

JOURNAL OF THE SENATE

Fifty-sixth Legislative Assembly

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Bismarck, April 2, 1999

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

The prayer was offered by Senator Mutzenberger.

The roll was called and all members were present except Senator Bercier.

A quorum was declared by the President.

CONSIDERATION OF AMENDMENTS

HB 1443, as reengrossed and amended: SEN. GRINDBERG (Appropriations Committee)
MOVED that the amendments on SJ pages 1024-1027 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1443: A BILL for an Act to create and enact five new sections to chapter 52-08 of the North Dakota Century Code, relating to work force training; to amend and reenact subsection 6 of section 15-10-01 and subsection 13 of section 15-10-17 of the North Dakota Century Code, relating to name changes of institutions of higher education; to repeal section 15-11-02.1 of the North Dakota Century Code, relating to supervision of the college at Devils Lake; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: Christmann; Heitkamp; Thompson

ABSENT AND NOT VOTING: Bercier

Reengrossed HB 1443, as amended, passed and the title was agreed to.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1153, HB 1184, HB 1281, HB 1389, HB 1492, HCR 3030.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2153: Reps. Pollert; Renner; Nowatzki

SB 2344: Reps. D. Johnson; Drovdal; Solberg

SB 2396: Reps. Berg; Keiser; Lemieux

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1037, HB 1121, HB 1156, HB 1304, and HB 1490 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1037: Reps. Klein; Klemin; Metcalf

HB 1121: Reps. Devlin; Pollert; Metcalf

HB 1156: Reps. Pollert; Renner; Nowatzki

HB 1304: Reps. Devlin; B. Thoreson; Metcalf

HB 1490: Reps. D. Johnson; Drovdal; Solberg

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2014: Reps. Bernstein; Delzer; Kerzman

SB 2019: Reps. Carlson; Wentz; Nichols

SB 2025: Reps. Lloyd; Carlson; Aarsvold

SB 2043: Reps. Byerly; Dalrymple; Huether

SB 2044: Reps. Byerly; Dalrymple; Huether

SB 2180: Reps. Kempenich; N. Johnson; Ekstrom

SB 2267: Reps. Kempenich; Weisz; Meyer

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SCR 4021: Reps. Renner; Pollert; Stefonowicz

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1014, HB 1016, HB 1017, HB 1020, HB 1171, HB 1329, and HB 1428 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1014: Reps. Timm; Bernstein; Hoffner

HB 1016: Reps. Svedjan; Delzer; Hoffner

HB 1017: Reps. Bernstein; Timm; Kerzman

HB 1020: Reps. Carlson; Lloyd; Aarsvold

HB 1171: Reps. L. Thoreson; Haas; Kroeber

HB 1329: Reps. DeKrey; Klemin; Meyer

HB 1428: Reps. D. Johnson; Brandenburg; Warner

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1004, HB 1046, HB 1115.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently failed to pass: HB 1026.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2017: Reps. Carlisle; Tollefson; Gulleon

SB 2202: Reps. Carlson; Poolman; Aarsvold

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1021, HB 1022, HB 1038, HB 1183, and HB 1274 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1021: Reps. Lloyd; Boehm; Nichols

HB 1022: Reps. Dalrymple; Wentz; Nichols

HB 1038: Reps. Weisz; Dalrymple; Metcalf

HB 1183: Reps. Keiser; Dalrymple; Huether

HB 1274: Reps. Brandenburg; Haas; Nowatzki

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1443.

MOTION

SEN. ST. AUBYN MOVED that the Senate stand in recess until 12:30 p.m., which motion prevailed.

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

CONSIDERATION OF AMENDMENTS**HB 1043, as reengrossed and amended: SEN. HOLMBERG (Appropriations Committee)****MOVED** that the amendments on SJ page 1024 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.**SECOND READING OF HOUSE BILL****HB 1043:** A BILL for an Act to create and enact chapter 14-02.5 of the North Dakota Century Code, relating to discriminatory housing practices; to amend and reenact section 14-02.4-19 of the North Dakota Century Code, relating to actions for discrimination; to repeal sections 14-02.4-12 and 14-02.4-13, relating to unfair housing; to provide a penalty; to provide an appropriation; and to provide a continuing appropriation.**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 48 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne**ABSENT AND NOT VOTING:** Bercier

Reengrossed HB 1043, as amended, passed and the title was agreed to.

COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

This is to inform you that on April 1, 1999, I have signed the following: SB 2006, SB 2018, SB 2030, SB 2036, SB 2047, SB 2055, SB 2058, SB 2081, SB 2096, SB 2166, SB 2186, SB 2216, SB 2287, SB 2288, SB 2290, SB 2294, SB 2357, SB 2362, SB 2365, SB 2373, SB 2374, SB 2398, SB 2400, SB 2409, SB 2411, SB 2414, and SB 2437.

Also, on April 2, 1999, I have signed the following: SB 2024, SB 2299, SB 2349, and SB 2390.

CONSIDERATION OF AMENDMENTS**HB 1013, as engrossed: SEN. NAADEN (Appropriations Committee) MOVED** that the amendments on SJ pages 1022-1024 be adopted and then be placed on the Fourteenth order with **DO PASS**.**REQUEST****SEN. D. MATHERN REQUESTED** that the Senate divide the amendments to Engrossed HB 1013 as follows, which request was granted.**DIVISION A:** Section 6 and Section 7.**DIVISION B:** The remainder of the amendments.

The question being on the adoption of Division A of the proposed amendments to Engrossed HB 1013, Division A of the proposed amendments to Engrossed HB 1013 was adopted on a voice vote.

REQUEST**SEN. D. MATHERN REQUESTED** a recorded roll call vote on Division B of the proposed amendments to Engrossed HB 1013, which request was granted.**ROLL CALL**

The question being on the adoption of Division B of the proposed amendments to Engrossed HB 1013, the roll was called and there were 25 YEAS, 24 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Kinnoin; Klein; Krebsbach; Kringstad; Mutch; Naaden; Nelson, G.; Nething; Schobinger; Solberg; St. Aubyn; Traynor; Urlacher; Wanzek; Wardner; President Myrdal**NAYS:** DeMers; Fischer; Heitkamp; Kelsh; Krauter; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutzenberger; Nelson, C.; O'Connell; Redlin; Robinson; Sand; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Watne

ABSENT AND NOT VOTING: Bercier

Division B of the proposed amendments to Engrossed HB 1013 was adopted.

The question being on the adoption of the proposed amendments to Engrossed HB 1013, which are comprised of Division A and Division B, the amendments were adopted on a verification vote.

Engrossed HB 1013, as amended, was placed on the Fourteenth order for immediate second reading.

SECOND READING OF HOUSE BILL

HB 1013: A BILL for an Act to provide an appropriation for defraying the expenses of the commissioner of university and school lands; to amend and reenact subsection 2 of section 47-30.1-30 and section 47-30.1-32 of the North Dakota Century Code, relating to unclaimed property; to provide for retroactive application; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 39 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mutch; Naaden; Nelson, G.; Nething; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: DeMers; Krauter; Mathern, T.; Mutzenberger; Nelson, C.; O'Connell; Redlin; Thompson

ABSENT AND NOT VOTING: Bercier; Mathern, D.

Engrossed HB 1013, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

HB 1003, as engrossed: SEN. ST. AUBYN (Appropriations Committee) MOVED that the amendments on SJ pages 1009-1022 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1003: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency.

MOTION

SEN. G. NELSON MOVED that Engrossed HB 1003, as amended, be further amended as follows, which motion prevailed.

In addition to the amendments to Engrossed House Bill No. 1003 as printed on pages 1009-1022 of the Senate Journal, Engrossed House Bill No. 1003 is further amended as follows:

Page 1, line 2, after "system" insert "; to provide for a legislative council study"

Page 10, after line 15, insert:

"SECTION 23. LEGISLATIVE COUNCIL STUDY - TRIBAL COLLEGES. The legislative council shall consider studying the tribally controlled colleges in this state and the United Tribes technical college, including a review of funding sources and the number of Indian and non-Indian students attending each college, for the purpose of determining the desirability and feasibility of a grant program to assist the colleges in providing education to students who are less than one-quarter Indian. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly."

Renumber accordingly

MOTION

SEN. TOMAC MOVED that Engrossed HB 1003, as amended, be further amended as follows:

In lieu of the amendments to Engrossed House Bill No. 1003 as printed on pages 1034-1035 of the Senate Journal, Engrossed House Bill No. 1003 is amended as follows:

Page 1, line 2, after "system" insert "; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency"

Page 1, replace lines 12 through 24 with:

"NORTH DAKOTA UNIVERSITY SYSTEM		
Salaries and wages		\$342,117,813
Technology		21,948,467
Restoration pool		<u>1,178,000</u>
Total salaries, wages, technology, and restoration		\$365,244,280
Estimated income:		
Bismarck state college	\$7,339,776	
University of North Dakota - Lake Region	1,453,806	
University of North Dakota - Williston	2,300,265	
University of North Dakota	52,633,093	
North Dakota state university	48,866,414	
North Dakota state college of science	9,485,836	
Dickinson state university	6,146,576	
Mayville state university	2,908,718	
Minot state university	11,501,851	
Valley City state university	3,893,786	
Minot state university - Bottineau	1,364,817	
University of North Dakota medical center	10,812,782	
Forest service	<u>663,040</u>	
Less institutional estimated income		159,370,760
General fund appropriation		\$205,873,520

Subdivision 2.

NORTH DAKOTA UNIVERSITY SYSTEM OFFICE	
Operating expenses	\$760,709
Equipment	26,000
Student financial assistance grants	4,450,281
Information technology management	215,255
Professional student exchange program	1,310,716
Disabled student services	26,560
Technical administration	197,627
Contingency and capital improvements emergency fund	398,000
Scholars program	706,230
Native American scholarships	204,082
Title II	534,000
Competitive research program	1,971,100
Prairie public broadcasting	992,513
Board initiatives	<u>2,296,000</u>
Total operating funds	\$14,089,073
Less estimated income	<u>4,933,900</u>
General fund appropriation	\$9,155,173

Subdivision 3.

BISMARCK STATE COLLEGE	
Operating expenses	\$4,893,212
Equipment	367,187
Capital improvements	<u>958,835</u>
Total operating funds	\$6,219,234
Less estimated income	<u>450,000</u>
General fund appropriation	\$5,769,234
Local funds appropriation	\$11,370,000
Total all funds appropriation	\$17,589,234

Subdivision 4.

UNIVERSITY OF NORTH DAKOTA - LAKE REGION

Operating expenses	\$1,338,042
Equipment	150,338
Capital improvements	<u>1,094,318</u>
Total operating funds	\$2,582,698
Less estimated income	<u>495,000</u>
General fund appropriation	\$2,087,698
Local funds appropriation	\$6,403,766
Total all funds appropriation	\$8,986,464

Subdivision 5.

UNIVERSITY OF NORTH DAKOTA - WILLISTON

Operating expenses	\$1,521,116
Equipment	249,596
Capital improvements	<u>88,790</u>
Total operating funds	\$1,859,502
Less estimated income	
General fund appropriation	<u>\$1,859,502</u>
Local funds appropriation	\$1,653,000
Total all funds appropriation	\$3,512,502

Subdivision 6.

UNIVERSITY OF NORTH DAKOTA

Operating expenses	\$27,655,286
Equipment	1,520,260
Capital improvements	4,917,136
Special initiatives pool	<u>1,462,223</u>
Total operating funds	\$35,554,905
Less estimated income	
General fund appropriation	<u>\$35,554,905</u>
Local funds appropriation	\$282,733,609
Total all funds appropriation	\$318,288,514

Subdivision 7.

NORTH DAKOTA STATE UNIVERSITY

Operating expenses	\$21,576,515
Equipment	1,867,800
Capital improvements	8,652,531
Skills training center	<u>1,247,500</u>
Total operating funds	\$33,344,346
Less estimated income	<u>7,037,500</u>
General fund appropriation	\$26,306,846
Local funds appropriation	\$111,620,179
Total all funds appropriation	\$144,964,525

Subdivision 8.

NORTH DAKOTA STATE COLLEGE OF SCIENCE

Operating expenses	\$6,605,363
Equipment	1,494,368
Capital improvements	<u>635,885</u>
Total operating funds	\$8,735,616
Less estimated income	
General fund appropriation	<u>\$8,735,616</u>
Local funds appropriation	\$15,580,000
Total all funds appropriation	\$24,315,616

Subdivision 9.

DICKINSON STATE UNIVERSITY

Operating expenses	\$4,074,962
Equipment	390,000
Capital improvements	<u>693,962</u>
Total operating funds	\$5,158,924
Less estimated income	
General fund appropriation	<u>\$5,158,924</u>
Local funds appropriation	\$8,221,397
Total all funds appropriation	\$13,380,321

Subdivision 10.

