JOURNAL OF THE SENATE

Fifty-first Legislative Assembly

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Bismarck, April 4, 1989

The Senate convened at 10:00 a.m., with President Omdahl presiding.

The prayer was offered by Rev. Jerry Erickson, Lebanon Lutheran Church, Amidon.

Our Lord and Father, we gather again in the pursuit of laws which shall govern our state. You are involved in our individual lives and we are assured that You are involved also in this legislative process. May Your great wisdom prevail among us and may a sense of justice control all that is done here. Though it may be most difficult for us to get beyond self-interest, help us to reflect a larger view. May we keep before us the interests of those less rewarded by our free enterprise system. With Your blessing, be with this assembly these days. In the name of Jesus, our Lord. Amen.

The roll was called and all Senators were present, except Senators Ingstad and Lashkowitz.

A quorum was declared by the President.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate has adopted the conference committee report on SB 2213, SB 2278, SB 2394, SB 2514, and HB 1144 and subsequently passed the same

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate has concurred in the House amendments to SB 2097, SB 2206, SB 2360, SB 2418, SB 2463, SB 2508, SB 2523 and subsequently passed the same.

The Senate does not concur in the House amendments to SB 2014 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2014: Sens. Mushik, Waldera, Thane

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The President has appointed as a conference committee to act with a like committee from the House on:

HB 1005:

Sens. Tallackson, Wogsland, Thane Sens. Shea, Stromme, Lips Sens. Maixner, O'Connell, David HB 1022: HB 1449:

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate has failed to pass: HB 1658, HCR 3011, HCR 3084.

SIGNING of BILLS and RESOLUTIONS (Patricia Conrad, Secretary) THE SECRETARY ANNOUNCED that the President signed the following enrolled bills and resolutions: SB 2079, SB 2220, SB 2361, SB 2365, SB 2398, SB 2410,

SB 2416, SB 2440, SB 2449, SB 2462, SB 2497, SB 2500, SB 2532, SCR 4041, SCR 4047.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The President has signed and your signature is respectfully requested: SB 2079, SB 2220, SB 2361, SB 2365, SB 2398, SB 2410, SB 2416, SB 2440, SB 2449, SB 2462, SB 2497, SB 2500, SB 2532, SCR 4041, SCR 4047.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The House does not concur in the Senate amendments to
HB 1185, HB 1446, and HB 1564 and the Speaker has appointed as a conference
committee to act with a like committee from the Senate on:

HB 1185: Reps. Howard, Stenehjem, Ulmer HB 1446: Reps. D. Larson, Wentz, Ring HB 1564: Reps. Murphy, Urlacher, Nelson

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The House has passed unchanged: SB 2046, SB 2055, SB 2078,
SB 2089, SB 2105, SB 2110, SB 2131, SB 2135, SB 2145, SB 2216, SB 2238,
SB 2245, SB 2271, SB 2281, SB 2286, SB 2292, SB 2294, SB 2295, SB 2301,
SB 2310, SB 2319, SB 2328, SB 2344, SB 2347.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has failed to pass: SB 2120, SB 2130, SB 2303.

CORRECTION and REVISION of the JOURNAL (Sen. Axtman, Chairman) MR. PRESIDENT: Your Committee on Correction and Revision of the Journal has carefully reexamined the Journal of the Fifty-eighth Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1460, replace lines 32-40 with:

"YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Heigaard; Hilken; Kelsh; Kinnoin; Krauter; Langley; Meyer, D.; Meyer, J.; Meyer, W.; Nelson; O'Connell; Richard; Stromme; Tallackson; Vosper; Waldera; Wogsland

NAYS: Hanson; Heinrich; Holmberg; Ingstad; Keller; Krebsbach; Lips; Lodoen; Maixner; Mathern; Maxson; Moore; Mushik; Mutch; Naaden; Nalewaja; Nething; Olson; Peterson; Redlin; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Tennefos; Thane; Todd; Yockim

ABSENT AND NOT VOTING: Lashkowitz"

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

CORRECTION and REVISION of the JOURNAL (Sen. Axtman, Chairman) MR. PRESIDENT: Your Committee on Correction and Revision of the Journal has carefully examined the Journal of the Sixty-first Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1553, line 43, remove "which motion"

Page 1553, line 44, remove "prevailed"

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

MOTION

SEN. HEIGAARD MOVED that HB 1006, HB 1007, and HB 1158 be placed at the bottom of the calendar, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SEN. SATROM MOVED that the amendments to HB 1164 as recommended by the Committee on Finance and Taxation as printed on pages 1543-1545 of the Senate Journal be adopted, and when so amended, recommends the same DO PASS.

REQUEST

SEN. MOORE REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to HB 1164, which request was granted.

ROLL CALL

The question being on the motion to adopt the amendments to HB 1164, the roll was called and there were 29 YEAS, 21 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; Dotzenrod; Ewen; Hanson; Heigaard; Heinrich; Hilken; Keller; Kelsh; Kinnoin; Krauter; Langley; Lips; Maixner; Mathern; Maxson; Meyer, J.; Mushik; O'Connell; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stromme; Waldera; Wogsland; Yockim

NAYS: David; Freborg; Holmberg; Krebsbach; Lodoen; Meyer, D.; Meyer, W.; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; Olson; Peterson; Stenehjem; Streibel; Tallackson; Tennefos; Todd; Vosper

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Thane

The motion to adopt the amendments to HB 1164 passed.

SECOND READING OF HOUSE BILL

HB 1164: A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.3 and a new subsection to section 57-38-01.3 of the North Dakota Century Code, relating to net operating loss deductions and special deductions; and to amend and reenact subsection 4.2 of section 57-38-01, subsection 5 of section 57-38-30.3, subsections 3 and 6 of section 57-38-60, subsection 1 of section 57-38-62, subsections 1 and 5 of section 57-38.4-01, and section 57-38.4-02 of the North Dakota Century Code, relating to alternative minimum taxable income and individual and corporation income tax.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 35 YEAS, 15 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; Dotzenrod; Ewen; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Langley; Lips; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Mushik; O'Connell; Olson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Stromme; Tallackson; Vosper; Waldera; Wogsland; Yockim

NAYS: David; Freborg; Krebsbach; Lodoen; Meyer, W.; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; Peterson; Streibel; Tennefos; Todd

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Thane

HB 1164 lost for lack of two-thirds majority.

