

JOURNAL OF THE HOUSE

Fifty-eighth Legislative Assembly

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Bismarck, April 3, 2003

The House convened at 8:30 a.m., with Speaker Wentz presiding.

The prayer was offered by Rev. Dale Nabin, Chaplain, Missouri Slope Lutheran Care Center, Bismarck.

The roll was called and all members were present except Representatives Bellew, Boe, Haas, and Kasper.

A quorum was declared by the Speaker.

SIXTH ORDER OF BUSINESS

REP. BERG MOVED that the amendments on the Sixth order of business to SB 2103 and SB 2311 be adopted, which motion prevailed.

SB 2103 and SB 2311, as amended, were placed on the Fourteenth order of business on the calendar.

SECOND READING OF SENATE BILL

SB 2103: A BILL for an Act to create and enact a new section to chapter 18-01 of the North Dakota Century Code, relating to fees for services provided by the state fire marshal.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 27 YEAS, 64 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Boe; Boucher; Carlisle; DeKrey; Delmore; Ekstrom; Froelich; Glassheim; Gulleeson; Hanson; Kelsh, S.; Kerzman; Kroeber; Metcalf; Mueller; Nelson; Niemeier; Norland; Schmidt; Solberg; Thorpe; Warnke; Weiler; Wikenheiser; Winrich

NAYS: Belter; Berg; Bernstein; Boehning; Brusegaard; Carlson; Clark; Delzer; Devlin; Dosch; Drovdal; Eckre; Froseth; Galvin; Grande; Grosz; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Maragos; Martinson; Meier; Monson; Nicholas; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Severson; Sitte; Skarphol; Svedjan; Thoreson; Tieman; Timm; Uglem; Wald; Warner; Weisz; Wieland; Williams; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Haas; Kasper

Engrossed SB 2103, as amended, lost.

SECOND READING OF SENATE BILL

SB 2311: A BILL for an Act to create and enact a new chapter to title 54 and a new section to chapter 57-51.1 of the North Dakota Century Code, relating to creating and establishing an oil and gas research council and oil and gas research fund; and to provide a continuing appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 91 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleeson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson;

Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Tieman; Timm; Uglen; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Haas; Kasper

Reengrossed SB 2311, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do not concur in the Senate amendments to HB 1190 as printed on HJ page 1142 and that a conference committee be appointed to meet with a like committee from the Senate.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1190: Reps. Severson, Tieman, Thorpe.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. BELTER MOVED that the House do concur in the Senate amendments to HB 1058 as printed on HJ pages 1100-1101, which motion prevailed on a voice vote.

HB 1058, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1058: A BILL for an Act to amend and reenact section 57-15-63 of the North Dakota Century Code, relating to relevy by a taxing district of property taxes omitted by mistake; to provide an effective date; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 83 YEAS, 7 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlson; DeKrey; Delmore; Devlin; Dosch; Drovda; Eckre; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thorpe; Tieman; Timm; Uglen; Wald; Warner; Warnke; Weisz; Wieland; Wikenheiser; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Carlisle; Clark; Delzer; Kelsch, R.; Porter; Thoreson; Weiler

ABSENT AND NOT VOTING: Bellew; Haas; Kasper; Williams

HB 1058 passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do concur in the Senate amendments to HB 1138 as printed on HJ page 1147, which motion prevailed on a voice vote.

HB 1138, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1138: A BILL for an Act to create and enact section 26.1-22-21.1 of the North Dakota Century Code, relating to insurance broker of record; to amend and reenact sections 26.1-22-05, 26.1-22-10, and 26.1-22-21 of the North Dakota Century Code, relating to buildings insured by the state fire and tornado fund, optional coverage for the state mill and elevator association, and excess loss reinsurance; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 91 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Grande; Grosz; Guleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Tieman; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Haas; Kasper

Engrossed HB 1138, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do concur in the Senate amendments to Engrossed HB 1204 as printed on HJ page 1142, which motion prevailed on a voice vote.

Engrossed HB 1204, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1204: A BILL for an Act to create and enact two new sections to chapter 43-03 of the North Dakota Century Code, relating to regulation of landscape architects; to amend and reenact sections 43-03-01, 43-03-02, 43-03-08, 43-03-09, 43-03-10, 43-03-11, 43-03-12, 43-03-13, 43-03-16, 43-03-17, 43-03-18, 43-03-19, 43-03-20, 43-03-21, 43-03-22, and 43-03-23 of the North Dakota Century Code, relating to the registration of architects and landscape architects; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 4 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Guleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Tieman; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Froelich; Kerzman; Maragos; Timm

ABSENT AND NOT VOTING: Bellew; Eckre; Haas; Kasper

Engrossed HB 1204, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. WEISZ MOVED that the House do concur in the Senate amendments to HB 1207 as printed on HJ pages 1104-1105, which motion prevailed on a voice vote.

HB 1207, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1207: A BILL for an Act to create and enact chapter 11-36, a new subsection to section 57-15-06.7, a new subsection to section 57-15-10, a new subsection to section 57-15-20.2, and two new sections to chapter 57-15 of the North Dakota Century Code, relating to local port authorities.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 4 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovda; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Guleson; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemm; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Tieman; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Brusegaard; Froelich; Kerzman; Sitte

ABSENT AND NOT VOTING: Bellew; Eckre; Haas; Kasper

Engrossed HB 1207, as amended, passed and the title was agreed to.

REPORT OF STANDING COMMITTEE

SB 2154, as reengrossed: Education Committee (Rep. R. Kelsch, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the Appropriations Committee (9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Reengrossed SB 2154 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact three new sections to chapter 15.1-07 and a new section to chapter 15.1-12 of the North Dakota Century Code, relating to school district plans and changes and interim funds; to amend and reenact subsection 5 of section 15.1-09-36, section 15.1-16-02, subsection 6 of section 15.1-27-01, sections 15.1-27-04, 15.1-27-05, 15.1-27-06, and 15.1-27-07, subsection 1 of section 15.1-27-10, subsection 4 of section 15.1-27-19, subsection 4 of section 15.1-27-21, sections 15.1-27-34, 15.1-27-37, 15.1-27-39, and 15.1-29-01, subsection 4 of section 15.1-29-06, sections 15.1-29-13 and 15.1-29-14, subsection 1 of section 15.1-30-01, section 15.1-30-05, subsection 2 of section 15.1-30-15, and sections 15.1-31-05, 15.1-31-06, and 15.1-32-16 of the North Dakota Century Code, relating to per student payments, weighting factors, transportation aid, teacher compensation, and teacher compensation reimbursement; to provide for a legislative council study; to provide for contingent payments; to repeal sections 15.1-27-26, 15.1-27-27, 15.1-27-28, 15.1-27-29, 15.1-27-30, and 15.1-27-31 of the North Dakota Century Code, relating to state transportation aid payments; to provide an appropriation; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

School district demographics - Long-term planning process.

1. Between January first and June thirtieth of every even-numbered year, the board of each school district shall invite the public to participate in a planning process addressing the effects that demographics might have on the district in the ensuing five-year and ten-year periods, and specifically addressing potential effects on:

- a. Academic, athletic, and extracurricular programs;

- b. Instructional and administrative staffing;
 - c. Facility needs and utilization; and
 - d. District tax levies.
2. At the conclusion of the planning process, the board shall prepare a report, publish a notice in the official newspaper of the district indicating that the report is available, and make the report available upon request.

SECTION 2. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

High school district - Change to elementary district - Prohibited.

- 1. Beginning July 2, 2003, a high school district may not become an elementary district.
- 2. Subsection 1 does not apply to elementary school districts participating in cooperative agreements approved by the superintendent of public instruction.

SECTION 3. A new section to chapter 15.1-07 of the North Dakota Century Code is created and enacted as follows:

Interim fund.

- 1. The board of a school district may include in its budget an item to be known as the "interim fund". The interim fund must be carried over to the ensuing fiscal year to meet the cash requirements of all funds or purposes to which the credit of the school district may be legally extended for that portion of the fiscal year prior to the receipt of taxes.
- 2. The amount in the interim fund may not exceed the lesser of:
 - a. The amount reasonably required to finance the school district for the first nine months of the ensuing fiscal year; or
 - b. Fifty percent of the current annual appropriation for all purposes other than debt retirement and appropriations financed from bond sources plus twenty thousand dollars.

SECTION 4. AMENDMENT. Subsection 5 of section 15.1-09-36 of the North Dakota Century Code is amended and reenacted as follows:

- 5. If a board charges fees not authorized by law and refuses to discontinue the charges when directed to do so by the superintendent of public instruction, the superintendent shall withhold the ~~per student and transportation state~~ aid payments to which the district is entitled for each student charged an unauthorized fee.

SECTION 5. A new section to chapter 15.1-12 of the North Dakota Century Code is created and enacted as follows:

State board of public school education - Approval of elementary districts prohibited. The state board of public school education may not approve any reorganization plan that would result in the creation of an elementary district.

SECTION 6. AMENDMENT. Section 15.1-16-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-16-02. Education factfinding commission - Appointment - Terms - Quorum.

- 1. The education factfinding commission consists of three members ~~experienced in educational activities~~, at least one of whom must be a teacher or a retired teacher and at least one of whom must have served as a member of a school board. One member is appointed by the governor, one member is appointed by the superintendent of public instruction, and

one member is appointed by the attorney general. The member appointed by the superintendent of public instruction shall serve as the chairman of the commission.

2. The term of each commission member is three years staggered.
3. If a vacancy occurs, the individual who appointed the member to be succeeded shall appoint a new member to serve only the unexpired term of the member to be succeeded.
4. Two members of the commission constitute a quorum.

SECTION 7. AMENDMENT. Subsection 6 of section 15.1-27-01 of the North Dakota Century Code is amended and reenacted as follows:

6. If funds appropriated for distribution to districts as ~~per student and transportation state~~ aid become available after April first, the superintendent of public instruction shall distribute the newly available payments on or before June thirtieth.

SECTION 8. AMENDMENT. Section 15.1-27-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04. Per student payment. The per student payment to which each school district is entitled for the first year of the biennium is two thousand ~~two~~ five hundred ~~eighty-seven~~ nine dollars. The per student payment to which each school district is entitled for the second year of the biennium is two thousand ~~three~~ six hundred ~~forty-seven~~ thirty-three dollars. The per student amount is the basis for calculating state payments to school districts, as provided in sections 15.1-27-06 and 15.1-27-07.

SECTION 9. AMENDMENT. Section 15.1-27-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-05. (Effective through June 30, 2004) School district equalization factor. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, ~~transportation aid~~, and teacher compensation payments for which a school district is eligible and from that total subtract the following:

1. The product of ~~thirty-two~~ thirty-four mills times the latest available net assessed and equalized valuation of property in the district.
2. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of seventy-five percent of its actual expenditures plus twenty thousand dollars.

(Effective after June 30, 2004) School district equalization factor.

1. To determine the amount of payments due a school district, the superintendent of public instruction shall add the tuition apportionment payments, per student payments, special education aid, ~~transportation aid~~, and teacher compensation payments for which a school district is eligible and from that total subtract the following:
 - 4- a. The product of ~~thirty-two~~ thirty-six mills times the latest available net assessed and equalized valuation of property in the district.
 - 2- b. The amount by which the unobligated general fund balance of the district on the preceding June thirtieth is in excess of fifty percent of its actual expenditures, plus twenty thousand dollars.
2. Beginning July 1, 2005, and each year thereafter, the number of mills used by the superintendent of public instruction in determining the product required by subdivision a of subsection 1 must be increased by two over the number of mills used in determining the product required by that subdivision the previous year, until the number of mills used by the superintendent of public instruction reaches an equity index equal to twenty-five percent of the state average school district general fund mill levy. Upon reaching the equity index, the superintendent of public

instruction shall annually adjust the number of mills in order to remain at the equity index.

3. Whenever the legislative assembly considers changes in state aid to education, the legislative assembly shall also review the rate established by subsection 2 for reaching the equity index and determine whether that rate should be adjusted proportionately.

SECTION 10. AMENDMENT. Section 15.1-27-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-06. Per student payments - Weighting factors - High school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating a high school and to each school district contracting to educate high school students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1. Each district having under seventy-five students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.625 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.625 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.
2. Each district having at least seventy-five but fewer than one hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.335 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.335 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.
3. Each district having at least one hundred fifty but fewer than five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.24 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.24 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.
4. Each district having at least five hundred fifty students in average daily membership in grades nine through twelve is entitled to receive the amount of money that results from multiplying the factor 1.14 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.14 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in grades nine through twelve who are registered in that district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.
5. Each district having an approved alternative high school education program is entitled to receive the amount of money that results from multiplying the factor in:

- a. Subsection 1 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if fewer than seventy-five students in average daily membership are enrolled in the alternative education program.
 - b. Subsection 2 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least seventy-five but fewer than one hundred fifty students in average daily membership are enrolled in the alternative education program.
 - c. Subsection 3 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least one hundred fifty but fewer than five hundred fifty students in average daily membership are enrolled in the alternative education program.
 - d. Subsection 4 by the number of students registered in the alternative education program, times the per student payment provided for in section 15.1-27-04, if at least five hundred fifty students in average daily membership are enrolled in the alternative education program.
6. In order to be eligible for enumeration under this section, a student:
 - a. Must have completed the work of the eighth grade;
 - b. Must not have completed the work of the twelfth grade; and
 - c. Must be a resident of this state or a nonresident attending a school in this state under the auspices of a foreign student exchange program.

SECTION 11. AMENDMENT. Section 15.1-27-07 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-07. Per student payments - Weighting factors - Elementary school students. The superintendent of public instruction shall make payments each year, as provided for in this section, to each school district operating an elementary school and to each school district contracting to educate elementary students in a federal school, subject to adjustment as provided in section 15.1-27-21.

1.
 - a. Each district having only a one-room rural school is entitled to receive the amount of money that results from multiplying the factor 1.28 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.28 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through eight in that school, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment level provided for in this subdivision is applicable only to the first sixteen students.
 - b. If the one-room rural school has more than sixteen students in average daily membership in grades one through eight, the district in which the school is located is entitled to receive ninety percent of the per student payment provided for in section 15.1-27-04 for each additional student. The district is not entitled to any payment for more than twenty students in average daily membership.
 - c. If a one-room rural school is located in a district having another elementary school, the weighting factor for the students in grades one through six must be based on the average daily membership in the district in grades one through six, as provided in this section.
 - d. If a one-room rural school is located in a school district with another school that has students in grade seven or eight, the weighting factor

for the students in grade seven or eight must be the same as that provided for in subsection 5.

2. Except as provided in subsection 1, each school district having fewer than one hundred students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor 1.09 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.09 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.
3. Each school district having at least one hundred students but fewer than one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .905 adjusted by ~~seventy-five~~ eighty-five percent of the difference between .905 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.
4. Each school district having at least one thousand students in average daily membership in grades one through six is entitled to receive the amount of money that results from multiplying the factor .95 adjusted by ~~seventy-five~~ eighty-five percent of the difference between .95 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades one through six in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of the education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher.
5. Each school district having students in grades seven and eight is entitled to receive the amount of money that results from multiplying the factor 1.01 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.01 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of students in average daily membership in grades seven and eight in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first thirty students in average daily membership per classroom or per teacher. The payments provided for in this subsection are not available for students who attend a one-room rural school if that school is the only one in the district that offers educational services to students in grades seven and eight.
6. Each school district having a special education program approved by the director of special education is entitled to receive, for each student who is enrolled in the program and who is at least three years of age but less than the compulsory age for school attendance, the amount of money that results from multiplying the factor 1.01 adjusted by ~~seventy-five~~ eighty-five percent of the difference between 1.01 and the factor representing the

five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of special education students in average daily membership in the program who are at least three years of age but less than the compulsory age for school attendance, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction.

