor, may be taxed to the persons making such charges. When such charges are made by such relators there shall be filed, together with such charges, a good and sufficient indemnity bond in the sum of ~~three~~ five hundred dollars, to be approved by the governor, binding such relators to the payment of such costs upon the failure to maintain such charges as herein provided."

And renumber the lines and pages accordingly

For the Senate: Sens. Holmberg, Olson, Lashkowitz

For the House: Reps. Dalrymple, Schmidt, Keller

REP. DALRYMPLE MOVED that the report be adopted, which motion prevailed.

Engrossed SB 2464 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

FIRST READING OF A HOUSE CONCURRENT RESOLUTION

Reps. Murphy, Goetz, Hughes, R. Anderson introduced:

(Approved by the Committee on Delayed Bills)

HCR 3105: A concurrent resolution directing the Legislative Council to study the oil and gas laws, with emphasis on those laws relating to royalty owners and surface owner protection.

Was read the first time.

MOTION

REP. STRINDEN MOVED that the rules be suspended, that HCR 3105 not be referred to committee, and be placed on the calendar for second reading and final passage, which motion prevailed.

SECOND READING OF A HOUSE CONCURRENT RESOLUTION

HCR 3105: A concurrent resolution directing the Legislative Council to study the oil and gas laws, with emphasis on those laws relating to royalty owners and surface owner protection.

Which has been read.

ROLL CALL

The question being on the final adoption of the resolution, the roll was called and there were 80 YEAS, 0 NAYS, 26 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kent; Kloubec; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Linderman; Lindgren; Lloyd; Martin; Martinson; Melby; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Oban; O'Connell; Olson, A.; Olson, V.; O'Shea; Payne; Pederson, R.; Retzer; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Shockman; Skjerven; Solberg, R.; Starke; Strinden; Timm; Tollefson; Ulmer; Vander Vorst; Wald; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Speaker Hausauer, R.

NAYS: None

ABSENT AND NOT VOTING: Berg, G.; Eckroth; Gerntholz; Graba; Gullickson; Gunsch; Hanson, O.; Kelly; Kingsbury; Kuchera; Laughlin; Lautenschlager; Lipsiea; Nowatzki; Olsen, D.; Opedahl; Peterson, J.; Rice; Rydell; Smette; Solberg, O.; Stofferahn; Thompson; Unhjem; Winkelman; Wold

HCR 3105 was declared adopted.

MOTION

REP. STRINDEN MOVED that the rules be suspended and that HCR 3105, HB 1081, and HB 1318 be messaged to the Senate immediately, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1293: A BILL for an Act to amend and reenact sections 50-11.1-01, 50-11.1-02, 50-11.1-02.1, 50-11.1-03, 50-11.1-04, 50-11.1-06.1, 50-11.1-07, 50-11.1-07.1, 50-11.1-07.2, 50-11.1-07.3, 50-11.1-07.4, 50-11.1-07.5, 50-11.1-07.7, 50-11.1-08, 50-11.1-09, 50-11.1-11, and 50-11.1-12 of the North Dakota Century Code, relating to early childhood services, license requirements for early childhood facilities, and penalties; to repeal section 50-11.1-04.1 of the North Dakota Century Code, relating to applications for child care certificates and licenses; and to provide an appropriation.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 68 YEAS, 10 NAYS, 28 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Belter; Berg, R.; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Kent; Knudson; Koland; Kretschmar; Lang; Larson; Lindgren; Lloyd; Martin; Martinson; Mertens; Meyer; Moore; Myrdal; Nalewaja; Nicholas; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Retzer; Richard; Riehl; Riley; Sauter; Schmidt; Schneider; Shaw; Shide; Shockman; Skjerven; Solberg, R.; Starke; Strinden; Timm; Tollefson; Ulmer; Vander Vorst; Watne; Wentz; Williams, A.; Williams, C.; Williams, W.; Speaker Hausauer, R.

NAYS: Anderson, R.; Brokaw; Keller; Klundt; Linderman; Melby; Murphy; O'Connell; Pederson, R.; Schindler

ABSENT AND NOT VOTING: Berg, G.; Eckroth; Gerntholz; Graba; Gullickson; Gunsch; Hanson, O.; Kelly; Kingsbury; Kloubec; Kuchera; Laughlin; Lautenschlager; Lipsiea; Nowatzki; Opedahl; Peterson, J.; Rice; Rydell; Smette; Solberg, O.; Stofferahn; Thompson; Unhjem; Wald; Whalen; Winkelman; Wold

HB 1293 passed and the title was agreed to.

SECOND READING OF HOUSE CONCURRENT RESOLUTION

HCR 3096: A concurrent resolution directing the Legislative Council to study the positive and adverse impacts of tuition reciprocity agreements on postsecondary educational institutions, the communities where such institutions are located, postsecondary students, and state government.

Which has been read.

ROLL CALL

The question being on the final adoption of the resolution, as amended, the roll was called and there were 80 YEAS, 0 NAYS, 26 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kent; Kloubec; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Linderman; Lindgren; Lloyd; Martin; Martinson; Melby; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Pederson, R.; Retzer; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Shockman; Skjerven; Solberg, R.; Starke; Strinden; Timm; Tollefson; Ulmer; Vander Vorst; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Speaker Hausauer, R.

NAYS: None

ABSENT AND NOT VOTING: Berg, G.; Eckroth; Gerntholz; Graba; Gullickson; Gunsch; Hanson, O.; Kelly; Kingsbury; Kuchera; Laughlin; Lautenschlager; Lipsiea; Nowatzki; Opedahl; Peterson, J.; Rice; Rydell; Smette; Solberg, O.; Stofferahn; Thompson; Unhjem; Wald; Winkelman; Wold

HCR 3096 was declared adopted.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER ANNOUNCED the following appointment to a Conference Committee on SB 2352:

Reps. R. Berg, Myrdal, DeMers

MESSAGES TO THE SENATE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following on which the House has adopted the conference committee report and subsequently passed:

HB 1081, HB 1318

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

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

HCR 3105

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM 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 2352: Reprs. R. Berg, Myrdal, DeMers

ROY GILBREATH, Chief Clerk

MOTION

REP. STRINDEN MOVED that the House stand in recess until 1:00 p.m., which motion prevailed.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker R. Hausauer presiding.

REPORT OF PROCEDURAL COMMITTEE

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

HB 1057, HB 1083, HB 1170, HB 1195, HB 1285, HB 1287,
HB 1290, HB 1341, HB 1354, HB 1363, HB 1378, HB 1399,
HB 1408, HB 1464, HB 1536, HB 1537, HB 1547, HB 1565,
HB 1596, HB 1615, HB 1625

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

REPORT OF PROCEDURAL COMMITTEE

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

HB 1057, HB 1083, HB 1170, HB 1195, HB 1285, HB 1287,
HB 1290, HB 1341, HB 1354, HB 1363, HB 1378, HB 1399,

HB 1408, HB 1464, HB 1536, HB 1537, HB 1547, HB 1565,
HB 1596, HB 1615, HB 1625

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

REPORT OF PROCEDURAL COMMITTEE

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

HB 1008, HB 1016, HB 1022, HB 1024, HB 1026, HB 1033,
HB 1034, HB 1037, HB 1038, HB 1085, HB 1145, HB 1267,
HB 1349, HB 1427, HB 1507, HB 1583, HB 1654, HCR 3045,
HCR 3071, HCR 3076, HCR 3079

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1012: A BILL for an Act making an appropriation for defraying the expenses of the soldiers' home and the department of veterans' affairs of the state of North Dakota; and providing for a transfer of earnings from the veterans' postwar trust fund and the sinking fund for the state of North Dakota general obligation bonds.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 97 YEAS, 0 NAYS, 9 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Graba; Gunsch; Halmrast; Hamerlik; Hanson, L.; Hanson, O.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kelly; Kent; Kingsbury; Kloubec; Klundt; Knudson; Koland; Kretschmar; Kuchera; Lang; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Martinson; Melby; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; Opedahl; O'Shea; Payne; Pederson, R.; Retzer; Rice; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Shaw; Shide; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Stofferahn; Strinden; Thompson; Tollefson; Ulmer; Unhjem; Vander Vorst; Wald; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: None

ABSENT AND NOT VOTING: Eckroth; Gerntholz; Gullickson; Lipsiea; Peterson, J.; Rydell; Schneider; Shockman; Timm

HB 1012 passed and the title was agreed to.

RECOGNITION

THE SPEAKER ANNOUNCED that a former Representative was in the chambers, and requested that the House recognize former Representative Monty Burke, and Representative Burke was thereupon introduced to the House.

SECOND READING OF HOUSE BILLS

HB 1018: A BILL for an Act making an appropriation for insurance premium tax payments distribution to fire departments.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 98 YEAS, 0 NAYS, 8 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Gerntholz; Goetz; Graba; Gunsch; Halmrast; Hamerlik; Hanson, L.; Hanson, O.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kelly; Kent; Kingsbury; Kloubec; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Martinson; Melby; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; Opedahl; O'Shea; Payne; Pederson, R.; Peterson, J.; Retzer; Rice; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Shaw; Shide; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Stofferahn; Strinden; Thompson; Tollefson; Ulmer; Unhjem; Vander Vorst; Wald; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: None

ABSENT AND NOT VOTING: Eckroth; Gullickson; Kuchera; Lipsiea; Rydell; Schneider; Shockman; Timm

HB 1018 passed and the title was agreed to.

HB 1021: A BILL for an Act making an appropriation for defraying the expenses of the state water commission of the state of North Dakota; and providing for an appropriation and transfer of funds from the resources trust fund.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 92 YEAS, 7 NAYS, 7 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Cleveland; Conmy; Dalrymple; DeMers; Dotzenrod; Enget; Frey; Gates; Gerntholz; Goetz; Graba; Gunsch; Halmrast; Hamerlik; Hanson, O.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kelly; Kent; Kingsbury; Kloubec; Klundt; Knudson; Koland; Kretschmar; Kuchera; Lang; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Martinson; Mertens; Meyer; Moore; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; Opedahl; O'Shea; Payne; Retzer; Rice; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Stofferahn; Strinden; Thompson; Tollefson; Ulmer; Unhjem; Vander Vorst; Wald; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: Brokaw; Dorso; Hanson, L.; Melby; Murphy; O'Connell; Pederson, R.

ABSENT AND NOT VOTING: Eckroth; Gullickson; Lipsiea; Peterson, J.; Rydell; Shockman; Timm

HB 1021 passed and the title was agreed to.

