

JOURNAL OF THE SENATE

Fiftieth Legislative Assembly

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FIFTY-THIRD DAY

Bismarck, March 23, 1987

The Senate convened at 12:30 p.m., with President Pro Tem Redlin presiding.

The prayer was offered by Senator Dean Meyer.

A TRIBUTE

Today, North Dakota shed a silent tear  
We lost someone we loved, someone we all held dear  
Because of her passing we will mourn a little longer  
But surely by her living North Dakota is much stronger  
Ruth taught us how to love, how to lose and to forgive  
She taught us compassion and to care how others live  
It's hard to put into words her energy and her smile  
And how for the less fortunate she'd go that extra mile  
She cared about the elderly, the downtrodden, and the child  
She could rule with an iron fist but be so very, very mild  
God, I know that you need her, and You, like us, love her  
When Ruth gets into Heaven, make her Lieutenant Governor.  
Amen.

ROLL CALL

The roll was called and all Senators were present, except Senators Heigaard, Olson, and Mushik.

A quorum was declared by the President Pro Tem.

CORRECTION AND REVISION OF THE JOURNAL

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

SEN. J. MEYER, Chairman

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

MESSAGES FROM THE HOUSE  
HOUSE CHAMBER

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

SB 2230: Reps. Aas, Shaft, Wilkie

SB 2339: Reps. Martinson, Melby, Hokana

ROY GILBREATH, Chief Clerk

## HOUSE CHAMBER

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

SB 2095, SB 2119, SB 2134, SB 2252, SB 2266, SB 2363

ROY GILBREATH, Chief Clerk

## HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith SB 2369 which the House has amended and subsequently failed to pass:

## HOUSE AMENDMENTS TO SB 2369

On page 1, line 11, delete the words "instead of" and insert in lieu thereof the words "in addition to"

And renumber the lines, sections, and pages accordingly

ROY GILBREATH, Chief Clerk

## HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith SB 2056, SB 2072, SB 2110, SB 2279, SB 2304, SB 2378, SB 2451, SB 2486, and SB 2540 which the House has amended and subsequently passed:

## HOUSE AMENDMENTS TO SB 2056

On page 1, delete line 28

On page 2, line 1, delete the word "uncollectible"

On page 2, line 3, delete the words "Upon motion"

On page 2, delete lines 4 through 11

And renumber the lines, sections, and pages accordingly

## HOUSE AMENDMENTS TO ENGROSSED SB 2072

On page 1 of the engrossed bill, line 11, remove the overstrike over the words "as an"

On page 1 of the engrossed bill, line 12, remove the overstrike over the word "owner" and delete the words "and any person who is in actual"

On page 1 of the engrossed bill, delete line 13

On page 1 of the engrossed bill, line 14, delete the words "tenant under a lease with the record title owner"

On page 1 of the engrossed bill, line 20, after the word "owner" insert the words "and the surface owner's tenant, if any,"

On page 2 of the engrossed bill, line 5, delete the words ", including severance damages, caused"

On page 2 of the engrossed bill, line 6, delete the words "by drilling operations"

On page 2 of the engrossed bill, line 8, delete the words "As used in this section, "severance" and insert in lieu thereof the following sentence: "In the absence of an agreement between the surface owner and a tenant as to the division of compensation payable under this section, the tenant is entitled to recover from the surface owner that portion of the compensation attributable to the tenant's share of the damages sustained."

On page 2 of the engrossed bill, delete lines 9 through 13

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO ENGROSSED SB 2110

On page 3 of the engrossed bill, line 21, remove the overstrike over the words "Free tests--" and remove the overstrike over the word "additional"

On page 3 of the engrossed bill, line 23, remove the overstrike over the word "examination,"

On page 3 of the engrossed bill, line 24, remove the overstrike over the word "analysis,", after the word "exceed" insert the words "or germination tests. No more than", and remove the overstrike over the words "three samples per year per"

On page 3 of the engrossed bill, line 25, remove the overstrike over the words "person shall be examined and reported on free of charge" and delete the word "germination"

On page 3 of the engrossed bill, line 26, delete the word "tests"

On page 3 of the engrossed bill, line 28, remove the overstrike over the word "free"

On page 3 of the engrossed bill, line 29, remove the overstrike over the words "in excess of three" and insert immediately thereafter an underscored comma

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO ENGROSSED SB 2279

On page 3 of the engrossed bill, line 12, remove the overstrike over the words "Passenger meter" and delete the word "Motor"

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO REENGROSSED SB 2304

On page 1 of the reengrossed bill, line 23, delete the words "replacing the damaged water supply" and insert in lieu

thereof the words "making such repairs, alterations, or construction that will ensure the delivery to the surface owner of that quality and quantity of water available to the surface owner prior to the commencement of drilling operations"

On page 2 of the reengrossed bill, line 22, after the period insert the following new sentence: "This section does not create a cause of action if an appropriator of water can reasonably acquire the water under the changed conditions and if the changed conditions are a result of the legal appropriation of water by the mineral developer."

On page 2 of the reengrossed bill, line 29, delete the words "replacing the damaged water" and insert in lieu thereof the words "making such repairs, alterations, or construction that will ensure the delivery to the surface owner of that quality and quantity of water available to the surface owner prior to the diminishment"

On page 2 of the reengrossed bill, line 30, delete the word "supply"

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO ENGROSSED SB 2378

On page 1 of the engrossed bill, line 16, after the word "number" insert the words ", when available,"

On page 1 of the engrossed bill, line 19, delete the words "The building permit official may not issue"

On page 1 of the engrossed bill, delete lines 20 and 21

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO REENGROSSED SB 2451

On page 1 of the reengrossed bill, line 12, after the word "license" insert the words ", who is otherwise qualified,"

And renumber the lines, sections, and pages accordingly

#### HOUSE AMENDMENTS TO ENGROSSED SB 2486

On page 1 of the engrossed bill, line 3, after the word "committee" insert the words "; and to amend and reenact section 36-05-11 of the North Dakota Century Code, relating to the inspection and treatment of livestock before removal from an auction market"

On page 1 of the engrossed bill, underscore lines 8 and 9

On page 1 of the engrossed bill, line 10, underscore the word "market" and insert immediately thereafter the words "or any veterinarian having a complaint against the auction

market to which the veterinarian is assigned," and underscore the words "may submit a written complaint to the grievance committee."

On page 1 of the engrossed bill, underscore lines 11 through 13

On page 1 of the engrossed bill, line 14, underscore the words "president's designee, and the" and delete the words "state veterinarian or the state" and insert in lieu thereof the words "president of the North Dakota veterinarian medical association or the president's designee"

On page 1 of the engrossed bill, line 15, delete the words "veterinarian's designee" and underscore the words ". The members of the committee shall choose"

On page 1 of the engrossed bill, underscore lines 16 through 19

On page 1 of the engrossed bill, after line 19, insert the following new section:

"SECTION 2. AMENDMENT. Section 36-05-11 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

36-05-11. Treatment administered to livestock before removal from auction market - Fees for inspection and treatment. No operator of a livestock auction market shall permit the removal of any livestock from the establishment until such livestock has been treated in accordance with the regulations prescribed by the state livestock sanitary board. The authorized veterinarian of such board shall furnish to each purchaser a certificate showing that inspection has been made and treatment administered as provided by the rules and regulations of the state livestock sanitary board. If livestock is destined to be shipped interstate, the certificate shall show that it has been inspected in accordance with the requirements of the state of destination. If livestock is destined to be shipped interstate, the authorized veterinarian of such board shall furnish to each purchaser a certificate showing that inspection has been made and treatment administered in accordance with the requirements of the state of destination. All fees for veterinary inspection, treatment, and services, including brand inspection, shall be collected by the operator of the livestock auction market and paid to the inspector."