7. a. Each school district operating a kindergarten as provided for in section 15.1-22-02 is entitled to receive the amount of money that results from multiplying the factor .50 adjusted by ~~seventy-five~~ eighty-five percent of the difference between .50 and the factor representing the five-year average cost of education per student for this category, as determined by the superintendent of public instruction, by the number of kindergarten students in average daily membership in the district, times the per student payment provided for in section 15.1-27-04. Beginning July 1, 2004, the factor is that which represents the five-year average cost of education per student in this category, as determined by the superintendent of public instruction. The payment provided for in this subsection is applicable only to the first twenty-five students in average daily membership per classroom or per teacher.
- b. In order to receive the full per student payment available under this section, a district must operate a kindergarten program that provides the equivalent of ninety full days of classroom instruction during a twelve-month period. A district is entitled to a prorated payment under this section if it operates a kindergarten program of shorter duration.
8. Each school district that educates students who are also enrolled in nonpublic schools is entitled to receive proportionate payments under this section.
9. Each school district is entitled to receive as much in total payments for elementary students as it would have received if it had the highest number of students in the next lower category.
10. A school district is not entitled to any payments provided for by this chapter unless each teacher employed by the district:
 - a. Holds a teaching license issued by the education standards and practices board; or
 - b. Has been approved to teach by the education standards and practices board.

SECTION 12. AMENDMENT. Subsection 1 of section 15.1-27-10 of the North Dakota Century Code is amended and reenacted as follows:

1. Except as provided in subsection 2, each biennium the superintendent of public instruction shall distribute moneys appropriated by the legislative assembly for per student special education payments to each school district in the state on the basis of students in average daily membership. The superintendent of public instruction shall forward the payments, as calculated under section 15.1-27-05, to eligible school districts in the same manner and at the same time that the superintendent distributes ~~per student and transportation~~ state aid payments. For purposes of this section, "special education" means the provision of special services to students who have special needs, including students who are gifted and talented. Expenditures under this section may not conflict with nonsupplanting and maintenance of effort provisions under the Individuals With Disabilities Education Act, 20 United States Code 1400 et seq.

SECTION 13. AMENDMENT. Subsection 4 of section 15.1-27-19 of the North Dakota Century Code is amended and reenacted as follows:

4. Proportionate payments made under this section during a biennium for summer school courses or programs may not exceed one and one-half percent of the total amount appropriated by the legislative assembly for ~~per student and transportation~~ state aid payments during the biennium, or eight

million dollars, whichever is less. No more than seventy-five percent of the amount made available under this subsection may be used to support summer school courses at the high school level and no more than twenty-five percent of the amount made available under this subsection may be used to support remedial summer school programs at the elementary level.

SECTION 14. AMENDMENT. Subsection 4 of section 15.1-27-21 of the North Dakota Century Code is amended and reenacted as follows:

4. The superintendent of public instruction shall pay the amount due under this section within the limits of legislative appropriations for ~~per student state aid payments and transportation aid.~~

SECTION 15. AMENDMENT. Section 15.1-27-34 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-34. Transfer of funds prohibited - Youth correctional center. The superintendent of public instruction may not transfer any portion of the funds appropriated for ~~per student state aid payments and transportation aid~~ to the youth correctional center to support the provision of educational services by the youth correctional center.

SECTION 16. AMENDMENT. Section 15.1-27-37 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-37. Compensation of teachers - Claim for reimbursement - Rules.

1. On or before October first of each year or within thirty days after the conclusion of the negotiation process provided for in chapter 15.1-16, the board of a school district may file a claim with the superintendent of public instruction for the reimbursement of moneys to be expended by the district during the school year to ~~increase the~~ at least maintain the level of compensation of provided to teachers employed by the district during the 2002-03 school year.
2. The claim must include:
 - a. The number of full-time equivalent teachers employed by the district as of September fifteenth;
 - b. The number of full-time equivalent teachers ~~who will receive an increase in compensation over the amount paid during the previous~~ whose level of compensation will be at least equal to that provided during the 2002-03 school year; and
 - c. The total amount of ~~the increase in any~~ compensation increases provided to full-time equivalent teachers over the level of compensation provided during the 2002-03 school year.
3.
 - a. For the ~~2001-02~~ 2003-04 school year, the reimbursement provided for in this section may not exceed ~~one thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2001.~~
 - b. ~~Except as provided in subdivision c, for the 2002-03 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2002.~~ 2003.
 - b. For the 2004-05 school year, the reimbursement provided for in this section may not exceed three thousand dollars multiplied by the number of full-time equivalent teachers employed by the district as of September 15, 2004.
 - c. For the ~~2002-03~~ 2003-04 school year, the reimbursement under this section for each individual employed as of September 15, ~~2002~~ 2003, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices

board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.

- d. For the 2003-04 school year, the reimbursement under this section for each individual employed as of September 15, 2004, as a full-time equivalent teacher for the first school year since becoming licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board, may not exceed one thousand dollars.
4. For purposes of this section, the claim of a district may include proportionate expenditures made by the district to compensate individuals employed as teachers by the special education unit or the area vocational and technology center to which the district belongs.
5. The superintendent of public instruction may adopt rules regarding claims for and the payment of reimbursements under this section.

SECTION 17. AMENDMENT. Section 15.1-27-39 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-39. Annual salary - Minimum amount. Beginning with the ~~2001-02~~ 2003-04 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a base salary level ~~of salary~~ for the contract period equal to at least ~~eighteen~~ twenty-one thousand ~~five hundred~~ dollars. Beginning with the ~~2002-03~~ 2004-05 school year, the board of each school district shall provide to each full-time teacher, under contract for a period of nine months, a base salary level for the contract period equal to at least ~~twenty~~ twenty-two thousand five hundred dollars.

SECTION 18. AMENDMENT. Section 15.1-29-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-01. Education of students in bordering states - Payment of tuition.

1. Students may attend a school in a bordering state in accordance with section 15.1-29-02 under the following circumstances:
 - a. A student who lives within forty miles [64.37 kilometers] of another state or in a county bordering on another state may, with the approval of the school board, attend a public school in a bordering state.
 - b. A student who has attended a school district in a bordering state since, and including, the 1990-91 school year must be permitted to continue attending school in the district in the bordering state.
 - c. A student whose sibling attended an out-of-state school during or before the 1990-91 school year must be permitted to attend school in the district the sibling attended in the bordering state.
2. If the school board of the district in which the student resides denies a request for a student's attendance in and payment of tuition to another state, the student's parent may appeal the decision to the three-member committee referenced in section 15.1-29-06.
 - a. If the three-member committee determines that the student meets the terms of subdivision b or c of subsection 1, the student may attend school in the bordering state and the board of the student's school district of residence shall pay the tuition.
 - b. If the three-member committee determines the student falls within the terms of subdivision a of subsection 1, then the three-member committee shall make its decision using the criteria specified in section 15.1-29-06.
 - c. Notwithstanding the provisions of this section, if a student's school district of residence does not provide for the education of kindergarten students, the district may not pay tuition for a kindergarten student to attend school in a bordering state.

- d. Any decision by the three-member committee regarding the payment of tuition for high school, elementary, or kindergarten students may be appealed by the school board or by the student's parent to the state board of public school education. A decision by the state board is final.
3.
 - a. The superintendent of public instruction shall forward all ~~per student and transportation~~ state aid payments for a student attending an out-of-state school to the student's school district of residence.
 - b. The student's district of residence may reduce any tuition payment it must make to an out-of-state school by an amount commensurate with the tuition costs the district would be entitled to receive as compensation for a student from the out-of-state district enrolled in its school.
 - e. ~~Transportation payments for a student attending school in a bordering state must be determined as provided in section 15.1-27-27.~~
4. Nothing in this section requires that a school district of residence provide student transportation or payments in lieu of transportation for students attending out-of-state schools.

SECTION 19. AMENDMENT. Subsection 4 of section 15.1-29-06 of the North Dakota Century Code is amended and reenacted as follows:

4. A school district of residence may provide transportation to a student for whom tuition is paid under this section. If a school district of residence does not provide transportation to the student, it may be provided by the admitting district ~~and the admitting district is then entitled to state payments for the transportation of the student.~~

SECTION 20. AMENDMENT. Section 15.1-29-13 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-13. Tuition payments - Nonresident students.

1.
 - a. Except as provided in this subsection, the board of a school district that admits a nonresident student shall charge and collect tuition for the student. Either the student's district of residence shall pay the tuition to the admitting district in accordance with section 15.1-29-12 or the student's parent shall pay the tuition to the admitting district in accordance with section 15.1-29-07.
 - b. A board may charge tuition for nonresident students enrolled in an approved alternative education program.
 - c. Except as otherwise provided, if a school district fails to charge and collect tuition for a nonresident student, the districts shall forfeit any ~~per student payment and transportation~~ state aid otherwise payable for the nonresident student.
2.
 - a. The board of a school district may admit a nonresident student from another district in this state offering the same grade level as that in which the student is enrolled without a charge and collection of tuition if the sending and admitting districts have entered into a written contract regarding the student's admission.
 - b. For purposes of determining whether the same grade level is offered, two or more school districts cooperating with each other for the joint provision of educational services under a plan approved by the superintendent of public instruction must be considered to be a single district.
 - c. The contract must specify whether transportation is to be provided and, if so, by which district. If a school district of residence does not provide transportation to the student, it may be provided by the admitting district and the admitting district is then entitled to state payments for the transportation of the student.

- d. A contract is not necessary if the nonresident student is enrolled in an approved alternative education program for which no tuition is charged.
 - e. A school district may admit a nonresident student described in section 15.1-31-07 from another school district in this state without a charge and collection of tuition and without a written agreement.
3. A school district may not charge or collect from a nonresident student, the student's parent, or the student's district of residence any fees or charges not otherwise assessed to all resident students.

SECTION 21. AMENDMENT. Section 15.1-29-14 of the North Dakota Century Code is amended and reenacted as follows:

15.1-29-14. Student placement for noneducational purposes - Residency determination - Payment of tuition.

1. For purposes of applying this chapter, a student's school district of residence is the district in which the student resides:
 - a. At the time that a state court, tribal court, juvenile supervisor, or the division of juvenile services issues an order requiring the student to stay for a prescribed period at a state-licensed foster home or at a state-licensed child care home or facility;
 - b. At the time a county or state social service agency places the student, with the consent of the student's parent or legal guardian, at a state-licensed foster home or at a state-licensed child care home or facility;
 - c. At the time the student is initially placed in a state-operated institution, even if the student is later placed at a state-licensed foster home or at a state-licensed child care home or facility; or
 - d. At the time the student is voluntarily admitted to a state-operated institution or to a state-licensed child care home or facility.
2. The student's school district of residence is obligated to pay:
 - a. All charges for tuition upon claim of the admitting district; and
 - b. All charges for tutoring services upon claim of an admitting facility, provided that the tutoring services are delivered by an individual who is licensed to teach by the education standards and practices board or approved to teach by the education standards and practices board.
3.
 - a. If, after a student placement is made as provided for under subsection 1, the student's custodial parent establishes residency in another school district in this state, the school district in which the custodial parent has established residency becomes the student's school district of residence for purposes of paying tuition and tutoring charges under subsection 2.
 - b. The state shall pay the tuition and tutoring charges under subsection 2 from funds appropriated by the legislative assembly for ~~per student and transportation~~ state aid to schools:
 - (1) If, after a student placement is made as provided for under subsection 1, the student's custodial parent establishes residency outside this state; or
 - (2) If a court orders a termination of parental rights with respect to the student's parents.
4. If the student is voluntarily admitted to a state-licensed child care home or facility, or to a state-operated institution, the student's parent or, if one has been appointed, the student's legal guardian may appeal a determination under section 15.1-29-05 regarding the payment of tuition by filing a petition with the county superintendent of schools. Within fifteen days of

receiving the petition, the three-member committee established under section 15.1-29-06 shall consult with the boards of the affected school districts and with the student's parent or legal guardian and render a decision regarding responsibility for the payment of tuition charges.

5. If the student's district of residence does not pay the required tuition, the admitting district or facility shall notify the superintendent of public instruction. Upon verification that tuition payments are due and unpaid, the superintendent shall withhold an amount equal to the unpaid tuition from ~~per student payments and transportation~~ state aid otherwise payable to the student's school district of residence until the tuition due has been fully paid.
6. An amount equal to the state average per student elementary or high school cost, depending on the student's grade of enrollment, is payable to the admitting district or facility as part of the cost of educating the student for the school year. The payment may not exceed the actual per student cost incurred by the admitting district or facility. The remainder of the actual cost of educating the student not covered by other payments or credits must be paid by the state, within the limits of legislative appropriations, from funds appropriated for special education in the case of a student with disabilities or from ~~funds appropriated for per student~~ state aid payments and transportation aid to schools in all other cases.
7. If a student with disabilities placed in accordance with this section reaches age eighteen and continues to receive special education and related services, the student's school district of residence is deemed to be the same as that of the student's custodial parent until the special education services are concluded. If the student's custodial parent establishes residency outside this state, or if a court orders a termination of parental rights with respect to the student's parents, the state shall pay the tuition and tutoring charges under subsection 2 from funds appropriated by the legislative assembly for ~~per student and transportation~~ state aid to schools.
8.
 - a. The placing agency shall provide written notice regarding an initial placement and all subsequent placements of a student, by registered mail, to the superintendent of the student's school district of residence and to the superintendent of the admitting district:
 - (1) Within five working days after a placement is made under court order;
 - (2) Within five working days after an emergency placement is made; or
 - (3) At least ten working days prior to any other placement.
 - b. The written notice must include any information requested by the superintendent of public instruction for purposes of determining payment responsibility.
 - c. The placing agency shall afford the student's school district of residence reasonable opportunity to participate in permanency planning for the student.
9. Notwithstanding this section, educational services provided to a student by the youth correctional center are not subject to the payment of tuition by either the student's school district of residence or the superintendent of public instruction.
10. For purposes of this section, "custodial parent" means the parent who has been awarded sole legal and physical custody of the student in a legal proceeding or, if there is currently no operative custody order, the parent with whom the student resides. If the student resides with both parents, then both are custodial parents.

SECTION 22. AMENDMENT. Subsection 1 of section 15.1-30-01 of the North Dakota Century Code is amended and reenacted as follows:

1. The board of a school district may:

- a. Provide for the transportation of a student to and from school; or
- b. If acceptable to the student's parent, reimburse the parent for expenses incurred in providing meals and lodging to the student outside the student's home; ~~provided that the reimbursement may not exceed the amount permitted under subsection 4 of section 15.1-27-27.~~

SECTION 23. AMENDMENT. Section 15.1-30-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-30-05. Schoolbus transportation services - Optional fee. The board of a school district that has not been reorganized may charge a fee for the provision of schoolbus transportation service to students. ~~If the service began before July 1, 1981, the total fees charged may not exceed an amount equal to the difference between the state transportation payment and the lesser of the state average cost for transportation or the district's cost during the preceding school year. If the service started on or after July 1, 1981, the total fees charged may not exceed an amount equal to the difference between the state transportation payment and the school district's cost of transportation during the preceding school year. A district that has not previously provided transportation to students shall base its fees on estimated costs during the first year transportation is provided.~~

SECTION 24. AMENDMENT. Subsection 2 of section 15.1-30-15 of the North Dakota Century Code is amended and reenacted as follows:

2. a. The board of a school district that provides transportation to its students may contract with other local, state, or federal government entities for the joint provision and integration of transportation services to the public.
- b. A contract under this section must provide for the observation of all safety requirements otherwise imposed by law on schoolbuses, on school vehicles, and on schoolbus drivers when students are being transported.
- e. ~~Transportation services to students provided pursuant to this subsection qualify for state transportation aid under chapter 15.1-27. However, no payments may be made from state funds for any costs incurred as a result of a deviation from established schoolbus routes necessitated by a contract pursuant to this subsection.~~

SECTION 25. AMENDMENT. Section 15.1-31-05 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-05. Open enrollment - Transportation. A school district of residence may provide transportation to a student participating in open enrollment. If a district of residence does not provide transportation to a student participating in open enrollment, transportation may be provided by the admitting district; ~~and the admitting district is then entitled to state payments for the transportation of that student.~~

SECTION 26. AMENDMENT. Section 15.1-31-06 of the North Dakota Century Code is amended and reenacted as follows:

15.1-31-06. Open enrollment - School boards - Standards.