REQUEST

REP. R. PEDERSON REQUESTED that the record show that he voted incorrectly on HB 1021, which request was granted. He voted "nay" and intended to vote "aye".

APPOINTMENTS OF CONFERENCE COMMITTEES

THE SPEAKER ANNOUNCED the following appointment to a Conference Committee on SB 2002:

Reps. Thompson, Kuchera, G. Berg

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2003:

Reps. Kuchera, Wold, G. Berg

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2005:

Reps. Wold, O. Hanson, Lautenschlager

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2010:

Reps. Unhjem, Rice, Kelly

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2011:

Reps. Rice, Winkelman, Stofferahn

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2014:

Reps. Unhjem, Rice, Opedahl

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2019:

Reps. Winkelman, Unhjem, Stofferahn

THE SPEAKER ANNOUNCED the following appointment to a
Conference Committee on SB 2021:

Reps. Unhjem, O. Hanson, Kelly

THE SPEAKER ANNOUNCED the following appointment to a Conference
Committee on SB 2025:

Reps. Wald, Kuchera, Nowatzki

THE SPEAKER ANNOUNCED the following appointment to a Conference
Committee on SB 2029:

Reps. Kingsbury, Winkelman, Opedahl

THE SPEAKER ANNOUNCED the following appointment to a Conference
Committee on SB 2032:

Reps. Unhjem, Winkelman, Kelly

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MESSAGES TO THE SENATE
HOUSE CHAMBER

MADAM 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 2002: Reps. Thompson, Kuchera, G. Berg
SB 2003: Reps. Kuchera, Wold, G. Berg
SB 2005: Reps. Wold, O. Hanson, Lautenschlager

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM 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 2010: Reps. Unhjem, Rice, Kelly
SB 2011: Reps. Rice, Winkelman, Stofferahn
SB 2014: Reps. Unhjem, Rice, Opedahl

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM 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 2019: Reps. Winkelman, Unhjem, Stofferahn
SB 2021: Reps. Unhjem, O. Hanson, Kelly
SB 2025: Reps. Wald, Kuchera, Nowatzki

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM 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 2029: Reps. Kingsbury, Winkelman, Opedahl
SB 2032: Reps. Unhjem, Winkelman, Kelly

ROY GILBREATH, Chief Clerk

MESSAGE FROM THE SENATE
SENATE CHAMBER

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

SB 2016, SB 2167, SB 2170, SB 2201, SB 2214, SB 2228,
SB 2250, SB 2300, SB 2342, SB 2364, SB 2430, SB 2435,
SB 2442, SB 2495, SB 2498, SCR 4044

LEO LEIDHOLM, Secretary

MOTIONS

REP. STRINDEN MOVED that HB 1587 remain on the Eleventh order on the calendar for consideration when the House reconvenes at 3:00 p.m., which motion prevailed.

REP. STRINDEN MOVED that the House stand in recess until 3:00 p.m., which motion prevailed.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker R. Hausauer presiding.

MESSAGES FROM THE SENATE
SENATE CHAMBER

MR. 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 1638: Sens. Wright, Adams, Satrom

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith HB 1002, HB 1006, HB 1011, HB 1404, and HB 1526 which the Senate has amended:

SENATE AMENDMENTS TO ENGROSSED HB 1002

- On page 1 of the engrossed bill, line 16, delete the numerals "4,310,174" and insert in lieu thereof the numerals "4,673,046"
- On page 1 of the engrossed bill, line 17, delete the numerals "2,152,977" and insert in lieu thereof the numerals "2,406,197"
- On page 1 of the engrossed bill, line 18, delete the numerals "361,511" and insert in lieu thereof the numerals "405,834"
- On page 1 of the engrossed bill, line 19, delete the numerals "85,885" and insert in lieu thereof the numerals "99,643"
- On page 1 of the engrossed bill, line 20, delete the numerals "411,360,246" and insert in lieu thereof the numerals "414,263,324"
- On page 2 of the engrossed bill, line 1, delete the numerals "492,661,723" and insert in lieu thereof the numerals "496,238,974"
- On page 2 of the engrossed bill, line 2, delete the numerals "103,616,911" and insert in lieu thereof the numerals "103,991,414"

On page 2 of the engrossed bill, line 3, delete the numerals "389,044,812" and insert in lieu thereof the numerals "392,247,560"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Department of Public Instruction

Increases totaling \$667,256 are made to the following line items for the administrative expenses of the Department of Public Instruction:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salaries and wages	\$ 62,578	\$293,377	\$355,955
Operating expenses	172,094	81,126	253,220
Data processing	44,323	0	44,323
Equipment	<u>13,758</u>	<u>0</u>	<u>13,758</u>
Total	\$292,753	\$374,503	\$667,256

The general fund increase of \$292,753 is to restore some of the funding deleted in the original executive budget and by the House, and to provide adequate state funds to match available federal dollars. The increase to the salaries and wages line item (\$62,578) provides funds for 1.5 FTE positions, of which one FTE is for school evaluation and .5 FTE is for adult education.

The increase in other funds of \$374,503 (federal funds \$341,568, other funds \$32,935) is primarily to give the department the authority to receive and expend additional federal dollars that were recently made available. The increase to the salaries and wages line item (\$293,377) provides funds for 4.4 FTE positions, of which 2.5 FTE's are for special education programs, .65 FTE is to restore a reduction made in the House to the special education program, .75 FTE is for the Indian education unit (to work with sex equity programs), and .5 FTE is for adult education.

The salaries and wages line item is also increased by \$6,917 from the general fund to provide an annual salary of \$47,000 for the Superintendent of Public Instruction.

The remaining salaries and wages line item allows funds to continue the cost of average salary increases of 5.5 percent for the first year and to provide average salary increases of four percent for the second year of

the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

The grants - foundation aid line item is increased by \$2,903,078 from the general fund to reflect the following:

1. Per-pupil payments of \$1,408 in 1985-86 and \$1,443 in 1986-87, based on weighted units of 127,584 in 1985-86 and 129,155 in 1986-87.
2. Tuition fund distribution of \$47,895,000 in 1985-87, which reflects estimated payments of \$195 per census unit in each year of the biennium (same as in engrossed House Bill No. 1002).
3. Total transportation payments of \$40,068,810, which is based on the current transportation rates.
4. A total 20-mill deduct of \$39,709,423, which is \$659,050 less than in engrossed House Bill No. 1002.

A comparison of the grants - foundation aid line item as amended to the original and revised executive budget and engrossed House Bill No. 1002 line items is shown as follows:

GRANTS - FOUNDATION AID
PROPOSED SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002

	HB 1002 Original Executive Budget	Revised Executive Budget	Engrossed HB 1002	Proposed Senate Amendments to Engrossed HB 1002
<u>Per-pupil payments:</u>				
Original executive budget				
1985-86 - \$1,406 - 128,907 weighted units	\$378,745,728			
1986-87 - \$1,502 - 131,493 weighted units				
Revised executive budget				
1985-86 - \$1,354 - 127,584 weighted units		\$360,199,071		
1986-87 - \$1,457 - 128,655 weighted units				
Engrossed HB 1002				
1985-86 - \$1,370 - 127,584 weighted units			\$366,031,205	
1986-87 - \$1,475 - 129,655 weighted units				

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Proposed HB 1002

1985-86 - \$1,408 - 127,584

\$366,008,937

weighted units

1986-87 - \$1,443 - 129,155

weighted units

Transportation payments:

Original executive budget

Provides a slight increase in current rates 41,511,724

Revised executive budget

Recommends no change in current rates 40,047,124

Engrossed HB 1002

Recommends no change in current rates; provides a reduction due to limiting the payments to school districts to 100 percent of five-year average actual costs 37,802,514

Proposed HB 1002

Recommends no change in current rates 40,068,810

Tuition distribution:

Original executive budget

Estimates payments per census unit of \$195 for each year \$ 47,895,000

Revised executive budget

Provides a carryover of \$31 per unit from 1984-85 to 1985-86 resulting in payments of \$226 the first year and \$195 the second year \$ 51,770,600

Engrossed HB 1002

Estimates payments per census unit of \$195 for each year \$ 47,895,000

Proposed HB 1002

Estimates payments per census unit of \$195 for each year \$ 47,895,000

Total	\$468,152,452	\$452,016,795	\$451,728,719	\$453,972,747
Less: 20-mill district levy	(42,432,000)	(40,873,704)	(40,368,473)	(39,709,423)
Total grants - foundation aid line item	\$425,720,452	\$411,143,091	\$411,360,246	\$414,263,324
Less: Tuition distribution fund	(47,895,000)	(51,770,600)	(47,895,000)	(47,895,000)
Federal revenue sharing	(187,000)	(187,000)	(187,000)	(187,000)
Total general fund - foundation program	<u>\$377,638,452</u>	<u>\$359,185,491</u>	<u>\$363,278,246</u>	<u>\$366,181,324</u>

SENATE AMENDMENTS TO ENGROSSED HB 1006

On page 1 of the engrossed bill, line 17, delete the numerals "3,355,193" and insert in lieu thereof the numerals "3,405,193"

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

"Postage revolving fund 10,000"

On page 1 of the engrossed bill, line 18, delete the numerals "625,000" and insert in lieu thereof the numerals "615,000"

On page 1 of the engrossed bill, line 20, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"

On page 1 of the engrossed bill, line 21, delete the numerals "9,809,712" and insert in lieu thereof the numerals "8,270,224"

On page 1 of the engrossed bill, line 22, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"

On page 1 of the engrossed bill, line 23, delete the numerals "7,303,934" and insert in lieu thereof the numerals "7,353,934"

On page 2 of the engrossed bill, line 3, delete the numerals "10,599,681" and insert in lieu thereof the numerals "10,649,681"

On page 2 of the engrossed bill, line 4, delete the numerals "5,800,084" and insert in lieu thereof the numerals "4,210,596"

On page 2 of the engrossed bill, line 5, delete the numerals "16,399,765" and insert in lieu thereof the numerals "14,860,277"

On page 2 of the engrossed bill, line 14, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Director of Institutions

The operating expenses line item is increased by \$50,000 from the general fund to provide funds for the provisions of Senate Bill

No. 2417, relating to the guardianship of the superintendent of Grafton State School.

A new line item entitled "postage revolving fund" is added in the amount of \$10,000 with a corresponding decrease to the institutional medical fees line item to provide a general fund supplement to the postage revolving fund due to the increase in postage costs.