MAYVILLE STATE UNIVERSITY

Operating expenses	\$2,211,150
Equipment	170,500
Capital improvements	<u>931,671</u>
Total operating funds	\$3,313,321
Less estimated income	
General fund appropriation	<u>\$3,313,321</u>
Local funds appropriation	\$7,400,000
Total all funds appropriation	\$10,713,321

Subdivision 11.

MINOT STATE UNIVERSITY

Operating expenses	\$6,043,525
Equipment	917,929
Capital improvements	<u>1,050,466</u>
Total operating funds	\$8,011,920
Less estimated income	
General fund appropriation	<u>\$8,011,920</u>
Local funds appropriation	\$19,003,936
Total all funds appropriation	\$27,015,856

Subdivision 12.

VALLEY CITY STATE UNIVERSITY

Operating expenses	\$2,842,167
Equipment	323,100
Capital improvements	812,334
Center for innovation in instruction	299,583
Special initiatives	<u>68,714</u>
Total operating funds	\$4,345,898
Less estimated income	
General fund appropriation	<u>\$4,345,898</u>
Local funds appropriation	\$8,820,000
Total all funds appropriation	\$13,165,898

Subdivision 13.

MINOT STATE UNIVERSITY - BOTTINEAU

Operating expenses	\$1,063,035
Equipment	147,500
Capital improvements	<u>218,130</u>
Total operating funds	\$1,428,665
Less estimated income	60,000
General fund appropriation	<u>\$1,368,665</u>
Local funds appropriation	\$2,124,426
Total all funds appropriation	\$3,553,091

Subdivision 14.

NORTH DAKOTA FOREST SERVICE

Operating expenses	\$423,601
Equipment	65,011
Capital improvements	79,541
Grants to centennial trees	<u>147,486</u>
Total operating funds	\$715,639
Less estimated income	195,966
General fund appropriation	<u>\$519,673</u>
Local funds appropriation	\$1,336,082
Total all funds appropriation	\$2,051,721

Subdivision 15.

UNIVERSITY OF NORTH DAKOTA MEDICAL CENTER

Operating expenses	\$7,502,327
Equipment	<u>547,915</u>
Total operating funds	\$8,050,242
Less estimated income	
General fund appropriation	<u>\$8,050,242</u>
Local funds appropriation	\$47,592,145
Total all funds appropriation	\$55,642,387

Grand total general fund appropriation H.B. 1003	\$326,111,137
Grand total estimated income appropriation H.B. 1003	\$172,543,126
Grand total local funds appropriation H.B. 1003	\$523,858,540
Grand total all funds appropriation H.B. 1003	\$1,022,512,803"

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 3

Page 7, line 5, replace "critical salary pool" with "board initiatives"

Page 7, line 6, replace the first "1" with "2"

Page 7, line 7, replace the first "1" with "2" and replace "14" with "15"

Page 7, line 10, replace "critical salary pool" with "board initiatives"

Page 8, line 9, after "approve" insert "the"

Page 8, line 12, remove "appropriations"

Page 8, line 13, replace the first "1" with "2"

Page 8, line 14, replace "3" with "32"

Page 8, line 19, after the first "to" insert "the"

Page 8, line 21, replace "**FUNDS**" with "**FUND APPROPRIATIONS**"

Page 8, line 22, replace "funds" with "fund dollars"

Page 8, remove lines 28 through 30

Page 9, remove lines 1 and 2

Page 9, line 9, after "funds" insert ", in addition to the minimum local match of \$200,000,"

Page 9, line 13, after "funds" insert ", in addition to the minimum local match of \$495,000,"

Page 9, remove lines 16 through 20

Page 9, line 29, replace "11" with "9"

Page 10, remove lines 8 through 10

Page 10, after line 15, insert:

"SECTION 13. NDSU/NDSCS SKILLS TRAINING CENTER. The general fund moneys provided by the 1999 legislative assembly for the skills training center may only be used for renovations to the skills training center. Any general fund moneys provided for the skills training center for the 1999-2001 biennium are intended to be the final direct general fund support provided by the legislative assembly, and no direct general fund support may be provided for the operations of or renovations or additions to the skills training center after the 1999-2001 biennium.

SECTION 14. PROGRAM COORDINATION AND ACCREDITATION. The legislative assembly urges the state board of higher education to carefully review requests by state institutions of higher education applying for accreditation of programs that have already been accredited at other state institutions. The board should consider student access and quality issues as well as costs when reviewing such requests. Whenever such a request is made or accreditation is granted, the board is encouraged to direct the campuses offering similar programs to cooperate in jointly offering the

similar programs by using the staffs and resources of the other campuses. Also, the legislative assembly expresses its strong support for the board to continue implementing policies and procedures to ensure coordination and cooperation between campuses where similar programs are offered.

SECTION 15. TECHNOLOGY POOL. The technology pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. Technology funding allocations are to be made based on historic funding, the higher education computer network strategic plan, base funding for higher education computer network computer center operations, and base funding for interactive video network and on-line Dakota information network operations.

SECTION 16. SALARY POOL. The salary pool amount in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the salary appropriation pool in subdivision 1 of section 1, the state board of higher education shall allocate a minimum of ninety-five percent of the 1997-99 salary and wage appropriation to the institutions and entities in subdivisions 2 through 15 of section 1. The board is encouraged to allocate the funds to achieve the reinvestment of funds included in the 1999-2001 biennium entity budget requests. The board may, at its discretion, allocate funds to address equity funding issues and additional salary increases beyond legislative appropriations although it is recognized by the legislative assembly that significant additional funds or reallocations between campuses are necessary to fully address the equity funding and salary increase issues.

SECTION 17. ALLOCATION OF RESTORATION LINE. The restoration line in subdivision 1 of section 1 must be used for the benefit of the institutions and entities in subdivisions 2 through 15 of section 1 as determined by the board of higher education. When making allocations from the restoration line in subdivision 1 of section 1, the board of higher education is strongly encouraged to consider allocating the funds to address equity funding issues and special academic program needs of the entities under its control.

SECTION 18. LEGISLATIVE COUNCIL INTERIM STUDY OF HIGHER EDUCATION FUNDING. The legislative council shall consider studying higher education funding during the 1999-2000 interim. If conducted, the study should solicit input from the governor, board of higher education, executive branch, university system campuses, and representatives of business and industry. The study should address the expectations of the North Dakota university system in meeting the state's needs in the twenty-first century, the funding methodology needed to meet these expectations and needs, and an accountability system and reporting methodology for the university system. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-seventh legislative assembly.

SECTION 19. UTILITY SAVINGS. Any utility savings realized during the 1999-2001 biennium by the entities listed in section 1 of this Act must be used for maintenance or capital project expenditures.

SECTION 20. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the appropriate entities in section 1 of this Act all income from permanent funds managed for the benefit of those institutions.

SECTION 21. PARTICIPATION IN MIDWESTERN REGIONAL HIGHER EDUCATION COMPACT STUDENT EXCHANGE PROGRAM. Notwithstanding section 22 of this Act, it is the intent of the fifty-sixth legislative assembly that during the 1999-2001 biennium North Dakota's membership in the midwestern regional higher education compact may not include participation in the compact's student exchange program. The legislative council shall consider including a review of North Dakota's participation in the student exchange program portion of the midwestern regional higher education compact in the study provided for in section 18 of this Act.

SECTION 22. A new chapter to title 15 of the North Dakota Century Code is created and enacted as follows:

Midwestern regional higher education compact. The midwestern regional higher education compact is adopted as follows:

Article I. Purpose

The purpose of the midwestern higher education compact is to provide greater higher education opportunities and services in the midwestern region, with the aim of furthering regional access to, research in, and choice of higher education for the citizens residing in the states that are parties to this compact.

Article II. The Commission

1. The compacting states create the midwestern higher education commission, hereinafter called the commission. The commission is a body corporate of each compacting state. The commission has all the responsibilities, powers, and duties set forth in this chapter, including the power to sue and be sued, and any additional powers conferred upon it by subsequent action of the respective legislative assemblies of the compacting states in accordance with the terms of this compact.
2. The commission consists of the following five resident members from each state: the governor or the governor's designee who serves during the tenure of office of the governor; two legislators, one from each house, except for Nebraska, which may appoint two legislators from its legislative assembly, who serve two-year terms and are appointed by the appropriate appointing authority in each house of the legislative assembly; and two other at large members, at least one of whom is to be selected from the field of higher education. The at large members are to be appointed as provided by the laws of the appointing state. One of the two at large members initially appointed in each state serves a two-year term. The other, and any regularly appointed successor to either at large member, serves a four-year term. All vacancies are to be filled in accordance with the laws of the appointing states. Any commissioner appointed to fill a vacancy serves until the end of the incomplete term.
3. The commission shall select annually, from among its members, a chairman, a vice chairman, and a treasurer.
4. The commission shall appoint an executive director who serves at its pleasure and who is secretary to the commission. The treasurer, the executive director, and other personnel as the commission determines must be bonded in the amounts required by the commission.
5. The commission shall meet at least once each calendar year. The chairman may call additional meetings and upon the request of a majority of the commission members of three or more compacting states, shall call additional meetings. The commission shall give public notice of all meetings. All meetings must be open to the public.
6. Each compacting state represented at any meeting of the commission is entitled to one vote. A majority of the compacting states constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the commission.

Article III. Powers and Duties of the Commission

1. The commission shall adopt bylaws governing its management and operations.
2. Notwithstanding the laws of any compacting state, the commission shall provide for the personnel policies and programs of the compact in its bylaws.
3. The commission shall submit a budget to the governor and legislative assembly of each compacting state at the time and for the period required by each state. The budget must contain recommendations regarding the amount to be appropriated by each compacting state.
4. The commission shall report annually to the legislative assemblies and governors of the compacting states, to the midwestern governors' conference, and to the midwestern legislative conference of the council of state governments regarding the activities of the commission during the

preceding year. The reports must include any recommendations that have been adopted by the commission.

5. The commission may borrow, accept, or contract for the services of personnel from any state or from the United States, or from any subdivision or agency thereof, from any interstate agency, or from any person.
6. The commission may accept for any of its purposes and functions under the compact donations and grants of money, equipment, supplies, materials, and services, conditional or otherwise, from any state or the United States or from any subdivision or agency thereof, from an interstate agency, or from any person, and may receive, use, and dispose of the same.
7. The commission may enter agreements with any other interstate education organization or agency, with institutions of higher education located in nonmember states, and with any of the various states to provide adequate programs and services in higher education for the citizens of the respective compacting states. After negotiations with interested institutions and interstate organizations or agencies, the commission shall determine the cost of providing the programs and services in higher education for use in these agreements.
8. The commission may establish and maintain offices in one or more of the compacting states.
9. The commission may establish committees and hire staff as necessary to carry out its functions.
10. The commission may provide for actual and necessary expenses for the attendance of its members at official meetings of the commission or of its designated committees.

Article IV. Activities of the Commission

1. The commission shall collect data on the long-range effects of the compact on higher education. By the end of the fourth year from the effective date of the compact and every two years thereafter, the commission shall review its accomplishments and make recommendations to the governors and legislative assemblies of the compacting states regarding continuance of the compact.
2. The commission shall study higher education issues that are of particular concern to the midwestern region. The commission also shall study the need for higher education programs and services in the compacting states and the resources for meeting those needs. The commission shall prepare reports, on its research, for presentation to the governors and legislative assemblies of the compacting states, as well as to other interested parties. In conducting the studies, the commission may confer with any national or regional planning body. The commission may draft and recommend to the governors and legislative assemblies of the various compacting states suggested legislation addressing issues in higher education.
3. The commission shall study the need for the provision of adequate programs and services in higher education, such as undergraduate, graduate, or professional student exchanges in the region. If a need for exchange in a field is apparent, the commission may enter agreements with any institution of higher education and with any compacting state to provide programs and services in higher education for the citizens of the respective compacting states. After negotiating with interested institutions and the compacting states, the commission shall determine the cost of providing the programs and services in higher education for use in its agreements. The contracting states shall contribute funds not otherwise provided, as determined by the commission, to carry out the agreements. The commission may also serve as the administrative and fiscal agent in carrying out agreements for higher education programs and services.
4. The commission shall serve as a clearinghouse for information regarding higher education activities among institutions and agencies.

5. The commission may provide services and research in any other area of regional concern.

Article V. Finance

1. The compacting states will appropriate the amount necessary to finance the general operations of the commission, not otherwise provided for, when authorized by their respective legislative assemblies. The amount must be apportioned equally among the compacting states.
2. The commission may not incur any obligations prior to the passage of appropriations adequate to meet the same; nor may the commission pledge the credit of any of the compacting states, except by and with the authority of the compacting state.
3. The commission shall keep accurate accounts of its receipts and disbursements. The receipts and disbursements of the commission are subject to the audit and accounting procedures established under its bylaws. All receipts and disbursements handled by the commission must be audited yearly by a certified or licensed public accountant and the report of the audit must be included in and become part of the annual report of the commission.
4. The accounts of the commission must be open at any reasonable time for inspection by duly authorized representatives of the compacting states and by persons authorized by the commission.