1. The board of each school district shall set standards for the acceptance and denial of applications for admittance under open enrollment as provided in section 15.1-31-01. The standards may address the capacity of a program, class, grade level, or school building. The standards may not address previous academic achievement, participation in extracurricular activities, disabilities, English language proficiency, or previous disciplinary proceedings.
2. A board may also determine that applications for admittance under open enrollment, in accordance with this chapter, will not be considered.
3. a. A school district participating in an open enrollment program may not give or offer to give a student remuneration, or directly exert influence

on the student or the student's family, in order to encourage participation in the open enrollment program.

- b. For purposes of this subsection, directly exerting influence means providing information about the school district to individuals who are not residents of that district unless the information is requested.
- c. If the members of the board of a school district believe that another school district has violated this subsection, the board may file a complaint with the superintendent of public instruction. Upon receipt of a complaint alleging a violation of this subsection, the superintendent of public instruction shall hold a hearing and accept testimony and evidence regarding the complaint. If the superintendent finds that a school district has violated this subsection, the superintendent may withhold some or all of the ~~transportation~~ state aid payments to which the district would be otherwise entitled for a period of one year from the date of the finding. A decision by the superintendent under this subsection is appealable to the state board of public school education. A decision by the state board of public school education is final.

SECTION 27. AMENDMENT. Section 15.1-32-16 of the North Dakota Century Code is amended and reenacted as follows:

15.1-32-16. Transportation services - State reimbursement. If a student's individualized education program or services plan requires the provision of transportation services, the student's school district of residence shall provide the services by any reasonably prudent means, including a regularly scheduled schoolbus, public transit, commercial transportation, chartered or other contracted transportation, and transportation provided by the student's parent or other responsible party. ~~The school district is entitled to state reimbursement for the provision of transportation services to the student. If transportation is provided by a student's parent, the superintendent may reimburse the school district only for mileage costs.~~

SECTION 28. TRANSPORTATION GRANTS - DISTRIBUTION.

1. The superintendent of public instruction shall distribute from the grants - state school aid line item in Senate Bill No. 2013, as approved by the fifty-eighth legislative assembly, to each school district in the state an amount equal to the state transportation aid payments received by the school district during the 2001-03 biennium.
2. If two or more school districts reorganize into a single district on or after July 1, 2003, the superintendent of public instruction shall forward to the newly reorganized district an amount equal to the transportation payments received by each of the districts participating in the reorganization during the 2001-03 biennium.
3. If a school district that received transportation payments during the 2001-03 biennium dissolves on or after July 1, 2003, the superintendent of public instruction shall forward a percentage of the amount equal to that which the dissolved district received for transportation aid payments during the 2001-03 biennium to each school district that enrolls students who attended the dissolved school district during its final year of operation. Each school district eligible for payment under this subsection is entitled to receive that percentage of the total amount payable which is the same as the percentage that the number of district's students who attended the dissolved school district during its final year of operation bears to the total number of students who attended the dissolved school district during its final year of operation.
4. During each year of the 2003-05 biennium, the superintendent of public instruction shall distribute one-half of the payments required by this section to school districts at the same time and in the same manner as required for state aid payments under section 15.1-27-01.

SECTION 29. LEGISLATIVE COUNCIL STUDY. The legislative council shall consider studying the manner in which elementary and secondary education is funded in this state and the feasibility and desirability of instituting alternative funding methods. If the legislative council conducts this study, the legislative council shall report its

findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 30. APPROPRIATION - REORGANIZATION BONUSES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing a reorganization bonus to any school district having a reorganization effective on July 1, 2003, pursuant to section 15.1-12-11.1, for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 31. CONTINGENT PAYMENTS - ADDITIONAL PER STUDENT PAYMENTS. If the superintendent of public instruction determines that the amount appropriated for per student payments and transportation payments in the grants - state school aid line item in Senate Bill No. 2013 will exceed the total of all statutory obligations for per student and transportation payments during the biennium beginning July 1, 2003, and ending June 30, 2005, the superintendent shall distribute the remaining funds as additional per student payments on a prorated basis, according to average daily membership of each school district during the 2004-05 school year.

SECTION 32. CONTINGENT PAYMENTS - TEACHER COMPENSATION REIMBURSEMENT PAYMENTS - ADDITIONAL PER STUDENT PAYMENTS. If the superintendent of public instruction determines that the amount appropriated for teacher compensation payments in the grants - teacher compensation payments line item in Senate Bill No. 2013 will exceed the total of all statutory obligations for teacher compensation reimbursement payments during the biennium beginning July 1, 2003, and ending June 30, 2005, the superintendent shall distribute the remaining funds as additional per student payments on a prorated basis, according to the average daily membership of each school district during the 2004-05 school year.

SECTION 33. STATE AID PAYMENTS - INCREASE - TEACHER COMPENSATION. Notwithstanding the provisions of any other law, if a school district receives more in state aid for per student payments and transportation payments during the 2003-05 biennium than the district received for per student payments and transportation payments during the 2001-03 biennium, the district must dedicate an amount equal to at least seventy percent of the increase for the exclusive purpose of teacher compensation increases.

SECTION 34. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the superintendent of public instruction for the purpose of providing supplemental payments to school districts under section 15.1-27-11, for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 35. REPEAL. Sections 15.1-27-26, 15.1-27-27, 15.1-27-28, 15.1-27-29, 15.1-27-30, and 15.1-27-31 of the North Dakota Century Code are repealed.

SECTION 36. EFFECTIVE DATE. Section 3 of this Act is effective for taxable years beginning after December 31, 2003."

Renumber accordingly

SIXTH ORDER OF BUSINESS

SB 2154, as reengrossed: REP. R. KELSCH (Education Committee) MOVED that the amendments be adopted.

REQUEST

REP. BERG REQUESTED that the question of the adoption of the amendments to Reengrossed SB 2154 be divided to have the sections voted on separately in the following manner, which request was granted.

DIVISION A: Section 33

DIVISION B: The remainder of the amendments

The question being the adoption of Division A of the proposed amendments to Reengrossed SB 2154, the motion failed on a verification vote.

REQUEST

REP. BOUCHER REQUESTED a recorded roll call vote on Division B of the proposed amendments to Reengrossed SB 2154, which request was granted.

ROLL CALL

The question being the adoption of Division B of the proposed amendments to Reengrossed SB 2154, the roll was called and there were 61 YEAS, 28 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Belter; Berg; Bernstein; Boehning; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delzer; Devlin; Dosch; Froseth; Galvin; Glassheim; Grande; Grosz; Headland; Herbel; Iverson; Johnson, D.; Keiser; Kelsch, R.; Kingsbury; Klein, F.; Klein, M.; Klemmin; Koppelman; Kreidt; Kretschmar; Maragos; Martinson; Meier; Monson; Nelson; Nicholas; Norland; Nottestad; Pietsch; Pollert; Porter; Price; Rennerfeldt; Ruby; Severson; Sitte; Skarphol; Svedjan; Thoreson; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Winrich; Wrangham; Speaker Wentz

NAYS: Aarsvold; Amerman; Boe; Boucher; Delmore; Drovdal; Eckre; Ekstrom; Gulleeson; Hanson; Hawken; Hunskor; Johnson, N.; Kelsh, S.; Kempenich; Kerzman; Kroeber; Metcalf; Mueller; Niemeier; Onstad; Potter; Sandvig; Schmidt; Solberg; Thorpe; Williams; Zaiser

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Tieman

Division B of the proposed amendments to Reengrossed SB 2154 was adopted.

Reengrossed SB 2154, as amended, was rereferred to the **Appropriations Committee**.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. PRICE MOVED that the House do concur in the Senate amendments to HB 1221 as printed on HJ page 1105, which motion prevailed on a voice vote.

HB 1221, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1221: A BILL for an Act to amend and reenact sections 23-07.3-01 and 23-07.3-02, subsections 1 and 10 of section 23-07.5-01, and subsections 3, 5, and 6 of section 23-07.5-02 of the North Dakota Century Code, relating to testing for contagious diseases; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 87 YEAS, 0 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleeson; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemmin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Berg; Froelich; Haas; Kasper; Skarphol; Tieman

Engrossed HB 1221, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do concur in the Senate amendments to HB 1231 as printed on HJ page 1105, which motion prevailed on a voice vote.

HB 1231, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1231: A BILL for an Act to create and enact sections 26.1-02.1-02.1, 26.1-02.1-06, 26.1-02.1-07, 26.1-02.1-08, 26.1-02.1-09, 26.1-02.1-10, and 26.1-02.1-11 of the North Dakota Century Code, relating to insurance fraud; to amend and reenact sections 26.1-02.1-01, 26.1-02.1-04, and 26.1-02.1-05 of the North Dakota Century Code, relating to insurance fraud; to repeal sections 26.1-02.1-02 and 26.1-02.1-03 of the North Dakota Century Code, relating to insurance fraud; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 82 YEAS, 6 NAYS, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsh, S.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Maragos; Martinson; Meier; Monson; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Boe; Kerzman; Kroeber; Metcalf; Mueller; Solberg

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Kelsch, R.; Tieman

Engrossed HB 1231, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do concur in the Senate amendments to HB 1256 as printed on HJ page 1030, which motion prevailed on a voice vote.

HB 1256, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1256: A BILL for an Act to create and enact a new subsection to section 43-19.1-02, a new subsection to section 43-19.1-14, a new subsection to section 43-19.1-15, and a new section to chapter 43-19.1 of the North Dakota Century Code, relating to definitions, registration of professional engineers, qualifications of engineers in training, and continuing professional education; and to amend and reenact subsections 2 and 3 of section 43-19.1-14 of the North Dakota Century Code, relating to registration of professional engineers.

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 83 YEAS, 1 NAY, 0 EXCUSED, 10 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Brusegaard; Carlisle; Carlson; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Clark

ABSENT AND NOT VOTING: Bellew; Boucher; DeKrey; Froelich; Gulleson; Haas; Kasper; Kelsch, R.; Norland; Tieman

HB 1256 passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. M. KLEIN MOVED that the House do concur in the Senate amendments to HB 1275 as printed on HJ page 1109, which motion prevailed on a voice vote.

HB 1275, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1275: A BILL for an Act to amend and reenact section 54-01.1-03 of the North Dakota Century Code, relating to moving and related expenses as a result of projects undertaken by a state agency; to provide an expiration date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 87 YEAS, 0 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Boucher; Froelich; Haas; Kasper; Tieman; Winrich

HB 1275, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. FROSETH MOVED that the House do concur in the Senate amendments to HB 1278 as printed on HJ page 1144, which motion prevailed on a voice vote.

HB 1278, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1278: A BILL for an Act to amend and reenact section 24-07-06 of the North Dakota Century Code, relating to establishment of public road access to isolated tracts of land.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 79 YEAS, 9 NAYS, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Amerman; Belter; Bernstein; Boe; Boehning; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Kelsch, R.; Kelsh, S.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Severson; Sitte; Skarphol; Svedjan; Thoreson; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Wrangham; Zaiser; Speaker Wentz

NAYS: Aarsvold; Boucher; Keiser; Kerzman; Onstad; Schmidt; Solberg; Thorpe; Winrich

ABSENT AND NOT VOTING: Bellew; Berg; Froelich; Haas; Kasper; Tieman

Engrossed HB 1278, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. DEKREY MOVED that the House do concur in the Senate amendments to HB 1320 as printed on HJ pages 1106-1107, which motion prevailed on a voice vote.

HB 1320, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1320: A BILL for an Act to amend and reenact section 11-19.1-11 of the North Dakota Century Code, relating to the confidentiality of photographs and video recordings.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 88 YEAS, 0 NAYS, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Berg; Froelich; Haas; Kasper; Tieman

Engrossed HB 1320, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. NICHOLAS MOVED that the House do concur in the Senate amendments to HB 1321 as printed on HJ page 986, which motion prevailed on a voice vote.

HB 1321, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1321: A BILL for an Act to create and enact a new section to chapter 6-09.7 of the North Dakota Century Code, relating to Bank of North Dakota agricultural real estate loan guarantees; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 85 YEAS, 0 NAYS, 0 EXCUSED, 9 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Belter; Bernstein; Boe; Boehning; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleson; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Amerman; Bellew; Berg; Boucher; Froelich; Haas; Kasper; Tieman; Winrich

Engrossed HB 1321, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. DEKREY MOVED that the House do concur in the Senate amendments to HB 1351 as printed on HJ page 1078, which motion prevailed on a voice vote.

HB 1351, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1351: A BILL for an Act to create and enact section 19-03.1-22.2 of the North Dakota Century Code, relating to exposure of children or vulnerable adults to controlled substances; to provide a penalty; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 89 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleon; Hanson; Hawken; Headland; Herbel; Hunsakor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Tieman

Engrossed HB 1351, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. DEKREY MOVED that the House do concur in the Senate amendments to HB 1388 as printed on HJ page 969, which motion prevailed on a voice vote.

HB 1388, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1388: A BILL for an Act to create and enact chapter 51-27 of the North Dakota Century Code, relating to commercial electronic mail solicitation; to provide a penalty; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 83 YEAS, 6 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Carlisle; Carlson; Clark; DeKrey; Delmore; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Gulleon; Hanson; Hawken; Headland; Herbel; Hunsakor; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Solberg; Svedjan; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Brusegaard; Delzer; Grosz; Iverson; Skarphol; Thoreson

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Tieman

Engrossed HB 1388, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. WEISZ MOVED that the House do concur in the Senate amendments to HB 1394 as printed on HJ page 1079, which motion prevailed on a voice vote.

HB 1394, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1394: A BILL for an Act to create and enact a new subsection to section 39-06.1-05 and a new paragraph to subdivision b of subsection 3 of section 39-06.1-10 of the North Dakota Century Code, relating to offenses exempted from administrative proceedings and demerit points; to amend and reenact sections 39-06.1-09 and 39-10-26 of the North Dakota Century Code, relating to yielding to an emergency vehicle; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 89 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleason; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Tieman

Engrossed HB 1394, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. DEKREY MOVED that the House do concur in the Senate amendments to HB 1415 as printed on HJ pages 1107-1108, which motion prevailed on a voice vote.

HB 1415, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1415: A BILL for an Act to amend and reenact section 26.1-26.6-09 of the North Dakota Century Code, relating to the return of a forfeiture to a bondsman.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 87 YEAS, 1 NAY, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleason; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser; Speaker Wentz

NAYS: Price

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Hanson; Kasper; Tieman

HB 1415, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. M. KLEIN MOVED that the House do concur in the Senate amendments to HB 1416 as printed on HJ pages 1054-1055, which motion prevailed on a voice vote.

HB 1416, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1416: A BILL for an Act to amend and reenact section 55-08-05 of the North Dakota Century Code, relating to alcoholic beverage sales on state parks and recreation department property.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 65 YEAS, 23 NAYS, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Berg; Bernstein; Boe; Boehning; Boucher; Carlisle; Clark; Delmore; Devlin; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grosz; Gulleston; Hanson; Hawken; Headland; Herbel; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kingsbury; Klein, F.; Klein, M.; Klemin; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Metcalf; Mueller; Nelson; Nicholas; Norland; Nottestad; Onstad; Pietsch; Porter; Potter; Price; Rennerfeldt; Schmidt; Solberg; Svedjan; Thoreson; Thorpe; Wald; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Williams; Winrich; Wrangham; Zaiser

NAYS: Belter; Brusegaard; Carlson; DeKrey; Delzer; Dosch; Grande; Hunskor; Iverson; Kerzman; Koppelman; Monson; Niemeier; Pollert; Ruby; Sandvig; Severson; Sitte; Skarphol; Timm; Uglem; Warner; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Meier; Tieman

Engrossed HB 1416, as amended, passed and the title was agreed to.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. KEISER MOVED that the House do concur in the Senate amendments to HB 1426 as printed on HJ pages 983-984, which motion prevailed on a voice vote.