MOTION

 $\ensuremath{\mathsf{SEN}}$. HEIGAARD $\ensuremath{\mathsf{MOVED}}$ that HB 1626 be moved to the top of the calendar, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SEN. TALLACKSON MOVED that the amendments to HB 1626 as recommended by the Committee on Appropriations as printed on pages 1571-1572 of the Senate Journal be adopted, and when so amended, recommends the same DO PASS, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1626: A BILL for an Act to create and enact a new section to chapter 63-01.1 of the North Dakota Century Code, relating to county weed board mill levies for noxious weed control; and to amend and reenact subsection 4 of section 63-01.1-06.2 of the North Dakota Century Code, relating to expenditures for leafy spurge control.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 50 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Meyer, D.

HB 1626 passed and the title was agreed to.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HCR 3086, HCR 3087, HCR 3089.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The House has passed unchanged: SCR 4066, SCR 4068,
SCR 4069.

MOTIONS

 $\mbox{SEN. HEIGAARD}\mbox{ MOVED}\mbox{ that HB 1229, HB 1130, HB 1228, HB 1333, HB 1337, and HCR 3022 be placed at the top of the calendar, which motion prevailed.$

SEN. MATHERN MOVED that HB 1229 be further amended as follows:

In addition to the amendments to engrossed House Bill No. 1229 adopted by the Senate as printed on pages 1314-1315 of the Senate Journal, engrossed House Bill No. 1229 is further amended as follows:

- Page 1, line 1, after the second comma insert "and"
- Page 1, line 2, replace the first comma with "of the North Dakota Century Code, section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 310 of the 1985 Session Laws of North Dakota and section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 311 of the 1985 Session Laws of North Dakota, sections"
- Page 1, line 6, after "instruction" insert "and to change the name of the state developmental center at Grafton"
- Page 4, after line 21, insert:
 - "SECTION 4. AMENDMENT. Section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 310 of the 1985 Session Laws is hereby amended and reenacted to read as follows:
 - 25-04-01. State developmental Developmental center Maintained Name Administration and control. An institution for the mentally deficient shall A facility for developmentally disabled persons must be maintained at or near the city of Grafton in the county of Walsh County. Such institution shall The facility must be known and designated as the state developmental center at Grafton. There shall be maintained near Dunseiths in the county of Rolettes a division of the state developmental center at Grafton which shall be known as San Haven. The department of human services has administrative authority and control of the developmental center at Grafton.
 - SECTION 5. AMENDMENT. Section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 311 of the 1985 Session Laws of North Dakota is hereby amended and reenacted to read as follows:
 - 25-04-01. State school Developmental center Name Administration and control. An institution for the developmentally disabled shall A facility for developmentally disabled persons must be maintained at or near the city of Grafton in the county of Walsh County. The institution shall facility must be known and designated as Grafton state school the developmental center at Grafton. There shall be maintained near Dunseith; in the county of Rolette; a division of the Grafton state school which shall be known as San Haven. The department of human services shall have has administrative authority and control of Grafton state school and San Haven the developmental center at Grafton."
- Page 7, line 5, overstrike "and in"
- Page 7, line 6, overstrike "title 25"

Renumber accordingly

SEN. MATHERN MOVED that the proposed amendments be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1229: A BILL for an Act to create and enact a new section to chapter 25-06 and a new section to chapter 25-07 of the North Dakota Century

Code, relating to the appointment of the superintendents, budgets, staff, and reporting structure of the school for the blind and the school for the deaf; to amend and reenact sections 15-47-27, 15-47-27.1, and 15-47-34 of the North Dakota Century Code, section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 310 of the 1985 Session Laws of North Dakota and section 25-04-01 of the North Dakota Century Code as amended by section 1 of chapter 311 of the 1985 Session Laws of North Dakota, sections 25-06-03, 25-06-04, 25-06-05, 25-07-04, 25-07-05, 54-23-01, 54-24-01, and 54-24-03 of the North Dakota Century Code, relating to the transfer of control of the school for the blind, school for the deaf, and the state library from the director of institutions to the superintendent of public instruction and to change the name of the state developmental center at Grafton and institutions under the control of the director of institutions; to require the governor to develop a plan for the transfer of the powers and duties of the director of institutions; and to provide an effective date.

ROLL CALL.

The question being on the final passage of the amended bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 28 YEAS, 23 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Heigaard; Heinrich; Hilken; Keller; Kelsh; Kinnoin; Krauter; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stromme; Waldera; Wogsland; Yockim

NAYS: Dotzenrod; Ewen; Freborg; Hanson; Holmberg; Krebsbach; Langley; Lips; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Todd; Vosper

ABSENT AND NOT VOTING: Ingstad; Lashkowitz

HB 1229 passed and the title was agreed to.

MOTIONS

SEN. HEIGAARD MOVED that the vote by which HB 1626 and HB 1229 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. HEIGAARD MOVED that the rules be suspended and that HB 1626 and HB 1229 be messaged to the House immediately, which motion prevailed.

SEN. HEIGAARD MOVED that the Senate stand in recess until 1:00 p.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary)
MR. SPEAKER: The Senate has amended and subsequently passed: HB 1229,
HB 1626.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The Speaker has signed: SB 2079, SB 2220, SB 2361, SB 2365,
SB 2398, SB 2410, SB 2416, SB 2440, SB 2449, SB 2462, SB 2497, SB 2500,
SB 2532, SCR 4041, SCR 4047.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has concurred in the Senate amendments to HB 1052, HB 1075, HB 1078, HB 1127, HB 1368, HB 1537, and HB 1599 and subsequently passed the same.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has adopted the conference committee report on HB 1039, HB 1123, HB 1124, HB 1152, HB 1351, and HB 1510 and subsequently passed the same.