Article VI. Eligible Parties and Entry Into Force

1. The states of Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin are eligible to become parties to this compact. Additional states may be eligible if approved by a majority of the compacting states.
2. This compact becomes effective, as to any eligible party state, when its legislative assembly enacts the compact into law.
3. An amendment to the compact becomes effective upon its enactment by the legislative assemblies of all compacting states.

Article VII. Withdrawal, Default, and Termination

1. A compacting state may withdraw from the compact by enacting a statute repealing the compact, but the withdrawal may not become effective until two years after the enactment of such statute. A withdrawing state is liable for any obligation that it incurred on account of its party status, up to the effective date of withdrawal, except that if the withdrawing state has specifically undertaken or committed itself to any performance of an obligation extending beyond the effective date of withdrawal, it remains liable to the extent of the obligation.
2. If a compacting state at any time defaults in the performance of its obligations, assumed or imposed, in accordance with this compact, all rights, privileges, and benefits conferred by this compact or by agreements made under the compact are suspended from the effective date of the default, as fixed by the commission. The commission shall stipulate the conditions and maximum time for compliance under which the defaulting state may resume its regular status. Unless the default is remedied under the stipulations and within the time period set by the commission, the compact may be terminated with respect to the defaulting state by affirmative vote of a majority of the other member states. A defaulting state may be reinstated by performing all acts and obligations required by the commission.

Article VIII. Severability and Construction

The provisions of this compact are severable, and if any phrase, clause, sentence, or provision of this compact is declared to be contrary to the constitution of any compacting state or of the United States or its applicability to any person or circumstance is held invalid, the validity of the remainder of the compact and its applicability to any person or circumstance may not be affected. If the compact is found

to be contrary to the constitution of any compacting state, the compact remains in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters. The provisions of the compact must be liberally construed to effectuate the purpose of the compact.

Midwestern higher education commission - Terms - Vacancies.

1. The members of the midwestern higher education commission representing this state are:
 - a. The governor or the governor's designee.
 - b. One member of the senate and one member of the house of representatives, appointed by the chairman of the legislative council.
 - c. Two at large members, one of whom must be knowledgeable about the field of higher education, appointed by the governor.
2. The term of each legislative appointee is two years. One initial at large member must be appointed for a term of two years and the other for a term of four years. Thereafter, the term of each at large member is four years.
3. If a member vacates the position to which the member was appointed, the position must be filled for the remainder of the unexpired term in the same manner as that position was filled initially.

SECTION 23. EMERGENCY. The capital improvements line items contained in subdivisions 2 through 14 of section 1 of this Act are declared to be emergency measures, and those funds are available immediately upon filing of this Act with the secretary of state. Sections 9 and 10 of this Act are declared to be emergency measures."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

SENATE - This amendment provides for the following changes:

General fund:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND- WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		\$28,856,525	\$14,512,720	\$4,950,031	\$4,771,162	\$93,355,802
House changes		(15,076,229)	464,155	120,099	148,684	2,126,429
House version	\$0	\$13,780,296	\$14,976,875	\$5,070,130	\$4,919,846	\$95,482,231
Senate changes:						
Restore EPSCoR funding		\$200,000				
Provide funding to complete Schafer Hall hallway renovation project			\$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	(\$2,441)	(\$19,776)	(\$435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Reduce Skills Center funding						
Provide for a systemwide restoration pool	\$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	182,747,053	(4,825,123)	(9,251,940)	(2,979,991)	(3,040,568)	(47,214,067)
Funding source change for increased land						(141,022)

department revenue distributions						
Total Senate changes	<u>\$205,873,520</u>	<u>(\$4,625,123)</u>	<u>(\$9,207,641)</u>	<u>(\$2,982,432)</u>	<u>(\$3,060,344)</u>	<u>(\$59,927,326)</u>
Senate version (general fund)	\$205,873,520	\$9,155,173	\$5,769,234	\$2,087,698	\$1,859,502	\$35,554,905
	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	\$72,401,732	\$22,682,030	\$13,039,293	\$8,461,666	\$24,852,277	\$11,371,567
House changes	<u>1,331,066</u>	<u>649,764</u>	<u>215,047</u>	<u>223,528</u>	<u>748,976</u>	<u>262,372</u>
House version	\$73,732,798	\$23,331,794	\$13,254,340	\$8,685,194	\$25,601,253	\$11,633,939
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	(\$65,450)	(\$2,364)		(\$1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Reduce Skills Center funding	(37,500) ¹					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(37,717,319)	(14,510,720)	(\$8,089,566)	(5,340,344)	(\$17,583,483)	(\$7,260,842)
Funding source change for increased land department revenue distributions	(205,774)	(83,094)	(5,850)	(30,491)	(5,850)	(27,199)
Total Senate changes	<u>(\$47,425,952)</u>	<u>(\$14,596,178)</u>	<u>(\$8,095,416)</u>	<u>(\$5,371,873)</u>	<u>(\$17,589,333)</u>	<u>(\$7,288,041)</u>
Senate version (general fund)	\$26,306,846	\$8,735,616	\$5,158,924	\$3,313,321	\$8,011,920	\$4,345,898
	MSU- BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL		
Executive budget	\$3,872,632	\$1,573,548	\$28,223,862	\$332,924,847		
House changes	<u>319,477</u>	<u>53,203</u>	<u>892,349</u>	<u>(7,521,080)</u>		
House version	\$4,192,109	\$1,626,751	\$29,116,211	\$325,403,767		
Senate changes:						
Restore EPSCoR funding				\$200,000		
Provide funding to complete Schafer Hall hallway renovation project				72,000		
Correct other funds portion of Med School pay plan error						
Utility reductions				(554,323)		
Remove information technology initiative added by the House	(\$200,000)			(200,000)		
Restore a portion of the capital improvement funds removed by the House				250,000		
Restore a portion of the specific operating expense reductions made by the House			\$142,449	304,323		
Reduce Skills Center funding				(37,500)		
Provide for a systemwide restoration pool				1,178,000		
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	(2,617,594)	(1,107,078)	(21,208,418)			
Funding source change for increased land department revenue distributions	(5,850)			(505,130)		
Total Senate changes	<u>(\$2,823,444)</u>	<u>(\$1,107,078)</u>	<u>(\$21,065,969)</u>	<u>\$707,370</u>		
Senate version (general fund)	\$1,368,665	\$519,673	\$8,050,242	\$326,111,137		

Other funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND- WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		\$4,933,900	\$7,789,776	\$1,948,806	\$2,300,265	\$56,492,071
House changes			11,370,000	6,403,766	1,653,000	278,733,609
House version	\$0	\$4,933,900	\$19,159,776	\$8,352,572	\$3,953,265	\$335,225,680
Senate changes: Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Reduce Skills Center funding						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	\$159,370,760		(\$7,339,776)	(\$1,453,806)	(\$2,300,265)	(\$52,633,093)
Funding source change for increased land department revenue distributions						141,022
Total Senate changes:	<u>\$159,370,760</u>	<u>\$0</u>	<u>(\$7,339,776)</u>	<u>(\$1,453,806)</u>	<u>(\$2,300,265)</u>	<u>(\$52,492,071)</u>
Senate version (other funds)	\$159,370,760	\$4,933,900	\$11,820,000	\$6,898,766	\$1,653,000	\$282,733,609
	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	\$55,698,903	\$9,018,742	\$8,340,726	\$2,878,227	\$11,680,734	\$3,866,587
House changes	111,619,416	15,964,000	6,021,397	7,400,000	18,819,203	8,820,000
House version	\$167,318,319	\$24,982,742	\$14,362,123	\$10,278,227	\$30,499,937	\$12,686,587
Senate changes: Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions						
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						
Restore a portion of the specific operating expense reductions made by the House						
Reduce Skills Center funding						
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool						
Funding transferred to the system salary pool	(\$48,866,414)	(\$9,485,836)	(\$6,146,576)	(\$2,908,718)	(\$11,501,851)	(\$3,893,786)
Funding source change for increased land department revenue distributions	205,774	83,094	5,850	30,491	5,850	27,199
Total Senate changes	<u>(\$48,660,640)</u>	<u>(\$9,402,742)</u>	<u>(\$6,140,726)</u>	<u>(\$2,878,227)</u>	<u>(\$11,496,001)</u>	<u>(\$3,866,587)</u>
Senate version (other funds)	\$118,657,679	\$15,580,000	\$8,221,397	\$7,400,000	\$19,003,936	\$8,820,000

	MSU- BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	\$1,418,967	\$859,006	\$59,472,012	\$226,698,722
House changes	<u>2,152,561</u>	<u>1,336,082</u>	<u>(545,582)</u>	<u>469,747,452</u>
House version	\$3,571,528	\$2,195,088	\$58,926,430	\$696,446,174
Senate changes:				
Restore EPSCoR funding				
Provide funding to complete Schafer Hall hallway renovation project				
Correct other funds portion of Med School pay plan error			(\$521,503)	(\$521,503)
Utility reductions				
Remove information technology initiative added by the House	(\$28,135)			(28,135)
Restore a portion of the capital improvement funds removed by the House				
Restore a portion of the specific operating expense reductions made by the House				
Reduce Skills Center funding				
Provide for a systemwide restoration pool				
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(1,364,817)	(\$663,040)	(10,812,782)	
Funding source change for increased land department revenue distributions	5,850			505,130
Total Senate changes	<u>(\$1,387,102)</u>	<u>(\$663,040)</u>	<u>(\$11,334,285)</u>	<u>(\$44,508)</u>
Senate version (other funds)	\$2,184,426	\$1,532,048	\$47,592,145	\$696,401,666

Total funds:

	SYSTEM POOLS	UNIVERSITY SYSTEM OFFICE	BISMARCK STATE COLLEGE	UND-LAKE REGION	UND- WILLISTON	UNIVERSITY OF NORTH DAKOTA
Executive budget		\$33,790,425	\$22,302,496	\$6,898,837	\$7,071,427	\$149,847,873
House changes		<u>(15,076,229)</u>	<u>11,834,155</u>	<u>6,523,865</u>	<u>1,801,684</u>	<u>280,860,038</u>
House version	\$0	\$18,714,196	\$34,136,651	\$13,422,702	\$8,873,111	\$430,707,911
Senate changes:						
Restore EPSCoR funding		\$200,000				
Provide funding to complete Schafer Hall hallway renovation project			\$72,000			
Correct other funds portion of Med School pay plan error						
Utility reductions			(27,701)	(\$2,441)	(\$19,776)	(\$435,553)
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House						154,831
Restore a portion of the specific operating expense reductions made by the House						
Reduce Skills Center funding						
Provide for a systemwide restoration pool	\$1,178,000					
Funding transferred to the system technology pool	21,948,467					(12,291,515)
Funding transferred to the system salary pool	342,117,813	(4,825,123)	(16,591,716)	(4,433,797)	(5,340,833)	(99,847,160)
Funding source change for increased land department revenue distributions						
Total Senate changes	<u>\$365,244,280</u>	<u>(\$4,625,123)</u>	<u>(\$16,547,417)</u>	<u>(\$4,436,238)</u>	<u>(\$5,360,609)</u>	<u>(\$112,419,397)</u>
Senate version (total funds)	\$365,244,280	\$14,089,073	\$17,589,234	\$8,986,464	\$3,512,502	\$318,288,514

	NORTH DAKOTA STATE UNIVERSITY	STATE COLLEGE OF SCIENCE	DICKINSON STATE UNIVERSITY	MAYVILLE STATE UNIVERSITY	MINOT STATE UNIVERSITY	VALLEY CITY STATE UNIVERSITY
Executive budget	\$128,100,635	\$31,700,772	\$21,380,019	\$11,339,893	\$36,533,011	\$15,238,154
House changes	112,950,482	16,613,764	6,236,444	7,623,528	19,568,179	9,082,372
House version	\$241,051,117	\$48,314,536	\$27,616,463	\$18,963,421	\$56,101,190	\$24,320,526
Senate changes:						
Restore EPSCoR funding						
Provide funding to complete Schafer Hall hallway renovation project						
Correct other funds portion of Med School pay plan error						
Utility reductions	(\$65,450)	(\$2,364)		(\$1,038)		
Remove information technology initiative added by the House						
Restore a portion of the capital improvement funds removed by the House	95,169					
Restore a portion of the specific operating expense reductions made by the House	161,874					
Reduce Skills Center funding	(37,500)					
Provide for a systemwide restoration pool						
Funding transferred to the system technology pool	(9,656,952)					
Funding transferred to the system salary pool	(86,583,733)	(23,996,556)	(\$14,236,142)	(8,249,062)	(\$29,085,334)	(\$11,154,628)
Funding source change for increased land department revenue distributions						
Total Senate changes	<u>(\$96,086,592)</u>	<u>(\$23,998,920)</u>	<u>(\$14,236,142)</u>	<u>(\$8,250,100)</u>	<u>(\$29,085,334)</u>	<u>(\$11,154,628)</u>
Senate version (total funds)	\$144,964,525	\$24,315,616	\$13,380,321	\$10,713,321	\$27,015,856	\$13,165,898