HB 1426, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1426: A BILL for an Act to provide for the creation of commerce authorities; to create and enact a new subsection to section 57-15-06.7, a new subsection to section 57-15-10, a new subsection to section 57-15-20.2, a new section to chapter 57-15, a new subdivision to subsection 2 of section 57-38-30.3, and a new subsection to section 57-39.2-04 of the North Dakota Century Code, relating to tax levies for commerce authorities and exemption from income, sales, and use taxes; to provide an effective date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 87 YEAS, 0 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brusegaard; Carlisle; Carlson; Clark; DeKrey; Delmore; Delzer; Devlin; Dosch; Drovdal; Eckre; Ekstrom; Froseth; Galvin; Glassheim; Grande; Grosz; Gulleston; Hanson; Hawken; Headland; Herbel; Hunskor; Iverson; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klein, F.; Klein, M.; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Metcalf; Monson; Mueller; Nelson; Nicholas; Niemeier; Norland; Nottestad; Onstad; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Severson; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Wald; Warner; Warnke; Weiler; Weisz; Wieland; Wikenheiser; Winrich; Wrangham; Zaiser; Speaker Wentz

ABSENT AND NOT VOTING: Bellew; Froelich; Haas; Kasper; Meier; Tieman; Williams

Engrossed HB 1426, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

FIRST READING OF SENATE CONCURRENT RESOLUTIONS

SCR 4038: A concurrent resolution congratulating Bucky Maughan on election to the National Wrestling Hall of Fame.

Was read the first time and referred to the **Agriculture Committee**.

SCR 4039: A concurrent resolution honoring former Senator Evan Lips for his countless contributions and unselfish dedication to a better North Dakota and nation and congratulating him on the naming of an auditorium at the University of North Dakota School of Medicine and Health Sciences in his honor.

Was read the first time and referred to the **Appropriations Committee**.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1190 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1190: Reps. Severson; Tieman; Thorpe

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HB 1504, HCR 3078.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently failed to pass: SB 2103.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently passed: SB 2311.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1058, HB 1138, HB 1204, HB 1207, HB 1221, HB 1231, HB 1256, and HB 1275.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1278, HB 1320, HB 1321, HB 1351, HB 1388, HB 1394, HB 1415, and HB 1416.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1426.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed: SCR 4018.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1066, HB 1087, HB 1271, HB 1325, HB 1358, HB 1399, HB 1478, HCR 3004, HCR 3011, HCR 3034, HCR 3059.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 3, 2003: HB 1024, HB 1060, HB 1161, HB 1213, HB 1246, HB 1251, HB 1260, HB 1296, HB 1301, HB 1330, HB 1350, HB 1352, HB 1353, HB 1360, HB 1371, HB 1404, HB 1420, HB 1424.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following resolutions were delivered to the Secretary of State for filing on April 3, 2003: HCR 3008, HCR 3023, HCR 3055, HCR 3056, HCR 3063, HCR 3076.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

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

HB 1486: Sens. Klein; Urlacher; Nichols

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2135, SB 2255, SB 2358, and SB 2363 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2135: Sens. G. Lee; Flakoll; Taylor

SB 2255: Sens. Traynor; Trenbeath; Bercier

SB 2358: Sens. Trenbeath; Nething; Taylor

SB 2363: Sens. Lyson; Traynor; Heitkamp

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has passed and your favorable consideration is requested on: SCR 4038.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has failed to pass: HB 1361.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1212, HB 1295, HB 1363, HB 1451.

SENATE AMENDMENTS TO HOUSE BILL NO. 1212

Page 1, line 3, after "subdivisions" insert "; to provide for a legislative council study"

Page 2, remove lines 13 through 16

Page 2, line 17, replace "4." with "3."

Page 2, line 28, replace "5." with "4."

Page 3, after line 2, insert:

- "5. This section does not apply to any agency that is an occupational or professional licensing authority, nor does this section apply to the following agencies:
 - a. Council on the arts.
 - b. Beef commission.
 - c. Dairy promotion commission.
 - d. Dry bean council.
 - e. Highway patrolmen's retirement board.
 - f. Indian affairs commission.
 - g. Board for Indian scholarships.
 - h. State personnel board.
 - i. Potato council.
 - j. Board of public school education.
 - k. Real estate trust account committee.
 - l. Seed commission.
 - m. Soil conservation committee.
 - n. Oilseed council.
 - o. Wheat commission.
 - p. State seed arbitration board.
6. This section does not apply to rules mandated by federal law.
7. The adopting agency shall provide the administrative rules committee copies of any regulatory analysis or economic impact statement, or both, prepared under this section when the committee is considering the associated rules.

SECTION 2. LEGISLATIVE COUNCIL STUDY. The legislative council shall consider studying, during the 2003-04 interim, the effects and operation of requiring agency consideration of the effect of proposed administrative rules on small businesses, organizations, and political subdivisions. The legislative council shall report

its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1295

Page 1, replace lines 23 and 24 with:

- "a. Total number of contract days employed during fiscal year.
- b. Normal year contract base salary:
 - (1) 401(a);
 - (2) 401(k);
 - (3) 403(b);
 - (4) 414(h); and
 - (5) 457.
- c. Extended year contract base salary:
 - (1) 401(a);
 - (2) 401(k);
 - (3) 403(b);
 - (4) 414(h); and
 - (5) 457.
- d. Extracurricular activities:
 - (1) Advisor;
 - (2) Athletics; and
 - (3) Music.
- e. In-staff subbing and workload adjustment.
- f. In-service:
 - (1) Workshops; and
 - (2) Conference, not expense reimbursement.
- g. Signing and retention bonus.
- h. Other bonus, grant, stipends, and consortium work.
- i. Miscellaneous compensation:
 - (1) Chaperone; and
 - (2) After school programs.
- j. Other category A salary, not listed above.
- k. Perfect attendance and unused sick, personal, and vacation days.
- l. In lieu pay:
 - (1) Housing allowance;
 - (2) Transportation expenses; and

- (3) All other in lieu payments.
- m. Contract buyout:
 - (1) Reduction in force;
 - (2) Severance; and
 - (3) Early retirement pay.
- n. Salary in lieu of previous employer-provided fringe benefits.
- o. Training, technical, and professional development reimbursement.
- p. Tuition reimbursement or loan forgiveness payment.
- q. Referee, bus driver, and janitorial payments.
- r. Other category B salary, not listed above.
- s. Federal Insurance Contributions Act tax, social security, and medicare.
- t. Insurance:
 - (1) Unemployment;
 - (2) Workers compensation;
 - (3) Disability;
 - (4) Life;
 - (5) Health;
 - (6) Vision;
 - (7) Dental;
 - (8) Cancer;
 - (9) Long-term care; and
 - (10) Other insurance not listed above.
- u. Dues or membership fees paid by employer:
 - (1) Direct payment; and
 - (2) Reimbursement.
- v. Teacher fund for retirement contribution paid by employer.
- w. Other benefits not listed above."

Page 2, remove lines 1 through 18

Page 2, line 19, replace "3." with "2." and overstrike the colon

Page 2, line 20, overstrike "a. Compile the information required by", remove "this section", and overstrike "in a manner"

Page 2, line 21, overstrike "that allows for accurate comparisons"

Page 2, line 25, remove ";and"

Page 2, line 26, overstrike "b. Forward" and insert immediately thereafter "forward"

Page 2, line 28, remove the overstrike over "3." and remove "4."

Page 2, line 30, replace "5." with "4."

Page 3, line 3, replace "6." with "5."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1363

Page 1, line 6, after the second boldfaced period insert:

"1."

Page 1, line 9, remove ", in whole or in part."

Page 1, line 11, overstrike "seven" and insert immediately thereafter "six"

Page 1, after line 22, insert:

- "2. Notwithstanding that the commission may suspend a filing and order a hearing, a public utility may file for interim rate relief as part of its general rate increase application and filing. If interim rates are requested, the commission shall order that the interim rate schedule take effect no later than sixty days after the initial filing date and without a public hearing. The interim rate schedule must be calculated using the proposed test year cost of capital, rate base, and expenses, except that the schedule must include:
- a. A rate of return on common equity for the public utility equal to that authorized by the commission in the public utility's most recent rate proceeding;
 - b. Rate base or expense items the same in nature and kind as those allowed by a currently effective commission order in the public utility's most recent rate proceeding; and
 - c. No change in existing rate design.
3. In ordering an interim rate schedule, the commission may require a bond to secure any projected refund required by subsection 4. The terms of the bond, including the amount and surety, are subject to the commission's approval.
4. As ordered by the commission, the utility shall promptly refund to persons entitled thereto all interim rate amounts collected by the public utility in excess of the final rates approved by the commission plus reasonable interest at a rate to be determined by the commission."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1451

Page 1, remove lines 9 through 12

Renumber accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The President has appointed Sen. Fairfield to replace Sen. Erbele on the Conference Committee on HB 1469.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2099.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2033, SB 2150, SB 2248, SB 2249, and SB 2403 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2033: Sens. Krebsbach; Brown; Nelson

SB 2150: Sens. Espegard; Mutch; Bercier

SB 2248: Sens. Brown; Dever; Fairfield

SB 2249: Sens. Wardner; Krebsbach; Nelson

SB 2403: Sens. Wardner; Dever; Fairfield

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has concurred in the House amendments and subsequently passed: SB 2222, SB 2259, SB 2302, SB 2319, SB 2320, SB 2323, and SB 2330.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2036, SB 2044, SB 2060, SB 2061, SB 2072, SB 2085, SB 2095, SB 2096, SB 2111, SB 2173, SB 2192, SB 2193, SB 2210, SB 2215, SB 2217, SB 2223, SB 2240, SB 2299, SB 2331, SB 2368, SB 2404.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The President has signed: HB 1024, HB 1060, HB 1161, HB 1213, HB 1246, HB 1251, HB 1260, HB 1296, HB 1301, HB 1330, HB 1350, HB 1352, HB 1353, HB 1360, HB 1371, HB 1404, HB 1420, HB 1424, HCR 3008, HCR 3023, HCR 3055, HCR 3056, HCR 3063, HCR 3076.

REPORT OF CONFERENCE COMMITTEE

HB 1088, as reengrossed: Your conference committee (Sens. Traynor, Trenbeath, Nelson and Reps. Kretschmar, Maragos, Eckre) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1101-1104, adopt further amendments as follows, and place HB 1088 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1101-1104 of the House Journal and pages 811-813 of the Senate Journal and that Reengrossed House Bill No. 1088 be amended as follows:

Page 1, line 4, replace "section 27-05.2-03" with "sections 12-48-15, 12-48.1-03, 29-26-22, 39-08-20, and 51-04-03.1" and replace "fees charged by the clerk of" with "court administration fees"

Page 1, line 5, remove "the district court"

Page 1, replace lines 7 through 24 with:

"SECTION 1. AMENDMENT. Section 12-48-15 of the North Dakota Century Code is amended and reenacted as follows:

12-48-15. Disposition of moneys earned - Warden to keep account of money earned by inmates - Investment in interest-bearing accounts.

1. The warden of the penitentiary shall keep an account for each inmate. Not more than fifty percent of an inmate's penitentiary earnings, as provided by penitentiary rules, must be withheld from an inmate and deposited in a separate account for the inmate and may not be made available to the inmate until the inmate's release from the penitentiary, except as authorized by the warden. The remainder of an inmate's earnings must be made available to the inmate on a regular basis.
2. Inmates may, in writing, authorize the warden or designee to deposit any of their accumulated earnings from the prison industries, hobby, work release, or any other prison program in an interest-earning account in the Bank of North Dakota for the benefit of the inmate. The account must be a two-signature account requiring the inmate's signature and that of an authorized designated officer or employee of the state penitentiary for withdrawal.
3. The warden may directly deposit an inmate's funds from sources outside of the penitentiary in any bank or account the inmate may designate. If a court order does not allow an inmate to designate a bank or account other than a Bank of North Dakota account or if it is necessary for the benefit and protection of the inmate, the warden, upon written explanation to the inmate, shall deposit an inmate's funds from sources outside the penitentiary into a Bank of North Dakota account. The department of corrections and rehabilitation and its divisions, departments, officers, and employees may not be held responsible or liable for any inmate income or funds deposited into a bank or account designated by an inmate.
4. The warden is responsible for guiding inmates in making proper use of their funds to pay their obligations, including the payment of court costs ~~any administration fee~~, court-appointed counsel fees, court-ordered restitution,

support for dependent relatives, or to provide for their own medical, surgical, eye care, or dental treatment or services not generally provided by the state. The warden may withdraw funds from an inmate's penitentiary account or Bank of North Dakota two-signature account, without the inmate's signature, to meet the inmate's legitimate financial obligations. Before the funds may be withdrawn, the inmate must first receive written notice and be provided a penitentiary administrative hearing with the right to penitentiary staff assistance and the right to appeal to the director of the department of corrections and rehabilitation. An inmate is not entitled to prior written notice, administrative hearing, or right to an appeal to the department of corrections and rehabilitation when funds are to be withdrawn for payment of a court-ordered obligation, including child support, provided the inmate has had notice and an opportunity to be heard in the court proceedings.

5. The warden may pay an inmate all funds in the inmate's account, less the inmate's outstanding obligations to the penitentiary, when the inmate is transferred to a county jail or regional correctional center or placed in community corrections confinement. The warden shall pay an inmate all funds in the inmate's account less the inmate's outstanding obligations to the penitentiary when the inmate is transferred to a correctional facility outside of this state, released on parole, or discharged from the penitentiary.

SECTION 2. AMENDMENT. Section 12-48.1-03 of the North Dakota Century Code is amended and reenacted as follows:

12-48.1-03. Use of funds earned on work release. The plan for the inmate shall provide that any funds earned in outside employment will be used in the following order: for necessary expenses of the inmate, including room and board costs of the institution; ~~court costs or any administration fee and fine~~; restitution if a part of the sentence; necessary support of dependents; and credited to inmate's personal account to be paid the inmate on release."

Page 2, remove lines 1 through 19

Page 2, line 24, after "fund" insert "certain" and remove "paragraph 2 of"

Page 2, line 25, remove "subdivision a of subsection 1 of" and replace "27-05.2-03" with "29-26-22"

Page 4, after line 7, insert:

"SECTION 6. AMENDMENT. Section 29-26-22 of the North Dakota Century Code is amended and reenacted as follows:

29-26-22. Judgment for fines, ~~costs~~, and court administration fee - ~~Statement to be filed by court~~ Special fund - Docketing and enforcement. In all criminal cases ~~except~~ infractions, upon a plea or finding of guilt, ~~at the court shall impose a court administration fee in lieu of the assessment of court costs. The court administration fee must include a fee of up to thirty percent of the maximum allowable fine for the offense may be taxed against the defendant in lieu of the assessment of court costs~~ one hundred twenty-five dollars for a class B misdemeanor, two hundred dollars for a class A misdemeanor, four hundred dollars for a class C felony, six hundred fifty dollars for a class B felony, and nine hundred dollars for a class A or AA felony. ~~If the court does assess costs as part of its sentence, the court shall include in the judgment the facts justifying the amount assessed.~~ In addition, in all criminal cases ~~except~~ infractions, the court administration fee must include one hundred dollars. ~~Of the additional one hundred dollar court administration fee, the first seven hundred fifty thousand dollars collected per biennium must be deposited in the indigent defense administration fund, which must be used to contract for indigent defense services in this state, and the next four hundred sixty thousand dollars collected per biennium must be deposited in the court facilities improvement and maintenance fund. After the minimum thresholds have been collected, one-half of the additional court administration fee must be deposited in each fund. A court may waive the administration fee upon a showing of indigency as provided in section 25-03.1-13. District court~~ ~~costs~~, administration fees, exclusive of amounts deposited in the indigent defense administration fund and the court facilities and improvement fund, and forfeitures must be deposited in the state general fund. A judgment that the defendant pay a fine, ~~costs~~, or court administration fee, or ~~any combination thereof both~~, may be docketed; and ~~thereafter if docketed~~

constitutes a lien upon the real estate of the defendant in like manner as a judgment for money rendered in a civil action. The court may allow the defendant to pay any assessed ~~costs or administrative~~ administration fee in installments. When a defendant is assessed ~~costs or administrative~~ administration fees, the court may not impose at the same time an alternative sentence to be served if the ~~costs~~ fees are not paid.