REPORTS OF CONFERENCE COMMITTEES

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1039 has had the same under consideration and recommends that the SENATE RECEDE from the Senate amendments as found on page 1074 of the Senate Journal and that Engrossed HB 1039 be amended as follows:

That the Senate recede from its amendments and that engrossed House Bill No. 1039 be amended as follows:

Page 1, line 17, replace "provides emergency medical services for a" with "receives no compensation or who is paid expenses, reasonable benefits, nominal fees, or a combination of expenses, reasonable benefits, and nominal fees to perform the services for which the individual volunteered provided that the fees do not exceed twenty-four hundred dollars in any calendar year"

Page 1, remove lines 18 through 22

Page 2, line 1, remove "total payments per calendar year"

Renumber accordingly

For the Senate: Sens. Kelsh, Heinrich, Peterson For the House: Reps. Rydell, Clayburgh, P. DeMers

Engrossed HB 1039 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1123 has had the same under consideration and recommends that the SENATE RECEDE from the Senate amendments as found on page 986 of the Senate Journal.

For the Senate: Sens. Schoenwald, Krauter, Mutch For the House: Reps. R. Larson, Shide, Enget

Engrossed HB 1123 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1124 has had the same under consideration and recommends that the SEMATE RECEDE from the Senate amendments as found on pages 1023-1024 of the Senate Journal and that Engrossed HB 1124 be amended as follows:

That the Senate recede from its amendments and that engrossed House Bill $No.\ 1124$, be further amended as follows:

- Page 1, line 2, replace "a" with "two" and replace "section" with "sections"
- Page 1, line 3, after "policies" insert ", filing requirements for medicare supplement insurance policy advertising,"
- Page 3, line 13, replace "A" with "Two" and replace "section" with "sections"
- Page 3, line 14, replace "is" with "are"

Page 3, after line 14, insert:

"Filing requirements for advertising. Every insurer, health care service plan, or other entity providing medicare supplement insurance or benefits in this state shall provide a copy of any medicare supplement advertisement within ten days after its first use in this state whether through written, radio, or television medium for review or approval by the commissioner to the extent required or authorized by state law."

Renumber accordingly

For the Senate: Sens. Keller, Krauter, Todd For the House: Reps. R. Larson, Whalen, Skjerven

 ${\rm HB}~1124~$ was ~ placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred HB 1152 has had the same under consideration and recommends that the HOUSE ACCEDE to the Senate amendments as found on pages 750-751 of the Senate Journal.

For the Senate: Sens. Hanson, Maxson, Stenehjem For the House: Reps. Bernstein, Clayburgh, Huether

 ${\sf HB}$ 1152 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred HB 1351 has had the same under consideration and recommends that the HOUSE ACCEDE to the Senate amendments as found on page 961 of the Senate Journal and that HB 1351 be further amended as follows:

Page 1, line 12, after "request" insert "and shall identify the person or firm for whom or which the request is made and the intended recipient of the abstract"

Page 1, line 18, after "request" insert ", identifying the person or firm for whom or which the request is made, identifying the intended recipient of the abstract,"

Renumber accordingly

For the Senate: Sens. Hilken, Schoenwald, Nething For the House: Reps. Belter, Bernstein, V. Thompson

 ${\sf HB}\ 1351$ was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred HB 1510 has had the same under consideration and recommends that the HOUSE ACCEDE to the Senate amendments as found on pages 1110-1111 of the Senate Journal and that HB 1510 be further amended as follows:

That the House accede to the Senate amendments to House Bill No. 1510, as printed on page 1542 of the House Journal and pages 1110-1111 of the Senate Journal and that House Bill No. 1510 be further amended as follows:

Page 1, line 1, replace "to allow" with "and a new subsection to section 58-06-01 of the North Dakota Century Code, relating to preparation of a budget for the township at its annual meeting and"

Page 3, after line 26, insert:

"SECTION 4. A new subsection to section 58-06-01 of the 1987 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

To submit a budget for the township at its annual meeting."

Renumber accordingly

For the Senate: Sens. Dotzenrod, Robinson, Holmberg

For the House: Reps. Lindgren, Howard, Gerl

HB 1510 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

SECOND READING OF HOUSE BILLS

HB 1130: A BILL for an Act to amend and reenact section 61-31-10 of the North Dakota Century Code, relating to receipt of funds for the waterbank program and appropriating waterbank funds; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 50 YEAS, O NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Richard

HB 1130 passed and the title was agreed to.

HB 1228: A BILL for an Act to amend and reenact section 48-02-19 of the North Dakota Century Code, relating to access by the handicapped to institutions of higher education; to provide an appropriation; and to provide legislative intent regarding the funding of handicapped access projects in future bienniums.

ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 50 YEAS, O NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Richard

HB 1228 passed and the title was agreed to.

HB 1333: A BILL for an Act to amend and reenact section 20.1-02-18.1 of the North Dakota Century Code, relating to approval by the board of county commissioners prior to acquisition of property by the department of the interior for waterfowl or wildlife purposes; and to provide a penalty.

ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO NOT PASS, the roll was called and there were 24 YEAS, 27 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Hilken; Kelsh; Kinnoin; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mutch; Nelson; O'Connell; Richard; Shea; Stromme; Tallackson; Vosper; Waldera; Wogsland

NAYS: Heinrich; Holmberg; Keller; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Mushik; Naaden; Nalewaja; Nething; Olson; Peterson; Redlin; Robinson; Satrom; Schoenwald; Stenehjem; Streibel; Tennefos; Thane; Todd; Yockim

ABSENT AND NOT VOTING: Ingstad; Lashkowitz

HB 1333 lost.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has concurred in the Senate amendments to HB 1584 and subsequently passed the same.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested: HB 1008, HB 1030, HB 1076, HB 1126, HB 1167, HB 1181, HB 1207, HB 1213, HB 1249, HB 1266, HB 1276, HB 1281, HB 1284, HB 1295, HB 1298, HB 1321, HB 1421, HB 1489, HB 1668, HB 1671, HB 1673, HCR 3045, HCR 3046, HCR 3085.