And renumber the lines, sections, and pages accordingly

HOUSE AMENDMENTS TO SB 2540

On page 1, line 19, after the word "acre" insert the word "annually"

On page 1, line 20, after the word "cents" insert the word "annually"

And renumber the lines, sections, and pages accordingly

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

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

HCR 3084

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

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

HB 1154, HB 1452, HB 1549, HB 1563, HB 1579, HB 1582,  
HB 1595, HB 1671, HCR 3005, HCR 3010, HCR 3020, HCR 3021,  
HCR 3032, HCR 3050, HCR 3069, HCR 3072

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

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

SB 2026, SB 2032, SB 2052, SB 2054, SB 2057, SB 2058,  
SB 2059, SB 2085, SB 2100, SB 2122, SB 2131, SB 2132,  
SB 2164, SB 2170, SB 2174, SB 2175, SB 2176, SB 2208,  
SB 2215, SB 2229, SB 2231, SB 2232, SB 2262, SB 2263,  
SB 2278, SB 2306, SB 2338, SB 2422

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MR. PRESIDENT: I have the honor to return herewith SB 2044, SB 2080, and SB 2184 which the House has amended and subsequently passed:

HOUSE AMENDMENTS TO ENGROSSED SB 2044

On page 1 of the engrossed bill, line 14, after the first word "school" insert the word "- Transportation"

On page 1 of the engrossed bill, line 16, after the underscored comma insert the words "unless it begins operating an approved elementary or high school prior to July 1, 1989,"

On page 1 of the engrossed bill, line 19, after the first underscored comma insert the words "unless it begins operating an approved elementary or high school prior to July 1, 1989,"

- On page 1 of the engrossed bill, line 23, after the word "Act" insert the words ", unless it begins operating an approved elementary or high school prior to July 1, 1989,"
- On page 1 of the engrossed bill, line 27, after the word "Act" insert the words ", unless it begins operating an approved elementary or high school prior to July 1, 1989,"
- On page 2 of the engrossed bill, line 5, after the word "state" insert the words ", county, or district,"
- On page 2 of the engrossed bill, line 6, delete the word "may" and insert in lieu thereof the words "shall be permitted to"
- On page 2 of the engrossed bill, line 7, after the word "state" insert the words ", county, or district. The students in any district that is attached by annexation, reorganization, or dissolution pursuant to this Act must be provided transportation in the same manner transportation is provided to students in the school district the nonoperating district is attached to"

And renumber the lines, sections, and pages accordingly

HOUSE AMENDMENTS TO ENGROSSED SB 2080

- On page 1 of the engrossed bill, line 18, after the word "any" insert the word "existing"
- On page 2 of the engrossed bill, line 10, delete the word "-Maintenance"
- On page 2 of the engrossed bill, line 11, delete the word "standards"
- On page 2 of the engrossed bill delete lines 18 through 21

And renumber the lines, sections, and pages accordingly

HOUSE AMENDMENTS TO SB 2184

- On page 1, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to establish a state surface mining and reclamation bond fund.

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

SECTION 1. Definitions. In this chapter:

1. "Bond" means a bond required of a permittee under chapter 38-14.1.

2. "Fund" means the surface coal mining and reclamation bond fund.
3. "Permit" means a surface coal mining and reclamation operation permit approved by the public service commission under chapter 38-14.1.
4. "Permittee" means a person holding a permit.

**SECTION 2. Surface coal mining and reclamation bond fund.** The industrial commission may establish a surface coal mining and reclamation bond fund to be maintained at the Bank of North Dakota. All moneys collected and received under this Act are appropriated to the commission for the purposes provided for in this Act.

**SECTION 3. Bond coverage available to permittees.** The fund may provide bonds for the faithful performance of all surface coal mining laws, rules, and permit terms and conditions. An application for a bond may be made to the industrial commission, which shall approve or disapprove the application. The decision of the industrial commission may not be appealed. The industrial commission may establish conditions, require information and such guarantee and indemnity by the permittee as the industrial commission deems necessary for the preservation of the fund.

**SECTION 4. Investment of fund.** Investment of the fund is under the supervision of the Bank of North Dakota.

**SECTION 5. Commission may employ staff.** The industrial commission may employ staff and enter into public and private contracts as may be necessary to operate the fund. The salaries of employees and other expenditures for the operation of the fund must be paid out of the fund.

**SECTION 6. Premiums - Amount and to whom paid.** The premium for a bond under this Act must be set by the industrial commission. Premiums must be paid in advance to the industrial commission and deposited in the fund.

**SECTION 7. Reinsurance contracts - Revenue bonds - Guarantees.** The industrial commission shall do all things necessary to preserve the fund and ensure the ability of the fund to pay claims. The industrial commission is granted all powers necessary to effectuate the purposes of this Act, including but not limited to the power to:

1. Contract for reinsurance of any risk against which a bond is issued under this Act. A contract for reinsurance may be entered into without public bids and must be approved by the commissioner of insurance.



2. Issue evidences of indebtedness. The principal of, and interest on, evidences of indebtedness may be paid only from the fund. The evidences of indebtedness are not a debt of the state of North Dakota or of any officer or agent of the state within the meaning of any statutory or constitutional provision and shall contain a statement to that effect on their face. The evidences of indebtedness may be sold at public or private sale and must contain the terms and provisions set by the industrial commission. Any state department or public fund may invest its funds in the purchase of the evidences of indebtedness. The evidences of indebtedness are not subject to taxation by the state or by any political subdivision of the state.
3. Require, before issuing a bond, that a permittee guarantee and indemnify the fund against any loss and secure the guarantee and indemnity by the pledge or posting of real or personal property under terms and conditions set by the industrial commission. The industrial commission may not require the pledge or posting of property if the fund's reserves are sufficient to ensure the payment of all claims against it. The liability of a permittee under a guarantee or indemnity agreement under this Act is limited to the payment of any claims against the bond issued for the permittee.

**SECTION 8. Claims - How paid.** All claims against bonds provided for by this Act must be paid out of the fund in an amount not exceeding the face amount of the bond.

**SECTION 9. Industrial commission may adopt rules.** The industrial commission may adopt rules necessary to carry out this Act."

And renumber the lines, sections, and pages accordingly

ROY GILBREATH, Chief Clerk

**HOUSE CHAMBER**

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

SB 2185, SB 2205, SCR 4016

ROY GILBREATH, Chief Clerk

**MESSAGE TO THE HOUSE  
SENATE CHAMBER**

**MR. SPEAKER:** I have the honor to return herewith the following which the Senate has amended and subsequently passed:

HB 1034, HB 1233

**PERRY GROTEBERG, Secretary**

**REPORTS OF STANDING COMMITTEES**

**MR. PRESIDENT:** Your Committee on Appropriations to which was referred Engrossed HB 1009 has had the same under consideration and recommends by a vote of 13 YEAS, 1 NAY, 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 3, delete the words "to provide for a transfer of principal and"

On page 1 of the engrossed bill, line 4, delete the words "earnings from the veterans' postwar trust fund;"

On page 2 of the engrossed bill, delete lines 28 through 35

And renumber the lines, sections, and pages accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

The section providing for the transfer of the July 1, 1987, unobligated balance in the veterans' postwar trust fund to the general fund on July 1, 1987, is deleted, and the legislative intent section providing that the Veterans' Home and Veterans' Affairs be funded from the general fund is deleted. It is intended that the veterans' postwar trust fund remain as a dedicated fund for veterans' purposes.