SECTION 7. AMENDMENT. Section 39-08-20 of the North Dakota Century Code is amended and reenacted as follows:

39-08-20. Driving without liability insurance prohibited - Penalty.

1. A person may not drive, or the owner may not cause or knowingly permit to be driven, a motor vehicle in this state without a valid policy of liability insurance in effect in order to respond in damages for liability arising out of the ownership, maintenance, or use of that motor vehicle in the amount required by chapter 39-16.1. Upon being stopped by a law enforcement officer for the purpose of enforcing or investigating the possible violation of an ordinance or state law or during the investigation of an accident, the person driving the motor vehicle shall provide to the officer upon request satisfactory evidence of the policy required under this section. If unable to comply with the request, that person may be charged with a violation of this section if that person fails to submit satisfactory evidence of the policy to the officer or the officer's agency within twenty days of the date of the request. If that person produces a valid policy of liability insurance in effect at the time of violation of this section to the officer, officer's agency, or a court, that person may not be convicted or assessed any ~~court costs~~ administration fee for violation of this section. If the driver is not an owner of the motor vehicle, the driver does not violate this section if the driver provides the court with evidence identifying the owner of the motor vehicle and describing circumstances under which the owner caused or permitted the driver to drive the motor vehicle. Violation of this section is a class B misdemeanor and the sentence imposed must include a fine of at least one hundred fifty dollars which may not be suspended. A person convicted for a second or subsequent violation of driving without liability insurance within an eighteen-month period must be fined at least three hundred dollars which may not be suspended.
2. Upon conviction for a violation of this section or equivalent ordinance, the person who has been convicted shall provide proof of motor vehicle liability insurance to the department in the form of a written or electronically transmitted certificate from an insurance carrier authorized to do business in this state. This proof must be provided for a period of three years and kept on file with the department. If the person fails to provide this information, the department shall suspend that person's driving privileges and may not issue or renew that person's operator's license unless that person provides proof of insurance.
3. A person who has been convicted for violation of this section or equivalent ordinance shall surrender that person's operator's license and purchase a duplicate operator's license with a notation requiring that person to keep proof of liability insurance on file with the department. The fee for this license is fifty dollars and the fee to remove this notation is fifty dollars.
4. When an insurance carrier has certified a motor vehicle liability policy, the insurance carrier shall notify the director no later than ten days after cancellation or termination of the certified insurance policy by filing a notice of cancellation or termination of the certified insurance policy; except that a policy subsequently procured and certified shall, on the effective date of its certification, terminate the insurance previously certified with respect to any motor vehicle designated in both certificates.

SECTION 8. AMENDMENT. Section 51-04-03.1 of the North Dakota Century Code is amended and reenacted as follows:

51-04-03.1. License to be carried by licensee and exhibited on demand.

Every transient merchant licensed under this chapter shall have the license in immediate possession at all times when engaging in or transacting any business regulated by this chapter. The licensee shall display the license when requested to do so by any court, law enforcement official, peace officer, or consumer. However, a person charged with violating this requirement may not be convicted, fined, or assessed

~~court costs~~ the administration fee if the license is produced in court or to the arresting officer and if the license was valid at the time of the arrest."

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

HCR 3037: Your conference committee (Sens. Brown, Erbele, Polovitz and Reps. Grande, Kingsbury, Onstad) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1079-1080, adopt further amendments as follows, and place HCR 3037 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1079 and 1080 of the House Journal and pages 941 and 942 of the Senate Journal and that House Concurrent Resolution No. 3037 be amended as follows:

Page 1, line 1, after "resolution" replace the remainder of the resolution with "directing the Legislative Council to study the needs of individuals with mental illness, drug and alcohol addictions, and physical or developmental disabilities, including individuals with multiple needs, and how the state responds to those needs; the long-term plans for the State Hospital, the Developmental Center at Westwood Park, Grafton, state and county correctional facilities, and other state facilities and the relationships among those facilities; the impact and availability of community services; the state's criminal justice process from arrest to release; alternatives to incarceration; and the effectiveness of incarceration and treatment.

WHEREAS, changes in clinical practices and service delivery systems have created a need for new and different responses in caring for individuals with mental illness and drug and alcohol addictions; and

WHEREAS, community-based mental health treatment, service, and support options have been developed to support an individual's recovery in or near the individual's family and community; and

WHEREAS, a 2002 study of the operations and facilities of the Department of Corrections and Rehabilitation projected that the number of inmates in the state's prison system will continue to grow by approximately three percent annually; and

WHEREAS, the 2002 study indicated that the Department of Corrections and Rehabilitation will need additional bed space to avoid a critical prison capacity shortfall, especially for the female offenders; and

WHEREAS, consideration has been given to whether colocation of patients and prisoners is appropriate; and

WHEREAS, treatment and other programs that provide alternatives to incarceration may reduce the number of inmates and reduce recidivism;

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

That the Legislative Council study the needs of individuals with mental illness, drug and alcohol addictions, and physical or developmental disabilities, including individuals with multiple needs, and how the state responds to those needs; the long-term plans for the State Hospital, the Developmental Center at Westwood Park, Grafton, state and county correctional facilities, and other state facilities and the relationships among those facilities; the impact and availability of community services; the state's criminal justice process from arrest to release; alternatives to incarceration; and the effectiveness of incarceration and treatment; and

BE IT FURTHER RESOLVED, that in conducting the study, the Legislative Council solicit testimony from interested parties, including individuals receiving services, the individuals' families, administrators and staff at state and community facilities, the Department of Human Services, the Department of Corrections and Rehabilitation, advocacy groups, and the governing boards of state facilities providing services to those individuals; and

BE IT FURTHER RESOLVED, that in conducting the study, the Legislative Council study the cost-effectiveness and efficiency of incarcerating large numbers of inmates in a large facility; and

BE IT FURTHER RESOLVED, that the Legislative Council may contract with an independent party to conduct the study; and

BE IT FURTHER RESOLVED, that the Legislative Council report its findings and recommendations, together with any legislation required to implement the recommendations, to the Fifty-ninth Legislative Assembly."

Renumber accordingly

HCR 3037 was placed on the Seventh order of business on the calendar.

REPORT OF STANDING COMMITTEE

SB 2001, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 7 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2001 was placed on the Sixth order on the calendar.

Page 1, line 6, after the second comma insert "and from special funds derived from federal funds and other income,"

Page 1, line 9, replace "2,011,604" with "2,009,850"

Page 1, line 10, replace "269,944" with "253,112"

Page 1, line 17, replace "3,117,848" with "3,099,262"

Page 1, line 19, replace "2,337,848" with "2,319,262"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2001 - Governor's Office - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,034,197	\$2,011,604	(\$1,754)	\$2,009,850
Operating expenses	269,944	269,944	(16,832)	253,112
Grants	760,000	760,000		760,000
Contingencies	10,000	10,000		10,000
Rough Rider Awards	10,800	10,800		10,800
Presidential electors	500	500		500
Governor's transition in	15,000	15,000		15,000
Governor's transition out	<u>40,000</u>	<u>40,000</u>		<u>40,000</u>
Total all funds	\$3,140,441	\$3,117,848	(\$18,586)	\$3,099,262
Less estimated income	<u>780,000</u>	<u>780,000</u>		<u>780,000</u>
General fund	\$2,360,441	\$2,337,848	(\$18,586)	\$2,319,262
FTE	16.30	16.30	1.70	18.00

Dept. 101 - Governor's Office - Detail of House Changes

	RESTORES POSITIONS ¹	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ²	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ³	TOTAL HOUSE CHANGES
Salaries and wages		(\$1,754)		(\$1,754)
Operating expenses			(\$16,832)	(16,832)
Grants				
Contingencies				
Rough Rider Awards				
Presidential electors				
Governor's transition in				
Governor's transition out				
Total all funds	\$0	(\$1,754)	(\$16,832)	(\$18,586)
Less estimated income				
General fund	\$0	(\$1,754)	(\$16,832)	(\$18,586)
FTE	1.70	0.00	0.00	1.70

¹ This amendment restores the 1.7 FTE positions removed in the executive budget, but not the funding for the positions.

² Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

³ This amendment reduces funding for information technology by \$16,832 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

REPORT OF STANDING COMMITTEE

SB 2002, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2002 was placed on the Sixth order on the calendar.

Page 1, line 2, after "printing" insert "; to provide an exemption; and to declare an emergency"

Page 1, line 6, after the second comma insert "and from special funds derived from federal funds and other income,"

Page 1, line 11, replace "2,156,301" with "2,153,618"

Page 1, line 12, replace "2,112,497" with "1,843,067"

Page 1, line 14, replace "5,000,000" with "9,500,000"

Page 1, line 15, replace "9,276,798" with "13,504,685"

Page 1, line 16, replace "5,399,913" with "9,899,913"

Page 1, line 17, replace "3,876,885" with "3,604,772"

Page 1, line 22, replace "4,212,885" with "3,940,772"

Page 1, line 23, replace "5,399,913" with "9,899,913"

Page 1, line 24, replace "9,612,798" with "13,840,685"

Page 1, after line 24, insert:

"SECTION 2. EXEMPTION. The appropriation contained in subdivision 1 of section 1 of chapter 2 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 for an amount of up to \$105,000, and this amount may be used as state matching funds for federal election reform funding available to the state for the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 3. EMERGENCY. The election reform line item in subdivision 1 of section 1 and section 2 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2002 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Secretary of State				
Total all funds	\$9,302,779	\$9,276,798	\$4,227,887	\$13,504,685
Less estimated income	5,399,913	5,399,913	4,500,000	9,899,913
General fund	\$3,902,866	\$3,876,885	(\$272,113)	\$3,604,772
Public Printing				
Total all funds	\$336,000	\$336,000	\$0	\$336,000
Less estimated income				
General fund	\$336,000	\$336,000	\$0	\$336,000
Bill Total				
Total all funds	\$9,638,779	\$9,612,798	\$4,227,887	\$13,840,685
Less estimated income	5,399,913	5,399,913	4,500,000	9,899,913
General fund	\$4,238,866	\$4,212,885	(\$272,113)	\$3,940,772

Senate Bill No. 2002 - Secretary of State - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,178,282	\$2,156,301	(\$2,683)	\$2,153,618
Operating expenses	2,112,497	2,112,497	(269,430)	1,843,067
Petition review	12,000	8,000		8,000
Election reform	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,500,000</u>	<u>9,500,000</u>

Total all funds	\$9,302,779	\$9,276,798	\$4,227,887	\$13,504,685
Less estimated income	<u>5,399,913</u>	<u>5,399,913</u>	<u>4,500,000</u>	<u>9,899,913</u>
General fund	\$3,902,866	\$3,876,885	(\$272,113)	\$3,604,772
FTE	26.00	26.00	1.00	27.00

Dept. 108 - Secretary of State - Detail of House Changes

	INCREASES ELECTION REFORM FUNDING ¹	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ²	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ³	TOTAL HOUSE CHANGES
Salaries and wages		(\$2,683)		(\$2,683)
Operating expenses			(\$269,430)	(269,430)
Petition review				
Election reform	<u>\$4,500,000</u>			<u>4,500,000</u>
Total all funds	\$4,500,000	(\$2,683)	(\$269,430)	\$4,227,887
Less estimated income	<u>4,500,000</u>			<u>4,500,000</u>
General fund	\$0	(\$2,683)	(\$269,430)	(\$272,113)
FTE	1.00	0.00	0.00	1.00

¹ The election reform line item is increased by \$4.5 million of federal funds for election reform activities. An additional FTE position (office assistant III) is authorized only for the period of time that federal funds are available to provide for the cost of the position.

² Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

³ This amendment reduces funding for information technology by \$269,430 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

An emergency clause section is added allowing the funding appropriated in the election reform line item to be spent prior to July 1, 2003.

A section is added allowing the Secretary of State to continue up to \$105,000 of the Secretary of State's 2001-03 biennium general fund appropriation for the purpose of providing state matching funds for federal election reform funding during the 2003-05 biennium. The Secretary of State's 2001-03 biennium unspent general fund appropriation authority is anticipated to total \$55,000 after this adjustment and excluding unspent appropriation authority relating to public printing.

REPORT OF STANDING COMMITTEE

SB 2003, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2003 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 12-63 of the North Dakota Century Code, relating to peace officer license fees;"

Page 1, line 3, replace "and" with "to provide a contingent appropriation; to provide an exemption;"

Page 1, line 4, after "expenses" insert "; and to declare an emergency"

Page 1, line 11, replace "18,246,035" with "18,461,301"

Page 1, line 12, replace "8,025,869" with "7,738,043"

Page 1, line 18, replace "34,058,823" with "33,986,263"

Page 1, line 19, replace "17,444,577" with "17,537,418"

Page 1, line 20, replace "16,614,246" with "16,448,845"

Page 1, after line 20, insert:

"SECTION 2. CONTINGENT APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$240,000, or so much of the sum as may be necessary, to the attorney general for the purpose of defraying the expenses of defending the state's school finance system for the biennium beginning July 1, 2003, and ending June 30, 2005. These funds may be spent only if the attorney general is required to defend the state in a lawsuit involving the state's school finance system during the 2003-05 biennium.

SECTION 3. EXEMPTION. The appropriation contained in section 1 of chapter 3 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 for an amount of up to \$66,000, and this amount may be used by the attorney general for defraying the expenses associated with conducting criminal background checks during the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 4. ATTORNEY GENERAL REFUND FUND - EXCEPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2003."

Page 2, after line 18, insert:

"SECTION 9. A new section to chapter 12-63 of the North Dakota Century Code is created and enacted as follows:

Peace officer training fee. In addition to any fee authorized under section 12-63-05, the board shall assess a peace officer training fee of fifty-five dollars on each application for a license, an initial license, a renewal of a license, and a late renewal of a license. All collections under this section must be transferred to the attorney general for deposit in the attorney general operating fund for the purpose of defraying the expenses of peace officer training programs."