SECOND READING OF HOUSE BILL

HB 1337: A BILL for an Act to create and enact a new chapter to title 39 of the North Dakota Century Code, relating to establishing a public transportation fund to provide payments to political subdivisions and nonprofit corporations for the purpose of establishing and operating public transportation systems; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 31 YEAS, 20 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; Ewen; Hanson; Heigaard; Heinrich; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Lips; Maixner; Mathern; Maxson; Meyer, J.; Mushik; O'Connell; Olson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Stromme; Tallackson; Thane; Waldera; Wogsland; Yockim

NAYS: David; Dotzenrod; Freborg; Hilken; Holmberg; Langley; Lodoen; Meyer, D.; Meyer, W.; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; Peterson; Streibel; Tennefos; Todd; Vosper

ABSENT AND NOT VOTING: Ingstad; Lashkowitz

HB 1337 passed and the title was agreed to.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has not adopted the conference committee report on HB 1614. The Speaker has appointed as a new conference committee to act with a like committee from the Senate on:

HB 1614: Reps. Myrdal, V. Olson, Ness

SECOND READING OF HOUSE CONCURRENT RESOLUTION

HCR 3022: A concurrent resolution to create and enact a new section to article X of the Constitution of North Dakota to provide that the resources trust fund is a constitutional trust fund; to provide for transfer of funds to the resources trust fund; and to provide an effective date.

ROLL CALL

The question being on the final adoption of the resolution, which has been read and has committee recommendation of DO PASS, the roll was called and there were 28 YEAS, 22 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: David; Ewen; Freborg; Holmberg; Krauter; Krebsbach; Lodoen; Maixner; Mathern; Maxson; Meyer, J.; Meyer, W.; Mushik; Mutch; Nalewaja; Nelson; Nething; Peterson; Redlin; Satrom; Schoenwald; Streibel; Stromme; Tallackson; Tennefos; Thane; Waldera; Wogsland

NAYS: Axtman; Dotzenrod; Hanson; Heinrich; Hilken; Keller; Kelsh; Kinnoin; Langley; Lips; Meyer, D.; Moore; Naaden; O'Connell; Olson; Richard; Robinson; Shea; Stenehjem; Todd; Vosper; Yockim

ABSENT AND NOT VOTING: Heigaard; Ingstad; Lashkowitz

HCR 3022 was declared adopted on a roll call vote.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. TALLACKSON MOVED that the Senate do concur in the House amendments to SB 2009 as printed on pages 1453-1455 of the Senate Journal, which motion prevailed.

MOTTON

SEN. MAIXNER MOVED that SB 2009, which is on the Twelfth order, be laid over one legislative day, which motion prevailed.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. W. MEYER MOVED that the Senate do concur in the House amendments to SB 2085 as printed on page 1369 of the Senate Journal, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2085: A BILL for an Act relating to satellite video livestock auction markets.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 50 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Heigaard; Ingstad; Lashkowitz

SB 2085 passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LANGLEY MOVED that the Senate do concur in the House amendments to SB 2234 as printed on pages 1250-1252 of the Senate Journal, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2234: A BILL for an Act to provide for the establishment of a statewide nonprofit equity corporation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, D NAYS, 2 ABSENT AND NOT VOTING

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz

SB 2234 passed and the title was agreed to.

APPOINTMENT OF CONFERENCE COMMITTEES SEN. KELSH MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1369, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1369: Sens. J. Meyer, Stenehjem, Nalewaja.

SEN. W. MEYER MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1422, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1422: Sens. D. Meyer, Axtman, Krebsbach.

SEN. KRAUTER MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1554, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1554: Sens. Krauter, O'Connell, Moore.

SEN. KELLER MOVED that the conference committee report on SB 2032 as printed on page 1572 of the Senate Journal be adopted, which motion prevailed.

SB 2032, as amended, was placed on the Eleventh order of business on the calendar.

SECOND READING OF SENATE BILL

SB 2032: A BILL for an Act to amend and reenact section 52-05-07 of the North Dakota Century Code, relating to the appointment of a state council by the job service North Dakota bureau.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, 0 NAYS, $\,2$ ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane: Todd; Vosper: Waldera; Wogsland: Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz

SB 2032 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. MAXSON MOVED that the conference committee report on SB 2212 as printed on page 1573 of the Senate Journal be adopted, which motion prevailed.

SB 2212, as amended, was placed on the Eleventh order of business on the calendar.

SECOND READING OF SENATE BILL

SB 2212: A BILL for an Act to create and enact a new chapter to title 54 of the North Dakota Century Code, relating to establishing a department of corrections and rehabilitation within the office of the director of institutions; to amend and reenact sections 12-44.1-04, 12-44.1-06, 12-44.1-22, 12-44.1-23, 12-44.1-24, 12-44.1-25, 12-44.1-26, 12-44.1-27, 12-46-03, 12-46-04, 12-46-06, 12-46-09, 12-46-10, 12-46-10.1, 12-46-17, 12-46-18, 12-47-06, 12-47-08, 12-47-11, 12-47-12, 12-47-13, 12-47-15, 12-47-18, 12-47-32, 12-47-34, 12-48-02, 12-48-03, 12-48-03.1, 12-48-03.2, 12-48.1-02, 12-51-02, 12-51-04, 12-51-05, 12-51-05, 12-51-09, 12-52-01, 12-52-02, 12-52-03, 12-52-04, 12-52-05, 12-52-07, 12-55-07, 54-23-01, 54-23-02, 54-23-22, and 54-23-26 of the North Dakota Century Code, relating to giving authority for the state's corrections agencies to the director of the department of corrections and rehabilitation; and to repeal sections 12-47-33, 12-48-04, 12-48-05, 12-55-06, 54-21-13, 54-23-19, 54-23-20, 54-23-23, 54-23-27, and 54-23-28 of the North Dakota Century Code, relating to parole and probation and to the authority and various requirements of the director of institutions.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 50 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething;

O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Ingstad; Lashkowitz; Waldera

SB 2212 passed and the title was agreed to.