	MSU- BOTTINEAU	FOREST SERVICE	UND SCHOOL OF MEDICINE AND HEALTH SCIENCES	TOTAL
Executive budget	\$5,291,599	\$2,432,554	\$87,695,874	\$559,623,569
House changes	2,472,038	1,389,285	346,767	462,226,372
House version	\$7,763,637	\$3,821,839	\$88,042,641	\$1,021,849,941
Senate changes:				
Restore EPSCoR funding				\$200,000
Provide funding to complete Schafer Hall hallway renovation project				72,000
Correct other funds portion of Med School pay plan error			(\$521,503)	(521,503)
Utility reductions				(554,323)
Remove information technology initiative added by the House	(\$228,135)			(228,135)
Restore a portion of the capital improvement funds removed by the House				250,000
Restore a portion of the specific operating expense reductions made by the House			142,449	304,323
Reduce Skills Center funding				(37,500)
Provide for a systemwide restoration pool				1,178,000
Funding transferred to the system technology pool				
Funding transferred to the system salary pool	(3,982,411)	(\$1,770,118)	(32,021,200)	
Funding source change for increased land department revenue distributions				
Total Senate changes	<u>(\$4,210,546)</u>	<u>(\$1,770,118)</u>	<u>(\$32,400,254)</u>	<u>\$662,862</u>
Senate version (total funds)	\$3,553,091	\$2,051,721	\$55,642,387	\$1,022,512,803

¹ This amendment reduces the general fund support for the Skills Training Center by \$37,500, to \$460,000. The \$460,000 is the amount needed to match the federal funding.

This amendment also:

- Adds a section providing that funding for the Skills Training Center may not be used for the operations of the center and that no general fund support will be provided for the center after the 1999-2001 biennium.
- Adds a section urging the Board of Higher Education to review accreditation of new programs which are already accredited at another institution.
- Adds sections providing directive regarding the allocations to be made from the technology and salary pools and the restoration line.
- Adds a section providing for a Legislative Council study of the funding of higher education.
- Adds a section directing that any utility savings be used for repair or maintenance items.
- Adds a section providing for the additional distributions by the Land Board to the institutions.
- Adds sections providing for the state to join the Midwestern Regional Higher Education Compact.
- Adds a section providing that North Dakota may not participate in the Midwestern Regional Higher Education Compact student exchange program during the 1999-2001 biennium.

REQUEST

SEN. TOMAC REQUESTED a recorded roll call vote on the motion to adopt the proposed further amendments to Engrossed HB 1003, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed further amendments to Engrossed HB 1003, the roll was called and there were 17 YEAS, 30 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: DeMers; Heitkamp; Kelsh; Kinnoin; Klein; Krauter; Kroeplin; Lindaas; Mathern, D.; Mutzenberger; O'Connell; Redlin; Solberg; Thane; Thompson; Tomac; Watne

NAYS: Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Krebsbach; Kringstad; Lee; Mathern, T.; Mutch; Naaden; Nelson, C.; Nelson, G.; Nething; Robinson; Sand; Schobinger; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Traynor; Urlacher; Wanzek; Wardner

ABSENT AND NOT VOTING: Bercier; Lyson

The proposed further amendments to Engrossed HB 1003 were defeated.

REQUEST

SEN. THANE REQUESTED that the record show that he intended to vote NAY on the proposed further amendments and inadvertently pushed the wrong button, which request was granted.

REQUESTED

SEN. SOLBERG REQUESTED that the record show that he also intended to vote NAY on the proposed further amendments and inadvertently pushed the wrong button, which request was granted.

HB 1003: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide for a legislative council study; to create and enact a new chapter to title 15 of the North Dakota Century Code, relating to the adoption of the midwestern regional higher education compact; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger;

Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Lyson

Engrossed HB 1003, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

SEN. G. NELSON MOVED that HB 1015, HB 1290, and HB 1475 be placed on the Sixth order, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1015, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1015 was placed on the Sixth order on the calendar.

Page 1, line 3, after the second semicolon insert "to provide for a report to the budget section;"

Page 1, line 13, replace "5,742,657" with "5,838,079"

Page 1, line 14, replace "1,742,594" with "1,756,894"

Page 1, line 15, replace "132,520" with "158,100"

Page 1, line 20, replace "34,214,041" with "34,349,343"

Page 1, line 21, replace "13,677,333" with "13,767,635"

Page 1, line 22, replace "20,536,708" with "20,581,708"

Page 2, line 1, replace "14,298,824" with "14,394,153"

Page 2, line 6, replace "27,239,424" with "27,334,753"

Page 2, after line 10, insert:

"Beginning entrepreneur loan guarantee program 10,000"

Page 2, line 12, replace "8,500,000" with "8,510,000"

Page 2, line 22, replace "2,733,217" with "2,921,221"

Page 2, line 27, replace "23,691,947" with "23,879,951"

Page 2, line 28, replace "29,036,708" with "29,091,708"

Page 2, line 29, replace "85,134,192" with "85,507,827"

Page 2, line 30, replace "114,170,900" with "114,599,535"

Page 5, after line 14, insert:

"SECTION 13. PACE AND AG PACE FUND TRANSFERS. Notwithstanding any other provision of law, the industrial commission may transfer any unobligated funds between the partnership in assisting community expansion fund and the agriculture partnership in assisting community expansion fund during the period beginning January 1, 2001, and ending June 30, 2001.

SECTION 14. BUDGET SECTION REPORT ON HOME MORTGAGE FINANCE PROGRAMS. The industrial commission and the Indian affairs commission shall report to the budget section regarding the status of home mortgage finance programs of the housing finance agency available within Indian reservations located within the state of North Dakota. Reports must be presented to the budget section at its first meeting of the 1999-2000 interim and subsequently thereafter as requested by the chairman of the budget section."

Page 5, line 16, after "fund" insert "and section 14"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 405 - INDUSTRIAL COMMISSION

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,961,526	\$5,742,657	\$95,422	\$5,838,079
Operating expenses	1,807,134	1,742,594	14,300	1,756,894
Equipment	198,100	132,520	25,580	158,100
Grants	10,450,000	10,450,000		10,450,000
Administrative contingency	10,000	10,000		10,000
Bond payments	15,891,168	15,891,168		15,891,168
Geophysical exploration	<u>287,039</u>	<u>245,102</u>		<u>245,102</u>
Total all funds	\$34,604,967	\$34,214,041	\$135,302	\$34,349,343
Less special funds	<u>13,814,830</u>	<u>13,677,333</u>	<u>90,302</u>	<u>13,767,635</u>
General fund	\$20,790,137	\$20,536,708	\$45,000	\$20,581,708
FTE	66.00	63.00	1.00	64.00

Detail of Senate changes to the House version includes:

	RESTORE MUNICIPAL BOND BANK LOAN OFFICER FTE	RESTORE TEMPORARY SALARY FUNDING FOR COAL GEOLOGIST	RESTORE A PORTION OF THE INFORMATION TECHNOLOGY EQUIPMENT FUNDING	RESTORE A PORTION OF THE OPERATING EXPENSES FOR THE NEW DATA PROCESSING FTE	TOTAL SENATE CHANGES
Salaries and wages	\$71,662	\$23,760			\$95,422
Operating expenses	11,640			\$2,660	14,300
Equipment	7,000		\$18,580		25,580
Grants					
Administrative contingency					
Bond payments					
Geophysical exploration					
Total all funds	\$90,302	\$23,760	\$18,580	\$2,660	\$135,302
Less special funds	<u>90,302</u>				<u>90,302</u>
General fund	\$0	\$23,760	\$18,580	\$2,660	\$45,000
FTE	1.00	0.00	0.00	0.00	1.00

DEPARTMENT 471 - BANK OF NORTH DAKOTA

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$14,527,399	\$14,298,824	\$95,329	\$14,394,153
Operating expenses	10,835,600	10,835,600		10,835,600
Equipment	500,000	500,000		500,000
Capital improvements	105,000	105,000		105,000
Contingency	1,500,000	1,500,000		1,500,000
PACE	6,600,000	6,000,000		6,000,000
Ag PACE	1,500,000	1,500,000		1,500,000
Beginning farmer	1,000,000	1,000,000		1,000,000
Beginning entrepreneur loan guarantee program			10,000	10,000
Total all funds	\$36,567,999	\$35,739,424	\$105,329	\$35,844,753
Less special funds	<u>27,467,999</u>	<u>27,239,424</u>	<u>95,329</u>	<u>27,334,753</u>
General fund	\$9,100,000	\$8,500,000	\$10,000	\$8,510,000
FTE	178.50	177.50	1.00	178.50

Detail of Senate changes to the House version includes:

	RESTORE ACCOUNT BUDGET SPECIALIST III FTE	ADD FUNDING FOR THE BEGINNING ENTREPRENEUR LOAN GUARANTEE PROGRAM	TOTAL SENATE CHANGES
Salaries and wages	\$95,329		\$95,329
Operating expenses			
Equipment			
Capital improvements			
Contingency			
PACE			
Ag PACE			
Beginning farmer			
Beginning entrepreneur loan		\$10,000	10,000

guarantee program			
Total all funds	\$95,329	\$10,000	\$105,329
Less special funds	<u>95,329</u>		<u>95,329</u>
General fund	\$0	\$10,000	\$10,000
FTE	1.00	0.00	1.00

Senate changes narrative:

The amendment also adds a section allowing for the transfer of any unobligated funds between the PACE fund and the Ag PACE fund during the period beginning January 1, 2001, and ending June 30, 2001.

DEPARTMENT 473 - HOUSING FINANCE AGENCY

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$2,972,577	\$2,733,217	\$188,004	\$2,921,221
Operating expenses	2,570,690	2,570,690		2,570,690
Equipment	75,000	75,000		75,000
Grants	18,213,040	18,213,040		18,213,040
Contingency	<u>100,000</u>	<u>100,000</u>		<u>100,000</u>
Total all funds	\$23,931,307	\$23,691,947	\$188,004	\$23,879,951
Less special funds	<u>23,931,307</u>	<u>23,691,947</u>	<u>188,004</u>	<u>23,879,951</u>
General fund	\$0	\$0	\$0	\$0
FTE	36.00	33.00	2.00	35.00

Detail of Senate changes to the House version includes:

	RESTORE ACCOUNT BUDGET SPECIALIST I FTE	RESTORE PROGRAM DEVELOPMENT DIRECTOR FTE	TOTAL SENATE CHANGES
Salaries and wages	\$69,875	\$118,129	\$188,004
Operating expenses			
Equipment			
Grants			
Contingency			
Total all funds	\$69,875	\$118,129	\$188,004
Less special funds	<u>69,875</u>	<u>118,129</u>	<u>188,004</u>
General fund	\$0	\$0	\$0
FTE	1.00	1.00	2.00

Senate changes narrative:

The amendment also adds a section requiring the Industrial Commission to report to the Budget Section on Housing Finance Agency home mortgage finance programs available on North Dakota Indian reservations.

CONSIDERATION OF AMENDMENTS

HB 1015, as engrossed: SEN. NAADEN (Appropriations Committee) MOVED that the proposed amendments be adopted and that Engrossed HB 1015, as amended, be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1015: A BILL for an Act to provide an appropriation for defraying the expenses of the state industrial commission and the agencies under the management of the state industrial commission; to provide a continuing appropriation; to authorize transfers; to provide for a report to the budget section; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger;

Solberg; St. Aubyn; Stenehjerm, B.; Stenehjerm, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Lyson

Engrossed HB 1015, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

REPORT OF STANDING COMMITTEE

HB 1290, as reengrossed and amended: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1290, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the Senate as printed on pages 716 and 717 of the Senate Journal, Reengrossed House Bill No. 1290 is amended as follows:

Page 1, line 2, after the second semicolon insert "to provide for a transfer; to provide a statement of legislative intent;"

Page 11, line 4, replace "\$239,000" with "\$454,000"

Page 11, after line 7, insert:

"SECTION 3. TRANSFER. The Bank of North Dakota shall transfer the sum of \$250,000 from uncommitted funds of the agricultural partnership in assisting community expansion fund to the agriculture department's operating fund for the purpose of implementing and operating the state meat inspection program for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 4. ESTABLISHMENT OF STATE MEAT INSPECTION RULES - TEMPORARY COMMITTEE. The agriculture commissioner shall appoint a committee to assist in establishing administrative rules for the state meat inspection program which meet the requirements of the United States department of agriculture for the biennium beginning July 1, 1999, and ending June 30, 2001. The committee consists of the agriculture commissioner or the commissioner's designee; the vice president of agricultural affairs at North Dakota state university; the state veterinarian or the veterinarian's designee; and four individuals appointed by the agriculture commissioner, one of whom represents producers, one of whom represents processors, and two consumer members. The agriculture commissioner or the commissioner's designee is chairman of the committee. Each appointed member is entitled to receive sixty-two dollars and fifty cents per day as compensation for time actually spent devoted to the duties as provided in this section and is entitled to receive necessary expenses in the same manner and amounts as state officials for attending meetings and performing other functions of the office.