Page 2, after line 26, insert:

"SECTION 11. EMERGENCY. Sections 3 and 4 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$18,294,636	\$18,246,035	\$215,266	\$18,461,301
Operating expenses	7,831,087	8,025,869	(287,826)	7,738,043
Capital assets	1,784,250	1,830,250		1,830,250
Grants	5,841,560	5,891,560		5,891,560
Litigation fees	50,000	50,000		50,000
Arrest and return of fugitives	10,000	10,000		10,000
Gaming Commission	5,109	5,109		5,109
Contingent appropriation			240,000	240,000
Total all funds	\$33,816,642	\$34,058,823	\$167,440	\$34,226,263
Less estimated income	17,349,237	17,444,577	92,841	17,537,418
General fund	\$16,467,405	\$16,614,246	\$74,599	\$16,688,845
FTE	171.00	171.00	5.00	176.00

Dept. 125 - Attorney General - Detail of House Changes

	ADDS FUNDING FOR RACING COMMISSION ¹	ADDS CONTINGENT APPROPRIATION ²	ADDS FUNDING FOR BACKGROUND CHECKS ³	RESTORES FUNDING FOR TRAINING POSITION ⁴	ADDS NEW POSITIONS ⁵	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ⁶
Salaries and wages			\$130,600	\$102,416		(\$17,750)
Operating expenses	\$25,000		49,400	31,584		
Capital assets						
Grants						
Litigation fees						
Arrest and return of fugitives						
Gaming Commission						
Contingent appropriation		\$240,000				
Total all funds	\$25,000	\$240,000	\$180,000	\$134,000	\$0	(\$17,750)
Less estimated income	25,000			70,015		(2,174)
General fund	\$0	\$240,000	\$180,000	\$63,985	\$0	(\$15,576)
FTE	0.00	0.00	2.00	1.00	2.00	0.00
	REDUCES FUNDING FOR					

	INFORMATION TECHNOLOGY COSTS ⁷	TOTAL HOUSE CHANGES
Salaries and wages		\$215,266
Operating expenses	(\$393,810)	(287,826)
Capital assets		
Grants		
Litigation fees		
Arrest and return of fugitives		
Gaming Commission		
Contingent appropriation		<u>240,000</u>
Total all funds	(\$393,810)	\$167,440
Less estimated income		<u>92,841</u>
General fund	(\$393,810)	\$74,599
FTE	0.00	5.00

¹ The operating expenses line item is increased by \$25,000 from Racing Commission collections for Racing Commission operating costs. The additional income is available as a result of provisions of Senate Bill No. 2028.

² A section is added providing a \$240,000 contingent general fund appropriation for defending the state's school finance system if a lawsuit is filed during the 2003-05 biennium.

³ Funding is added for two FTE identification technicians for conducting additional criminal background checks during the 2003-05 biennium.

⁴ The executive budget removed two FTE law enforcement training positions. The Senate restored one of the two positions. This amendment restores the other position. Approximately 50 percent of the funding for the position will be provided from an increase in peace officer license fees. Section 9 of the bill is added which requires the Peace Officer Standards and Training Board to collect an additional \$55 fee on each application or license and remit the funds collected to the Attorney General for deposit in the Attorney General operating fund for providing funding for peace officer training programs. The fee is estimated to generate \$70,015 for the 2003-05 biennium.

⁵ Section 4 is added allowing the Attorney General to retain the June 30, 2003, balance in the Attorney General refund fund estimated at \$394,984 rather than transferring the balance to the general fund. The Attorney General will use the funding to hire two additional FTE positions and for other costs associated with enforcing provisions of Senate Bill No. 2255 relating to telephone solicitations. The Attorney General's 2003-05 biennium appropriation is not changed because the funds in the refund fund may be spent by the Attorney General pursuant to a continuing appropriation.

⁶ Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

⁷ This amendment reduces funding for information technology by \$393,810 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

Section 3 is added allowing the Attorney General to continue up to \$66,000 of the Attorney General's 2001-03 biennium general fund appropriation for the purpose of defraying the expenses associated with conducting additional criminal background checks during the 2003-05 biennium.

An emergency clause section is added relating to Sections 3 and 4 which were added to the bill by this amendment.

REPORT OF STANDING COMMITTEE

SB 2004, as reengrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 7 NAYS, 2 ABSENT AND NOT VOTING). Reengrossed SB 2004 was placed on the Sixth order on the calendar.

Page 1, line 8, replace "5,620,686" with "5,981,437"

Page 1, line 9, replace "732,580" with "675,204"

Page 1, line 11, replace "6,403,266" with "6,706,641"

Page 1, line 12, replace "2,121,195" with "2,119,441"

Page 1, line 13, replace "4,282,071" with "4,587,200"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Auditor - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,754,797	\$5,620,686	\$360,751	\$5,981,437
Operating expenses	761,380	732,580	(57,376)	675,204
Performance audits	<u>100,000</u>	<u>50,000</u>		<u>50,000</u>
Total all funds	\$6,616,177	\$6,403,266	\$303,375	\$6,706,641

Less estimated income	<u>2,140,958</u>	<u>2,121,195</u>	<u>(1,754)</u>	<u>2,119,441</u>
General fund	\$4,475,219	\$4,282,071	\$305,129	\$4,587,200
FTE	52.00	52.00	3.00	55.00

Dept. 117 - State Auditor - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	ADDS 3 FTE AND FUNDING FOR POSITIONS DELETED IN THE EXECUTIVE BUDGET ³	RESTORES FUNDING FOR SALARIES AND WAGES ⁴	TOTAL HOUSE CHANGES
Salaries and wages	(\$5,366)		\$294,917	\$71,200	\$360,751
Operating expenses		(\$57,376)			(57,376)
Performance audits					
Total all funds	(\$5,366)	(\$57,376)	\$294,917	\$71,200	\$303,375
Less estimated income	<u>(1,754)</u>				<u>(1,754)</u>
General fund	(\$3,612)	(\$57,376)	\$294,917	\$71,200	\$305,129
FTE	0.00	0.00	3.00	0.00	3.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment reduces funding for information technology by \$57,376 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

³ This amendment restores the three FTE positions and funding for the positions that were deleted in the executive budget recommendation.

⁴ This amendment restores funding of \$71,200 for a position that the Senate removed.

REPORT OF STANDING COMMITTEE

SB 2005, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2005 was placed on the Sixth order on the calendar.

Page 1, line 8, replace "594,449" with "593,830"

Page 1, line 9, replace "123,656" with "116,247"

Page 1, line 11, replace "2,628,105" with "2,620,077"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2005 - State Treasurer - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$600,929	\$594,449	(\$619)	\$593,830
Operating expenses	101,156	123,656	(7,409)	116,247
In lieu of tax payments	1,910,000	1,910,000		1,910,000
Total all funds	\$2,612,085	\$2,628,105	(\$8,028)	\$2,620,077
Less estimated income				
General fund	\$2,612,085	\$2,628,105	(\$8,028)	\$2,620,077
FTE	6.00	6.00	0.00	6.00

Dept. 120 - State Treasurer - Detail of House Changes

	RESTORES FUNDING FOR PROFESSIONAL DEVELOPMENT ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ³	TOTAL HOUSE CHANGES
Salaries and wages			(\$619)	(\$619)
Operating expenses	\$1,000	(\$8,409)		(7,409)
In lieu of tax payments				
Total all funds	\$1,000	(\$8,409)	(\$619)	(\$8,028)

Less estimated income				
General fund	\$1,000	(\$8,409)	(\$619)	(\$8,028)
FTE	0.00	0.00	0.00	0.00

¹ This amendment restores funding removed by the Senate for professional development.

² This amendment reduces funding for information technology by \$8,409 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

³ Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

REPORT OF STANDING COMMITTEE

SB 2006, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING). Engrossed SB 2006 was placed on the Sixth order on the calendar.

Page 1, line 12, replace "12,820,250" with "12,806,112"

Page 1, line 13, replace "4,465,113" with "3,933,588"

Page 1, line 16, replace "21,310,363" with "20,764,700"

Page 1, line 18, replace "21,195,319" with "20,649,656"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2006 - State Tax Commissioner - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,073,578	\$12,820,250	(\$14,138)	\$12,806,112
Operating expenses	4,595,113	4,465,113	(531,525)	3,933,588
Capital assets	75,000	25,000		25,000
Homestead tax credit	<u>4,000,000</u>	<u>4,000,000</u>		<u>4,000,000</u>
Total all funds	\$21,743,691	\$21,310,363	(\$545,663)	\$20,764,700
Less estimated income	<u>115,044</u>	<u>115,044</u>		<u>115,044</u>
General fund	\$21,628,647	\$21,195,319	(\$545,663)	\$20,649,656
FTE	137.00	137.00	0.00	137.00

Dept. 127 - State Tax Commissioner - Detail of House Changes

	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ¹	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ²	TOTAL HOUSE CHANGES
Salaries and wages		(\$14,138)	(\$14,138)
Operating expenses	(\$531,525)		(531,525)
Capital assets			
Homestead tax credit			
Total all funds	(\$531,525)	(\$14,138)	(\$545,663)
Less estimated income			
General fund	(\$531,525)	(\$14,138)	(\$545,663)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for information technology by \$531,525 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

² Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

REPORT OF STANDING COMMITTEE

SB 2007, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2007 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "945,564" with "944,532"

Page 1, line 10, replace "159,213" with "158,313"

Page 1, line 11, replace "1,104,777" with "1,102,845"

Page 1, line 12, replace "229,948" with "229,698"

Page 1, line 13, replace "874,829" with "873,147"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2007 - Labor Commissioner - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$955,888	\$945,564	(\$1,032)	\$944,532
Operating expenses	<u>160,713</u>	<u>159,213</u>	<u>(900)</u>	<u>158,313</u>
Total all funds	\$1,116,601	\$1,104,777	(\$1,932)	\$1,102,845
Less estimated income	<u>232,460</u>	<u>229,948</u>	<u>(250)</u>	<u>229,698</u>
General fund	\$884,141	\$874,829	(\$1,682)	\$873,147
FTE	10.00	10.00	0.00	10.00

Dept. 406 - Labor Commissioner - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	RESTORES FUNDING FOR OPERATING EXPENSES ²	INCREASES FUNDING FOR OPERATING EXPENSES ³	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ⁴	TOTAL HOUSE CHANGES
Salaries and wages	(\$1,032)				(\$1,032)
Operating expenses		<u>\$1,500</u>	<u>\$4,000</u>	<u>(\$6,400)</u>	<u>(900)</u>
Total all funds	(\$1,032)	\$1,500	\$4,000	(\$6,400)	(\$1,932)
Less estimated income	<u>(250)</u>				<u>(250)</u>
General fund	(\$782)	\$1,500	\$4,000	(\$6,400)	(\$1,682)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment restores funding of \$1,500 from the general fund that was removed by the Senate. The funding is to be used for Labor Department booth rental space.

³ This amendment increases funding for operating expenses by \$4,000 from the general fund for travel expenses associated with the commissioner's participation in the National Association of Government Labor Officials.

⁴ This amendment reduces funding for information technology by \$6,400 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

REPORT OF STANDING COMMITTEE

SB 2008, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (18 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2008 was placed on the Sixth order on the calendar.

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

Page 1, line 10, replace "4,775,728" with "4,771,497"

Page 1, line 11, replace "1,212,261" with "1,137,006"

Page 1, line 16, replace "10,003,492" with "9,924,006"

Page 1, line 17, replace "6,074,179" with "6,072,767"

Page 1, line 18, replace "3,929,313" with "3,851,239"

Page 1, line 20, replace "\$250,000" with "\$200,000"

Page 1, line 22, after the comma insert "and \$50,000 from other sources,"

Page 1, line 23, after the period insert "The commission shall collect the \$50,000 before proceeding with the initial stage of the rail rate complaint case."

Page 2, after line 3, insert:

"SECTION 4. LEGISLATIVE COUNCIL STUDY - PUBLIC SERVICE COMMISSION DUTIES AND FUNDING. The legislative council shall consider studying, during the 2003-04 interim, the feasibility and desirability of transferring inspection and standards functions conducted by various state agencies to the public service commission, including the potential cost-savings and efficiencies that may be realized by training and certifying employees to conduct multiple inspection duties. In addition, the study, if conducted, must include an examination of the feasibility and desirability of funding the public service commission entirely from special fund revenue sources. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2008 - Public Service Commission - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,830,580	\$4,775,728	(\$4,231)	\$4,771,497
Operating expenses	1,232,261	1,212,261	(75,255)	1,137,006
Capital assets	45,011	35,011		35,011
Grants	62,000	62,000		62,000
Abandoned mined lands contractual services	3,668,492	3,668,492		3,668,492
Rail rate complaint case	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$10,088,344	\$10,003,492	(\$79,486)	\$9,924,006
Less estimated income	<u>6,084,744</u>	<u>6,074,179</u>	<u>(1,412)</u>	<u>6,072,767</u>
General fund	\$4,003,600	\$3,929,313	(\$78,074)	\$3,851,239
FTE	41.00	41.00	0.00	41.00

Dept. 408 - Public Service Commission - Detail of House Changes

	DECREASES FUNDING FOR INFORMATION TECHNOLOGY TRAINING TRAVEL ¹	DECREASES FUNDING FOR COPIER-RELATED PRINTING COSTS ²	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ³	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ⁴	TOTAL HOUSE CHANGES
Salaries and wages			(\$4,231)		(\$4,231)
Operating expenses	(\$6,000)	(\$9,000)		(\$60,255)	(75,255)
Capital assets					
Grants					
Abandoned mined lands contractual services					
Rail rate complaint case					
Total all funds	(\$6,000)	(\$9,000)	(\$4,231)	(\$60,255)	(\$79,486)
Less estimated income			<u>(1,412)</u>		<u>(1,412)</u>
General fund	(\$6,000)	(\$9,000)	(\$2,819)	(\$60,255)	(\$78,074)
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment decreases the funding for information technology training and related travel.

² This amendment decreases the funding for copier-related printing costs.

³ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

⁴ This amendment reduces funding for information technology by an additional \$60,255 from the general fund, for a total reduction of \$75,255 in information technology funding from the general fund, which represents a total reduction of approximately 20 percent.

The House amendment provides for a Legislative Council study to examine the possibility of consolidating various inspection duties within one agency, the Public Service Commission, and to determine the feasibility and desirability of making the Public Service Commission a special funded agency.

The House amendment provides for \$250,000 for the initial stage of a rail rate complaint case, \$200,000 of which is from the state rail fund and \$50,000 from other interest parties and other sources. The Public Service Commission is not to proceed with the initial stage of the rail rate complaint case until the \$50,000 is collected. The Senate amendment provided that the entire \$250,000 was from the state rail fund.

REPORT OF STANDING COMMITTEE

SB 2009, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2009 was placed on the Sixth order on the calendar.

Page 1, line 2, replace the first "and" with "to provide for the continuation of an agricultural pesticide and pesticide container disposal program;"

Page 1, line 4, after "fees" insert "; to provide for a transfer of funds; and to provide an expiration date"

Page 1, line 12, replace "4,495,813" with "4,504,970"

Page 1, line 13, replace "3,358,672" with "3,328,600"

Page 1, line 16, replace "876,517" with "869,464"

Page 1, line 17, replace "770,554" with "763,461"

Page 1, line 20, replace "619,525" with "308,870"

Page 1, line 21, replace "1,346,836" with "1,346,836"

Page 1, after line 21, insert:

"Crop protection product	<u>25,000</u> "
harmonization and registration board	

Page 1, line 22, replace "12,556,865" with "12,236,149"

Page 1, line 23, replace "8,607,851" with "7,870,178"

Page 1, line 24, replace "3,949,014" with "4,365,971"

Page 2, line 3, replace "\$2,499,215" with "\$2,214,453"

Page 2, line 12, replace "\$950,000" with "\$400,000"

Page 2, line 15, after "commissioner" insert ", including the board of animal health,"

Page 2, after line 17, insert:

"SECTION 5. PESTICIDE AND PESTICIDE CONTAINER DISPOSAL PROGRAM - PESTICIDE CONTAINER MANAGEMENT - COMPENSATION.

1. The definitions contained in section 4-35-05 apply to this section.
2. In consultation with an advisory board consisting of the state health officer, director of the North Dakota state university extension service, two individuals representing agribusiness organizations, two individuals representing farm organizations, all of whom must be selected by the agriculture commissioner, the commissioner shall continue to implement the project authorized by section 1 of chapter 77 of the 2001 Session Laws, which is known as project safe send. The purpose of the project is to:
 - a. Collect and either recycle or dispose of unusable pesticides and unusable pesticide containers. The commissioner shall provide for the establishment and operation of temporary collection sites for the pesticides and pesticide containers. The commissioner may limit the type and quantity of pesticides and pesticide containers acceptable for collection.