The capital improvements line item is decreased by \$1,589,488 from the Capitol building fund. This reflects the deletion of \$1,639,488 for the renovation of the old State Office Building, and the addition of \$50,000 for improvements to the electrical wiring and window insulation at the old State Office Building.

The salaries and wages line item allows funds to continue the cost of average salary increases of 5.5 percent for the first year and to provide average salary increases of four percent for the second year of the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

SENATE AMENDMENTS TO ENGROSSED HB 1011

On page 1 of the engrossed bill, line 18, delete the numerals "1,150,000" and insert in lieu thereof the numerals "1,304,809"

On page 1 of the engrossed bill, line 19, delete the numerals "2,844,567" and insert in lieu thereof the numerals "2,999,376"

On page 1 of the engrossed bill, line 20, delete the numerals "843,304" and insert in lieu thereof the numerals "961,113"

On page 1 of the engrossed bill, line 21, delete the numerals "2,001,263" and insert in lieu thereof the numerals "2,038,263"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

State Library

The grants line item is increased \$154,809 with a corresponding increase in estimated income to reflect North Dakota's share of the Library Services and Construction Act Title II funds, requiring a 50 percent match by local libraries utilizing the funds.

The estimated income line item is reduced by \$37,000, with a corresponding increase in the general fund to reflect accurately the amount of federal funds anticipated.

The salaries and wages line item allows funds to continue average salary increases of 5.5 percent the first year of the biennium and average salary increases of four percent the second year of the biennium. Funds are allowed to provide a minimum increase of \$50 per month for each year of the biennium. The salary increases are to be based on merit, performance, or equity adjustments, and are not intended to be across-the-board salary increases.

SENATE AMENDMENTS TO ENGROSSED HB 1404

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 adopt the Family Farm Survival Act of 1985 and to provide participation in short-term loans to farmers and agribusinesses; to create and enact a new section to chapter 4-36 of the North Dakota Century Code, relating to a bond reserve fund; to amend and reenact section 4-36-03, subsection 6 of section 4-36-04, sections 4-36-06, 4-36-07, 4-36-08, 4-36-12, 4-36-24, and 4-36-25, relating to the Agricultural Development Act; to provide appropriations; and to declare an emergency.

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

SECTION 1. Short title. This Act may be known as the Family Farm Survival Act of 1985.

SECTION 2. Definitions. In sections 1 through 7 of this Act, unless the context or subject matter or otherwise requires:

1. "Agribusiness" means a locally owned business operation, located within this state, which provides goods or services to rural areas, as further defined by rule of the industrial commission.
2. "Farmer" means a resident of this state who owns or operates an existing farm or ranch operation, as further defined by rule of the industrial commission.
3. "Operating loan" means a loan or extension of credit with a term of one year or less made by a nongovernmental financial institution to a farmer or agribusiness for the operation of an existing farm or ranch operation or agribusiness. An operating loan includes a farmer's home administration or small business administration subordinated operating loan and guaranteed operating loan, and may be further defined by rule of the industrial commission.

SECTION 3. Operating loans - Participation by the Bank of North Dakota.

1. The Bank of North Dakota shall make available an appropriate amount of funds to purchase participation interests in operating loans to farmers and agribusinesses. Interest charged on a participation interest purchased by the Bank under this section may not exceed eight percent per annum, plus necessary and reasonable fees as determined by the industrial commission.
2. The amount of a participation interest purchased by the Bank under this section may not be greater than sixty-five percent of the loan amount or two hundred thousand dollars, whichever is less. The term of any participation interest purchased under this section may not exceed one year.
3. The Bank may not purchase a participation interest in a loan under this section until verification is received establishing that the farmer has obtained crop and hail insurance which has been assigned to the primary lender, or that adequate insurance, as determined by the Bank, has been obtained by the agribusiness.

SECTION 4. Participation loans by private financial institutions.

1. The portion of the operating loan retained by a nongovernmental financial institution may not bear interest at an effective rate more than four percentage points per annum higher than the average rate payable on United States treasury bills maturing during the twenty-six weeks preceeding the date of the loan commitment adjusted quarterly, to qualify for participation by the Bank of North Dakota.
2. The Bank of North Dakota's purchase of a participation interest shall be with recourse against the originating financial institution only to the extent of ninety percent of the total operating loan. The Bank may have no recourse as to ten percent of the total operating loan.
3. All participation interests purchased are subject to the review and approval of the Bank.
4. The full amount of a loan qualifying for participation must be evidenced by one master note drawn by the financial institution to reflect both interest rates and to provide a

schedule of payments to the financial institution and the Bank of North Dakota based upon pro rata shares of the loan participation.

SECTION 5. Interest buydown.

1. There is hereby established an interest rate buydown fund to be maintained by the industrial commission at the Bank of North Dakota.
2. The industrial commission may buydown or reduce the interest paid by a farmer or agribusiness on the Bank's portion of the participation operating loans by up to an additional five percentage points a year below the amount provided in section 3 of this Act.
3. Any interest buydown provided under this section must be repaid by the farmer or agribusiness not later than July 1, 1991, under terms approved by the Bank of North Dakota and pursuant to rules adopted by the industrial commission. Money collected under this subsection must be deposited in the fire and tornado fund in the state treasury.

SECTION 6. Agribusinesses. Not more than twenty percent of all participation interests purchased by the Bank of North Dakota under sections 1 through 7 of this Act may be in loans for agribusinesses.

SECTION 7. Rules. The industrial commission may adopt such rules and guidelines as are necessary to implement sections 1 through 6 of this Act.

SECTION 8. AMENDMENT. Section 4-36-03 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-03. Terms defined. As used in this chapter, unless the context otherwise requires:

1. "Agriculture or agricultural enterprise" means and includes, but is not limited to, the real and personal property constituting farms, ranches, and other agricultural commodity producers; agriculturally related sewage, liquid and solid waste collection, disposal, treatment, and drainage services, and facilities; and agriculturally related antipollution and air, water, ground, and subsurface pollution abatement and control facilities and services.

2. "Bonds" means any bonds, notes, debentures, interim certificates, bond, grant and revenue anticipation notes, or any other evidences of indebtedness.
3. "Commission" means the industrial commission of North Dakota created pursuant to section 54-17-01.
4. "Contracting party" means any party to a lease, sales contract, or loan agreement except the commission.
5. "Lender" means any federal or state chartered bank, federal land bank, production credit association, bank for cooperatives, savings and loan association, building and loan association, small business investment company, or any other institution qualified within the state to originate and service loans, including, but not limited to, insurance companies, credit unions, and mortgage loan companies.
6. "Loan insurer" and "loan guarantor" mean an agency, department, administration, or instrumentality, corporate or otherwise, of or in the department of housing and urban development, the farmers home administration of the department of agriculture or the veterans administration of the United States of America, any private mortgage insurance company, or any other public or private agency which insures or guarantees loans.
7. "Operating loan" means an operating loan as defined under section 2 of this Act.
8. "State" means the state of North Dakota.

SECTION 9. AMENDMENT. Subsection 6 of section 4-36-04 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6. Enter into agreements with any department, agency, or instrumentality of the United States of America or this state and with lenders and enter into loan agreements with contracting parties for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise or an operating loan.

SECTION 10. AMENDMENT. Section 4-36-06 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-06. Commission - Loans to lenders - Conditions. The commission may make, and undertake commitments to make, loans to lenders under terms and conditions requiring the proceeds thereof to be used by such lenders to make operating loans and loans for agricultural enterprises. Loan commitments or actual loans shall be originated through and serviced by any bank, trust company, savings and loan association, mortgage banker or other financial institution authorized to transact business in this state.

SECTION 11. AMENDMENT. Section 4-36-07 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-07. Commission - Invest in, purchase, or assign loans - Conditions. The commission may invest in, purchase, or make commitments to take assignments of, operating loans and loans made by lenders for the construction, rehabilitation or purchase of agricultural enterprises. No loan shall be eligible for investment in, purchase, or assignment by the commission if the loan was made more than six months prior to the date of investment, purchase, or assignment by the commission.

SECTION 12. AMENDMENT. Section 4-36-08 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-08. Commission - Lender's requirements. Prior to exercising any of the powers authorized in sections 4-36-06 and 4-36-07, the commission shall require the lender to certify and agree that:

1. The loan is, or if the same has not been made will, at the time of making, be in all respects a prudent investment; and
2. Such lender will use the proceeds of such loan, investment, sale, or assignment within a reasonable period of time to make loans or purchase operating loans or loans to provide agricultural enterprises, or, if such lender has made a commitment to make operating loans or loans to provide agricultural enterprises on the basis of a commitment from the commission to purchase such loans, such lender will make such loans and sell the same to the commission within a reasonable period of time.

SECTION 13. AMENDMENT. Section 4-36-12 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-12. Commission - Bond issuance - Special obligations - How paid and secured. Bonds issued under this chapter shall not be payable from nor charged upon any funds other than the revenue pledged to the payment thereof, nor shall the commission be subject to any liability thereon. Such bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the commission, except those agricultural enterprises, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purposes of this chapter. The bonds may be additionally secured by a pledge of any grant, contribution, or guarantee from the federal government, the state, or any corporation, association, institution, or person.

SECTION 14. AMENDMENT. Section 4-36-24 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-24. Bank of North Dakota - Authorization to exercise administrative powers - Payment of commission expenses - Reimbursement - Liability of state or political subdivision. The commission may delegate to the Bank of North Dakota, and the Bank of North Dakota is hereby authorized to exercise, all administrative powers granted to the commission under this chapter. The Bank of North Dakota is further authorized to advance from its funds the amount necessary to permit the commission to issue ~~its first series of~~ bonds under this chapter which shall be refunded to the Bank of North Dakota by the commission upon issuance of said bonds. Thereafter, all expenses incurred by the commission in carrying out the provisions of this chapter shall be payable solely from funds provided under this chapter, and nothing in this chapter shall be construed to authorize the commission to incur indebtedness or liability on behalf of or payable by this state or any political subdivision of it.

SECTION 15. AMENDMENT. Section 4-36-25 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-25. Commission - Bonds exempt from taxation - Exception. All bonds issued under this chapter, interest payable thereon and income derived therefrom except inheritance, estate, and transfer taxes, shall at all times be exempt from all taxes imposed by this state, any county, any city, or any other political subdivision of this state. Bonds may be issued under this chapter whereby the interest on the bonds is subject to federal income taxation.