SECTION 5. LEGISLATIVE INTENT. It is the intent of the fifty-sixth legislative assembly that the agriculture commissioner complete the promulgation of rules for the state meat inspection program and begin operating the program by July 1, 2000; however, if it is not possible to begin by July 1, 2000, the commissioner may begin the program at a later date but not later than January 1, 2001."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 602 - AGRICULTURE DEPARTMENT

SENATE - This amendment creates a committee for only the 1999-2001 biennium to assist the Agriculture Commissioner in establishing the administrative rules for the state meat inspection program.

A section of legislative intent is added providing that the Agriculture Commissioner attempt to begin the program by July 1, 2000, but if that is not possible, the program should begin no later than January 1, 2001.

The appropriation is increased by \$215,000 of special and federal funds. Of the \$454,000 total special fund appropriation, \$250,000 is provided from a transfer from the Ag PACE fund at the

Bank of North Dakota, \$200,000 is from federal funds, and \$4,000 is from collections of inspection fees. Of the \$454,000 appropriation, up to \$50,000 is provided for creating the administrative rules for the program and for training inspectors. The Agriculture Commissioner is authorized up to eight FTE positions for the program.

CONSIDERATION OF AMENDMENTS

HB 1290, as reengrossed and amended: SEN. SOLBERG (Appropriations Committee)

MOVED that the proposed amendments be adopted and that Reengrossed HB 1290, as amended, be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1290: A BILL for an Act to create and enact a new chapter to title 36 of the North Dakota Century Code, relating to a state meat inspection program; to provide a penalty; to provide for a transfer; to provide a statement of legislative intent; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Lyson

Reengrossed HB 1290, as amended, passed and the title was agreed to.

REPORT OF STANDING COMMITTEE

HB 1475, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1475 was placed on the Sixth order on the calendar.

Page 1, line 2, after "manufacturers" insert "; to create and enact a new subsection to section 54-44-04 of the North Dakota Century Code, relating to monitoring tobacco product manufacturers settlement funds by the office of management and budget"

Page 1, line 8, after "the" insert "east central judicial" and replace "in State of North Dakota, ex rel. Heidi" with "December 28, 1998 (Civil No. 98-3778)"

Page 1, line 9, remove "Heitkamp v. Philip Morris, Inc. (east central dist. ct., December 28, 1998)"

Page 1, line 14, after "a" insert "community", remove "education", and replace "superintendent" with "state department of health"

Page 1, line 15, remove "of public instruction" and replace "superintendent of public instruction shall distribute grant" with "state department of health may use"

Page 1, line 16, replace "on the basis of average daily membership only for programs" with "for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state"

Page 1, remove line 17

Page 1, line 18, remove "education and cessation programs"

Page 1, line 19, replace "five" with "ten"

Page 1, line 21, replace "fifty" with "forty-five"

Page 2, line 1, replace "thirty-five" with "forty-five"

Page 2, remove lines 3 through 5

Page 2, line 6, replace "subsections 1, 2, and 3" with "this section"

Page 2, line 7, remove "Funds to be transferred under subsection 4 must be held"

Page 2, replace lines 8 and 9 with:

"SECTION 2. A new subsection to section 54-44-04 of the 1997 Supplement to the North Dakota Century Code is created and enacted as follows:

Shall account for and monitor all funds received by the state from any tobacco settlement dollars described in section 1 of this Act and all associated settlements and related funds and shall report to the budget section of the legislative council on the status of such funds, settlements, offsets, and net resulting revenues and any other related information the budget section requires."

Renumber accordingly

CONSIDERATION OF AMENDMENTS

HB 1475, as engrossed: SEN. NETHING (Appropriations Committee) MOVED that the proposed amendments be adopted and that Engrossed HB 1475, as amended, be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1475: A BILL for an Act to provide for allocation of funds from settlements with tobacco product manufacturers; to create and enact a new subsection to section 54-44-04 of the North Dakota Century Code, relating to monitoring tobacco product manufacturers settlement funds by the office of management and budget; and to declare an emergency.

MOTION

SEN. KRAUTER MOVED that Engrossed HB 1475, as amended, be further amended as follows:

Page 1, line 2, after "manufacturers" insert ", to create the health and tobacco control trust fund, and to create the health and tobacco control committee; to provide an appropriation"

Page 1, line 4, replace "**Tobacco settlement trust fund - Interest on fund - Uses**" with "**Health and tobacco control trust fund - Interest on fund - Allocation of tobacco settlement funds - Appropriation**"

Page 1, line 5, replace "tobacco settlement" with "health and tobacco control"

Page 1, line 12, replace "shall be appropriated" with "may be expended only for the following purposes:"

Page 1, remove line 13

Page 1, line 14, replace "a health education trust fund to be administered by the superintendent" with "the resources trust fund of not more than forty-five percent of each annual payment, but in no event to exceed eighty-five million dollars in total, of the funds received pursuant to sections IX (payments) and XI (calculation and disbursement of payments) of the master settlement agreement and consent agreement adopted by the district court in its judgment entered in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. (east central dist. ct., December 28, 1998) for use in paying for bonds issued under section 3 of senate bill no. 2188, as approved by the fifty-sixth legislative assembly, and for other water projects authorized by the legislative assembly.

2. A transfer of nine hundred thousand dollars to the general fund.

- a. Eight hundred thousand dollars, or so much of the sum as may be necessary, is appropriated from the state general fund to the department of human services for the biennium beginning July 1, 1999, and ending June 30, 2001, to supplement funds appropriated in senate bill no. 2012, as approved by the fifty-sixth legislative assembly, to provide the state match for the children's health insurance program provided for in senate bill no. 2182, as approved

by the fifty-sixth legislative assembly, for all North Dakota children living at or below two hundred percent of poverty.

- b. One hundred thousand dollars, or so much of the sum as may be necessary, is appropriated from the state general fund to the state department of health to defray the expenses of the health and tobacco control committee for the period beginning with the effective date of this Act and ending on June 30, 2001.
3. The remainder of the funds obtained by the state, and not otherwise appropriated or transferred by this section, must remain in the health and tobacco control trust fund and may not be expended until the health and tobacco control committee created by section 2 of this Act has completed its work and the legislative assembly has enacted a statutory plan to meet the needs of North Dakota's citizens related to tobacco diseases and addiction and to adopt and implement a tobacco control program."

Page 1, remove lines 15 through 24

Page 2, remove lines 1 through 5

Page 2, line 6, replace the first comma with "and" and remove ", and 3"

Page 2, line 7, replace "tobacco settlement" with "health and tobacco control" and replace "4" with "3"

Page 2, line 8, replace "tobacco settlement trust fund until appropriated and transferred as directed by the" with "health and tobacco control trust fund except as appropriated or transferred by this Act."

Page 2, remove line 9

Page 2, after line 9, insert:

"SECTION 2. Health and tobacco control committee - Study - Report to legislative council.

1. The health and tobacco control committee shall study tobacco control in North Dakota and the health needs of North Dakota citizens related to tobacco disease and addiction. The committee consists of nineteen members. Ten members must be legislators chosen by the legislative council, five of whom must be members of the senate, three from the majority party and two from the minority party, and five of whom must be members of the house, three from the majority party and two from the minority party. The state health officer and the attorney general, or their respective designees, are members of the committee. Seven private members, one from each of the following organizations, shall also serve on the committee and must be selected in the manner each of the organizations they represent may choose:
 - a. Tobacco free North Dakota;
 - b. North Dakota chapter of the American cancer society;
 - c. North Dakota chapter of the American heart association;
 - d. North Dakota chapter of the American lung association;
 - e. North Dakota public health association;
 - f. North Dakota medical association, which shall choose a member who is active in public health; and
 - g. North Dakota nurses association, which shall choose a member who is a public health or public school nurse.

Membership on the committee does not require the above organizations to comply with either the open meetings or open records laws except when in attendance at the committee meetings or engaged in work directed to be undertaken by the committee.

2. The committee shall begin its work as soon as practicable after the effective date of this Act. The committee shall report its findings to the legislative council at its November 2000 meeting. The committee's report must include a comprehensive plan including implementing legislation outlining present and future uses for the funds obtained by the state under sections IX (payments) and XI (calculation and disbursement of payments) of the master settlement agreement and consent agreement adopted by the district court in its judgment entered in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. (east central dist. ct., December 28, 1998), for the needs of the North Dakota citizens related to tobacco diseases and addiction and development and implementation of tobacco control programs.
3. The state health officer and attorney general or their designees and the legislative members of the committee are entitled to reimbursement for mileage and meals at the rates set for state employees pursuant to sections 44-08-04 and 54-06-09. The legislative members designated to serve are also entitled to a per diem of sixty-two dollars and fifty cents per day for each day, or portion of a day, spent in committee meetings."

Renumber accordingly

REQUEST

SEN. KRAUTER REQUESTED a recorded roll call vote on the motion to adopt the proposed further amendments to Engrossed HB 1475, as amended, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed further amendments to Engrossed HB 1475, as amended, the roll was called and there were 16 YEAS, 31 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: DeMers; Heitkamp; Kelsh; Kinnoin; Krauter; Kroeplin; Lindaas; Mathern, D.; Mathern, T.; Mutzenberger; Nelson, C.; O'Connell; Redlin; Robinson; Thompson; Tomac

NAYS: Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee; Mutch; Naaden; Nelson, G.; Nothing; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Lyson

The proposed further amendments to Engrossed HB 1475, as amended, were defeated.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 46 YEAS, 1 NAY, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nothing; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

NAYS: Stenehjem, B.

ABSENT AND NOT VOTING: Bercier; Lyson

Engrossed HB 1475, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

SECOND READING OF HOUSE BILL

HB 1434: A BILL for an Act to amend and reenact section 15-20.1-03 of the North Dakota Century Code, relating to the powers and duties of the state board for vocational and technical education.

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 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nothing; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Lyson

Engrossed HB 1434 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1476: A BILL for an Act to amend and reenact section 6-09.13-03 of the North Dakota Century Code, relating to agricultural loans; 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 NOT PASS, the roll was called and there were 16 YEAS, 30 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: DeMers; Heitkamp; Kelsh; Krauter; Kroeplin; Lindaas; Mathern, D.; Mathern, T.; Mutzenberger; Nelson, C.; O'Connell; Redlin; Robinson; Tallackson; Thompson; Tomac

NAYS: Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Kilzer; Kinnoin; Klein; Krebsbach; Kringstad; Lee; Mutch; Naaden; Nelson, G.; Nothing; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Thane; Traynor; Urlacher; Wanzek; Wardner; Watne

ABSENT AND NOT VOTING: Bercier; Holmberg; Lyson

Reengrossed HB 1476 lost.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. FREBORG MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1035, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1035: Sens. Cook, Flakoll, O'Connell.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. MUTCH MOVED that the Senate do not concur in the House amendments to Engrossed SB 2307 as printed on SJ pages 1008-1009 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on Engrossed SB 2307: Sens. Krebsbach, Klein, Thompson.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. B. STENEHJEM MOVED that the Senate do not concur in the House amendments to Engrossed SB 2440 as printed on SJ page 1009 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on Engrossed SB 2440: Sens. Schobinger, B. Stenehjem, Thompson.

MOTION

SEN. ST. AUBYN MOVED that Senate Rule 507 be further amended to read "seventieth" in place of "sixtieth", which motion prevailed.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2307 and SB 2440 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2307: Sens. Krebsbach; Klein; Thompson

SB 2440: Sens. Schobinger; B. Stenehjem; Thompson

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

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

HB 1035: Sens. Cook; Flakoll; O'Connell

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has passed unchanged: HB 1434.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has failed to pass: HB 1476.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1043, HB 1290.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has amended, subsequently passed, and the emergency clause carried: HB 1003, HB 1013, HB 1015, HB 1475.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has passed unchanged: SCR 4054, SCR 4057.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1182.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1404, HCR 3018.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1131 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1131: Reps. Mickelson; R. Kelsch; Mahoney

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report on SB 2170, SB 2350.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report on SB 2108, SB 2159, SB 2246, SB 2266, SB 2275.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2066, SB 2107, SB 2185, SB 2229, SB 2280, SB 2388, SCR 4023.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2002, SB 2189, SB 2212, SB 2309, SCR 4036.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1310.

MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1093, HB 1174.

MOTION

SEN. ST. AUBYN MOVED that the absent member be excused, which motion prevailed.

MOTION

SEN. ST. AUBYN MOVED that the Senate be on the Fifth, Seventh, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 9:00 a.m., Monday, April 5, 1999, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1002, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1002 was placed on the Sixth order on the calendar.

Page 1, line 1, after the semicolon insert "to provide for a legislative council study;"

Page 1, line 2, after "27-02-02" insert ", 27-05-01, subdivision c of subsection 3 of section 27-05-02.1," and after the third "and" insert "section"

Page 1, line 3, after "judges" insert "and the number of district court judges"

Page 1, line 21, replace "8,334,038" with "8,937,038"

Page 2, line 2, replace "32,469,271" with "33,072,271"

Page 2, line 4, replace "31,689,328" with "32,292,328"

Page 2, line 13, replace "3,129,346" with "399,601"

Page 2, line 14, replace "3,129,346" with "399,601"

Page 2, line 15, replace "42,166,922" with "40,040,177"

Page 2, line 17, replace "43,216,865" with "41,090,120"

Page 2, after line 27, insert:

"SECTION 4. LEGISLATIVE COUNCIL STUDY OF UNIFIED COURT SYSTEM. The legislative council shall consider studying, during the 1999-2000 interim, the impacts of court unification on the judicial system and on the effective provision of judicial services to state residents.

SECTION 5. ALLOCATION FOR INDIGENT DEFENSE FUNDS. The supreme court shall develop criteria for the equitable allocation of indigent defense funds contained in the operating expenses line item for district courts. The criteria must be based on number of cases, complexity of cases, the level of efficiency in handling cases, and the historical funding levels in different districts. The supreme court may use any other factors deemed appropriate by the supreme court. The historical funding levels may be used as one factor of many and may not be given consideration in excess of any other factor. The supreme court shall use these criteria in the allocation of indigent defense funds appropriated under this Act."

Page 3, after line 5, insert:

"SECTION 7. AMENDMENT. Section 27-05-01 of the North Dakota Century Code is amended and reenacted as follows:

27-05-01. Judicial districts - Number of judges.

1. The judicial districts in this state are as designated by rule of the supreme court. The number of judges in each of the judicial districts is as follows:
 - a. The northwest judicial district shall have five judges.
 - b. The northeast judicial district shall have three judges.
 - c. The northeast central judicial district shall have four judges.
 - d. The east central judicial district shall have four judges.

- e. The southeast judicial district shall have three judges.
 - f. The south central judicial district shall have five judges.
 - g. The southwest judicial district shall have three judges.
2. Each judicial district has that number of additional judges as designated by rule of the supreme court pursuant to subsection 3 of section 27-05-00.1. The supreme court shall reduce the number of district judges pursuant to section 27-05-02.1 to forty-two before January 2, ~~2004~~ 2003.

SECTION 8. AMENDMENT. Subdivision c of subsection 3 of section 27-05-02.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- c. From July 1, 1999, until December 31, ~~2000~~ 2002, if on July 1, 1999, the number of district court judges is more than forty-two."

Page 3, line 9, replace "seventy-nine" with "seventy-seven", replace "one" with "three", and replace "seventy-one" with "forty"

Page 3, line 10, replace "eighty" with "seventy-eight", remove the overstrike over "eight", and remove "seven"

Page 3, line 11, replace "fifty-four" with "eighty-seven"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 182 - DISTRICT COURTS

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$23,500,870	\$22,526,069		\$22,526,069
Operating expenses	9,178,319	8,334,038	\$603,000	8,937,038
Equipment	788,600	674,603		674,603
Judges retirement	851,889	814,561		814,561
Alternative dispute resolution	60,000	40,000		40,000
UND - Central legal research		80,000		80,000
Total all funds	\$34,379,678	\$32,469,271	\$603,000	\$33,072,271
Less special funds	<u>774,155</u>	<u>779,943</u>		<u>779,943</u>
General fund	\$33,605,523	\$31,689,328	\$603,000	\$32,292,328
FTE	191.00	189.50	0.00	189.50

Detail of Senate changes to the House version includes:

	RESTORE A PORTION OF THE INDIGENT DEFENSE FUNDING	RESTORE FUNDING FOR INTEGRATED CASE MANAGEMENT SYSTEM	TOTAL SENATE CHANGES
Salaries and wages			
Operating expenses	\$135,000	\$468,000	\$603,000
Equipment			
Judges retirement			
Alternative dispute resolution			
UND - Central legal research			
Total all funds	\$135,000	\$468,000	\$603,000
Less special funds			
General fund	\$135,000	\$468,000	\$603,000
FTE	0.00	0.00	0.00

Senate changes narrative:

This amendment also corrects the salaries of district court judges, which are as follows under the 2/2 compensation plan:

	PRESIDING JUDGE	DISTRICT COURT JUDGE
Current	\$77,619	\$75,824
July 1, 1999	\$79,171	\$77,340
July 1, 2000	\$80,755	\$78,887

The amendment also adds the following new sections:

Section 4 - Requires a Legislative Council study of the unified court system.

Sections 6 and 7 - Extend, by two years, the deadline for reducing the number of district court judges to 42.

DEPARTMENT 184 - CLERK OF DISTRICT COURT

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Clerk of district courts	<u>\$3,035,898</u>	<u>\$3,129,346</u>	<u>(\$2,729,745)</u>	<u>\$399,601</u>
Total all funds	\$3,035,898	\$3,129,346	(\$2,729,745)	\$399,601
Less special funds				
General fund	\$3,035,898	\$3,129,346	(\$2,729,745)	\$399,601
FTE	129.00	129.00	(16.00)	113.00

Detail of Senate changes to the House version includes:

	REDUCE FUNDING	TOTAL SENATE CHANGES
Clerk of district courts	<u>(\$2,729,745)</u>	<u>(\$2,729,745)</u>
Total all funds	(\$2,729,745)	(\$2,729,745)
Less special funds		
General fund	(\$2,729,745)	(\$2,729,745)
FTE	(16.00)	(16.00)

Senate changes narrative:

This amendment removes all clerk of court funding except for the following:

Operating expenses	\$50,000
111 FTE clerks (1 month)	342,982
1 FTE human services clerk (1 month)	2,586
1 FTE accountant (1 month)	<u>4,033</u>
Total	\$399,601

REPORT OF STANDING COMMITTEE

HB 1007, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1007 was placed on the Sixth order on the calendar.

Page 1, line 2, after "affairs" insert "; to provide for line item transfers for the 1997-99 biennium; and to declare an emergency"

Page 1, line 12, replace "5,811,293" with "5,880,699"

Page 1, line 15, replace "432,220" with "482,220"

Page 1, line 16, replace "8,266,841" with "8,386,247"

Page 1, line 17, replace "5,938,446" with "6,147,410"

Page 1, line 18, replace "2,328,395" with "2,238,837"

Page 1, line 24, replace "2,772,729" with "2,683,171"

Page 2, line 1, replace "5,956,779" with "6,165,743"

Page 2, line 2, replace "8,729,508" with "8,848,914"

Page 2, after line 2, insert:

"SECTION 2. LINE ITEM TRANSFERS - 1997-99 BIENNIUM. Notwithstanding section 54-16-04, the director of the office of management and budget and the state treasurer, at the request of the director of the department of veterans affairs, shall transfer \$1,772 from the salaries and wages line item contained in subdivision 2 of section 1 of chapter 36 of the 1997 Session Laws to the operating expenses line item contained in subdivision 2 of section 1 of chapter 36 of the 1997 Session Laws. The authority to make this transfer begins with the effective date of this Act and ends on June 30, 1999.

SECTION 3. APPROPRIATION. There is hereby appropriated \$3,300 of special funds from donations to the department of veterans affairs for the period beginning with the effective date of this Act and ending June 30, 1999.

SECTION 4. LAND BOARD DISTRIBUTIONS. Notwithstanding the provisions of section 15-03-05.2, during the 1999-2001 biennium, the board of university and school lands shall distribute to the veterans home all income from a permanent fund managed for this institution.

SECTION 5. EMERGENCY. Sections 2 and 3 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 313 - VETERANS HOME

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,919,777	\$5,811,293	\$69,406	\$5,880,699
Operating expenses	2,029,278	1,978,278		1,978,278
Equipment	53,550	45,050		45,050
Major improvements	482,220	432,220	50,000	482,220
Grants				
Total all funds	\$8,484,825	\$8,266,841	\$119,406	\$8,386,247
Less special funds	<u>5,979,296</u>	<u>5,938,446</u>	<u>208,964</u>	<u>6,147,410</u>
General fund	\$2,505,529	\$2,328,395	(\$89,558)	\$2,238,837
FTE	84.61	84.61	0.00	84.61

Detail of Senate changes to the House version includes:

	CHANGE FUNDING FOR FIRE SPRINKLER SYSTEM TO ALL OTHER FUNDS ¹	RESTORE FUNDING FOR TUCK-POINTING, ETC. REMOVED BY HOUSE	RESTORE FUNDING FOR SHIFT DIFFERENTIAL REMOVED BY HOUSE	RESTORE NURSES SPECIAL SALARY INCREASE REMOVED BY HOUSE FROM OTHER FUNDS ²	RECOGNIZE ADDITIONAL LAND DEPARTMENT INCOME	TOTAL SENATE CHANGES
Salaries and wages			\$33,100	\$36,306		\$69,406
Operating expenses						
Equipment		\$50,000				50,000
Major improvements						
Grants						
Total all funds	\$0	\$50,000	\$33,100	\$36,306	\$0	\$119,406
Less special funds	<u>25,000</u>	<u>50,000</u>	<u>33,100</u>	<u>36,306</u>	<u>64,558</u>	<u>208,964</u>
General fund	(\$25,000)	\$0	\$0	\$0	(\$64,558)	(\$89,558)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ Provides a total of \$151,500 from other funds, including federal Veterans Administration funds if available.

² Provides a total of \$90,592 from other funds for nurses salary increases, the same total amount as in the executive budget. The executive budget funded the \$36,306 from the general fund. Section 4 is added to allow the Veterans Home to receive \$64,558 of additional Land Department income.

DEPARTMENT 321 - VETERANS AFFAIRS

SENATE - The Senate makes no changes to the Department of Veterans Affairs.

Sections 2, 3, and 5 are added to allow the Department of Veterans Affairs to receive \$3,300 of donations for 1997-99 and to authorize the transfer from salaries and wages to operating expenses in the amount of \$1,772 to provide funds for payment of the State Auditor's billing for fiscal year 1998.

REPORT OF STANDING COMMITTEE

HB 1011, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1011 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "two" with "a" and replace "sections" with "section"

Page 1, line 3, remove "and law enforcement training academy fees"

Page 1, line 11, replace "22,187,004" with "22,083,004"

Page 1, line 13, replace "25,105,990" with "25,001,990"

Page 1, line 14, replace "15,799,754" with "15,695,754"

Page 2, line 23, replace "Two" with "A", replace "sections" with "section", and replace "are" with "is"

Page 2, remove lines 28 through 31

Page 3, remove lines 1 and 2

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 504 - HIGHWAY PATROL

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Administration	\$2,016,729	\$1,996,541		\$1,996,541
Field operations	22,564,316	22,187,004	(\$104,000)	22,083,004
Law enforcement training academy	<u>927,900</u>	<u>922,445</u>		922,445
Total all funds	\$25,508,945	\$25,105,990	(\$104,000)	\$25,001,990
Less special funds	<u>15,604,953</u>	<u>15,799,754</u>	<u>(104,000)</u>	<u>15,695,754</u>
General fund	\$9,903,992	\$9,306,236	\$0	\$9,306,236
FTE	198.00	198.00	0.00	198.00

Detail of Senate changes to the House version includes:

	RESTORE MOBILE DATA TERMINAL MAINTENANCE FUNDING	RESTORE FUNDING CHANGE FOR LAW ENFORCEMENT TRAINING ACADEMY	REDUCE FUNDING IN UNDESIGNATED AREAS	TOTAL SENATE CHANGES
Administration				
Field operations	\$40,000 ¹		(\$144,000) ³	(\$104,000)
Law enforcement training academy				
Total all funds	\$40,000	\$0	(\$144,000)	(\$104,000)
Less special funds		<u>(104,000) ²</u>		<u>(104,000)</u>
General fund	\$40,000	\$104,000	(\$144,000)	\$0
FTE	0.00	0.00	0.00	0.00

Senate changes narrative:

¹ Restores funding removed by the House for maintenance of the mobile data terminals.