- b. Promote proper pesticide container management. In consultation with the director of the North Dakota state university extension service, the commissioner shall evaluate and promote proper methods of pesticide container management, including information on the variety of pesticide containers available.
3. Any entity collecting pesticide containers or unusable pesticides shall manage and dispose of the containers and pesticides in compliance with applicable federal and state requirements. When called upon, any state agency shall assist the commissioner in implementing the project.
4. For services rendered in connection with the design and implementation of this project, the members selected by the commissioner are entitled to reimbursement for mileage and travel expenses in the same manner and for the same amounts provided for state employees and officials. Compensation and expense reimbursement must be paid from the environment and rangeland protection fund.

SECTION 6. PROJECT SCOPE AND EVALUATION. The project described in section 5 of this Act must occur in areas to be determined by the agriculture commissioner in consultation with the advisory board under subsection 2 of section 5 of this Act and may only be conducted in the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the fiscal year beginning July 1, 2005, and ending June 30, 2006.

SECTION 7. PROJECT SAFE SEND PESTICIDE AND PESTICIDE CONTAINER COLLECTION - USER FEES. The agriculture commissioner, in consultation with the advisory board for the project safe send pesticide and pesticide container disposal program, may charge a fee for collection of rinsate. The fees must be established at a level that will generate enough revenue to cover the cost of disposal associated with the rinsate that is collected. Collections from this fee must be deposited in the environment and rangeland protection fund."

Page 3, after line 5, insert:

"SECTION 10. TRANSFER. The state treasurer shall transfer \$200,000, or so much of the sum as may be necessary, from the environment and rangeland protection fund to the minor use pesticide fund, during the biennium beginning July 1, 2003, and ending June 30, 2005.

SECTION 11. EXPIRATION DATE. Sections 5, 6, and 7 of this Act are effective through July 31, 2007, and after that date are ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2009 - Department of Agriculture - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,555,365	\$4,495,813	\$9,157	\$4,504,970
Operating expenses	3,358,672	3,358,672	(30,072)	3,328,600
Capital assets	8,000	8,000		8,000
Grants	100,000	100,000		100,000
Board of Animal Health	876,517	876,517	(7,053)	869,464
State meat inspection	770,554	770,554	(7,093)	763,461
Pride of Dakota	180,948	180,948		180,948
Wildlife services	788,209	800,000		800,000
Safe Send	619,525	619,525	(310,655)	308,870
Noxious weeds	1,346,836	1,346,836		1,346,836
Crop Protection Product Harmonization			25,000	25,000
Total all funds	\$12,604,626	\$12,556,865	(\$320,716)	\$12,236,149
Less estimated income	<u>8,336,778</u>	<u>8,607,851</u>	<u>(737,673)</u>	<u>7,870,178</u>
General fund	\$4,267,848	\$3,949,014	\$416,957	\$4,365,971
FTE	57.00	57.00	0.00	57.00

Dept. 602 - Department of Agriculture - Detail of House Changes

ADDS FUNDING
FOR CROP
PROTECTION

CHANGES

	REDUCES FUNDING FOR PROJECT SAFE SEND 1	CHANGES FUNDING SOURCE FOR WILDLIFE SERVICES 2	PRODUCT HARMONIZATION AND REGISTRATION BOARD 3	ADJUSTS SPECIAL LINE ITEM SALARY REDUCTION 4	FUNDING SOURCE FOR BOARD OF ANIMAL HEALTH 5	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 6
Salaries and wages				\$13,724		
Operating expenses						(\$30,072)
Capital assets						
Grants						
Board of Animal Health				(6,537)		
State meat inspection				(6,371)		
Pride of Dakota						
Wildlife services						
Safe Send	(\$309,762)			(816)		
Noxious weeds						
Crop Protection Product			\$25,000			
Harmonization						
Total all funds	(\$309,762)	\$0	\$25,000	\$0	\$0	(\$30,072)
Less estimated income	<u>(309,762)</u>	<u>(400,000)</u>	<u>25,000</u>		<u>(50,000)</u>	
General fund	\$0	\$400,000	\$0	\$0	\$50,000	(\$30,072)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 7	TOTAL HOUSE CHANGES
Salaries and wages	(\$4,567)	\$9,157
Operating expenses		(30,072)
Capital assets		
Grants		
Board of Animal Health	(516)	(7,053)
State meat inspection	(722)	(7,093)
Pride of Dakota		
Wildlife services		
Safe Send	(77)	(310,655)
Noxious weeds		
Crop Protection Product		25,000
Harmonization		
Total all funds	(\$5,882)	(\$320,716)
Less estimated income	<u>(2,911)</u>	<u>(737,673)</u>
General fund	(\$2,971)	\$416,957
FTE	0.00	0.00

1 This amendment reduces funding for Project Safe Send by \$309,762, from \$619,525 to \$309,763. This amendment also provides for the project to be conducted only in the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the fiscal year beginning July 1, 2005, and ending June 30, 2006, and for the project to be effective through July 31, 2007.

2 This amendment changes \$400,000 of funding for wildlife services from the game and fish fund to the general fund. The total funding for wildlife services is \$400,000 from the general fund and \$400,000 from the game and fish fund.

3 This amendment provides \$25,000 from the environment and rangeland protection fund for expenses of the Crop Protection Product Harmonization and Registration Board.

4 This amendment adjusts the removal of the executive recommendation for salary increases to reflect the salaries within the Board of Animal Health, state meat inspection, and Safe Send line items. The Senate amendment removed all of the funding from the salaries and wages line item.

5 This amendment changes \$50,000 of funding for the Board of Animal Health from the game and fish fund to the general fund. The total funding for the Board of Animal Health from the game and fish fund is \$100,000, which is to be reimbursed to the Department of Agriculture on a fee-for-service basis.

6 This amendment reduces funding for information technology by \$30,072 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

7 Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

The House amendment incorporates the provisions of Senate Bill No. 2398, which transfers \$200,000 from the environment and rangeland protection fund to the minor use pesticide fund, available to the Crop Protection Product Harmonization and Registration Board as a continuing appropriation pursuant to North Dakota Century Code Section 4-35-06.3.

REPORT OF STANDING COMMITTEE

SB 2010, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2010 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "4,703,228" with "4,698,378"

Page 1, line 11, replace "1,631,501" with "1,781,501"

Page 1, line 13, replace "6,341,629" with "6,486,779"

Page 1, line 15, replace "FIREMEN'S" with "FIREFIGHTER'S"

Page 1, line 20, replace "firemen's" with "firefighter's"

Page 2, line 14, replace "\$75,000" with "\$175,000"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Insurance tax to fire departments				
Total all funds	\$5,304,000	\$5,304,000	\$0	\$5,304,000
Less estimated income	<u>5,304,000</u>	<u>5,304,000</u>		<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
Insurance Department				
Total all funds	\$6,338,337	\$6,341,629	\$145,150	\$6,486,779
Less estimated income	<u>6,338,337</u>	<u>6,341,629</u>	<u>145,150</u>	<u>6,486,779</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$11,642,337	\$11,645,629	\$145,150	\$11,790,779
Less estimated income	<u>11,642,337</u>	<u>11,645,629</u>	<u>145,150</u>	<u>11,790,779</u>
General fund	\$0	\$0	\$0	\$0

Senate Bill No. 2010 - Insurance Tax to Fire Departments - House Action

This amendment amends Section 2 of the bill to refer to the North Dakota Firefighter's Association instead of the North Dakota Firemen's Association.

Senate Bill No. 2010 - Insurance Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,754,936	\$4,703,228	(\$4,850)	\$4,698,378
Operating expenses	1,576,501	1,631,501	150,000	1,781,501
Capital assets	<u>6,900</u>	<u>6,900</u>		<u>6,900</u>
Total all funds	\$6,338,337	\$6,341,629	\$145,150	\$6,486,779
Less estimated income	<u>6,338,337</u>	<u>6,341,629</u>	<u>145,150</u>	<u>6,486,779</u>
General fund	\$0	\$0	\$0	\$0
FTE	45.50	45.50	0.00	45.50

Dept. 401 - Insurance Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	INCREASES FUNDING FOR OPERATING EXPENSES 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$4,850)		(\$4,850)
Operating expenses		\$150,000	150,000
Capital assets			
Total all funds	(\$4,850)	\$150,000	\$145,150
Less estimated income	<u>(4,850)</u>	<u>150,000</u>	<u>145,150</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment increases funding for operating expenses by \$150,000 of special funds, from \$1,631,501 to \$1,781,501, for marketing efforts associated with the Insurance Commissioner's fraud unit established in 2003 House Bill No. 1231.

This amendment also changes the amount of administrative costs allocated to the anhydrous ammonia storage facility inspection fund from \$75,000 to \$175,000 to provide necessary funding for costs associated with the Insurance Commissioner's activities.

REPORT OF STANDING COMMITTEE

SB 2011, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2011 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "926,349" with "925,523"

Page 1, line 11, replace "468,142" with "460,462"

Page 1, line 12, replace "1,394,491" with "1,385,985"

Page 1, line 14, replace "1,082,911" with "1,074,405"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2011 - Securities Commissioner - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$936,741	\$926,349	(\$826)	\$925,523
Operating expenses	<u>468,142</u>	<u>468,142</u>	<u>(7,680)</u>	<u>460,462</u>
Total all funds	\$1,404,883	\$1,394,491	(\$8,506)	\$1,385,985
Less estimated income	<u>311,580</u>	<u>311,580</u>		<u>311,580</u>
General fund	\$1,093,303	\$1,082,911	(\$8,506)	\$1,074,405
FTE	8.00	8.00	0.00	8.00

Dept. 414 - Securities Commissioner - Detail of House Changes

	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ¹	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ²	TOTAL HOUSE CHANGES
Salaries and wages		(\$826)	(\$826)
Operating expenses	<u>(\$7,680)</u>		<u>(7,680)</u>
Total all funds	(\$7,680)	(\$826)	(\$8,506)
Less estimated income			
General fund	(\$7,680)	(\$826)	(\$8,506)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding for information technology by \$7,680 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

² Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

REPORT OF STANDING COMMITTEE

SB 2014, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed SB 2014 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "3,234,714" with "3,208,929"

Page 1, line 11, replace "2,445,011" with "2,443,532"

Page 1, line 12, replace "789,703" with "765,397"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2014 - Protection and Advocacy Project - House Action**

	BUDGET	VERSION	CHANGES	VERSION
Protection and Advocacy Services	\$3,259,812	\$3,234,714	(\$25,785)	\$3,208,929
Total all funds	\$3,259,812	\$3,234,714	(\$25,785)	\$3,208,929
Less estimated income	<u>2,459,138</u>	<u>2,445,011</u>	<u>(1,479)</u>	<u>2,443,532</u>
General fund	\$800,674	\$789,703	(\$24,306)	\$765,397
FTE	24.50	24.50	0.00	24.50

Dept. 360 - Protection and Advocacy Project - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	TOTAL HOUSE CHANGES
Protection and Advocacy Services	(\$2,683)	(\$23,102)	(\$25,785)
Total all funds	(\$2,683)	(\$23,102)	(\$25,785)
Less estimated income	<u>(1,479)</u>		<u>(1,479)</u>
General fund	(\$1,204)	(\$23,102)	(\$24,306)
FTE	0.00	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment reduces funding for information technology by \$23,102 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

REPORT OF STANDING COMMITTEE

SB 2016, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2016 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,629,062"

Page 1, line 14, replace "47,053,097" with "38,578,206"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,361,065"

Page 1, after line 22, insert:

"SECTION 3. DISASTER RELIEF FUNDING. Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2016 - Division of Emergency Management - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,059,418	\$3,039,623	(\$2,064)	\$3,037,559
Operating expenses	10,101,889	10,101,889	(8,472,827)	1,629,062
Capital assets	12,000	12,000		12,000
Grants	<u>33,899,585</u>	<u>33,899,585</u>		<u>33,899,585</u>
Total all funds	\$47,072,892	\$47,053,097	(\$8,474,891)	\$38,578,206
Less estimated income	<u>46,130,383</u>	<u>37,218,405</u>	<u>(1,264)</u>	<u>37,217,141</u>

General fund	\$942,509	\$9,834,692	(\$8,473,627)	\$1,361,065
FTE	20.00	20.00	0.00	20.00

Dept. 512 - Division of Emergency Management - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	REMOVES FUNDING FOR REPAYMENT OF DISASTER RELIEF FUNDING 3	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO DISASTER RELIEF FUNDING 4	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,064)				(\$2,064)
Operating expenses		(\$10,627)	(\$8,900,000)	\$437,800	(8,472,827)
Capital assets					
Grants					
Total all funds	(\$2,064)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,474,891)
Less estimated income	(1,264)				(1,264)
General fund	(\$800)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,473,627)
FTE	0.00	0.00	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$10,627 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment removes funding of \$8.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriation from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and 2003-05 bienniums.

4 This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

REPORT OF STANDING COMMITTEE

SB 2017, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2017 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "3,572,028" with "3,568,516"

Page 1, line 11, replace "2,685,827" with "2,669,188"

Page 1, line 14, replace "193,120" with "193,020"

Page 1, line 16, replace "6,323,730" with "6,318,364"

Page 1, line 17, replace "15,376,042" with "15,370,985"

Page 1, line 18, replace "275,456" with "275,146"

Page 1, line 19, replace "29,908,204" with "29,877,220"

Page 1, line 20, replace "20,728,749" with "20,718,716"

Page 1, line 21, replace "9,179,455" with "9,158,504"

Page 1, line 23, replace "\$70,843" with "\$70,770"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2017 - Adjutant General - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,607,007	\$3,572,028	(\$3,512)	\$3,568,516
Operating expenses	2,685,827	2,685,827	(16,639)	2,669,188
Capital assets	144,987	144,987		144,987

Grants	329,514	329,514		329,514
Civil Air Patrol	193,918	193,120	(100)	193,020
Tuition and enlistment compensation	1,007,500	1,007,500		1,007,500
Air Guard contract	6,376,811	6,323,730	(5,366)	6,318,364
Army Guard contract	15,422,702	15,376,042	(5,057)	15,370,985
Veterans' Cemetery	278,094	275,456	(310)	275,146
Total all funds	\$30,046,360	\$29,908,204	(\$30,984)	\$29,877,220
Less estimated income	<u>20,824,132</u>	<u>20,728,749</u>	<u>(10,033)</u>	<u>20,718,716</u>
General fund	\$9,222,228	\$9,179,455	(\$20,951)	\$9,158,504
FTE	139.00	139.00	0.00	139.00

Dept. 540 - Adjutant General - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$3,512)		(\$3,512)
Operating expenses		(\$16,639)	(16,639)
Capital assets			
Grants			
Civil Air Patrol	(100)		(100)
Tuition and enlistment compensation			
Air Guard contract	(5,366)		(5,366)
Army Guard contract	(5,057)		(5,057)
Veterans' Cemetery	(310)		(310)
Total all funds	(\$14,345)	(\$16,639)	(\$30,984)
Less estimated income	<u>(10,033)</u>		<u>(10,033)</u>
General fund	(\$4,312)	(\$16,639)	(\$20,951)
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$16,639 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

REPORT OF STANDING COMMITTEE

SB 2018, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2018 was placed on the Sixth order on the calendar.