SECTION 16. A new section to chapter 4-36 of the North Dakota Century Code is hereby created and enacted to read as follows:

Reserve fund.

1. The commission may establish and maintain a reserve fund and may deposit moneys appropriated by the state for the purpose of the fund, all proceeds of bonds required to be deposited in the fund by terms of any contracts between the commission and its bondholders or any resolution of the commission pertaining to proceeds of bonds, moneys or funds of the commission which it determines to deposit, and moneys made available to the commission for the purposes of the fund from any other source, and may transfer funds from the interest rate buydown fund established in section 5 of this Act. Moneys in the reserve fund must be held and applied solely to the payment of the interest on and the principal of bonds and sinking fund payments as the payments become due and payable and for the retirement of bonds, including the payment of any redemption premium required to be paid when any bonds are redeemed or retired prior to maturity.
2. The commission may certify to the legislative assembly such amounts as are necessary to maintain the fund at a level necessary to secure the payment of the principal, premium, if any, and interest on its bonds.

SECTION 17. APPROPRIATION. There is hereby appropriated out of any moneys in the fire and tornado fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much thereof as may be necessary, to the interest rate buydown fund for the period beginning upon the effective date of this Act, and ending June 30, 1987. Upon expiration of this appropriation, the funds which remain in the interest rate buydown fund must be returned to the fire and tornado fund. Any interest generated from the interest rate buydown fund must be transferred to the fire and tornado fund upon expiration of this appropriation. The industrial commission shall by rule establish the priority of applications for interest rate buydowns under this Act, if appropriations are not sufficient to make loans to all applicants.

SECTION 18. APPROPRIATION. There is hereby appropriated out of any moneys in the fire and tornado fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much thereof as may be necessary, to the interest rate buydown fund for the period beginning

July 1, 1986, and ending June 30, 1987. Upon expiration of this appropriation, the funds which remain in the interest rate buydown fund must be returned to the fire and tornado fund. Any interest generated from the interest rate buydown fund must be transferred to the fire and tornado fund upon expiration of this appropriation. The industrial commission shall by rule establish the priority of applications for interest rate buydowns under this Act, if appropriations are not sufficient to make loans to all applicants.

SECTION 19. 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, sections, and pages accordingly

SENATE AMENDMENTS TO ENGROSSED HB 1526

On page 1 of the engrossed bill, line 13, delete the numerals "100,000" and insert in lieu thereof the numerals "250,000"

On page 1 of the engrossed bill, line 14, delete the numerals "105,000" and insert in lieu thereof the numerals "255,000"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Educational Broadcasting Council

The grants line item is increased by \$150,000 from the general fund to provide increased general fund support.

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has failed to pass:

HB 1652

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate has adopted the conference committee report on SB 2062, SB 2260, and SB 2313 and subsequently passed the same.

LEO LEIDHOLM, Secretary

SIGNING OF BILLS AND RESOLUTIONS

THE CHIEF CLERK ANNOUNCED that the Speaker signed the following:

HB 1026, HB 1038, HB 1057, HB 1083, HB 1085, HB 1145,
 HB 1170, HB 1195, HB 1267, HB 1285, HB 1287, HB 1290,
 HB 1341, HB 1349, HB 1354, HB 1363, HB 1378, HB 1399,

HB 1408, HB 1427, HB 1464, HB 1507, HB 1536, HB 1537,
 HB 1547, HB 1565, HB 1583, HB 1596, HB 1615, HB 1625,
 HB 1654, HCR 3045, HCR 3071, HCR 3076, HCR 3079

ROY GILBREATH, Chief Clerk

MESSAGE TO THE SENATE
 HOUSE CHAMBER

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

HB 1026, HB 1038, HB 1057, HB 1083, HB 1085, HB 1145,
 HB 1170, HB 1195, HB 1267, HB 1285, HB 1287, HB 1290,
 HB 1341, HB 1349, HB 1354, HB 1363, HB 1378, HB 1399,
 HB 1408, HB 1427, HB 1464, HB 1507, HB 1536, HB 1537,
 HB 1547, HB 1565, HB 1583, HB 1596, HB 1615, HB 1625,
 HB 1654, HCR 3045, HCR 3071, HCR 3076, HCR 3079

ROY GILBREATH, Chief Clerk

REPORT OF PROCEDURAL COMMITTEE

MR. SPEAKER: Your procedural Committee on Delayed Bills recommends that the following be introduced:

HCR 3106

REP. STRINDEN, Chairman

REP. KRETSCHMAR MOVED that the report be adopted, which motion prevailed.

MESSAGE FROM THE SENATE
 SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has passed unchanged:

HB 1656, HCR 3094, HCR 3097, HCR 3098

LEO LEIDHOLM, Secretary

SIGNING OF BILLS AND RESOLUTIONS

THE CHIEF CLERK ANNOUNCED that the Speaker signed the following:

SB 2167, SB 2170, SB 2201, SB 2214, SB 2228, SB 2250,
 SB 2300, SB 2342, SB 2364, SB 2430, SB 2435, SB 2442,
 SB 2498, SCR 4044

ROY GILBREATH, Chief Clerk

MESSAGE TO THE SENATE
 HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to return herewith the following which the Speaker has signed:

SB 2167, SB 2170, SB 2201, SB 2214, SB 2228, SB 2250,
 SB 2300, SB 2342, SB 2364, SB 2430, SB 2435, SB 2442,
 SB 2498, SCR 4044

ROY GILBREATH, Chief Clerk

SECOND READING OF HOUSE BILL

HB 1587: A BILL for an Act to set safety standards for anhydrous ammonia facilities; and to provide a penalty.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 82 YEAS, 10 NAYS, 14 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Belter; Berg, G.; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dotzenrod; Enget; Frey; Gates; Gerntholz; Goetz; Graba; Gunsch; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Keller; Kelly; Kent; Kloubec; Klundt; Knudson; Koland; Kretschmar; Kuchera; Lang; Larson; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Melby; Mertens; Meyer; Moore; Murphy; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; Opedahl; O'Shea; Payne; Retzer; Richard; Riehl; Riley; Sauter; Schindler; Schmidt; Schneider; Shaw; Shide; Smette; Solberg, O.; Solberg, R.; Starke; Strinden; Tollefson; Vander Vorst; Wald; Watne; Wentz; Williams, A.; Williams, C.; Williams, W.; Wold; Speaker Hausauer, R.

NAYS: Anderson, R.; Hanson, O.; Hughes; Kingsbury; O'Connell; Pederson, R.; Skjerven; Thompson; Timm; Whalen

ABSENT AND NOT VOTING: Dorso; Eckroth; Gullickson; Laughlin; Lipsiea; Martinson; Peterson, J.; Rice; Rydell; Shockman; Stofferahn; Ulmer; Unhjem; Winkelman

HB 1587 passed and the title was agreed to.

MOTION

REP. KRETSCHMAR MOVED that the House reconsider its action whereby SCR 4005 failed to pass for want of a Constitutional majority, which motion prevailed on a verification vote.

SECOND READING OF SENATE CONCURRENT RESOLUTION

SCR 4005: A concurrent resolution for the amendment of section 3 of article IX of the Constitution of the State of North Dakota, relating to membership of the board of university and school lands.

Which has been read.

ROLL CALL

The question being on the final adoption of the resolution, the roll was called and there were 78 YEAS, 20 NAYS, 8 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Berg, G.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Gerntholz; Goetz; Graba; Halmrast; Hamerlik; Hanson, L.; Haugland; Hedstrom; Hill; Hoffner; Keller; Kelly; Kent; Klundt; Knudson; Koland; Kretschmar; Lang; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Melby; Mertens; Meyer; Murphy; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; O'Connell; Olson, A.; Olson, V.; Opedahl; O'Shea; Retzer; Riehl; Riley; Sauter; Schmidt; Schneider; Shaw; Shide; Skjerven; Smette; Solberg, R.; Starke; Stofferahn; Thompson; Timm; Tollefson; Ulmer; Vander Vorst; Wald; Watne; Wentz; Williams, A.; Williams, C.; Williams, W.; Winkelman; Speaker Hausauer, R.

NAYS: Belter; Berg, R.; Gunsch; Hanson, O.; Hausauer, A.; Hughes; Kingsbury; Kloubec; Kuchera; Moore; Olsen, D.; Payne; Pederson, R.; Rice; Richard; Schindler; Solberg, O.; Unhjem; Whalen; Wold

ABSENT AND NOT VOTING: Eckroth; Gullickson; Lipsiea; Martinson; Peterson, J.; Rydell; Shockman; Strinden

SCR 4005 was declared adopted.

ANNOUNCEMENT

SPEAKER R. HAUSAUER ANNOUNCED that Representative Kelly would replace Representative Stofferahn on the Conference Committee on HB 1243.

MESSAGE TO THE SENATE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the Speaker has appointed Representative Kelly as a replacement conferee for Representative Stofferahn on HB 1243.

ROY GILBREATH, Chief Clerk

MOTION

REP. NOWATZKI MOVED that the House reconsider its action whereby SB 2450 failed to pass for want of a Constitutional majority.

REQUEST

REP. D. OLSEN REQUESTED a recorded roll call vote on the motion to reconsider the action whereby SB 2450 failed to pass for want of a Constitutional majority, which request was granted.

REP. HUGHES MOVED the previous question, which motion prevailed.

ROLL CALL

The question being on the motion to reconsider the action whereby SB 2450 failed to pass for want of a Constitutional majority, the roll was called and there were 67 YEAS, 33 NAYS, 6 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Cleveland; Conmy; Dalrymple; Dorso; Dotzenrod; Gates; Gerntholz; Goetz; Gunsch; Hamerlik; Hanson, O.; Haugland; Hedstrom; Hill; Hughes; Keller; Kent; Kloubec; Klundt; Koland; Kretschmar; Kuchera; Lang; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Martinson; Melby; Mertens; Moore; Myrdal; Nalewaja; Nowatzki; Olson, V.; Opedahl; Payne; Retzer; Rice; Riley; Sauter; Schmidt; Shaw; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Thompson; Timm; Tollefson; Ulmer; Vander Vorst; Wald; Wentz; Whalen; Williams, A.; Williams, C.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: Brokaw; DeMers; Enget; Frey; Graba; Halmrast; Hanson, L.; Hausauer, A.; Hoffner; Kelly; Kingsbury; Knudson; Lloyd; Martin; Murphy; Nicholas; Oban; O'Connell; Olsen, D.; Olson, A.; O'Shea; Pederson, R.; Richard; Riehl; Schindler; Schneider; Shide; Shockman; Stofferahn; Strinden; Unhjem; Watne; Williams, W.