**SEN. TALLACKSON, Chairman**

HB 1009 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

**MR. PRESIDENT:** Your Committee on Industry, Business and Labor to which was rereferred HB 1247 has had the same under consideration and recommends by a vote of 8 YEAS, 0 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, delete the words "subsection 1 of section"

On page 1 of the engrossed bill, delete line 2

On page 1 of the engrossed bill, line 3, delete the words "and 4 of section 47-30.1-18, sections" and insert in lieu thereof the word "section", after the second comma insert the words

and numerals "subsection 3 of section 47-30.1-24, sections", and delete the third comma

On page 1 of the engrossed bill, delete lines 8 through 28

On page 2 of the engrossed bill, delete lines 1 through 35

On page 3 of the engrossed bill, delete lines 1 through 34

On page 4 of the engrossed bill, delete lines 1 through 13

On page 6 of the engrossed bill, after line 4, insert the following section:

SECTION 2. AMENDMENT. Subsection 3 of section 47-30.1-24 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. If a claim is allowed, the administrator shall pay over or deliver to the claimant the property or the amount the administrator actually received or the net proceeds if it has been sold by the administrator, together with any additional amount required by section 47-30.1-25 47-30.1-21. if the claim is for property presumed abandoned under section 47-30.1-10 which was sold by the administrator within three years after the date of delivery, the amount payable for that claim is the value of the property at the time the claim was made or the net proceeds of sale, whichever is greater."

And renumber the lines, sections, and pages accordingly

SEN. LANGLEY, Chairman

HB 1247 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Political Subdivisions to which was referred HB 1331 has had the same under consideration and recommends by a vote of 4 YEAS, 2 NAYS, 1 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 2, after the word "with" insert the word "certain"

On page 1 of the engrossed bill, line 8, delete the word "enacted" and insert in lieu thereof the words "to which was attached a fiscal note or fiscal note statement, relating to fiscal impact to counties or cities, as it was finally approved"

On page 1 of the engrossed bill, line 9, after the word "assembly" insert the word "and"

And renumber the lines, sections, and pages accordingly  
SEN. DOTZENROD, Chairman

HB 1331 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Agriculture to which was referred HB 1504 has had the same under consideration and recommends by a vote of 6 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION:

On page 1 of the engrossed bill, line 15, after the word "statement" insert the words "containing a list of appropriate state assistance programs compiled by the commissioner of agriculture"

On page 1 of the engrossed bill, line 22, delete the numeral "1989" and insert in lieu thereof the numeral "1991"

And renumber the lines, sections, and pages accordingly  
SEN. AXTMAN, Vice Chairman

HB 1504 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Political Subdivisions to which was referred HB 1547 has had the same under consideration and recommends by a vote of 6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION:

On page 1 of the engrossed bill, line 6, delete the words "county or" and delete the words "by resolution or"

On page 1 of the engrossed bill, line 7, delete the words "allow the county or municipal judge to"

On page 1 of the engrossed bill, line 9, delete the words "county or"

On page 1 of the engrossed bill, line 11, delete the words "county or"

On page 1 of the engrossed bill, line 14, delete the words "or resolution"

On page 1 of the engrossed bill, line 15, delete the words "county judge or" and delete the word "may" and insert in lieu thereof the word "shall"

On page 1 of the engrossed bill, line 17, after the word "deferred" insert the words ", unless the defendant is indigent and unable to pay the fee"

On page 1 of the engrossed bill, line 18, delete the words "counties and"

And renumber the lines, sections, and pages accordingly  
SEN. DOTZENROD, Chairman

HB 1547 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Transportation to which was referred HB 1597 has had the same under consideration and recommends by a vote of 5 YEAS, 0 NAYS, 3 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 4, delete the words "; to amend and reenact subsection 4 of section 39-04-19 of"

On page 1 of the engrossed bill, delete line 5

On page 1 of the engrossed bill, line 6, delete the words "registration fees", after the first semicolon insert the word "and", and delete the words "; and to provide for"

On page 1 of the engrossed bill, line 7, delete the words "application of this Act"

On page 1 of the engrossed bill, remove the underscore on lines 13 through 19

On page 1 of the engrossed bill, delete lines 20 through 28

On page 2 of the engrossed bill, delete lines 1 through 7

And renumber the lines, sections, and pages accordingly  
SEN. HILKEN, Chairman

HB 1597 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Agriculture to which was referred HB 1630 has had the same under consideration and recommends by a vote of 5 YEAS, 1 NAY, 2 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 11, delete the word and numeral "December 31" and insert in lieu thereof the word and numeral "July 1"

On page 1 of the engrossed bill, line 12, delete the numeral "1985" and insert in lieu thereof the numeral "1987"

And renumber the lines, sections, and pages accordingly

SEN. AXTMAN, Vice Chairman

HB 1630 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Industry, Business and Labor to which was referred HB 1633 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:

On page 1 of the engrossed bill, line 1, delete the words "relating to North Dakota Venture Capital," and insert in lieu thereof the words "to provide for the establishment of a North Dakota venture capital corporation"

On page 1 of the engrossed bill, line 2, delete the word "Incorporated"

On page 1 of the engrossed bill, line 9, delete the first word "and" and after the numeral "6-03-38" insert the words and numerals "and 6-09.2-01, subsection 1 of section 6-09.2-03, sections 6-09.2-04, 6-09.2-05, 6-09.2-07, 6-09.2-08, 6-09.2-09, 6-09.2-10, 6-09.2-11, and", delete the first comma, and after the second comma insert the words and numerals "subsection 14 of section 15-03-04 as amended by section 1 of House Bill No. 1031, as approved by the fiftieth legislative assembly,"

On page 1 of the engrossed bill, line 11, after the word "to" insert the words "the industrial development revenue bond guarantee program,"

On page 1 of the engrossed bill, line 12, after the word "corporations" insert a comma and after the comma insert the words "the board of university and school lands,"

On page 1 of the engrossed bill, line 13, after the word "companies" insert the words "; and to repeal section 6-09.2-06 of the North Dakota Century Code, relating to the industrial development revenue bond fund"

On page 1 of the engrossed bill, delete lines 16 through 28 and insert in lieu thereof the following new sections:

"SECTION 1. Definitions. As used in this Act, unless the context otherwise requires, the term:

1. "Board of directors" means the board of directors of the corporation.

2. "Corporation" means the corporation established by section 2 of this Act.
3. "North Dakota business" means a business owned by a North Dakota resident, a partnership, association, or corporation domiciled in North Dakota, or a corporation, including a wholly owned subsidiary of a foreign corporation, that does business primarily in North Dakota or does substantially all of its production in North Dakota.
4. "Professional investor" means any bank, bank holding company, savings institution, trust company, credit union, insurance company, or any person, partnership, or other entity whose principal business is making venture capital investments.
5. "Shareholder" means a registered owner of shares in the corporation.