- ² Removes provisions added by the House which would have required the Highway Patrol to charge fees to non-Highway Patrol personnel attending courses at the Law Enforcement Training Academy. The increased special fund revenue which would have been generated from this fee is being replaced with general fund moneys.
- ³ Reduces funding in the field operations program. The Highway Patrol may determine the specific areas of the budget to reduce.

REPORT OF STANDING COMMITTEE

HB 1012, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 2, after "transportation" insert "; to provide an appropriation to the department of corrections and rehabilitation; to provide for a legislative council study; to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to commemorative Lewis and Clark number plates; and to amend and reenact sections 39-04-08.1, 39-04-11, and subsection 4 of section 39-04-19 of the North Dakota Century Code, relating to the display of and fees for number plates and tabs"

Page 1, line 9, replace "25,797,360" with "25,957,360"

Page 1, line 10, replace "7,413,072" with "9,713,072"

Page 1, line 11, replace "9,281,759" with "9,448,859"

Page 1, line 12, replace "553,523,851" with "548,126,965"

Page 1, line 13, replace "34,677,551" with "33,751,351"

Page 1, line 14, replace "630,693,593" with "626,997,607"

Page 1, after line 20, insert:

"SECTION 3. APPROPRIATION - ROUGHRIDER INDUSTRIES. There is hereby appropriated from special funds, derived from income, the sum of \$1,700,000, or so much of the sum as may be necessary, to the department of corrections and rehabilitation for the purpose of defraying the expenses associated with the production of a Lewis and Clark commemorative license plate for the biennium beginning July 1, 1999, and ending June 30, 2001.

SECTION 4. LEGISLATIVE COUNCIL STUDY. The legislative council shall consider studying, during the 1999-2000 interim, the fleet services program of the department of transportation. The study should include a review, the cost-effectiveness of the program, and the methods used to project and set motor pool rates.

SECTION 5. A new section to chapter 39-04 of the North Dakota Century Code is created and enacted as follows:

Commemorative Lewis and Clark number plates. The director shall design and issue a distinctive number plate commemorating Lewis and Clark. Notwithstanding section 39-04-12, the Lewis and Clark plate does not require the slogan "peace garden state". An applicant is entitled to receive this plate upon payment of an additional fee of ten dollars per registration period between December 1, 1999, and November 30, 2000. All additional fees collected under this section must be deposited in the highway fund.

SECTION 6. AMENDMENT. Section 39-04-08.1 of the North Dakota Century Code is amended and reenacted as follows:

39-04-08.1. Assignment of motor vehicle number plates. Motor vehicle number plates may not be assigned as a reward for any political activity, in recognition of any political affiliation or membership in any political party, or on the basis of political favoritism. Except as provided in sections 39-04-10 and 39-04-10.3, the department shall charge a nonrefundable fee of ten dollars if an applicant chooses a number plate other than the number plate randomly assigned. However, an elected state office may be assigned a single or double digit number on a number plate as requested by that official. The department of transportation ~~shall~~ may adopt rules governing the assignment of numbers on motor vehicle number plates in accordance with this section.

SECTION 7. AMENDMENT. Section 39-04-11 of the North Dakota Century Code is amended and reenacted as follows:

39-04-11. Display of number plates and tabs. Except as otherwise specifically provided, ~~no~~ a person may not operate or drive a vehicle on the public highways of this state unless the vehicle has a distinctive number assigned to it by the department, and two number plates, bearing the distinctive number conspicuously displayed, horizontally and in an upright position, one on the front and one on the rear of the vehicle, each securely fastened, except number plates assigned to a motorcycle, trailer, or housetrailer must be attached to the rear thereof. When only one number plate is furnished for an apportioned vehicle licensed under the international registration plan as authorized in section 39-19-04, truck tractor, or semitrailer, the plate must be attached to the front of the apportioned vehicle or truck tractor and the rear of the semitrailer. The bottom of each number plate must be at a height of not less than twelve inches [30.48 centimeters] above the level surface upon which the vehicle stands. Each plate must be mounted in a manner that does not cover any words, letter, or number on the plate. As far as is reasonably possible, the plates must at all times be kept free and clear of mud, ice, or snow so as to be clearly visible and all number plates, markers, or evidence of registration or licensing except for the current year must be removed from the vehicle. All vehicle license plates issued by the department continue to be the property of the state of North Dakota for the period for which the plates are valid. An annual registration tab or sticker for the current registration year must be displayed on each number plate, in the area designated by the department for the tab or sticker, in those years for which tabs or stickers are issued in lieu of number plates.

SECTION 8. AMENDMENT. Subsection 4 of section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 801 - DEPARTMENT OF TRANSPORTATION

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Administration	\$26,902,044	\$25,797,360	\$160,000	\$25,957,360
Motor vehicle	10,646,562	7,413,072	2,300,000	9,713,072
Driver's license	9,352,175	9,281,759	167,100	9,448,859
Highways	553,629,335	553,523,851	(5,396,886)	548,126,965
Fleet services	34,708,905	34,677,551	(926,200)	33,751,351
Total all funds	\$635,239,021	\$630,693,593	(\$3,695,986)	\$626,997,607
Less special funds	635,239,021	630,693,593	(3,695,986)	626,997,607
General fund	\$0	\$0	\$0	\$0
FTE	1,042.00	1,040.00	0.00	1,040.00

Detail of Senate changes to the House version includes:

	RESTORE INFORMATION TECHNOLOGY FUNDING	RESTORE TEMPORARY SALARIES AND REPAIRS	RESTORE TEMPORARY SALARIES	RESTORE REPAIRS AND EQUIPMENT	REDUCE INSURANCE AND EQUIPMENT LEASE/RENTALS	REDUCE HIGHWAY CONSTRUCTION FUNDING
Administration	\$160,000 ¹					
Motor vehicle		\$100,000 ²				
Driver's license			\$30,000 ³			
Highways				\$450,000 ⁴		
Fleet services					(\$926,200) ⁵	(\$7,194,886) ⁶
Total all funds	\$160,000	\$100,000	\$30,000	\$450,000	(\$926,200)	(\$7,194,886)
Less special funds	160,000	100,000	30,000	450,000	(926,200)	(7,194,886)

General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	ADD PUBLIC TRANSPORTATION GRANTS	ADD FUNDING RELATED TO HB 1291	ADD FUNDING RELATED TO SB 2406	ADD FUNDING FOR NEW LICENSE PLATE ISSUE	OTHER CHANGES	TOTAL SENATE CHANGES
Administration						\$160,000
Motor vehicle				\$2,200,000 ¹⁰		2,300,000
Driver's license		\$110,000 ⁸	\$27,100 ⁹			167,100
Highways	\$1,348,000 ⁷					(5,396,886)
Fleet services						(926,200)
Total all funds	\$1,348,000	\$110,000	\$27,100	\$2,200,000	\$0	(\$3,695,986)
Less special funds	<u>1,348,000</u>	<u>110,000</u>	<u>27,100</u>	<u>2,200,000</u>		<u>(3,695,986)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Senate changes narrative:

- ¹ Restores \$160,000 of the \$330,000 highway fund reduction made by the House to information technology hardware funding in the administration program.
- ² Restores \$50,000 removed by the House for temporary salaries and \$50,000 removed by the House for repairs in the motor vehicle program.
- ³ Restores \$30,000 of funding from the highway fund removed by the House for temporary salaries in the driver's license program.
- ⁴ Restores \$200,000 of funding from the highway fund removed by the House for repairs and \$250,000 of funding from the highway fund removed by the House for office equipment and furniture in the highways program.
- ⁵ Reduces funding for lease/rental equipment by \$126,200 and insurance by \$800,000 from the Fleet Services fund in the Fleet Services program.
- ⁶ Reduces funding for highway construction added by the House from budget reductions made in other areas of the department's budget. The department does not need this additional appropriation authority to match anticipated federal highway construction funds for the 1999-2001 biennium.
- ⁷ Adds funding from the public transportation fund for grants to public transportation providers as a result of the additional funding generated pursuant to provisions of House Bill No. 1380.
- ⁸ Adds funding as follows in the driver's license program for costs associated with the provisions of House Bill No. 1291 (graduated driver's license):

Temporary salaries	\$50,000
Operating expenses	<u>60,000</u>
Total	\$110,000
- ⁹ Adds funding in the driver's license program for operating costs associated with the provisions of Senate Bill No. 2406 (proof of liability insurance).
- ¹⁰ Adds funding in the Motor Vehicle Division for a new license plate issue. A section is added to the bill providing that the department begin issuing a distinctive Lewis and Clark plate in December 1999 that an individual may choose to purchase for an additional fee of \$10. The general issuance of the Lewis and Clark plate will begin in December 2000.

A section is added appropriating \$1.7 million of special funds to Roughrider Industries for producing the new license plates.

A section is added providing for an interim Legislative Council study of the Fleet Services program.

A section is added authorizing the department to charge an additional \$10 fee if an individual requests a specific number plate.

Sections are added providing that license plates must be mounted in a manner that does not cover any part of the plate, that the license plate tabs be placed only in the designated area on the plate, and that the department may issue smaller plates for trailers, if requested.

REPORT OF STANDING COMMITTEE

HB 1019, as engrossed: Appropriations Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1019 was placed on the Sixth order on the calendar.

Page 1, line 3, after the second semicolon insert "to authorize a mutual fund capital pool;", after "sections" insert "4-14.1-03.1", and after "4-14.1-07" insert a comma

Page 1, line 4, after "to" insert "grant repayments and"

Page 1, line 5, after "purposes" insert "; to provide for a legislative council study; to provide legislative intent"

Page 1, line 13, replace "2,358,086" with "2,798,086"

Page 1, line 14, replace "2,008,447" with "2,158,447"

Page 1, line 15, replace "66,358" with "96,358"

Page 1, line 16, replace "1,078,061" with "2,308,061"

Page 1, remove line 17

Page 1, line 18, replace "800,000" with "550,000"

Page 1, line 19, replace "3,985,911" with "4,535,911"

Page 1, line 20, replace "10,896,863" with "12,446,863"

Page 1, line 21, replace "3,693,075" with "4,293,075"

Page 1, line 22, replace "7,203,788" with "8,153,788"

Page 1, after line 22, insert:

"SECTION 2. APPROPRIATION. There is hereby appropriated out of any moneys in the agricultural fuel tax fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the sum as may be necessary, to the agricultural products utilization commission for the purpose of obtaining assistance in resolving beef industry trade issues, for the biennium beginning July 1, 1999, and ending June 30, 2001. Notwithstanding any other provisions of law, the agricultural products utilization commission may use these funds to obtain the assistance of the ranchers and cattlemen action legal foundation."

Page 2, line 10, replace "\$1,507,000" with "\$2,207,000"

Page 2, line 12, replace "\$1,500,000" with "\$2,200,000"

Page 3, line 10, replace "\$1,500,000" with "\$2,200,000"

Page 3, line 11, replace "\$750,000" with "\$1,100,000"

Page 3, line 16, replace "\$800,000" with "\$550,000"

Page 4, after line 6, insert:

"SECTION 10. AMENDMENT. Section 4-14.1-03.1 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

4-14.1-03.1. Agricultural products utilization commission - Authority. The North Dakota agricultural products utilization commission may apply for, accept, and expend any appropriation, grant, gift, or service made available from public or private sources consistent with the purpose of this chapter. The commission may administer grant programs consistent with the purpose of this chapter including a basic and applied research grant program, utilization and marketing grant program, cooperative marketing

grant program, farm diversification grant program, agricultural prototype development grant program, and a North American marketing grant program. The commission may require, by contract, repayment of a grant, in whole or in part, if the grant recipient does not fulfill the conditions under which the grant was awarded."

Page 4, line 14, replace "seven" with "twelve"

Page 4, line 21, after "million" insert "one hundred thousand"

Page 4, line 22, overstrike "ethanol plant that was in operation before July 1,"

Page 4, overstrike line 23

Page 4, line 24, overstrike "ethanol in the previous fiscal year and an"

Page 4, line 25, overstrike "are each" and insert immediately thereafter "is"

Page 4, after line 27, insert:

"SECTION 12. MUTUAL FUND CAPITAL POOL - AUTHORIZATION. The department of economic development and finance, in conjunction with the agricultural products utilization commission, may establish a mutual fund capital pool to attract farm and nonfarm investments in value-added processing projects."

Page 5, after line 16, insert:

"SECTION 14. CONTINGENT ETHANOL INCENTIVE PAYMENTS. In addition to the ethanol incentive payments provided in section 1 of this Act and not withstanding any other sections of law, there is hereby appropriated \$300,000, or so much of the sum as may be necessary, from the highway tax distribution fund for the biennium beginning July 1, 1999, and ending June 30, 2001, for the purpose of providing production incentives to any ethanol plant that becomes operational after July 1, 1999. An eligible plant is entitled to receive ten cents for each gallon of agriculturally derived fuel as defined in this Act produced in the state which is marketed by the producing plant to a distributor or wholesaler for sale within North Dakota.