ABSENT AND NOT VOTING: Eckroth; Gullickson; Lipsiea; Meyer; Peterson, J.; Rydell

So the motion to reconsider the action whereby SB 2450 failed to pass for want of a Constitutional majority prevailed.

SECOND READING OF SENATE BILL

SB 2450: A BILL for an Act to create and enact subsections 9, 10, 11, 12, and 13 to section 41-09-28, four new subsections to section 41-09-42, and a new section to title 41 of the North Dakota Century Code, relating to a central notice system, the protection of buyers of crops and livestock, the responsibilities of the secretary of state for the central notice system, fees chargeable, and transition; to amend and reenact subsection 8 of section 11-18-01, subsection 1 of section 41-09-28, and section 41-09-46 of the North Dakota Century Code, relating to sales of crops or livestock, responsibilities of the secretary of state, and financing statements; to repeal subsections 4, 5, 6, 7, and 8 of section 41-09-28, relating to the certificate of ownership law; and to provide an effective date.

Which has been read.

MOTION

REP. GATES MOVED the previous question, which motion prevailed.

ROLL CALL

The question being on the final passage of the bill, the roll was called and there were 65 YEAS, 36 NAYS, 5 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Cleveland; Conmy; Dalrymple; Dorso; Dotzenrod; Enget; Gates; Gerntholz; Goetz; Gunsch; Hamerlik; Hanson, O.; Haugland; Hedstrom; Hill; Hughes; Keller; Kent; Kloubec; Klundt; Koland; Kretschmar; Kuchera; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Martinson; Melby; Mertens; Moore; Myrdal; Nowatzki; Olson, V.; Opedahl; Payne; Retzer; Rice; Riley; Sauter; Schmidt; Shaw; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Thompson; Timm; Tollefson; Ulmer; Vander Vorst; Wald; Wentz; Whalen; Williams, A.; Williams, C.; Wold; Speaker Hausauer, R.

NAYS: Brokaw; DeMers; Frey; Graba; Halmrast; Hanson, L.; Hausauer, A.; Hoffner; Kelly; Kingsbury; Knudson; Lang; Lloyd; Martin; Meyer; Murphy; Nalewaja; Nicholas; Oban; O'Connell; Olsen, D.; Olson, A.; O'Shea; Pederson, R.; Richard; Riehl; Schindler; Schneider; Shide; Shockman; Stofferahn; Strinden; Unhjem; Watne; Williams, W.; Winkelman

ABSENT AND NOT VOTING: Eckroth; Cullickson; Lipsiea; Peterson, J.; Rydell

SB 2450 passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM SENATE

REP. STRINDEN MOVED that the House do not concur in the Senate amendments to HB 1011 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1011:

Reps. Kingsbury, Gunsch, Graba

CONSIDERATION OF MESSAGE FROM SENATE

REP. STRINDEN MOVED that the House do not concur in the Senate amendments to HB 1526 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1526:

Reps. Kingsbury, Gunsch, Graba

CONSIDERATION OF MESSAGE FROM SENATE

REP. STRINDEN MOVED that the House do not concur in the Senate amendments to HB 1002 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1002:

Reps. Wald, Kuchera, Nowatzki

CONSIDERATION OF MESSAGE FROM SENATE

REP. STRINDEN MOVED that the House do not concur in the Senate amendments to HB 1006 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1006:

Reps. Kingsbury, Gunsch, Graba

MESSAGE TO THE SENATE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the House does not concur in the Senate amendments to HB 1002, HB 1006, HB 1011 and HB 1526 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1002: Reps. Wald, Kuchera, Nowatzki
 HB 1006: Reps. Kingsbury, Gunsch, Graba
 HB 1011: Reps. Kingsbury, Gunsch, Graba
 HB 1526: Reps. Kingsbury, Gunsch, Graba

ROY GILBREATH, Chief Clerk

CONSIDERATION OF MESSAGE FROM SENATE

REP. STRINDEN MOVED that the House do concur in the Senate amendments to HB 1653, which motion prevailed.

HB 1653 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MOTION

REP. STRINDEN MOVED that the rules be suspended and that HB 1653 be placed on the Eleventh order, as amended, for second reading and final passage, and dispense with the reading of the title, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1653: A BILL for an Act to provide an appropriation for additional compensation to North Dakota state employees; to provide for revisions to the North Dakota central personnel compensation plan; and to declare an emergency.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 92 YEAS, 6 NAYS, 8 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Berg, G.; Berg, R.; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Gerntholz; Goetz; Graba; Halmrast; Hamerlik; Hanson, L.; Hanson, O.; Haugland; Hausauer, A.; Hedstrom; Hill; Hoffner; Hughes; Keller; Kelly; Kingsbury; Kloubec; Knudson; Koland; Kretschmar; Kuchera; Larson; Laughlin; Lautenschlager; Linderman; Lindgren; Lloyd; Martin; Martinson; Mertens; Meyer; Moore; Myrdal; Nalewaja; Nicholas; Nowatzki; Oban; O'Connell; Olsen, D.; Olson, A.; Olson, V.; Opedahl; O'Shea; Payne; Pederson, R.; Retzer; Rice; Richard; Riehl; Riley; Sauter; Schmidt; Schneider; Shaw; Shide; Skjerven; Smette; Solberg, O.; Solberg, R.; Starke; Stofferahn; Strinden; Thompson; Timm; Tollefson; Ulmer; Unhjem; Vander Vorst; Wald; Watne; Wentz; Whalen; Williams, A.; Williams, C.; Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: Gunsch; Klundt; Lang; Melby; Murphy; Schindler

ABSENT AND NOT VOTING: Brokaw; Eckroth; Gullickson; Kent; Lipsiea; Peterson, J.; Rydell; Shockman

HB 1653 passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

REP. RICHARD MOVED that the House reconsider its action whereby HB 1659 was passed.

REQUEST

REP. GUNSCH REQUESTED a recorded roll call vote on the motion to reconsider the action whereby HB 1659 was passed, which request was granted.

REP. HUGHES MOVED the previous question, which motion prevailed.

ROLL CALL

The question being on the motion to reconsider the action whereby HB 1659 was passed, the roll was called and there were 61 YEAS, 38 NAYS, 7 ABSENT AND NOT VOTING.

YEAS: Belter; Berg, G.; Berg, R.; Brokaw; Cleveland; Conmy; Dalrymple; DeMers; Dorso; Dotzenrod; Enget; Frey; Gates; Goetz; Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.; Hill; Hoffner; Keller; Kelly; Kloubec; Kretschmar; Kuchera; Larson; Linderman; Lindgren; Lloyd; Martinson; Mertens; Meyer; Moore; Murphy; Nalewaja; Nicholas; Nowatzki; Oban; O'Shea; Payne; Richard; Riehl; Riley; Sauter; Schneider; Shockman; Solberg, R.; Starke; Stofferahn; Strinden; Ulmer; Unhjem; Watne; Wentz; Williams, A.; Williams, C.; Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

NAYS: Anderson, C.; Anderson, R.; Gerntholz; Graba; Gunsch; Hanson, O.; Hedstrom; Hughes; Kent; Kingsbury; Klundt; Knudson; Koland; Lang; Laughlin; Lautenschlager; Martin; Melby; Myrdal; O'Connell; Olsen, D.; Olson, V.; Opedahl; Pederson, R.; Retzer; Rice; Schindler; Schmidt; Shaw; Shide; Skjerven; Smette; Solberg, O.; Thompson; Timm; Tollefson; Vander Vorst; Whalen

ABSENT AND NOT VOTING: Eckroth; Gullickson; Lipsiea; Olson, A.; Peterson, J.; Rydell; Wald

So the motion to reconsider the action whereby HB 1659 was passed prevailed.

SECOND READING OF HOUSE BILL

HB 1659: A BILL for an Act to amend and reenact subsection 4 of section 32-12.1-02, and subsections 1 and 3 of section 32-12.1-03 of the North Dakota Century Code, relating to sovereign immunity of political subdivisions and their employees.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 44 YEAS, 56 NAYS, 6 ABSENT AND NOT VOTING.

YEAS: Anderson, C.; Anderson, R.; Belter; Dotzenrod; Gerntholz; Graba; Gunsch; Hanson, O.; Hedstrom; Hughes; Kent; Kingsbury; Klundt; Knudson; Koland; Lang; Laughlin; Lautenschlager; Martin; Melby; Myrdal; Nicholas; O'Connell; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Pederson, R.; Retzer; Rice; Schindler; Schmidt; Shaw; Shide; Skjerven; Smette; Solberg, O.; Stofferahn;

Strinden; Thompson; Timm; Tollefson; Vander Vorst;
Whalen

NAYS: Berg, G.; Berg, R.; Brokaw; Cleveland; Conmy;
Dalrymple; DeMers; Dorso; Enget; Frey; Gates; Goetz;
Halmrast; Hamerlik; Hanson, L.; Haugland; Hausauer, A.;
Hill; Hoffner; Keller; Kelly; Kloubec; Kretschmar;
Kuchera; Larson; Linderman; Lindgren; Lloyd; Martinson;
Mertens; Meyer; Moore; Murphy; Nalewaja; Nowatzki;
Oban; Opedahl; Payne; Richard; Riehl; Riley; Sauter;
Schneider; Shockman; Solberg, R.; Starke; Ulmer;
Unhjem; Watne; Wentz; Williams, A.; Williams, C.;
Williams, W.; Winkelman; Wold; Speaker Hausauer, R.

ABSENT AND NOT VOTING: Eckroth; Gullickson; Lipsiea;
Peterson, J.; Rydell; Wald

HB 1659 was declared lost.

MOTION

REP. STRINDEN MOVED that the House request the return of HB 1545 from the Governor, which motion prevailed.

COMMUNICATION

**House of Representatives
STATE OF NORTH DAKOTA**

March 29, 1985

Governor George A. Sinner
State Capitol Building
Bismarck, North Dakota 58505

Dear Governor Sinner:

The House of Representatives respectfully requests the return of House Bill No. 1545.

Sincerely,

Roy Gilbreath
Chief Clerk

FIRST READING OF A HOUSE CONCURRENT RESOLUTION

Rep. O. Hanson introduced:

(Approved by the Committee on Delayed Bills)

HCR 3106: A concurrent resolution urging the President of the United States and the Congress of the United States to maintain full funding for the National School Lunch Program.