SECTION 2. Public corporation established - Corporate purpose. A committee comprised of three representatives of the business sector appointed by the industrial commission and three representatives of the economic development commission shall establish under the Business Corporation Act a public corporation known as the "Myron G. Nelson Fund, Incorporated" and file articles of incorporation for the corporation with the secretary of state. The committee shall also adopt the initial bylaws of the corporation. The purpose of the corporation is to organize and manage an investment fund capitalized through the sale of shares of the corporation to the Bank of North Dakota and other public and private investors to provide a source of investment capital for the establishment, expansion, and rehabilitation of North Dakota businesses.

SECTION 3. Powers of corporation. The corporation shall have the powers and privileges conferred upon domestic corporations under the Business Corporation Act, to the extent not limited by this Act, including the power to:

1. Make contracts and execute all instruments necessary for the exercise of its powers and functions.
2. Coordinate and cooperate with state agencies and the state's political subdivisions, colleges, universities, and other academic and research sources, both private and public, agencies and organizations of the federal government, and all public or private entities.

3. Receive appropriations from the legislative assembly and other public moneys, as well as contributions from other public agencies, private individuals, companies, and other contributors.
4. Review cooperative funding agreements with federal and state loan and grant programs and commercially funded projects.
5. Administer an industrial development revenue bond guarantee program as provided in chapter 6-09.2.

SECTION 4. Capitalization - Payment of dividends. The funds deposited in the industrial development revenue bond fund pursuant to former section 6-09.2-06 and all accumulated earnings from the investment of the fund shall be used by the Bank of North Dakota to purchase shares of the corporation upon the issuance of the certificate of incorporation. Beginning on July 1, 1987, the Bank of North Dakota may purchase annually shares of the corporation in an amount to be determined by the industrial commission. In determining the annual investment to be made in the corporation by the Bank of North Dakota, the industrial commission shall consider the level of private investment in the corporation and attempt to match the private investment on a dollar-for-dollar basis. The corporation may issue shares to other public and private entities or persons when authorized by the board of directors.

SECTION 5. Board of directors. A board of directors, elected by the shareholders pursuant to initial bylaws adopted by the incorporators pursuant to section 2 of this Act, shall manage the business and affairs of the corporation. There must be representation on the board of directors from the economic development commission, investors, and the business sectors of the North Dakota economy. The business sector and investors must constitute a majority of the board.

SECTION 6. Professional investor to manage corporate funds - Investment policy. The board of directors shall contract with a professional investor, determined by the board of directors to be experienced in making successful venture capital investments, for the purpose of managing the corporation's investment fund. The management contract may provide that the professional investor take an active role in the management of any entity in which an equity interest is purchased. The board of directors shall annually review the investment performance of the professional investor. It shall be the policy of the corporation to invest primarily in North Dakota businesses. The corporation's investment in any one entity may not exceed a maximum of forty percent of the entity's capital.



This percentage limitation does not apply to co-venture investments made on behalf of the corporation in conjunction with one or more additional professional investors. The board of directors may prescribe in the management contract that a percentage of the corporation's investment fund be made available for investment outside the state.

SECTION 7. Confidentiality of corporation records.  
The following records of the corporation are confidential:

1. Commercial or financial information, whether obtained by the corporation directly or indirectly, of any entity in which an equity interest is purchased or considered for purchase pursuant to this Act.
2. Internal or interagency memorandums or letters which would not be available by law to a party other than in litigation with the corporation.

SECTION 8. Guarantee of industrial revenue bonds.  
The board of directors may authorize that a portion of the corporation's investment fund be made available to guarantee industrial revenue bonds pursuant to chapter 6-09.2.

SECTION 9. Annual audit. The board of directors shall contract with a certified public accounting firm to audit annually the financial statements of the corporation in accordance with generally accepted auditing standards. The cost of the audit must be borne by the corporation."

On page 2 of the engrossed bill, delete lines 1 through 34

On page 3 of the engrossed bill, delete lines 1 through 35

On page 4 of the engrossed bill, line 1, delete the words "North Dakota Venture Capital," and insert in lieu thereof the words "The corporation"

On page 4 of the engrossed bill, line 2, delete the word "Incorporated,"

On page 4 of the engrossed bill, line 4, after the word "which" insert the words "must include audited financial statements of the corporation for the fiscal year covered by the report and"

On page 4 of the engrossed bill, line 5, delete the words "North Dakota Venture" and insert in lieu thereof the words "the corporation"

- On page 4 of the engrossed bill, line 6, delete the words "Capital, Incorporated," and delete the word and numeral "sections 1" and insert in lieu thereof the word and numeral "section 2"
- On page 4 of the engrossed bill, line 7, delete the word and numeral "through 8"
- On page 4 of the engrossed bill, line 8, delete the words "North Dakota" and insert in lieu thereof the words "the corporation"
- On page 4 of the engrossed bill, line 9, delete the words "Venture Capital, Incorporated,"
- On page 4 of the engrossed bill, line 11, delete the words "North Dakota Venture Capital, Incorporated," and insert in lieu thereof the words "the corporation"
- On page 4 of the engrossed bill, line 14, delete the words "North Dakota Venture Capital," and insert in lieu thereof the words "the corporation"
- On page 4 of the engrossed bill, line 15, delete the word "Incorporated,"
- On page 4 of the engrossed bill, line 16, delete the word "North" and insert in lieu thereof the words "the corporation"
- On page 4 of the engrossed bill, line 17, delete the words "Dakota Venture Capital, Incorporated,"
- On page 4 of the engrossed bill, line 20, delete the word "North" and insert in lieu thereof the word "corporation"
- On page 4 of the engrossed bill, line 21, delete the words "Dakota Venture Capital, Incorporated,"
- On page 4 of the engrossed bill, line 24, delete the words "North Dakota Venture Capital, Incorporated," and insert in lieu thereof the words "the corporation"
- On page 5 of the engrossed bill, line 6, delete the words "North Dakota Venture Capital, Incorporated" and insert in lieu thereof the word "corporation"
- On page 5 of the engrossed bill, line 7, delete the words "North Dakota Venture Capital, Incorporated," and insert in lieu thereof the words "the corporation"
- On page 5 of the engrossed bill, line 27, delete the words "North Dakota Venture Capital," and insert in lieu thereof the words "the corporation"

- On page 5 of the engrossed bill, line 28, delete the word "Incorporated"
- On page 5 of the engrossed bill, line 30, delete the word "North" and insert in lieu thereof the words "the corporation"
- On page 5 of the engrossed bill, line 31, delete the words "Dakota Venture Capital, Incorporated"
- On page 5 of the engrossed bill, delete lines 32 through 35
- On page 6 of the engrossed bill, delete lines 1 through 3
- On page 6 of the engrossed bill, line 14, delete the words "North Dakota" and insert in lieu thereof the words "Myron G. Nelson Fund"
- On page 6 of the engrossed bill, line 15, delete the words "Venture Capital" and after the second underscored comma insert the words "pursuant to section 4 of this Act,"
- On page 7 of the engrossed bill, after line 7, insert the following new sections:

"SECTION 16. AMENDMENT. Section 6-09.2-01 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-01. Industrial development revenue bond guarantee program - Administration. The ~~economic development commission~~ corporation shall administer an industrial development revenue bond guarantee program as provided in this chapter.

