PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1019

In lieu of the amendments adopted by the Senate as printed on pages 1067 through 1070 of the Senate Journal, Engrossed House Bill No. 1019 is amended as follows:

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 2, line 16, replace "forty" with "ten", after "gallon" insert "of up to 5,000,000 gallons, seven cents for each gallon from 5,000,001 to 10,000,000 gallons, and five cents for each gallon from 10,000,001 to 15,000,000 gallons", and after "produced" insert "each fiscal year"

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 12, overstrike "1."

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

Page 4, overstrike lines 19 through 27

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 notwithstanding 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