Was read the first time.

MOTION

REP. STRINDEN MOVED that the rules be suspended, that HCR 3106 not be printed, not be referred to committee, be read in its entirety, and placed on the calendar for second reading and final passage, which motion prevailed.

SECOND READING OF A HOUSE CONCURRENT RESOLUTION

HCR 3106: A concurrent resolution urging the President of the United States and the Congress of the United States to maintain full funding for the National School Lunch Program.

Which has been read.

The question being on the final adoption of the resolution.

HCR 3106 was declared adopted on a voice vote.

MESSAGES FROM THE SENATE
SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the President has signed:

HB 1026, HB 1038, HB 1057, HB 1083, HB 1085, HB 1145,
HB 1170, HB 1195, HB 1267, HB 1285, HB 1287, HB 1290,
HB 1341, HB 1349, HB 1354, HB 1363, HB 1378, HB 1399,
HB 1408, HB 1427, HB 1464, HB 1507, HB 1536, HB 1537,
HB 1547, HB 1565, HB 1583, HB 1596, HB 1615, HB 1625,
HB 1654, HCR 3045, HCR 3071, HCR 3076, HCR 3079

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith HB 1043 and HB 1494 which the Senate has amended:

SENATE AMENDMENTS TO REENGROSSED HB 1043

On page 1 of the reengrossed bill, line 1, delete the words "to create and enact a new section to chapter 4-01"

On page 1 of the reengrossed bill, delete lines 2 and 3

On page 1 of the reengrossed bill, line 4, delete the words "beginning farmer program applicants;"

On page 1 of the reengrossed bill, delete lines 12 through 28

On page 2 of the reengrossed bill, delete lines 1 through 13

On page 2 of the reengrossed bill, line 33, delete the words "after the commissioner of agriculture has"

On page 2 of the reengrossed bill, delete line 34

- On page 2 of the reengrossed bill, line 35, delete the words "pursuant to section 1 of this Act,"
- On page 3 of the reengrossed bill, line 23, delete the words "pursuant to"
- On page 3 of the reengrossed bill, line 24, delete the words "section 1 of this Act"
- On page 5 of the reengrossed bill, line 24, remove the overstrike over the word "~~buyer~~", and delete the words "commissioner of agriculture"
- On page 6 of the reengrossed bill, line 8, delete the words "determined by the commissioner of"
- On page 6 of the reengrossed bill, delete line 9
- On page 6 of the reengrossed bill, line 10, delete the words "this Act as"
- On page 7 of the reengrossed bill, line 7, delete the words "determined by"
- On page 7 of the reengrossed bill, delete line 8
- On page 7 of the reengrossed bill, line 9, delete the words "to section 1 of this Act as"
- On page 8 of the reengrossed bill, delete lines 7 through 12
- On page 8 of the reengrossed bill, after line 12, insert the following new section:

"SECTION 7. APPROPRIATION. There is hereby appropriated all moneys remaining in the beginning farmer loan guarantee fund created by section 6-09.8-03 as of the effective date of this Act, to the beginning farmer revolving loan fund established under section 6-09-15.5. The Bank of North Dakota shall make such transfers as are necessary to implement this section."

And renumber the lines, sections, and pages accordingly

SENATE AMENDMENTS TO ENGROSSED HB 1494

In lieu of the amendments to engrossed House Bill No. 1494 adopted by the Senate as found on page 1557 of the Senate Journal, engrossed House Bill No. 1494 is amended as follows:

- On page 1 of the engrossed bill, line 5, delete the words "If Senate Bill No. 2502 of the forty-ninth"
- On page 1 of the engrossed bill, delete lines 6 and 7

On page 1 of the engrossed bill, line 10, delete the words "farm foreclosure negotiation" and insert in lieu thereof the words "credit review"

On page 1 of the engrossed bill, delete lines 23 through 27

On page 2 of the engrossed bill, delete lines 1 through 27 and insert in lieu thereof the following:

"SECTION 2. Credit review board. The governor shall appoint three members of the credit review board. One member of the board must have experience serving as a director or officer of a financial institution. Two members of the board must have experience in the operation of a farm. No member of the board may hold state office or serve in state office or serve in state government in any capacity at any time of appointment or during service on the board. The governor shall appoint members to terms of four years. The governor shall appoint one member to serve as chairman of the board."

On page 2 of the engrossed bill, line 28, delete the words "If Senate Bill No. 2502 of the forty-ninth"

On page 2 of the engrossed bill, delete lines 29 and 30

On page 3 of the engrossed bill, line 7, delete the words "If Senate Bill No. 2502 of the forty-ninth"

On page 3 of the engrossed bill, delete lines 8 and 9

On page 5 of the engrossed bill, line 8, delete the words "If Senate Bill No. 2502 of the forty-ninth"

On page 5 of the engrossed bill, delete lines 9 and 10

On page 5 of the engrossed bill, delete lines 13 through 18

On page 5 of the engrossed bill, after line 18, insert the following new section:

"SECTION 10. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much thereof as may be necessary, to the home-quarter purchase fund for interest buydowns and administrative expenses of the credit review board for the period beginning with the effective date of this Act, and ending June 30, 1987."

And renumber the lines, sections, and pages accordingly

LEO LEIDHOLM, Secretary

REPORT OF PROCEDURAL COMMITTEE

MR. SPEAKER: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Governor for his approval at the hour of 4:35 p.m., March 29, 1985:

HB 1057, HB 1083, HB 1170, HB 1195, HB 1285, HB 1287,
 HB 1290, HB 1341, HB 1354, HB 1363, HB 1378, HB 1399,
 HB 1408, HB 1464, HB 1536, HB 1537, HB 1547, HB 1565,
 HB 1596, HB 1615, HB 1625

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

REPORT OF PROCEDURAL COMMITTEE

MR. SPEAKER: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Governor for his approval at the hour of 4:35 p.m., March 29, 1985:

HB 1026, HB 1038, HB 1085, HB 1145, HB 1267, HB 1349,
 HB 1427, HB 1507, HB 1583, HB 1654

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

REPORT OF PROCEDURAL COMMITTEE

MR. SPEAKER: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Secretary of State for his filing at the hour of 4:35 p.m., March 29, 1985:

HCR 3045, HCR 3071, HCR 3076, HCR 3079

REP. HEDSTROM, Chairman

REP. SHAW MOVED that the report be adopted, which motion prevailed.

MOTIONS

REP. STRINDEN MOVED that the absent members be excused, which motion prevailed.

REP. STRINDEN MOVED that the House be on the Fourth order of business, and at the conclusion of the Fourth order, the House be on the Fifth order of business, and at the conclusion of the Fifth order, the House stand adjourned until 9:00 a.m., Monday, April 1, 1985, which motion prevailed.

FRIDAY, MARCH 29, 1985

2541

COMMUNICATION

State of North Dakota
EXECUTIVE OFFICE
Bismarck

March 29, 1985

The Honorable Roy Hausauer
Speaker of the House
House Chamber
State Capitol
Bismarck, North Dakota 58505

Dear Mr. Speaker:

This is to inform you that on March 28, 1985, I signed the following:

HB 1257, HB 1390, HB 1425, HB 1480.

On March 29, 1985, I signed the following:

HB 1525, HB 1515.

Sincerely,

GEORGE A. SINNER
Governor

REPORTS OF STANDING COMMITTEES

MR. SPEAKER: Your Committee on Appropriations to which was rereferred Reengrossed SB 2048 has had the same under consideration and recommends by a vote of 14 YEAS, 7 NAYS, 2 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

In lieu of the amendments to reengrossed Senate Bill No. 2048 adopted by the House of Representatives as found on page 1875 of the House Journal, reengrossed Senate Bill No. 2048 is amended as follows:

On page 1 of the reengrossed bill, line 1, after the word "Act" insert the words "to establish the industrial commission as the North Dakota building authority and to set out its powers and duties;"

On page 1 of the reengrossed bill, line 3, delete the words "real property or"

On page 1 of the reengrossed bill, line 9, delete the words "to limit the amount of certificates of participation" and insert in lieu thereof the words "to provide authorization for the issuance of certificates of indebtedness and

evidences of indebtedness for the acquisition of equipment for state institutions of higher education and for the construction of various buildings and facilities for state agencies, departments, and institutions;"

- On page 1 of the reengrossed bill, line 10, delete the words "issued and leases entered into under this Act; and"
- On page 1 of the reengrossed bill, line 11, after the word "appropriation" insert the words "; to provide an appropriation; and to declare an emergency"
- On page 1 of the reengrossed bill, line 17, delete the words "real property or"
- On page 1 of the reengrossed bill, line 19, delete the words "fee simple" and insert in lieu thereof the words ", pursuant to legislative authorization,"
- On page 1 of the reengrossed bill, delete line 20
- On page 1 of the reengrossed bill, line 25, delete the word "real"
- On page 1 of the reengrossed bill, line 26, delete the words "property or"
- On page 2 of the reengrossed bill, line 8, delete the words "real property or"
- On page 2 of the reengrossed bill, line 10, after the period insert the following: "The office of management and budget may enter into agreements with the industrial commission for the issuance by the industrial commission of certificates of participation under this subdivision."
- On page 2 of the reengrossed bill, line 11, delete the word "real"
- On page 2 of the reengrossed bill, line 12, delete the words "property or"
- On page 2 of the reengrossed bill, line 14, delete the words "real property or"
- On page 2 of the reengrossed bill, line 22, delete the word "real"
- On page 2 of the reengrossed bill, line 23, delete the words "property or"
- On page 3 of the reengrossed bill, line 13, delete the words "real property or"

- On page 3 of the reengrossed bill, line 14, delete the words "real property or"
- On page 3 of the reengrossed bill, line 22, delete the words "real property or"
- On page 3 of the reengrossed bill, line 25, delete the word "real"
- On page 3 of the reengrossed bill, line 26, delete the words "property or"
- On page 3 of the reengrossed bill, line 28, delete the words "real property or"
- On page 3 of the reengrossed bill, line 32, delete the words "real property or"
- On page 4 of the reengrossed bill, line 2, delete the words "real property or"
- On page 4 of the reengrossed bill, line 4, delete the words "real property or"
- On page 4 of the reengrossed bill, line 8, delete the words "real property or"
- On page 4 of the reengrossed bill, line 27, delete the words "real property or"
- On page 4 of the reengrossed bill, line 29, delete the words "real property or"
- On page 5 of the reengrossed bill, line 22, delete the words "real property or"
- On page 5 of the reengrossed bill, line 23, delete the words "Real property or equipment" and insert in lieu thereof the word "Equipment"
- On page 6 of the reengrossed bill, line 4, delete the words "real property or"
- On page 6 of the reengrossed bill, line 23, delete the words "real property or"
- On page 7 of the reengrossed bill, delete lines 11 through 21 and insert in lieu thereof the following:

"SECTION 3. EQUIPMENT AUTHORIZATION. The office of management and budget may issue certificates of participation as necessary to defray the cost of the purchase of equipment for lease to state institutions of higher education under section 1 of this Act as follows

during the biennium beginning July 1, 1985, and ending June 30, 1987:

NAME OF INSTITUTION	STATE FUNDS
University of North Dakota	\$ 820,000
North Dakota state university	658,750
State school of science	351,250
Dickinson state college	97,500
Minot state college	190,000
Valley City state college	75,000
Mayville state college	52,500
NDSU-Bottineau branch	30,000
Bismarck junior college	128,750
Lake region community college	50,000
UND-Williston	46,250
Total institutional, research and other equipment acquisition	<u>\$ 2,500,000</u>

The authorizations provided for under this section are in addition to other legislative authorizations made for equipment acquisition for these institutions of higher education. The state board of higher education may authorize an institution of higher education to make necessary lease rental payments for equipment authorized under this section from the institution's appropriation for equipment under Senate Bill No. 2003. The state board of higher education, prior to the issuance of any certificate of participation authorized under this section, shall certify to the office of management and budget the amount of an institution's equipment appropriation under Senate Bill No. 2003 authorized for payment of equipment lease rentals under this section."

- On page 7 of the reengrossed bill, line 25, delete the words "real property or"
- On page 7 of the reengrossed bill, line 27, delete the words "real property or"
- On page 7 of the reengrossed bill, after line 29, insert the following new sections:

"SECTION 5. Definitions. As used in sections 5 through 24 of this Act, unless the context or subject matter requires otherwise:

1. "Commission" means the industrial commission acting as the North Dakota building authority created under this Act.

2. "Evidences of indebtedness" means bonds, notes, debentures, and other evidences of indebtedness issued by the commission on behalf of the state of North Dakota to evidence money owed or borrowed.
3. "Project" or "projects" means any building or buildings primarily for the use of the state, including related structures, parking facilities, equipment, improvements, real and personal property or any interest therein, including lands under water, space rights and air rights, and other appurtenances and facilities necessary or convenient to the use or operation of the building or buildings, acquired, owned, constructed, reconstructed, extended, rehabilitated, or improved by the commission.
4. "Project cost" means the total cost of acquisition and construction of a project or projects and all costs of issuance, financing, and interest during construction included in the principal amount of evidences of indebtedness issued.
5. "State" means any branch of North Dakota government or any office, department, board, commission, bureau, division, public authority or corporation, agency, or instrumentality of the state.

SECTION 6. Commission - Evidence of indebtedness issuance.

The commission is a North Dakota instrumentality empowered, subject to legislative authorization, to issue evidences of indebtedness to make funds available for a project or projects as directed by the legislative assembly.

SECTION 7. Powers. Except as otherwise limited by sections 5 through 24 of this Act, the commission may:

1. Enter into agreements with respect to its projects, operation, properties, and facilities, subject to agreements with holders of evidences of indebtedness.
2. Sue and be sued.
3. Make and enter into all contracts and all agreements necessary or incidental to the performance of its duties and the exercise of its powers.
4. Acquire, own, hold, assign, exchange, lease, mortgage, or pledge or grant security interests

in a project or projects in the exercise of its powers and the performance of its duties.

5. Acquire, construct, reconstruct, rehabilitate, improve, alter, or repair, or provide for the acquisition, construction, reconstruction, improvement, alteration, or repair of any project and let, award, and enter into construction contracts, purchase orders, and other contracts with respect thereto in the manner determined by the commission.
6. Sell, lease, assign, transfer, convey, exchange, mortgage, or otherwise dispose of or encumber any project or other property no longer necessary to carry out the public purposes of the commission and, in the case of the sale of any project or property, to accept a purchase money mortgage in connection therewith; and to lease, repurchase, or otherwise acquire and hold any project or property which the commission has sold, let, or otherwise conveyed, transferred, or disposed of.
7. Grant options to purchase any project or to renew any lease entered into by it in connection with any of its projects, on terms and conditions it deems advisable.
8. Acquire by purchase, lease, or otherwise, on terms and conditions and in a manner as it determines to be proper, or by the exercise of the power of eminent domain, except with respect to lands owned by the state or any public lands, any land and other property or equipment, which it may determine is reasonably necessary for any project.
9. Sell, lease, rent, sublease, or otherwise dispose of, to any person, firm, or corporation, any surplus space in any project over and above that sold, leased, rented, subleased, or otherwise disposed of to the state and establish and revise the purchase price, rents, or charges for the surplus space.
10. Manage or operate any project or real or personal property or equipment related to a project whether owned or leased by the commission or any state agency, and enter into agreements with any state agency, any political subdivision, any local governmental agency, or with any person, firm, association, partnership, or corporation, either public or private, for the management of a project or related property.

11. Consent to any modification, amendment, or revision of any contract, lease, or agreement to which the commission is a party, subject to the provisions of any contract with holders of evidences of indebtedness.
12. Issue its evidences of indebtedness and to secure the same and provide for the rights of the holders thereof as provided in sections 5 through 24 of this Act.
13. Invest moneys of the commission not required for immediate use, including proceeds from the sale of any evidences of indebtedness in securities and other investments including evidences of indebtedness as the commission determines to be prudent, subject to any agreement with holders of evidences of indebtedness.
14. Procure insurance against any loss in connection with its property and other assets and operations in such amounts and from such insurers as it deems desirable.
15. Purchase evidences of indebtedness issued by the commission out of any funds or money not pledged to or necessary for some other purpose and hold, cancel, or resell such evidences of indebtedness, subject to any agreement with holders of evidences of indebtedness.

SECTION 8. Purpose of commission. The public purpose of the commission is to promote the general welfare of the citizens of this state by providing projects for use by the state in providing public services by altering, repairing, maintaining, or constructing buildings primarily for use by the state and making any improvements connected to those buildings or pertaining to those buildings and necessary to the use of those buildings in providing services to the public.

SECTION 9. Transfer of state property to commission - Services by state agencies. The state may transfer jurisdiction of or title to any property under its control to the commission. All state agencies may render any and all services to the commission as are within the area of their respective governmental functions and as may be required by the commission, including acting as agent for the commission in furtherance of performing its duties.

SECTION 10. Lease of facilities and sites to state agencies authorized - Commencement of payments under lease. The commission may lease any project to the state. The leases may be entered into contemporaneously with any financing to

be done by the commission and payments under the terms of the lease shall begin at any time after execution of the lease.

SECTION 11. Terms, conditions, and rental under leases - Automatic biennial extension provisions. Leases may be entered into by the commission:

1. Upon terms, conditions, and lease rentals, subject to available appropriations, as in the judgment of the commission are in the public interest; and
2. For an original term of not to exceed two years, with an automatic extension of the term of the lease, unless specifically rejected by the legislative assembly, for a term of two years from the expiration of the original term of the lease and for two years from the expiration of each extended term of the lease, until the original term of the lease has been extended for a total number of years to be agreed upon by the parties at a lease rental which, if paid for the original term and for each of the full number of years for which the term of the lease may be extended, will amortize the total project cost of the project.

The lease rental must be paid at the times agreed upon by the parties to the lease.

SECTION 12. State's option to purchase - Conveyance on exercise of option. The lease must provide that the state may, at the expiration of the original or any extended term, purchase the project at a stated price, which must be the balance of the total project cost not amortized by the payment of rents previously made by the state. The lease must provide that if the option to purchase the project has been exercised or if the lease has been extended for the full number of years which it may be extended, and all rents and payments provided for in the lease have been made and all project costs have been paid, the commission shall convey its interest in the project to the lessee.

SECTION 13. Insurance and credit enhancements added to rental payments. The lease may provide that the state shall provide insurance or, as additional rent for the leased project, pay the cost of insuring the project against loss or damage in such sum agreed to by the parties. The lease may also provide for payment of the cost of such credit enhancements as in the judgment of the commission may be required for sale of the evidences of indebtedness, including bond insurance or letters of credit.

SECTION 14. Appropriations and funds from which rent payable and right to project upon nonpayment - Commission's power to use or sell facilities for other purposes on nonpayment of rent. The lease must provide that rents are payable solely from appropriations to be made by the legislative assembly for the payment of the lease rent or money available to the lessee not requiring appropriation, money generated from charges made for use of the project, any revenues derived by the commission from the operation of the project, or any combination of such moneys. The commission upon nonpayment of lease rents is immediately entitled to the peaceable possession, access, and occupancy of the project and all appurtenances and easements appertaining thereto, and may maintain and operate the project or execute leases for the project or sell the project to political subdivisions of the state or private persons or entities for any purpose.

SECTION 15. Costs and reserves to be covered by rent and charges. Lease rentals for a project must be sufficient at all times to pay the maintenance and operation costs for the project, unless maintenance and operation costs are otherwise provided for under a lease, the principal of and interest on any evidence of indebtedness, and a proportion of the administrative expenses of the commission as provided for by each lease, and the reserves as may be provided in the resolutions authorizing the issuance of evidences of indebtedness.

SECTION 16. Tax exemption of commission's property. All property owned by the commission is exempt from taxation.

SECTION 17. Resolutions for evidences of indebtedness authorized - Maximum amount outstanding - Legislative approval required. The commission may at any time provide by resolution for the issuance of evidences of indebtedness for the purpose of paying all or any part of the cost of one or any combination of projects; provided, however, that no project may be leased by the commission to the state, nor any evidences of indebtedness be sold to raise the funds for payment, acquisition, or construction of a project until the legislative assembly by law authorizes the specific project or projects and declares the project or projects to be in the public interest.

SECTION 18. Purposes for which evidences of indebtedness issue - Refunding and refinancing - Pledge of income. To accomplish its purposes, the commission may borrow and issue and sell evidences of indebtedness in an amount or amounts as the commission may determine, but not in excess of legislative authorization, plus costs of issuance, financing, interest during construction, and any evidences of indebtedness funded reserve funds required by agreements with or for the benefit of holders of evidences of indebtedness for the purpose of acquiring, constructing,

completing, or remodeling, maintaining, or equipping any project or projects. The commission may refund and refinance the evidences of indebtedness from time to time as often as it is advantageous and in the public interest to do so; and may pledge any and all income of the commission, and any revenues derived by the commission or the state from a project or any combination thereof, to secure payment or redemption of the evidences of indebtedness.