THE SENATE RECOGNIZED THE PRESENCE OF:

Former Representative Olaf Opedahl

MOTTON

 $\mbox{SEN. HEIGAARD} \ \mbox{MOVED} \ \mbox{ that } \mbox{ the Senate stand at recess until 4:30 p.m., which motion prevailed.}$

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

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate respectfully requests the return of: HB 1259.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate has concurred in the House amendments to SB 2085 and SB 2234 and subsequently passed the same.

The President has appointed as a conference committee to act with a like committee from the House on:

HB 1369: Sens. J. Meyer, Stenehjem, Nalewaja HB 1422: Sens. D. Meyer, Axtman, Krebsbach HB 1554: Sens. Krauter, O'Connell, Moore

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

THE PRESIDENT ANNOUNCED that the following resolutions were delivered to the Secretary of State for his filing at the hour of $3:15~\rm p.m.$, April 4, 1989: SCR 4041, SCR 4047.

THE PRESIDENT ANNOUNCED that the following bills were delivered to the Governor for his approval at the hour of 3:35 p.m., April 4, 1989: SB 2043, SB 2045, SB 2048, SB 2098, SB 2121, SB 2141, SB 2176, SB 2178, SB 2218, SB 2231, SB 2251, SB 2296, SB 2306, SB 2314, SB 2372.

THE PRESIDENT ANNOUNCED that the following bills were delivered to the Governor for his approval at the hour of 4:06~p.m., April 4, 1989: SB 2079, SB 2220, SB 2365, SB 2398, SB 2410, SB 2416, SB 2440, SB 2449, SB 2497, SB 2532.

MOTION

 $\ensuremath{\mathsf{SEN}}\xspace.$ SCHOENWALD $\ensuremath{\mathsf{MOVED}}\xspace$ that $\ensuremath{\mathsf{SB}}\xspace$ 2237 be moved to the bottom of the calendar, which motion prevailed.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. DOTZENROD MOVED that the Senate do concur in the House amendments to SB 2400 as printed on pages 1446-1447 of the Senate Journal, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2400: A BILL for an Act to amend and reenact sections 5-02-05 and 5-02-05.1 of the North Dakota Century Code, relating to the dispensing of alcoholic beverages on certain days and alcoholic beverage permits; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 30 YEAS, $18\ NAYS$, $5\ ABSENT\ AND\ NOT\ VOTING.$

YEAS: Dotzenrod; Ewen; Hanson; Heinrich; Holmberg; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Lips; Maixner; Maxson; Meyer, J.; Mushik; Nalewaja; Nething; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Shea; Stenehjem; Stromme; Tallackson; Thane; Waldera; Yockim

NAYS: Axtman; David; Freborg; Heigaard; Hilken; Lodoen; Mathern; Moore; Mutch; Naaden; Nelson; O'Connell; Schoenwald; Streibel; Tennefos; Todd; Vosper; Wogsland

ABSENT AND NOT VOTING: Ingstad; Langley; Lashkowitz; Meyer, D.; Meyer, W.

SB 2400 passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LANGLEY MOVED that the Senate do not concur in the House amendments to SB 2237 as printed on page 1444 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2237: Sens. Keller, Schoenwald, Nething.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has concurred in the Senate amendments to HB 1444 and HB 1640 and subsequently passed the same.

The House does not concur in the Senate amendments to HB 1365 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1365: Reps. D. Larson, Wentz, Ring

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The Speaker has appointed as a conference committee to act
with a like committee from the Senate on:

SB 2014: Reps. Sorensen, Jensen, Kelly

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)
MR. PRESIDENT: The Speaker has signed and your signature is respectfully
requested: HB 1584.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1479 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1479: Reps. A. Hausauer, Timm, W. Williams

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: We have the honor to respectfully return HB 1259 which the Senate has requested.

APPOINTMENT OF CONFERENCE COMMITTEES

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1245, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1245: Sens. Robinson, Satrom, Ingstad.

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1267, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1267: Sens. Richard, Maixner, Ingstad.

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1499, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1499: Sens. Satrom, Dotzenrod, Moore.

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1558, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1558: Sens. Richard, Dotzenrod, Tennefos.

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1581, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1581: Sens. Satrom, Maixner, Moore.

SEN. HEINRICH MOVED that the President appoint a committee of three to act with a like committee from the House as a new Conference Committee on HB 1614, which motion prevailed.

THE PRESIDENT APPOINTED as a new Conference Committee on HB 1614: Sens. Hilken, O'Connell, Freborg.

SEN. SATROM MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1634, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1634: Sens. Robinson, Satrom, Tennefos.

SECOND READING OF HOUSE CONCURRENT RESOLUTIONS ON CONSENT CALENDAR HCR 3056: A concurrent resolution urging Congress to pass and present to the states for ratification a constitutional amendment limiting federal taxation of state and local obligations.

The question being on the final adoption of the resolution, which has been read.

The resolution was declared adopted on a voice vote.

MOTIONS

SEN. YOCKIM MOVED that the vote by which HCR 3022 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed on a verification vote.

SEN. HEIGAARD MOVED that the vote by which HB 1130, HB 1228, HB 1337, and HCR 3056 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary)
MR. SPEAKER: The President has appointed as a conference committee to act
with a like committee from the House on:

HB 1245: Sens. Robinson, Satrom, Ingstad HB 1267: Sens. Richard, Maixner, Ingstad HB 1499: Sens. Satrom, Dotzenrod, Moore HB 1558: Sens. Richard, Dotzenrod, Tennefos

HB 1581: Sens. Richard, Dotzenrod, Tennetos

HB 1634: Sens. Robinson, Satrom, Tennefos

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary)
MR. SPEAKER: The President has appointed as a new conference committee to
act with a like committee from the House on:
HB 1614: Sens. Hilken, O'Connell, Freborg

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The Senate has concurred in the House amendments to SB 2400 and subsequently passed the same.