SECTION 15. LEGISLATIVE COUNCIL STUDY - ECONOMIC DEVELOPMENT AND FINANCE EFFORTS. The legislative council shall consider studying during the 1999-2000 interim the economic development efforts in the state, including the provision of economic development services statewide and the related effectiveness, the potential for the privatization of the department of economic development and finance, and the appropriate location of the North Dakota development fund, including the potential transfer of the fund to the Bank of North Dakota.

SECTION 16. LEGISLATIVE INTENT - GRANTS LINE ITEM. It is the intent of the legislative assembly that \$150,000 of the grants line item in section 1 of this Act be available for the manufacturing technology partnership.

SECTION 17. LEGISLATIVE INTENT - GRANT ALLOCATION - UNITED STATES DEPARTMENT OF AGRICULTURE DESIGNATED CHAMPION COMMUNITIES. It is the intent of the legislative assembly that \$50,000 of the grants line item in section 1 of this Act be allocated to provide matching funds on a dollar-for-dollar basis to United States department of agriculture designated champion communities for the funding of an economic development coordinator employed by the champion communities to assist in economic development. Local matching funds may be in cash or in-kind contributions."

Page 5, line 17, replace "10" with "13"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 601 - DEPARTMENT OF ECONOMIC DEVELOPMENT AND FINANCE

SENATE - This amendment makes the following changes:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$3,041,771	\$2,358,086	\$440,000	\$2,798,086
Operating expenses	2,158,447	2,008,447	150,000	2,158,447
Equipment	96,358	66,358	30,000	96,358
Grants	1,518,061	1,078,061	1,230,000	2,308,061
General allocation grants	750,000	600,000	(600,000)	
North Dakota Development Fund	1,000,000	800,000	(250,000)	550,000
Agricultural Products Utilization Commission	4,085,911	3,985,911	550,000	4,535,911
Separate section - APUC			<u>100,000</u>	<u>100,000</u>
Total all funds	\$12,650,548	\$10,896,863	\$1,650,000	\$12,546,863
Less special funds	<u>3,695,701</u>	<u>3,693,075</u>	<u>700,000</u>	<u>4,393,075</u>
General fund	\$8,954,847	\$7,203,788	\$950,000	\$8,153,788
FTE	29.00	26.00	0.00	26.00

Detail of Senate changes to the House version includes:

	RESTORE SALARIES AND WAGES	RESTORE OPERATING EXPENSES	RESTORE EQUIPMENT	COMBINE GRANTS AND INCREASE BY \$630,000	REDUCE DEVELOPMENT FUND	REDUCE AGRICULTURAL PRODUCTS UTILIZATION COMMISSION
Salaries and wages	\$440,000					
Operating expenses		\$150,000				
Equipment			\$30,000			
Grants				\$1,230,000		
General allocation grants				(600,000)		
North Dakota Development Fund					(\$250,000)	
Agricultural Products Utilization Commission						(\$150,000)
Separate section - APUC						
Total all funds	\$440,000	\$150,000	\$30,000	\$630,000	(\$250,000)	(\$150,000)
Less special funds						<u>(100,000)</u>
General fund	\$440,000	\$150,000	\$30,000	\$630,000	(\$250,000)	(\$50,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	INCREASE APUC LINE ITEM TO PROVIDE \$2,200,000 OF ETHANOL INCENTIVES	ADD FUNDING FOR RESOLVING BEEF INDUSTRY TRADE ISSUES	TOTAL SENATE CHANGES			
Salaries and wages			\$440,000			
Operating expenses			150,000			
Equipment			30,000			
Grants			1,230,000			
General allocation grants			(600,000)			
North Dakota Development Fund			(250,000)			
Agricultural Products Utilization Commission	\$700,000		550,000			
Separate section - APUC		<u>\$100,000</u>	<u>100,000</u>			
Total all funds	\$700,000	\$100,000	\$1,650,000			
Less special funds	<u>700,000</u>	<u>100,000</u>	<u>700,000</u>			
General fund	\$0	\$0	\$950,000			
FTE	0.00	0.00	0.00			

Senate changes narrative:

These amendments restore \$440,000 of the House reduction of \$650,000 to salaries and wages; restore the \$150,000 reduction to operating expenses; restore the \$30,000 reduction to equipment; combine the grants line items, restore the House reductions of \$590,000, and add \$40,000; reduce the Development Fund by \$250,000; and reduce Agricultural Products Utilization Commission by \$50,000, all from the general fund. The director may use the grants line item for funding to the regional economic development councils. The Agricultural Products Utilization Commission line item is reduced by \$100,000 from the agricultural fuel tax fund, and \$100,000 from this fund is appropriated to the Agricultural Products Utilization Commission in a separate section to be used for resolving beef industry trade issues.

These amendments also make the following changes:

- Increase the ethanol plant production incentives from \$1,500,000 to \$2,200,000.

- Increase the maximum production incentive that may be paid annually from \$750,000 to \$1,100,000.
- Extend the number of years that an ethanol plant may receive the incentives, if in operation before July 1, 1995, from seven in the engrossed bill to 12.
- Provide for contingent ethanol incentive payments of \$300,000 for a plant that becomes operational after July 1, 1999. An eligible plant may receive 10 cents per gallon of agriculturally derived fuel (equivalent 40 cents per gallon for 25 percent of production). (Section 14)
- Amend Section 4-14.1-03.1 regarding Agricultural Products Utilization Commission authority. (Section 10)
- Authorize Economic Development and Finance to establish a mutual fund capital pool. (Section 12)
- Provide for a Legislative Council study of economic development. (Section 15)
- Provide legislative intent regarding grants. (Sections 16 and 17)

REPORT OF STANDING COMMITTEE

HB 1344, as engrossed: Appropriations Committee (Sen. Nething, Chairman)
 recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING).
 Engrossed HB 1344 was placed on the Fourteenth order on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2125, as engrossed: Your conference committee (Sens. W. Stenehjem, Watne, C. Nelson and Reps. DeKrey, Hawken, Delmore) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 908-909, adopt amendments as follows, and place SB 2125 on the Seventh order:

That the House recede from its amendments as printed on pages 908 and 909 of the Senate Journal and 979 and 980 of the House Journal and that Engrossed Senate Bill No. 2125 be amended as follows:

Page 1, line 2, remove the second "and" and after "penalty" insert "; and to declare an emergency"

Page 1, line 14, replace "a person" with "an individual"

Page 1, line 16, replace "person's" with "individual's"

Page 1, after line 20, insert:

"3. A city or county may adopt an ordinance or resolution regarding the sale of tobacco to minors and use of tobacco by minors which is more stringent than this section. Any ordinance or resolution adopted which deems a violation of subsection 1 or 2 a noncriminal violation must provide for a fee of not less than twenty-five dollars.

a. Any individual who has been cited for a violation that is designated a noncriminal offense may appear before a court of competent jurisdiction and pay the statutory fee by the time scheduled for a hearing, or if bond has been posted, may forfeit the bond by not appearing at the scheduled time. An individual appearing at the time scheduled in the citation may make a statement in explanation of that individual's action and the judge may waive, reduce, or suspend the statutory fee or bond, or both. If the individual cited follows the procedures of this subdivision, that individual has admitted the violation and has waived the right to a hearing on the issue of commission of the violation. The bond required to secure appearance before the court must be identical to the statutory fee. This subdivision does not allow a halting officer to receive the statutory fee or bond.

b. If an individual cited for a violation that is designated a noncriminal offense does not choose to follow any procedure provided under subdivision a, that individual may request a hearing on the issue of the commission of the violation charged. The hearing must be held at the time scheduled in the citation or at some future time, not to exceed ninety days later, set at that first appearance. At the time of a request

for a hearing on the issue on commission of the violation, the individual charged shall deposit with the court an appearance bond equal to the statutory fee for the violation charged. The state must prove the commission of a charged violation at the hearing under this section by a preponderance of the evidence.

4. A law enforcement officer or juvenile court that cites a minor for violation of this section shall mail a notice of the violation to the parent or legal guardian of the minor within ten days of the citation.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed SB 2125 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1093, as engrossed: Your conference committee (Sens. Lyson, Watne, C. Nelson and Reps. Froseth, N. Johnson, Niemeier) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 847, adopt amendments as follows, and place HB 1093 on the Seventh order:

That the Senate recede from its amendments as printed on page 847 of the House Journal and page 700 of the Senate Journal and that Engrossed House Bill No. 1093 be amended as follows:

Page 1, line 9, replace "Proceeds" with "Net proceeds" and remove ", subject to appropriation by the"

Page 1, remove line 10

Page 1, line 11, remove "North Dakota in Bismarck, North Dakota,"

Page 1, after line 17, insert:

"SECTION 3. LEGISLATIVE INTENT. If the United States department of labor allows job service North Dakota to receive proceeds from the conveyance of lots 1, 2, 3, 4, and 5, block 60, original plat, city of Bismarck, North Dakota, it is the intent of the fifty-sixth legislative assembly that the fifty-seventh legislative assembly appropriate the net proceeds to job service North Dakota to invest in a replacement facility. If job service North Dakota does not convey the property, it is the intent of the fifty-sixth legislative assembly that job service North Dakota take appropriate actions to preserve the equity in this property until the fifty-seventh legislative assembly convenes and considers disposition of this property."

Renumber accordingly

Engrossed HB 1093 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1174, as engrossed: Your conference committee (Sens. Kilzer, Wardner, Mutzenberger and Reps. Grande, Haas, Winrich) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1036, adopt amendments as follows, and place HB 1174 on the Seventh order:

That the Senate recede from its amendments as printed on page 1036 of the House Journal and pages 821 and 822 of the Senate Journal and that Engrossed House Bill No. 1174 be amended as follows:

Page 1, line 12, remove the overstrike over "~~within the employee's agency~~"

Page 1, line 15, after the period insert "The suggestion incentive committee may consider whether the recommendation or proposal to reduce expenditures within the employee's agency applies to any other state agency. The suggestion incentive committee shall notify the office of management and budget of any recommendation that affects an agency other than the employing agency."

Page 1, line 20, remove the overstrike over "~~the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~agency~~"

Page 1, line 21, replace "government" with "and any other state agency"

Page 2, line 1, after "(2)" insert "The recommendation or proposal is beyond the reasonable expectations of job performance for the employee who made the suggestion."

(3)"

Page 2, line 3, overstrike "(3)" and insert immediately thereafter "(4)"

Page 2, line 4, remove the overstrike over "~~by the~~" and insert immediately thereafter "employing" and remove the overstrike over "~~state~~"

Page 2, line 5, remove the overstrike over "~~agency~~" and insert immediately thereafter "and any other state agency affected by the recommendation or proposal"

Page 2, line 7, remove the overstrike over "~~employee submitting~~" and remove "agency benefiting from"

Page 2, line 8, remove "If the"

Page 2, remove lines 9 through 11

Page 2, line 25, overstrike "that realized the savings" and remove "If the proposal to reduce expenditures benefits"

Page 2, remove lines 26 through 31

Page 3, remove line 1

Page 3, line 2, remove "the amount of the incentive or its proportionate share of the incentive."

ReNUMBER accordingly

Engrossed HB 1174 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1310, as engrossed: Your conference committee (Sens. Lyson, Lee, Kelsh and Reps. Severson, Disrud, Ekstrom) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 835, adopt amendments as follows, and place Engrossed HB 1310 on the Seventh order:

That the Senate recede from its amendments as printed on page 835 of the House Journal and page 686 of the Senate Journal and that Engrossed House Bill No. 1310 be amended as follows:

Page 1, line 14, after "department" insert "and the state engineer"

Page 1, line 17, after "department" insert "and the state engineer"

Page 1, line 21, after "water" insert "detained by the highway at the crossing" and replace "crossings have" with "crossing has"

Page 1, line 22, after "department" insert "and the state engineer"

Page 2, line 11, after "department" insert "and the state engineer"

Page 2, line 17, after "water" insert "detained by the highway at the crossing" and replace "crossings have" with "crossing has"

Page 2, line 18, after "department" insert "and the state engineer"

Page 3, line 4, after "department" insert "and the state engineer"

Page 3, line 6, after "water" insert "detained by the highway at the crossing" and replace "crossings have" with "crossing has"

Page 3, line 7, after "department" insert "and the state engineer"

ReNUMBER accordingly

Engrossed HB 1310 was placed on the Seventh order of business on the calendar.

The Senate stood adjourned pursuant to Senator St. Aubyn's motion.

WILLIAM C. PARKER, Secretary