SECTION 19. Evidences of indebtedness authorized - Interest rates - Exemption from taxation - Term. The commission, pursuant to legislative authorization, may, by resolution, authorize preparation, sale, and issuance of evidences of indebtedness of the commission in amounts and at such times, in fully registered form, with final maturity of not more than thirty years. The evidences of indebtedness may bear the fixed or variable rate or rates of interest and may be sold at the price or prices as the commission may provide at an average net interest cost not in excess of twelve percent per annum for evidences of indebtedness sold at private sale, except that there is no interest rate ceiling on issues sold at public sale or to the state. The evidences of indebtedness are not subject to taxation by the state or by any county, municipality, or political subdivision in the state. The evidences of indebtedness are not indebtedness of the state or of any officer or agent of the state within the meaning of any statutory or constitutional provision.

SECTION 20. Revenues, appropriations, funds, and income from which evidences of indebtedness payable. Evidences of indebtedness are payable solely from:

1. Revenues to be derived by the commission from the operation of a project or projects;
2. Income to be derived from rentals paid pursuant to leases to the state, or from leases to others as provided by this Act;
3. Funds appropriated by the legislative assembly; and
4. Any other revenue, income, or funds available to the commission.

SECTION 21. Covenants and contracts with holders of evidences of indebtedness. In any resolution of the commission relating to the issuance of any evidence of indebtedness, the commission may provide by covenants with the holders of the evidences of indebtedness, to:

1. Secure the evidences of indebtedness.

2. Covenant against pledging all or any part of its revenues, receipts, or proceeds, or against mortgaging or leasing all or any part of its real or personal property when owned or thereafter acquired or against permitting or suffering any lien. Any pledge of revenues, receipts, moneys, funds, levies, sales agreements, service contracts, or other property or instruments made by the commission are valid and binding from the time the pledge is made. The revenues, receipts, moneys, funds, or other property pledged and thereafter received by the commission are immediately subject to the lien of the pledge without any physical delivery or further act, and the lien of any pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the commission irrespective of whether the parties have notice of the claim. Neither the resolution nor any other instrument by which a pledge under this section is created need be filed or recorded except in the records of the commission.
3. Covenant as to any evidences of indebtedness to be issued and the limitations on the evidence of indebtedness and their terms and conditions as to the custody, application, investment, and disposition of their proceeds, as to the sources and methods of the payment, and as to the rank or priority of the evidence of indebtedness.
4. Provide for the replacement of lost, stolen, destroyed, or mutilated evidences of indebtedness.
5. Provide for the rights and liabilities, power and duties arising upon the breach of any covenant, condition, or obligation; prescribe the events of default and the terms and conditions upon which any or all of the evidences of indebtedness of the commission become or may be declared due and payable before maturity; and provide the terms and conditions upon which the declaration and its consequences may be waived.
6. Vest in a trustee or trustees within or without the state such property, rights, powers, and duties in trust as the commission may determine.
7. Make covenants other than or in addition to the covenants authorized by this Act of like or different character, and to make the covenants to do or refrain from doing acts and things as may be necessary, or convenient and desirable, to

better secure evidences of indebtedness or which, in the absolute discretion of the commission will tend to make its evidences of indebtedness more marketable, notwithstanding that the covenants, acts, or things may not be enumerated in this Act.

SECTION 22. Validity of signature by officers. Evidences of indebtedness must be executed by a member or members of the commission as designated by the commission, or by facsimile signature and the manual signature of a designated authenticating agent. Any evidences of indebtedness bearing the signature of members in office at the date of signing are valid and binding for all purposes notwithstanding that before delivery any person whose signature appears on the evidences of indebtedness has ceased to be a member.

SECTION 23. Restrictions on obligation stated on face of evidences of indebtedness. Evidences of indebtedness must state upon their face that they are payable solely from revenues derived by the commission as provided in this Act, including revenues from the operation of projects acquired, constructed, completed, remodeled, or equipped in whole or in part with the proceeds of the sale of such evidences of indebtedness, including income to be derived from rental leases as provided by sections 5 through 24 of this Act. Evidences of indebtedness must state upon their face that they do not constitute an obligation of the state within the meaning of any statutory or constitutional provision.

SECTION 24. Disposition of income - Building authority fund. The proceeds of and any revenue derived from the sale of evidences of indebtedness, charges, fees, or rentals, and all other revenue derived from any project undertaken pursuant to sections 5 through 24 of this Act must be held in trust for the purposes of sections 5 through 24 of this Act, in a special fund known as the building authority fund. Disbursements shall be made from the fund upon the resolution of the commission. The building authority fund established by this Act may contain such accounts as authorized by the commission.

SECTION 25. PROJECT AUTHORIZATION. The industrial commission may construct and acquire and issue evidences of indebtedness under sections 5 through 24 of this Act as necessary to defray project costs of the following projects, hereby declared to be in the public interest, during the biennium beginning July 1, 1985, and ending June 30, 1987:

NAME OF AGENCY, DEPARTMENT, OR INSTITUTION	TYPE OF FACILITY	STATE FUNDS
North Dakota state university	Computer center	\$ 4,700,000
State school of science	Agricultural mechanics building	2,600,000
University of North Dakota	Abbott hall addition and renovation	4,000,000
Minot state college	Library building	6,000,000
University of North Dakota	Purchase united hospital- north unit	2,200,000
State penitentiary	Phase II construction and renovation project	7,500,000
Grafton state school	Renovation of Sunset Hall, Collette Auditorium, and tunnel replacement	3,900,000
State hospital	Central store building, and air-conditioning in the adolescent center, receiving and treatment center, medical building and central dining center	<u>3,400,000</u>
Total major capital construction		\$ 34,300,000

The industrial commission shall issue evidences of indebtedness authorized under this section with the condition that lease rental payments need not begin until July 1, 1987, and with the provision that the evidences of indebtedness are callable five years after issuance. The authority of the industrial commission to issue evidences of indebtedness under sections 5 through 24 of this Act ends on July 1, 1987, but the industrial commission shall have continued authority to exercise all other powers granted to it under this Act and to comply with any covenants entered into before that date.

SECTION 26. LEGISLATIVE INTENT. It is the intention of the legislative assembly that the state board of higher education, prior to the issuance of any evidences of indebtedness by the industrial commission under section 25 of this Act, shall certify to the industrial commission that the board has considered all of the following:

1. Enrollment projections for the institution.
2. The financial feasibility of the project for which the bonds would be issued, including the present and future ability of the project to fully pay the principal and interest on the bonds.

3. The probability of future legislative action which may affect payment of principal and interest on the bonds.
4. Any other relevant matters of which the board has knowledge.

SECTION 27. CONTINUING APPROPRIATION. The moneys received by the commission and the state agencies and institutions from the sale of evidences of indebtedness, lease rental payments, and from revenue generated by projects authorized under section 25 of this Act are hereby appropriated as a continuing appropriation for the acquisition of these authorized projects and the payment of lease rentals for these projects.

SECTION 28. APPROPRIATION - MINOT STATE COLLEGE. There is hereby appropriated \$1,200,000, or so much thereof as may become available, from federal, private, and other funds to Minot state college in addition to other moneys appropriated in this Act for a regional library at Minot state college.

SECTION 29. 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, sections, and pages accordingly
REP. J. PETERSON, Chairman

Reengrossed SB 2048 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Committee on Appropriations to which was referred SB 2455 has had the same under consideration and recommends by a vote of 18 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING 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 create and enact a new section to chapter 38-08 and a new section to chapter 64-02 of the North Dakota Century Code, relating to commingling of production from two or more oil or gas wells in a storage facility, metering of oil and gas production, and testing of oil and gas production meters; and to provide an appropriation.

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

SECTION 1. A new section to chapter 38-08 of the North Dakota Century Code is hereby created and enacted to read as follows:

Commingling of production - Central production facility - Metering of production - Testing of meters. A producer may not commingle production from two or more oil or gas wells with diverse ownership in a storage facility without prior approval of the commission after notice and opportunity for hearing. If the commingling of production is for the express purpose of separating, metering, holding, and marketing of production, the owner of the wells shall apply to the commission for approval of the proposed commingling of production at a storage facility. If wells producing into a centralized storage facility have diverse ownership, the production from each well must be measured by meters approved by the commission and tested by the department of weights and measures as provided in section 2 of this Act or production must be measured by some other method the commission has approved after notice and opportunity for hearing. If wells producing into a centralized storage facility have common ownership, including the common ownership of the working interest, the common ownership of the royalty ownership, and the common ownership of any overriding royalty owners, the production from each well need not be measured on meters approved by the commission if the owner of the wells demonstrates to the commission that the production from each well can be accurately determined at reasonable intervals by other means.

SECTION 2. A new section to chapter 64-02 of the North Dakota Century Code is hereby created and enacted to read as follows:

Duty of department to test accuracy of oil and gas production meters. The department shall randomly test and certify the accuracy of meters used to measure oil and gas production under section 1 of this Act. The owner of the well shall contract for the testing of all meters with an independent contractor or may employ a qualified meter specialist approved by the department. The owner of the well shall repair or replace any meter that has a variance in excess of department standards. The department shall, in accordance with chapter 28-32, determine the fee to be charged by the department for testing meters. All fees collected under this section must be paid to the general fund in the state treasury.

SECTION 3. **APPROPRIATION.** There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$163,800, or so much thereof as may be necessary, to the public service commission for the purpose of implementing

section 2 of this Act for the biennium beginning July 1, 1985, and ending June 30, 1987."

And renumber the lines and pages accordingly

REP. J. PETERSON, Chairman

SB 2455 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Committee on Appropriations to which was referred SB 2507 has had the same under consideration and recommends by a vote of 13 YEAS, 9 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

REP. J. PETERSON, Chairman

SB 2507 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. SPEAKER: Your Committee on Agriculture to which was referred SCR 4076 has had the same under consideration and recommends by a vote of 13 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING that the same DO PASS.

REP. NICHOLAS, Chairman

SCR 4076 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

The House stood adjourned pursuant to Representative Strinden's motion.

ROY GILBREATH, Chief Clerk