SECTION 17. AMENDMENT. Subsection 1 of section 6-09.2-03 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. "~~Commission~~" "Corporation" means the ~~economic development commission~~ corporation established by section 2 of this Act.

SECTION 18. AMENDMENT. Section 6-09.2-04 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-04. Powers. In carrying out the provisions of this chapter, the ~~commission~~ corporation is authorized and empowered:

1. To guarantee the payment of debt service on evidence of indebtedness secured by security interests in an industrial development project

consistent with the terms and limitations expressed in this chapter.

2. To accept from a federal agency or North Dakota, its agencies and instrumentalities, loans or grants for use in carrying out its purposes, and to enter into agreements with such agency or North Dakota, its agencies and instrumentalities, respecting any such loans or grants.
3. To enter into agreements with prospective bondholders and issuers for the purpose of financing industrial development projects and require as a condition of guarantee that the Bank of North Dakota be the designated trustee, paying agency, and depository of all funds and accounts of all guaranteed evidence of indebtedness of the program.
4. To acquire, purchase, manage and operate, and hold and dispose of, real and personal property, to take assignments of rentals and leases, and make and enter into all contracts, leases, agreements, and arrangements necessary or incidental to the performance of its duties.
5. When in the opinion of the commission corporation it is necessary or advisable, in order to further the purposes of this chapter or to safeguard the bond guarantee fund, to purchase, acquire, attach, seize, accept, or take title to any industrial development project, by conveyance or, when any guaranteed evidence of indebtedness has been redeemed in whole or in part exercise with the consent of the bondholder any of the bondholder's rights under any of the covenants of issuance including but not limited to foreclosure, sale, lease, or rent an industrial development project for a use specified in subsection 4 of section 6-09.2-03, or for any other use.

**SECTION 19. AMENDMENT.** Section 6-09.2-05 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

**6-09.2-05. Default by issuer.** When an issuer's project lessee does not make debt service payments guaranteed by the commission's bond guarantee fund corporation, the commission corporation for the purpose of maintaining income from industrial development projects on which bonds have been guaranteed by the commission and for the purpose of safeguarding the bond guarantee fund corporation, may grant the issuer permission to lease or rent the property

to a tenant for a use other than that specified in subsection 4 of section 6-09.2-03, such lease or rental to be temporary in nature and subject to such conditions as the commission corporation may prescribe; provided, however, no lease shall in any manner conflict with the provisions of chapter 40-57 or in the opinion of bond counsel issuing the opinion on the evidence of indebtedness in any way jeopardize the income tax exempt status of the interest on the bonds.

**SECTION 20. AMENDMENT.** Section 6-09.2-07 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

**6-09.2-07. Guarantee of bonds.** The commission, as the administrator of the fund created in this chapter, corporation is authorized, upon application of the proposed issuer, to guarantee debt service payments required by evidence of indebtedness on any industrial development project, or part thereof, upon such terms and conditions as the commission corporation may prescribe, and subject to the limitations of this chapter, provided the aggregate amount of the unpaid principal balance of all obligations of all evidence of indebtedness so guaranteed outstanding at any one time shall not exceed twenty times the unencumbered balance in the fund debt service guarantee account of the fund made available by the corporation. To be eligible for guarantee under the provisions of this chapter bonds shall:

1. Be issued by a municipality as defined in chapter 40-57.
2. Involve a principal obligation, including initial service charges and appraisal, inspection, and other fees approved by the commission corporation.
3. Have a maturity date satisfactory to the commission corporation, but in no case later than forty years from the date of issuance for any project.
4. Contain complete amortization provisions satisfactory to the commission corporation requiring periodic payments, costs of local property taxes and assessments, land lease rentals, if any, and hazard insurance on the property and such bond guarantee fees as are required under section 6-09.2-08, all as the commission corporation shall from time to time prescribe or approve.

5. Be in such form and contain such terms and provisions, with respect to property, insurance, repairs, alterations, payment of taxes and assessments, restrictions as to location of machinery and equipment, default reserves, delinquency charges, default remedies, anticipation of maturity, additional and secondary liens, and other matters as the commission corporation may prescribe.

SECTION 21. AMENDMENT. Section 6-09.2-08 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-08. Bond guarantee fees. The commission corporation shall charge ~~three~~ two percent of the principal obligation of the evidence of indebtedness as a fee for guarantee of debt service payments on evidence of indebtedness guaranteed by the fund debt service guarantee account corporation. The commission shall deposit the fee ~~in the fund debt service guarantee account~~. The commission corporation shall charge an annual administrative fee of three-eighths of one percent of the outstanding principal obligation of all evidence of indebtedness guaranteed by the fund debt service guarantee account corporation. The issuer's project lessee shall pay the fee in the manner the commission corporation prescribes. Earnings on bond-funded reserve accounts and debt service accounts must be deposited in that bond's debt service account for the payment of principal and interest on the bonds. Other earnings on the investment of any accounts held by the fund must be first deposited in the fund administration account. Any moneys declared by the commission to be surplus and not essential to the administration of this chapter may be transferred on order of the commission to the fund debt service guarantee account.

SECTION 22. AMENDMENT. Section 6-09.2-09 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-09. Expenses. The commission corporation may expend out of the fund administration account such moneys as may be necessary for any expenses of the commission corporation in carrying out the provisions of this chapter.

SECTION 23. AMENDMENT. Section 6-09.2-10 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-10. Bonds eligible for investment. Evidence of indebtedness bonds guaranteed by the commission corporation under this chapter are legal investments for all trust companies, banks, investment companies, savings banks,

credit unions, savings and loan associations, executors, administrators, guardians, conservators, trustees and other fiduciaries, pension, profit-sharing, and retirement funds to the extent limited by law.

**SECTION 24. AMENDMENT.** Section 6-09.2-11 of the 1985 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6-09.2-11. Limitation - Credit of commission and state not pledged. Nothing in this chapter shall be construed to authorize or permit the ~~commission corporation~~ or any officer thereof to create any indebtedness of the ~~commission corporation~~ or of North Dakota, or to incur any obligation of any kind or nature, except such as shall be payable solely from the fund ~~created in~~ made available by the corporation pursuant to this chapter and the revenues appropriated and accumulated therein."

- On page 7 of the engrossed bill, line 11, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund"
- On page 7 of the engrossed bill, line 12, after the word "Incorporated" insert the words and numeral ", purchased pursuant to section 4 of this Act"
- On page 7 of the engrossed bill, line 16, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund"
- On page 7 of the engrossed bill, line 17, after the underscored comma, insert the word "pursuant", delete the words "meet the provisions of" and delete the numeral "2" and insert in lieu thereof the numeral "4"
- On page 7 of the engrossed bill, line 22, delete the words "North Dakota" and insert in lieu thereof the words "Myron G. Nelson Fund"
- On page 7 of the engrossed bill, line 23, delete the words "Venture Capital", after the second underscored comma insert the word "pursuant", and delete the words "meet the provisions of"
- On page 7 of the engrossed bill, line 24, delete the numeral "2" and insert in lieu thereof the numeral "4"
- On page 7 of the engrossed bill, line 34, delete the word "North" and insert in lieu thereof the words "Myron G. Nelson Fund"
- On page 7 of the engrossed bill, line 35, delete the words "Dakota Venture Capital"

On page 8 of the engrossed bill, after line 9, insert the following new section:

"SECTION 29. AMENDMENT. If House Bill No. 1031 of the fiftieth legislative assembly becomes effective, subsection 14 of section 15-03-04 of the North Dakota Century Code, as amended by House Bill No. 1031, is hereby amended and reenacted to read as follows:

14. Common or preferred stocks of any corporation organized under the laws of any state, including nonvoting preferred stock of Myron G. Nelson Fund, Incorporated, issued pursuant to section 4 of this Act but not more than twenty percent of the assets of each fund may be invested in common and preferred stocks."