The Senate does not concur in the House amendments to SB 2237 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2237: Sens. Keller, Schoenwald, Nething

SIGNING of BILLS and RESOLUTIONS (Patricia Conrad, Secretary)
THE SECRETARY ANNOUNCED that the President signed the following enrolled bill: HB 1584.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary) MR. SPEAKER: The President has signed: HB 1584.

MOTIONS

SEN. HEIGAARD MOVED that the absent members be excused, which motion prevailed.

SEN. HEIGAARD MOVED that the Senate be on the Fifth order of business, and at the conclusion of the Fifth order, the Senate be on the Seventh order of business, and at the conclusion of the Seventh order, the Senate be on the Twelfth order of business, and at the conclusion of the Twelfth order, the Senate be on the Thirteenth order of business, and at the conclusion of the Thirteenth order, the Senate be on the Sixteenth order of business, and at the conclusion of the Sixteenth order, the Senate stand adjourned until 10:00 a.m., Wednesday, April 5, 1989, which motion prevailed.

REPORTS OF STANDING COMMITTEES

MR. PRESIDENT: Your Committee on Finance and Taxation (Sen. Satrom, Chairman) to which was referred SCR 4065 has had the same under consideration and recommends by a vote of 7 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 1, after "resolution" replace the remainder of the resolution with "directing the Legislative Council to study the balance between the various tax systems in North Dakota, policies and issues of taxing gaming in North Dakota, and policies, planning, and funding of local and regional airports in North Dakota.

WHEREAS, uncertainty exists concerning the proper balance between the various tax systems in North Dakota, including property taxes, corporate, individual, trust, and estate income taxes, and sales, use, and excise taxes; and

WHEREAS, variation exists between statistics and studies which compare North Dakota's tax rates to the rates of other states; and

WHEREAS, sufficient data is not available to thoroughly analyze some complex tax legislation introduced in the Fifty-first Legislative Assembly including the corporate alternative minimum income tax and unitary tax; and

WHEREAS, controversy exists concerning the propriety and economic development value of the various tax credits, subsidies, and exemptions; and

WHEREAS, controversy exists concerning the appropriateness, manner, and level of taxation of gaming in North Dakota; and

WHEREAS, the funding of regional and local airports continues to be a problem requiring state involvement;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA, THE HOUSE OF REPRESENTATIVES CONCURRING THEREIN:

That the Legislative Council study the balance between the various tax systems in North Dakota, policies and issues of taxing gaming in North Dakota, and policies, planning, and funding of local and regional airports in North Dakota; and

BE IT FURTHER RESOLVED, that the Legislative Council report its findings and recommendations, together with any legislation required to

implement the recommendations, to the Fifty-second Legislative Assembly. $\!\!^{\rm u}$

Renumber accordingly

SCR 4065 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Finance and Taxation (Sen. Satrom, Chairman) to which was referred HB 1029 has had the same under consideration and recommends by a vote of 6 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 1, replace "subsection" with "subsections" and after "1" insert "and 2"

Page 1, line 6, replace "Subsection" with "Subsections" and after "1" insert "and 2" $\,$

Page 1, line 20, replace "one-half" with "three-fourths"

Page 1, line 21, replace "one-half" with "three-fourths"

Page 2, after line 4, insert:

"2. An insurance company, nonprofit health service corporation, health maintenance organization, or prepaid legal service organization subject to the tax imposed by subsection 1 is entitled to a credit against the tax due for the amount of any assessment paid as a member of a comprehensive health association under subsection 4 of section 26.1 - 08 - 09 for which the member may be liable for the year in which the assessment was paid, a credit as provided under subsection 1 of section 26.1-38-08, a credit against the tax due for an amount equal to the examination fees paid to the commissioner under sections 26.1-01-07, 26.1-02-02, and 26.1-03-19 through 26.1-03-22, 26.1-17-32, and 26.1-18-27 and a credit against the tax due for an amount equal to the ad valorem taxes, whether direct or in the form of rent, on that proportion of premises occupied as the principal office in this state for over one-half of the year for which the tax is paid. The credits under this subsection must be prorated on a quarterly basis and may not exceed the total tax liability under subsection 1." $\,$

Renumber accordingly

 ${\sf HB}$ 1029 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Transportation (Sen. Hilken, Chairman) to which was referred Engrossed HB 1071 has had the same under consideration and recommends by a vote of 4 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 57-01 of the North Dakota Century Code, relating to the tax commissioner's authority to

enter into cooperative compacts or agreements with other states to collect motor vehicle and special fuels taxes.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 57-01 of the North Dakota Century Code is hereby created and enacted to read as follows:

Tax commissioner's authority to enter into agreements.

- 1. The tax commissioner may enter into motor fuel tax agreements on behalf of this state with authorized representatives of other states, become a member of a motor fuel tax agreement for the collection and refund of motor vehicle fuel and special fuels importer for use taxes, and adopt rules to implement the agreement for the collection and refund of motor vehicle fuel and special fuels importer for use taxes.
- 2. The tax commissioner may enter into an agreement for the collection and refund of importer for use taxes which conflicts with sections 57-43.1-34 through 57-43.1-43 and sections 57-43.2-27 through 57-43.2-36 and the agreement shall govern carriers covered by the agreement.
- 3. Notwithstanding any other provision of law, any penalty and interest collected on importer for use taxes pursuant to an agreement with authorized representatives of other states must be as provided in the agreement."

Renumber accordingly

HB 1071 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Finance and Taxation (Sen. Satrom, Chairman) to which was referred HB 1442 has had the same under consideration and recommends by a vote of 5 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 10, after the period insert "However, when only part of the premiums of any subsidiary corporation were received from North Dakota sources, and a North Dakota premium tax has been paid thereon, only a corresponding part of the dividends received from the subsidiary corporation may be deducted."