On page 8 of the engrossed bill, line 10, delete the word "Subsection" and insert in lieu thereof the words "If House Bill No. 1031 of the fiftieth legislative assembly does not become effective, subsection"

On page 8 of the engrossed bill, line 15, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund" and after the second underscored comma insert the words "issued pursuant to section 4 of this Act"

On page 8 of the engrossed bill, line 23, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund" and after the second underscored comma insert the words "issued pursuant to section 4 of this Act"

On page 9 of the engrossed bill, line 2, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund" and after the second underscored comma insert the words "pursuant to section 4 of this Act"

On page 9 of the engrossed bill, line 8, delete the words "North Dakota Venture Capital" and insert in lieu thereof the words "Myron G. Nelson Fund" and after the second underscored comma insert the words "pursuant to section 4 of this Act"

On page 9 of the engrossed bill, after line 9, insert the following new section:



"SECTION 34. REPEAL. Section 6-09.2-06 of the 1985 Supplement to the North Dakota Century Code is hereby repealed."

And renumber the lines, sections, and pages accordingly

SEN. LANGLEY, Chairman

HB 1633 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Industry, Business and Labor to which was referred HB 1634 has had the same under consideration and recommends by a vote of 8 YEAS, 0 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 reengrossed bill, line 1, after the word "amend" insert the words "and reenact"

On page 3 of the reengrossed bill, line 6, remove the overstrike over the words "~~the governor as chairman and~~" and delete the word "seven" and insert in lieu thereof the word "nine"

On page 3 of the reengrossed bill, line 7, remove the overstrike over the comma and insert immediately thereafter the word "with", remove the overstrike over the words "~~one member~~", and remove the overstrike over the words "~~appointed from each of~~"

On page 3 of the reengrossed bill, line 8, remove the overstrike over the word "~~the~~" and after the word "~~judicial~~" insert the words "eight planning", and remove the overstrike over the words "~~districts and one member to be appointed~~"

On page 3 of the reengrossed bill, line 9, remove the overstrike over the words "~~at large~~" and insert immediately thereafter the words "to represent minorities", and delete the words "~~The governor shall take into account reasonable~~"

On page 3 of the reengrossed bill, line 10, delete the words "~~geographic considerations in making the appointments.~~"

On page 3 of the reengrossed bill, line 26, delete the second word "of" and insert in lieu thereof the word "or"

On page 4 of the reengrossed bill, line 9, after the word "~~residence~~" insert the words "and shall represent the planning district in which they live"

On page 4 of the reengrossed bill, line 17, delete the words "~~chairman and~~"

On page 4 of the reengrossed bill, line 18, remove the overstrike over the word "~~The~~" and delete the words ", and the"

And renumber the lines, sections, and pages accordingly  
SEN. LANGLEY, Chairman

HB 1634 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Industry, Business and Labor to which was referred HB 1666 has had the same under consideration and recommends by a vote of 8 YEAS, 0 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 26, after the first word "of" insert the words "the issuer or"

On page 2 of the engrossed bill, delete lines 1 through 3

On page 2 of the engrossed bill, line 4, delete the letter "c" and insert in lieu thereof the letter "b"

On page 2 of the engrossed bill, line 6, delete the letter "d" and insert in lieu thereof the letter "c"

On page 2 of the engrossed bill, line 8, delete the words ", and is"

On page 2 of the engrossed bill, delete line 9

On page 2 of the engrossed bill, line 10, delete the words "the grantee"

And renumber the lines, sections, and pages accordingly  
SEN. LANGLEY, Chairman

HB 1666 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Appropriations to which was referred Engrossed HB 1011 has had the same under consideration and recommends by a vote of 11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING that the same DO PASS.

SEN. TALLACKSON, Chairman

HB 1011 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Appropriations to which was referred Engrossed HB 1012 has had the same under consideration and recommends by a vote of 10 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING that the same DO PASS.

SEN. TALLACKSON, Chairman

HB 1012 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Appropriations to which was rereferred Engrossed HB 1204 has had the same under consideration and recommends by a vote of 11 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING that the same DO PASS.

SEN. TALLACKSON, Chairman

HB 1204 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Appropriations to which was rereferred Engrossed HB 1295 has had the same under consideration and recommends by a vote of 9 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING that the same DO NOT PASS.

SEN. TALLACKSON, Chairman

HB 1295 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Human Services and Veterans Affairs to which was referred HB 1593 has had the same under consideration and recommends by a vote of 6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

SEN. J. MEYER, Chairman

HB 1593 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Human Services and Veterans Affairs to which was referred HCR 3071 has had the same under consideration and recommends by a vote of 5 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING that the same DO PASS.

SEN. J. MEYER, Chairman

HCR 3071 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Human Services and Veterans Affairs to which was referred HCR 3074 has had the same under consideration and recommends by a vote of 4 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

SEN. J. MEYER, Chairman

HCR 3074 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Committee on Finance and Taxation to which was referred HCR 3083 has had the same under consideration and recommends by a vote of 7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING that the same DO PASS.

SEN. SATROM, Chairman

HCR 3083 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

#### CONSIDERATION OF AMENDMENTS

SEN. LASHKOWITZ MOVED that the amendments to HB 1038 as recommended by the Committee on Judiciary as printed on page 1641 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1038 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HB 1051 as recommended by the Committee on Judiciary as printed on page 1641 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1051 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HB 1150 as recommended by the Committee on Judiciary as printed on pages 1641-1642 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1150 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LANGLEY MOVED that the amendments to HB 1187 as recommended by the Committee on Industry, Business and Labor as printed on page 1642 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1187 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HB 1227 as recommended by the Committee on Judiciary as printed on pages 1642-1643 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1227 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HB 1242 as recommended by the Committee on Judiciary as printed on page 1643 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1242 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. SATROM MOVED that the amendments to HB 1319 as recommended by the Committee on Finance and Taxation as printed on pages

1643-1644 of the Senate Journal be adopted, and when so adopted, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION, which motion prevailed.

HB 1319 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. D. MEYER MOVED that the amendments to HB 1394 as recommended by the Committee on State and Federal Government as printed on pages 1644-1645 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed on a verification vote.

HB 1394 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. HEINRICH MOVED that the amendments to HB 1406 as recommended by the Committee on Education as printed on pages 1645-1646 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1406 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. HEINRICH MOVED that the amendments to HB 1416 as recommended by the Committee on Education as printed on page 1646 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1416 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

#### MOTIONS

SEN. MAIXNER MOVED that HB 1506, which is on the Sixth order, be rereferred to the Committee on Industry, Business and Labor, which motion prevailed.

SEN. J. MEYER MOVED that HB 1183, which is on the Fourteenth order, be rereferred to the Committee on Human Services and Veterans Affairs, which motion prevailed.