Renumber accordingly

HB 1442 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2152 has had the same under consideration and recommends that the SENATE ACCEDE to the House amendments as found on page 1437 of the Senate Journal:

For the Senate: Sens. Dotzenrod, Robinson, Holmberg For the House: Reps. V. Olson, Gorman, Enget

SB 2152 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Reengrossed SB 2192 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on page 1249 of the Senate Journal and that Reengrossed SB 2192 be amended as follows:

That the House recede from its amendments and that reengrossed Senate Bill No. 2192 be amended as follows:

Page 2, line 10, remove "<u>state water commission, job service North Dakota, the</u>"

Renumber accordingly

For the Senate: Sens. Maxson, Holmberg, Stenehjem

For the House: Reps. Aas, Shaft, Ulmer

Reengrossed SB 2192 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Reengrossed SB 2193 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on pages 1249-1250 of the Senate Journal and that Engrossed SB 2193 be amended as follows:

That the House recede from its amendments and that reengrossed Senate Bill No. 2193 be amended as follows:

Page 2, line 26, remove "the state water commission, job"

Page 2, line 27, remove "service North Dakota,"

Renumber accordingly

For the Senate: Sens. Maxson, Stenehjem, Holmberg

For the House: Reps. Aas, Shaft, Ulmer

Reengrossed SB 2193 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2242 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on pages 1438-1439 of the Senate Journal and that Engrossed SB 2242 be amended as follows:

That the House recede from its amendments and that engrossed Senate Bill No. 2242 be amended as follows:

Page 1. line 2, remove "; and to provide a penalty"

- Page 1, line 6, after "32-12.1" insert "or any state agency that unites with another state agency, political subdivision, or both, to self-insure against their legal liabilities"
- Page 2, line 5, remove "A government self-insurance pool shall obtain excess insurance or"

Page 2, remove line 6

Page 2, line 7, remove "the commissioner of insurance."

Page 2, line 9, after "assets" insert "unless the pool obtains excess insurance or reinsurance with insurance companies approved for such business by the commissioner of insurance"

Page 4, remove lines 20 through 26

Page 5, remove lines 6 through 8

Page 5, line 11, remove "A government self-insurance pool may not in any manner"

Page 5, remove lines 12 and 13

Page 5, remove line 28

Page 6, remove lines 1 through 12

Renumber accordingly

For the Senate: Sens. Keller, Krauter, Mutch

For the House: Reps. Whalen, Vander Vorst, Skjerven

Engrossed SB 2242 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Reengrossed SB 2309 has had the same under consideration and recommends that the SENATE ACCEDE to the House amendments as found on page 1325 of the Senate Journal.

For the Senate: Sens. Dotzenrod, Maxson (absent), Ingstad For the House: Reps. A. Hausauer, R. Anderson, W. Williams

Reengrossed SB 2309 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2320 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on pages 1417–1418 of the Senate Journal and that Engrossed SB 2320 be amended as follows:

That the House recede from its amendments and that engrossed Senate Bill No. 2320 be amended as follows:

- Page 6, line 13, after "Act" insert "on an ongoing basis during the interims between the 1989, 1991, 1993, and 1995 legislative sessions"
- Page 6, line 14, after "in" insert "1990, 1992, and"
- Page 8, line 24, overstrike "Separation between regulated and unregulated services" and insert immediately thereafter "Cross-subsidization prohibited"
- Page 8, line 25, after "services" insert ", including essential and nonessential services,"
- Page 8, line 27, overstrike "enterprises"
- Page 9, line 3, replace "as exempted by action of the" with "services, and revenues from essential services may not be used to subsidize or otherwise give advantage to a telecommunications company in its nonessential services. The commission may require a telecommunications company to keep separate books of account, to allocate costs in accordance with procedures established by rule or order of the commission, and to perform other acts that will assist the commission in enforcing this section"
- Page 9, line 4, remove "commission pursuant to section 49-21-02.1"
- Page 9, line 5, after "<u>service</u>" insert "<u>or a nonessential service</u>" and remove "incremental"

Renumber accordingly

For the Senate: Sens. Langley, Krauter (refused to sign), Nething For the House: Reps. R. Larson, Whalen, Stofferahn (refused to sign)

Engrossed SB 2320 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has amended and subsequently passed: SB 2201.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 57-38-29, subsections 2 and 6 of section 57-38-30.3, and subsection 2 of section 57-38-31 of the North Dakota Century Code, relating to individual income tax rates and filing methods; to repeal sections 57-38-01.15 and 57-38-34.2 of the North Dakota Century Code, relating to proration and itemization of deductions and filing of separate income tax returns; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-38-29 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-38-29. Rate of tax on individuals. A tax is hereby imposed upon every individual, to be levied, collected, and paid annually with

respect to the taxable income of such individual as defined in this chapter, computed at the following rates:

- On taxable income not in excess of three thousand dollars, a tax of two and sixty seven three and twenty-four hundredths percent.
- On taxable income in excess of three thousand dollars and not in excess of five thousand dollars, a tax of four and eighty-six hundredths percent.
- On taxable income in excess of five thousand dollars and not in excess of eight thousand dollars, a tax of five and thirty three six and forty-seven hundredths percent.
- On taxable income in excess of eight thousand dollars and not in excess of fifteen thousand dollars, a tax of six and sixty seven eight and ten hundredths percent.
- On taxable income in excess of fifteen thousand dollars and not in excess of twenty-five thousand dollars, a tax of eight nine and seventy-one hundredths percent.
- On taxable income in excess of twenty-five thousand dollars and not in excess of thirty-five thousand dollars, a tax of nine eleven and thirty-three hundredths percent.
- On taxable income in excess of thirty-five thousand dollars and not in excess of fifty thousand dollars, a tax of ten and sixty seven twelve and ninety-six hundredths percent.
- On taxable income in excess of fifty thousand dollars, a tax of twelve fourteen and fifty-seven hundredths percent.

SECTION 2. AMENDMENT. Subsections 2 and 6 of section 57-38-30.3 of the 1987 Supplement to the North Dakota Century Code are hereby amended and reenacted to read as follows:

- 2. A tax is hereby imposed for each taxable year upon income earned or received in that taxable year by every resident and nonresident individual, estate, and trust. This tax is fourteen seventeen percent of the individual's, estate's, or trust's adjusted federal income tax liability for the taxable year.
- 6. Where a husband and wife determine their federal income tax liability for the taxable year on a joint federal income tax return they may elect to determine their North Bakota income taxes separately. The federal income tax liability must be apportioned between them in the proportion that the adjusted gross income. The adjusted gross income of each bears to their combined adjusted gross income. The adjusted gross income of each must be determined in the same way that each would have been required to determine it if they had filed separate federal income tax returns. A husband and wife filing a joint federal income tax return shall file a joint state income tax return if the return is filed under this section. If separate federal income tax

return may be filed under this section and the other spouse's income tax return may be filed under the other provisions of this chapter.

- SECTION 3. AMENDMENT. Subsection 2 of section 57-38-31 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:
 - 2. A husband and wife each having separate income may include their income in a single joint return or if they have separate income from personal or professional services or from business or property in which the other has no ownership and if they file a joint federal income tax return in which such income is reported, they may file separate returns in which the separate income of each is reported in the same way that they would have been required to report it in separate federal returns if they had filed separate federal returns.
 - A husband and wife who have income from property or business in which both have an ownership interest may file a single joint return in which the income of both; along with any other income they may be required to report; is included; or they may file separate returns in the same way as provided in the preceding paragraph; provided, that the income from the property or business in which both have an ownership interest shall be allocated between them according to the capital interest of each, the management and control exercised by each; and the services performed by each with respect to such property or business; pursuant to rules and regulations promulgated by the tax commissioner for the reasonable allocation thereof. The same filing status and deduction method used by a husband and wife when filing federal income tax returns must be used when filing state income tax returns. If either spouse is a resident and the other is a nonresident, separate state income tax returns must be filed.
- SECTION 4. REPEAL. Section 57--38--34.2 of the North Dakota Century Code and section 57--38--01.15 of the 1987 Supplement to the North Dakota Century Code are hereby repealed.
- SECTION 5. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 1988.
- SECTION 6. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk) MR. PRESIDENT: The House has amended and subsequently passed: SB 2458.

DIVISION A - HOUSE AMENDMENTS TO SB 2458 1, line 1, after "to" insert "create and enact chapter 57-39.3 of the North Dakota Century Code, relating to an in lieu fee to be collected by out-of-state retailers making sales into North Dakota if federal legislation is adopted; to"

- Page 1, line 4, remove "and" and after "date" insert "; and to declare an emergency"
- Page 2, line 3, overstrike "cable television or other"
- Page 2, line 4, overstrike "video programming services,"
- Page 3, line 3, replace "December 31, 1988" with "May 1, 1989"
- Page 5, after line 5, insert:
 - "SECTION 4. Chapter 57-39.3 of the North Dakota Century Code is hereby created and enacted to read as follows:
 - 57-39.3-01. In lieu fee imposed. An in lieu fee is imposed on sales with a destination within North Dakota if the sales are made by a person who by virtue of federal law is required to collect and pay the sales and use tax imposed by sections 57-39.2-02.1 and 57-40.2-02.1.

 - 57-39.3-03. Election to collect actual tax. Any person required to collect and pay the in lieu fee imposed in section 57-39.3-01 may elect, on an annual basis, to collect and pay the local sales and use tax imposed in each political subdivision pursuant to sections 11-09.1-05 and 40-05.1-06.
 - 57-39.3-04. Filing of returns and payment of tax. The person paying either the in lieu fee pursuant to section 57-39.3-01 or the local sales tax pursuant to section 57-39.3-03 must file returns and pay the tax due on the same date required by the sales and use tax imposed pursuant to sections 57-39.2-02.1 and 57-40.2-02.1, unless federal law requires a less frequent schedule. If federal law specifies a less frequent schedule, the tax commissioner shall adopt rules necessary to conform the filing and payment schedule to federal law. The returns must include such information as the tax commissioner may require consistent with federal law.
 - 57-39.3-05. Administration. The provisions of chapter 57-39.2, pertaining to the administration of the retail sales tax, including provisions for refund, credits, or adoption of rules, not in conflict with this chapter or federal law, govern the administration of the in lieu fee imposed in this chapter.

- 40-05.1-06. The distribution is based on the proportion that the political subdivision's sales and use tax receipts bears to the total sales and use tax receipts collected by political subdivisions pursuant to sections 11-09.1-05 and 40-05.1-06. The calculations are based on data for the most recent fiscal year. The state treasurer must make the distributions on a schedule consistent with federal law."
- Page 6, line 15, replace "December 31, 1988" with "May 1, 1989"
- Page 7, line 28, after "events" insert "occurring after April 30, 1989, unless this Act is not passed as an emergency measure by the legislative assembly, in which case this Act is effective for taxable events"
- Page 7, line 29, after the period insert "Section 4 of this Act is effective on the same date the federal law authorizing the collection of the in lieu fee imposed in section 57-39.3-01 or the local sales and use tax elected pursuant to section 57-39.3-03 of this chapter becomes effective."
- Page 7, after line 29, insert:
 - "SECTION 10. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

FIRST READING OF HOUSE CONCURRENT RESOLUTIONS

- HCR 3086: A concurrent resolution directing the Legislative Council to study charitable gaming laws and rules and the need to establish a permanent legislative overview committee for charitable gaming issues.
- Was read the first time and referred to the Committee on Judiciary.
- HCR 3087: A concurrent resolution urging the Attorney General of North Dakota to request the United States District Court for the District of North Dakota to modify the district court's orders to minimize or eliminate the role of the court monitor that was created by the court in the case concerning the deinstitutionalization of developmentally disabled persons.
- Was read the first time and referred to the Committee on Human Services and Veterans Affairs.
- HCR 3089: A concurrent resolution directing the Legislative Council to study the feasibility and desirability of regulating dial-a-porn telephone services.
- Was read the first time and referred to the Committee on Judiciary.

The Senate stood adjourned pursuant to Senator Heigaard's motion.

PATRICIA CONRAD, Secretary