#### CONSIDERATION OF AMENDMENTS

SEN. HEINRICH MOVED that the amendments to HB 1529 as recommended by the Committee on Education as printed on pages 1647-1648 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1529 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. HEINRICH MOVED that the amendments to HB 1604 as recommended by the Committee on Education as printed on page 1648 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1604 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HB 1631 as recommended by the Committee on Judiciary as printed on page 1648 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1631 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. LASHKOWITZ MOVED that the amendments to HCR 3003 as recommended by the Committee on Judiciary as printed on pages 1648-1650 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HCR 3003 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. W. MEYER MOVED that the amendments to HB 1030 as recommended by the Committee on Agriculture as printed on page 1667 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1030 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. HILKEN MOVED that the amendments to HB 1131 as recommended by the Committee on Transportation as printed on pages 1668-1669 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1131 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. W. MEYER MOVED that the amendments to HB 1295 as recommended by the Committee on Agriculture as printed on pages 1670-1671 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1295 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

SEN. DOTZENROD MOVED that the amendments to HB 1332 as recommended by the Committee on Political Subdivisions as printed on page 1671 of the Senate Journal be adopted, and when so adopted, recommends the same DO PASS, which motion prevailed.

HB 1332 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

#### MOTION

SEN. WRIGHT MOVED that the Senate reconsider its action whereby HB 1652 passed, which motion lost on a verification vote.

REPORT OF PROCEDURAL COMMITTEE

MR. PRESIDENT: Your procedural Committee on Delayed Bills has accepted a concurrent resolution congratulating the North Dakota State University Bison Club hockey team for winning the 1987 National Collegiate Club Hockey Tournament held at Fargo, North Dakota.

Your Committee on Delayed Bills cast a unanimous ballot.

SEN. MAIXNER, Chairman

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

FIRST READING OF A SENATE CONCURRENT RESOLUTION

Sens. Peterson, Nalewaja, Tennefos and Reps. Moore, Scherber, R. Berg introduced:

(Approved by the Committee on Delayed Bills)

SCR 4068: A concurrent resolution also introduced by the following: Senators Mathern; Lashkowitz; and Representatives C. Nelson; Dorso; Gorman; Kloubec; Payne; Kelly; Schneider - A concurrent resolution congratulating the North Dakota State University Bison Club hockey team for winning the 1987 National Collegiate Club Hockey Tournament held at Fargo, North Dakota.

Was read the first time.

MOTION

SEN. PETERSON MOVED that the rules be suspended, that SCR 4068 not be printed, not be referred to committee, be read in its entirety, be printed in the Journal, and placed on the calendar for second reading and final passage, which motion prevailed.

Sens. Peterson, Nalewaja, Tennefos and Reps. Moore, Scherber, R. Berg introduced:

SENATE CONCURRENT RESOLUTION NO. 4068

A concurrent resolution congratulating the North Dakota State University Bison Club hockey team for winning the 1987 National Collegiate Club Hockey Tournament held at Fargo, North Dakota.

WHEREAS, the North Dakota State University Bison Club hockey team has completed its first three full seasons of collegiate competition by winning its third consecutive national championship; and

WHEREAS, the North Dakota State University Bison Club hockey team won the 1987 National Collegiate Club Hockey Tournament in a thrilling three overtime victory in the championship game against the University of Arizona on March 15, 1987; and

WHEREAS, the Bison Club hockey team, coaches, advisor, contributors, students, boosters, and fans have all contributed

to making collegiate hockey at North Dakota State University a huge success in the first three full years of competition; and

WHEREAS, the team's outstanding accomplishments and national championships are accomplishments of which all North Dakotans can be justifiably proud;

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

That the Fiftieth Legislative Assembly takes great pride and pleasure in extending its congratulations to the North Dakota State University Bison Club hockey team and their coach, Dave Morinville; and

BE IT FURTHER RESOLVED, that copies of this resolution be forwarded by the Secretary of State to the administration at North Dakota State University, to the North Dakota State University Bison Hockey Club and team members, and to head coach Dave Morinville.

#### SECOND READING OF A SENATE CONCURRENT RESOLUTION

SCR 4068: A concurrent resolution congratulating the North Dakota State University Bison Club hockey team for winning the 1987 National Collegiate Club Hockey Tournament held at Fargo, North Dakota.

Was read the second time.

The question being on the final adoption of the resolution.

SCR 4068 was declared adopted on a voice vote.

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#### MOTION

SEN. PETERSON MOVED that the rules be suspended and that SCR 4068 be messaged to the House immediately, which motion prevailed.

#### MESSAGE TO THE HOUSE SENATE CHAMBER

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

SCR 4068

PERRY GROTEBERG, Secretary

#### POINT OF PERSONAL PRIVILEGE

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



Last weekend, we were privileged to experience Class B basketball at its best. The number-two-rated Mayville-Portland Patriots defeated the number-one-rated Glen Ullin team. The Patriots then went on to defeat the number-three-rated Page team in the semifinals, setting the stage for the championship title match with Linton. However, Linton also fell under the firepower of the 1987 Class B basketball champions, the Mayville-Portland Patriots, by a score of 72-61.

I salute all eight teams and coaches who participated in the 1987 version of uniquely exciting Class B basketball, and I am very proud to claim the Mayville-Portland Patriots as a product of District 20!

#### APPOINTMENT OF CONFERENCE COMMITTEES

SEN. HILKEN MOVED that the President Pro Tem appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1073, which motion prevailed.

THE PRESIDENT PRO TEM APPOINTED as a Conference Committee on HB 1073:

Sens. Schoenwald, Hilken, Mutch

SEN. LANGLEY MOVED that the President Pro Tem appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1231, which motion prevailed.

THE PRESIDENT PRO TEM APPOINTED as a Conference Committee on HB 1231:

Sens. Keller, Krauter, Reiten

SEN. LANGLEY MOVED that the President Pro Tem appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1355, which motion prevailed.

THE PRESIDENT PRO TEM APPOINTED as a Conference Committee on HB 1355:

Sens. Schoenwald, Keller, Todd

SEN. HEINRICH MOVED that the President Pro Tem appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1643, which motion prevailed.

THE PRESIDENT PRO TEM APPOINTED as a Conference Committee on HB 1643:

Sens. Mathern, Kelsh, Kelly

SEN. KRAUTER MOVED that the President Pro Tem appoint a committee of three to act with a like committee from the House as a Conference Committee on HCR 3007, which motion prevailed.

THE PRESIDENT PRO TEM APPOINTED as a Conference Committee on HCR 3007:

Sens. D. Meyer, Richard, David

#### MOTION

SEN. MAIXNER MOVED that SB 2025, SB 2033, SB 2045, SB 2064, SB 2406, SB 2490, and SB 2510 be moved to the foot of the Twelfth order on the calendar, which motion prevailed.

#### CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LASHKOWITZ MOVED that the Senate do concur in the House amendments to SB 2090 as printed on page 1611 of the Senate Journal, which motion prevailed.

#### SECOND READING OF SENATE BILL

SB 2090: A BILL for an Act to amend and reenact subsection 5 of section 19-03.1-36 and sections 54-12-14 and 54-12-16 of the North Dakota Century Code, relating to property forfeited for violation of controlled substances laws and powers of drug enforcement unit personnel.

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 46 YEAS, 0 NAYS, 7 ABSENT AND NOT VOTING.

YEAS: Adams; Axtman; Bakewell; David; Dotzenrod; Freborg; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelly; Kelsh; Krauter; Lashkowitz; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, J.; Moore; Mutch; Naaden; Nalewaja; Nelson; Peterson; Redlin; Reiten; Richard; Satrom; Schoenwald; Shea; Stenehjelm; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Wogsland; Wright; Yockim

NAYS: None

ABSENT AND NOT VOTING: Heigaard; Langley; Meyer, D.; Meyer, W.; Mushik; Nething; Olson

SB 2090 passed and the title was agreed to.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. HEINRICH MOVED that the Senate do not concur in the House amendments to SB 2109 as printed on pages 1611-1612 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 PRO TEM APPOINTED as a Conference Committee on SB 2109:

Sens. Hilken, Kelsh, Peterson

# CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LASHKOWITZ MOVED that the Senate do concur in the House amendments to SB 2143 as printed on pages 1612-1616 of the Senate Journal, which motion prevailed.

# SECOND READING OF SENATE BILL

SB 2143: A BILL for an Act to amend and reenact sections 19-03.1-05, 19-03.1-07, 19-03.1-09, 19-03.1-11, and 19-03.1-13 of the North Dakota Century Code, relating to controlled substances.

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 47 YEAS, 0 NAYS, 6 ABSENT AND NOT VOTING.

YEAS: Adams; Axtman; Bakewell; David; Dotzenrod; Freborg; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelly; Kelsh; Krauter; Lashkowitz; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, J.; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; Peterson; Redlin; Reiten; Richard; Satrom; Schoenwald; Shea; Stenehjelm; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Wogsland; Wright; Yockim

NAYS: None

ABSENT AND NOT VOTING: Heigaard; Langley; Meyer, D.; Meyer, W.; Mushik; Olson

SB 2143 passed and the title was agreed to.

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# CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. TODD MOVED that the Senate do concur in the House amendments to SB 2403 as printed on page 1616 of the Senate Journal, which motion prevailed.

# SECOND READING OF SENATE BILL

SB 2403: A BILL for an Act to create a new chapter to title 51 of the North Dakota Century Code, relating to allowing

retail dealers to return merchandise upon discontinuance of a franchise.

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 47 YEAS, 0 NAYS, 6 ABSENT AND NOT VOTING.

YEAS: Adams; Axtman; Bakewell; David; Dotzenrod; Freborg; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelly; Kelsh; Krauter; Lashkowitz; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, J.; Moore; Mutch; Naaden; Nalewaja; Nelson; Nething; Peterson; Redlin; Reiten; Richard; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Wogsland; Wright; Yockim

NAYS: None

ABSENT AND NOT VOTING: Heigaard; Langley; Meyer, D.; Meyer, W.; Mushik; Olson

SB 2403 passed and the title was agreed to.

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#### MOTIONS

SEN. MAIXNER MOVED that HB 1080, which is on the Fourteenth order, be rereferred to the Committee on Judiciary, which motion prevailed.

SEN. MAIXNER MOVED that Rule 402, subsection 4, be temporarily amended for the remainder of the Fiftieth Legislative Session and that the reporting of resolutions out of committee which propose amendments to the Constitution of North Dakota be further extended five legislative days to Monday, March 30, 1987, which motion prevailed.

SEN. MAIXNER MOVED that Rule 507 be temporarily amended for the remainder of the Fiftieth Legislative Session and that all bills that were to be reported out of committee on the Fifty-third Legislative Day be further extended to the Fifty-eighth Legislative Day, which motion prevailed.

#### MESSAGES TO THE HOUSE SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate has concurred in the House amendments to SB 2093, SB 2141, SB 2273, SB 2293, SB 2404, SB 2412, SB 2415, SB 2450, SB 2455, SB 2467, and SB 2516 and subsequently passed the same.

PERRY GROTEBERG, Secretary

MONDAY, MARCH 23, 1987

1715

SENATE CHAMBER

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

HB 1073: Sens. Schoenwald, Hilken, Mutch  
HB 1231: Sens. Keller, Krauter, Reiten  
HB 1355: Sens. Schoenwald, Keller, Todd  
HB 1643: Sens. Mathern, Kelsh, Kelly  
HCR 3007: Sens. D. Meyer, Richard, David

PERRY GROTEBERG, Secretary

PRESENTATION OF PETITIONS AND COMMUNICATIONS

State of North Dakota  
EXECUTIVE OFFICE  
Bismarck

March 23, 1987

The Honorable Rolland Redlin  
President Pro Tempore  
North Dakota Senate  
Senate Chamber  
State Capitol  
Bismarck, North Dakota 58505

Dear Mr. President Pro Tempore:

This is to inform you that on March 20, 1987, I signed the following:

SB 2047,	SB 2049,	SB 2065,	SB 2067,	SB 2094,	SB 2096,
SB 2104,	SB 2105,	SB 2108,	SB 2112,	SB 2117,	SB 2129,
SB 2133,	SB 2135,	SB 2140,	SB 2144,	SB 2151,	SB 2154,
SB 2157,	SB 2163,	SB 2169,	SB 2171,	SB 2177,	SB 2180,
SB 2182,	SB 2187,	SB 2207,	SB 2216,	SB 2221,	SB 2227,
SB 2236,	SB 2237,	SB 2239,	SB 2241,	SB 2246,	SB 2250,
SB 2253,	SB 2258,	SB 2260,	SB 2261,	SB 2267,	SB 2270,
SB 2271,	SB 2272,	SB 2282,	SB 2283,	SB 2284,	SB 2292,
SB 2300,	SB 2325,	SB 2329,	SB 2330,	SB 2332,	SB 2334,
SB 2335,	SB 2342,	SB 2359,	SB 2362,	SB 2370,	SB 2380,
SB 2384,	SB 2398,	SB 2420,	SB 2423,	SB 2432,	SB 2433,
SB 2440,	SB 2443,	SB 2446,	SB 2452,	SB 2459,	SB 2462,
SB 2481,	SB 2482,	SB 2487,	SB 2493,	SB 2497,	SB 2505,
SB 2511,	SB 2534,	SB 2551,			

Sincerely,

GEORGE A. SINNER  
Governor

MESSAGE TO THE HOUSE  
SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate does not concur in the House amendments to SB 2109 and the President Pro Tem has appointed as a conference committee to act with a like committee from the House on:

SB 2109: Sens. Hilken, Kelsh, Peterson

PERRY GROTEBERG, Secretary

MOTIONS

SEN. MAIXNER MOVED that the absent Senators be excused, which motion prevailed.

SEN. MAIXNER MOVED that the Senate be on the Fourth order of business, and at the conclusion of the Fourth order of business, be on the Fifth order of business, and at the conclusion of the Fifth order of business, be on the Sixteenth order of business, and at the conclusion of the Sixteenth order of business, and after the reading of HB 1011, HB 1012, HB 1030, HB 1038, HB 1051, HB 1131, HB 1150, HB 1187, HB 1204, HB 1227, HB 1242, HB 1295, HB 1319, HB 1332, HB 1394, HB 1406, HB 1416, HB 1529, HB 1593, HB 1604, HB 1631, HCR 3003, HCR 3071, HCR 3074, and HCR 3083, the Senate adjourn and convene at 12:30 p.m., Tuesday, March 24, 1987, which motion prevailed.

PERRY GROTEBERG, Secretary