Page 1, line 8, replace "3,408,898" with "3,405,750"

Page 1, line 13, replace "5,643,148" with "5,640,000"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2018 - Seed Department - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,437,065	\$3,408,898	(\$3,148)	\$3,405,750
Operating expenses	1,664,250	1,664,250		1,664,250
Capital assets	70,000	70,000		70,000
Grants	200,000	200,000		200,000
Contingencies	<u>300,000</u>	<u>300,000</u>		<u>300,000</u>
Total all funds	\$5,671,315	\$5,643,148	(\$3,148)	\$5,640,000
Less estimated income	<u>5,671,315</u>	<u>5,643,148</u>	<u>(3,148)</u>	<u>5,640,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	32.00	32.00	0.00	32.00

Dept. 616 - Seed Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH	TOTAL HOUSE
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	INSURANCE ¹	CHANGES
Salaries and wages	(\$3,148)	(\$3,148)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$3,148)	(\$3,148)
Less estimated income	<u>(3,148)</u>	<u>(3,148)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

REPORT OF STANDING COMMITTEE

SB 2020, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2020 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide an exemption; to provide for a transfer of funds;"

Page 1, line 10, replace "5,083,969" with "5,078,190"

Page 1, line 11, replace "1,234,141" with "1,177,595"

Page 1, line 12, replace "827,044" with "849,544"

Page 1, line 13, replace "1,000,000" with "1,300,000"

Page 1, after line 13, insert:

"Veterans' oral history project	150,000
Cultural heritage grants	75,000"

Page 1, line 15, replace "923,953" with "923,746"

Page 1, line 16, replace "9,073,599" with "9,558,567"

Page 1, line 17, replace "1,918,542" with "2,391,042"

Page 1, line 18, replace "7,155,057" with "7,167,525"

Page 2, after line 7, insert:

"SECTION 5. EXEMPTION. The state historical society's appropriation contained in section 1 of chapter 20 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 in an amount of up to \$540,000, of which \$440,000 is from the general fund and \$100,000 is from special funds. Of the \$540,000, \$25,000 is for cultural heritage grants and \$515,000 is for the completion of the confluence center exhibits and the era of change exhibits.

SECTION 6. LEWIS AND CLARK BICENTENNIAL LINE ITEM AND CAPITAL ASSETS LINE ITEM TRANSFERS. Notwithstanding any other provision of law, the state historical society may transfer funds between the Lewis and Clark bicentennial line item and the capital assets line item during the period beginning July 1, 2003, and ending June 30, 2005."

Page 2, line 8, after "item" insert ", \$300,000 of the grants line item relating to the federal historic preservation program, and the veterans' oral history project line item"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2020 - State Historical Society - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,135,558	\$5,083,969	(\$5,779)	\$5,078,190
Operating expenses	1,234,141	1,234,141	(56,546)	1,177,595

Capital assets	889,544	827,044	22,500	849,544
Grants	1,000,000	1,000,000	300,000	1,300,000
Veterans' Oral History Project			150,000	150,000
Cultural heritage grants			75,000	75,000
Yellowstone-Missouri-Fort Union Commission	4,492	4,492		4,492
Lewis and Clark Bicentennial	<u>1,025,295</u>	<u>923,953</u>	<u>(207)</u>	<u>923,746</u>
Total all funds	\$9,289,030	\$9,073,599	\$484,968	\$9,558,567
Less estimated income	<u>1,918,542</u>	<u>1,918,542</u>	<u>472,500</u>	<u>2,391,042</u>
General fund	\$7,370,488	\$7,155,057	\$12,468	\$7,167,525
FTE	57.00	57.00	0.00	57.00

Dept. 701 - State Historical Society - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	INCREASES FUNDING FOR CONFLUENCE CENTER EXHIBITS 3	ADDS FUNDING FOR FEDERAL HISTORIC PRESERVATION PROGRAM 4	ADDS FUNDING FOR VETERANS' ORAL HISTORY PROJECT 5	ADDS NEW LINE ITEM FOR CULTURAL HERITAGE GRANTS
Salaries and wages	(\$5,779)					
Operating expenses		(\$56,546)				
Capital assets			\$22,500			
Grants				\$300,000		
Veterans' Oral History Project					\$150,000	
Cultural heritage grants						\$75,000
Yellowstone-Missouri-Fort Union Commission						
Lewis and Clark Bicentennial	<u>(207)</u>					
Total all funds	(\$5,986)	(\$56,546)	\$22,500	\$300,000	\$150,000	\$75,000
Less estimated income			<u>22,500</u>	<u>300,000</u>	<u>150,000</u>	
General fund	(\$5,986)	(\$56,546)	\$0	\$0	\$0	\$75,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**TOTAL
HOUSE
CHANGES**

Salaries and wages	(\$5,779)
Operating expenses	(\$56,546)
Capital assets	22,500
Grants	300,000
Veterans' Oral History Project	150,000
Cultural heritage grants	75,000
Yellowstone-Missouri-Fort Union Commission	
Lewis and Clark Bicentennial	<u>(207)</u>
Total all funds	\$484,968
Less estimated income	<u>472,500</u>
General fund	\$12,468
FTE	0.00

1 This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$56,546 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment increases funding for the Confluence Center exhibits due to the receipt of new federal money.

4 This amendment adds funding to the grants line for new federal money received for the historic preservation program.

5 This amendment adds a new line item due to the receipt of new federal money for the Veterans' Oral History Project.

This amendment also adds a new section to allow for the carryover of \$540,000 for the completion of the confluence exhibits, era of change exhibits, and for cultural heritage grants; adds a new section to allow the State Historical Society the flexibility to transfer funds between the Lewis and Clark Bicentennial line item and the capital assets line item; and adds the Veterans' Oral History Project line item and \$300,000 of the grants line item relating to the federal historic preservation program to the emergency clause.

REPORT OF STANDING COMMITTEE

SB 2021, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2021 was placed on the Sixth order on the calendar.

Page 1, line 15, replace "5,254,210" with "5,254,566"

Page 1, line 16, replace "4,412,157" with "4,560,675"

Page 1, line 17, replace "1,932,794" with "2,517,794"

Page 1, line 18, replace "4,836,000" with "4,336,000"

Page 1, line 19, replace "710,721" with "760,618"

Page 1, line 20, replace "17,145,882" with "17,429,653"

Page 1, line 21, replace "10,652,416" with "10,727,355"

Page 1, line 22, replace "6,493,466" with "6,702,298"

Page 2, line 3, replace "6,839,820" with "7,048,652"

Page 2, line 4, replace "10,652,416" with "10,727,355"

Page 2, line 5, replace "17,492,236" with "17,776,007"

Page 3, line 6, replace "\$550,000" with "\$902,888"

Page 3, line 11, replace "\$80,000" with "\$50,000"

Page 3, line 16, replace "\$100,000" with "\$100,456"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2021 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Parks and Recreation Department				
Total all funds	\$18,038,433	\$17,145,882	\$283,771	\$17,429,653
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$6,759,264	\$6,493,466	\$208,832	\$6,702,298
International Peace Garden				
Total all funds	\$346,354	\$346,354	\$0	\$346,354
Less estimated income				
General fund	\$346,354	\$346,354	\$0	\$346,354
Bill Total				
Total all funds	\$18,384,787	\$17,492,236	\$283,771	\$17,776,007
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$7,105,618	\$6,839,820	\$208,832	\$7,048,652

Senate Bill No. 2021 - Parks and Recreation Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,295,996	\$5,254,210	\$356	\$5,254,566
Operating expenses	4,412,157	4,412,157	148,518	4,560,675
Capital assets	3,567,794	1,932,794	585,000	2,517,794
Grants	3,791,000	4,836,000	(500,000)	4,336,000
Lewis and Clark Bicentennial	971,486	710,721	49,897	760,618
Total all funds	\$18,038,433	\$17,145,882	\$283,771	\$17,429,653
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$6,759,264	\$6,493,466	\$208,832	\$6,702,298
FTE	44.25	44.25	0.00	44.25

Dept. 750 - Parks and Recreation Department - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	INCREASES FUNDING FOR INCREASED SNOWMOBILE REGISTRATION FEES ³	CHANGES FUNDING SOURCE ⁴	ADDS FUNDING TO LEWIS AND CLARK BICENTENNIAL LINE ⁵	TRANSFERS FEMA DOLLARS BACK TO CAPITAL ASSETS LINE FROM GRANTS LINE ⁶
Salaries and wages	(\$4,644)		\$5,000			
Operating expenses		(\$61,482)	210,000			
Capital assets			85,000			\$500,000
Grants						(500,000)
Lewis and Clark Bicentennial	(103)				\$50,000	

Total all funds	(\$4,747)	(\$61,482)	\$300,000	\$0	\$50,000	\$0
Less estimated income	<u>(310)</u>		<u>300,000</u>	<u>(224,751)</u>		
General fund	(\$4,437)	(\$61,482)	\$0	\$224,751	\$50,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL
HOUSE
CHANGES

Salaries and wages	\$356
Operating expenses	148,518
Capital assets	585,000
Grants	(500,000)
Lewis and Clark Bicentennial	<u>49,897</u>

Total all funds	\$283,771
Less estimated income	<u>74,939</u>
General fund	\$208,832
FTE	0.00

1 This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$61,482 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment increases funding to the Parks and Recreation Department for increased snowmobile registration fees in Senate Bill No. 2162.

4 This amendment changes funding sources from special funds to the general fund to offset the funding source change done by the Senate.

5 This amendment adds funding to the Lewis and Clark Bicentennial line item for a grant to the Three Affiliated Tribes Lewis and Clark Bicentennial Celebration Foundation for the national signature event.

6 This amendment transfers \$500,000 of federal funds for FEMA construction projects back to the capital projects line from the grants line. The Senate transferred the \$500,000 as part of the amendment that removed bonding capital projects and transferred the federal funds from those bonding projects removed from the capital assets line to the grants line. The \$500,000 of federal funds for the FEMA construction projects was included in the amount of the federal funds transferred from the capital assets line to the grants line.

This amendment also corrects the amounts in Sections 4, 5, and 6 of the bill for the snowmobile fund, the trail tax transfer fund, and the state parks gift fund.

REPORT OF STANDING COMMITTEE

SB 2022, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2022 was placed on the Sixth order on the calendar.

Page 1, line 4, after "projects" insert "; to create and enact a new section to chapter 61-02 of the North Dakota Century Code, relating to construction of the Devils Lake outlet", replace "section" with "sections", and after "54-27-25" insert "and 61-02.1-02.1"

Page 1, line 5, after "fund" insert "and funding statewide water development projects; to transfer funds from the water development trust fund to the general fund" and replace "repeal chapter 61-38 of" with "provide a continuing appropriation."

Page 1, remove line 6

Page 1, line 14, replace "2,077,370" with "2,058,795"

Page 1, line 15, replace "147,367,303" with "157,825,983"

Page 1, line 16, replace "149,444,673" with "159,884,778"

Page 1, line 17, replace "140,004,556" with "150,473,458"

Page 1, line 18, replace "9,440,117" with "9,411,320"

Page 3, line 24, after "facility" insert "on new or the existing water commission property"

Page 4, line 3, after "building" insert "on new or the existing water commission property"

Page 4, line 6, after "building" insert "on new or the existing water commission property"

Page 4, line 8, after the comma insert "on new or the existing water commission property,"

Page 4, line 12, after "building" insert "on new or the existing water commission property"

Page 4, line 16, after "appurtenances" insert "on new or existing water commission property"

Page 5, line 3, replace "\$49,523,771" with "\$60,000,000"

Page 6, replace line 16 with:

"SECTION 12. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

Construction of the Devils Lake outlet - Authorization - Agreement. The state water commission may do all things reasonably necessary to construct an outlet from Devils Lake, including executing an agreement with the federal government wherein the state water commission agrees to hold the United States harmless and free from damages, except for damages due to the fault or negligence of the United States or its contractors.

SECTION 13. AMENDMENT. Section 61-02.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

61-02.1-02.1. Funding - Statewide water development projects - Bond issuance amount.

1. The priorities for the statewide water development program for the 2001-03 biennium include municipal, rural, and industrial projects; irrigation projects; general water management projects, including rural flood control, snagging and clearing, channel improvement, recreation, and planning studies; flood control projects; and weather modification projects. The state water commission may provide the funds necessary to construct these projects from money appropriated to the state water commission from the resources trust fund, the water development trust fund, or by issuing bonds in an amount not to exceed twenty million dollars plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves. ~~The commission may utilize up to five million five hundred thousand dollars from the water development trust fund, the resources trust fund, or from bond proceeds to provide cost share for a flood control channel and levy project designed to provide protection from overland flooding to a city with a population in excess of eighty thousand as of the 2000 federal decennial census. The amount provided may not exceed fifty percent of the city's share of the cost to construct the project. Bonds may be issued utilizing the procedures set forth in chapter 61-02. The proceeds of any bonds issued under the authority provided in this section are appropriated to the state water commission for the purposes set forth in this section.~~
2. If the state water commission determines it is appropriate to do so, it may, in lieu of issuing or in combination with the issuance of bonds pursuant to sections 61-02.1-01 and 61-02.1-02, for all or part of the state's cost share for the projects set forth in those provisions, use funds appropriated to it from the resources trust fund or the water development trust fund. ~~Regardless of the source, the amount of funds used may not exceed the limits set forth in section 61-02.1-02.~~

SECTION 14. CONTINUING APPROPRIATION - DEVILS LAKE OUTLET.

There is appropriated to the state water commission on a continuing basis from the water development trust fund or the resources trust fund in the state treasury, or from bond proceeds from bonds issued by the state water commission, as determined by the state water commission, the amount of funds required by the agreement between the state and the federal government to construct an outlet from Devils Lake to meet its cost-share obligations under the agreement and from any legally available funds to meet its indemnification obligations under the agreement.

SECTION 15. TRANSFER. Notwithstanding section 54-27-25, during the biennium beginning July 1, 2003, and ending June 30, 2005, the director of the office of management and budget shall transfer \$10,070,373 from the water development trust fund to the general fund."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Water Commission - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Administrative and support services	\$2,639,225	\$2,077,370	(\$18,575)	\$2,058,795
Water and atmospheric resources	<u>147,746,765</u>	<u>147,367,303</u>	<u>10,458,680</u>	<u>157,825,983</u>
Total all funds	\$150,385,990	\$149,444,673	\$10,440,105	\$159,884,778
Less estimated income	<u>150,385,990</u>	<u>140,004,556</u>	<u>10,468,902</u>	<u>150,473,458</u>
General fund	\$0	\$9,440,117	(\$28,797)	\$9,411,320
FTE	85.00	82.00	0.00	82.00

Dept. 770 - Water Commission - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS ²	INCREASES BONDING AUTHORITY ³	TOTAL HOUSE CHANGES
Administrative and support services	(\$1,135)	(\$17,440)		(\$18,575)
Water and atmospheric resources	<u>(7,637)</u>	<u>(9,912)</u>	<u>\$10,476,229</u>	<u>10,458,680</u>
Total all funds	(\$8,772)	(\$27,352)	\$10,476,229	\$10,440,105
Less estimated income	<u>(7,327)</u>		<u>10,476,229</u>	<u>10,468,902</u>
General fund	(\$1,445)	(\$27,352)	\$0	(\$28,797)
FTE	0.00	0.00	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$448.70 per month.

² This amendment reduces funding for information technology by \$27,352 from the general fund, which represents a reduction in information technology from the general fund of approximately 20 percent.

³ This amendment increases the bonding authority for water projects from \$49,523,771 to \$60 million.

The house amendment provides that the State Water Commission may either sell all of its land and the existing shop building located at 2603 East Broadway in Bismarck and use the proceeds to purchase replacement land and build a new shop building or sell a portion of the land adjacent to the existing shop and use the proceeds to build a new shop on the remaining property.

The House amendment removed the section which would have repealed North Dakota Century Code (NDCC) Chapter 61-38 relating to assumption of the Section 404 program of the Clean Water Act by the State Water Commission.

The House added a section providing for the State Water Commission to do all things reasonably necessary to construct an outlet from Devils Lake and provides the necessary funding to complete the project from a continuing appropriation from the water development trust fund, or the resources trust fund, or from bond proceeds.

The House added a section which removes from NDCC Section 61-02.1-02.1 the reference of funding to be provided to Fargo for flood control projects.

The House added a section providing for a transfer of funds in the amount of State Water Commission's administrative expenses included in the executive budget recommendation of \$10,070,373 from the water development trust fund to the general fund.

REPORT OF STANDING COMMITTEE

SB 2023, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2023 was placed on the Sixth order on the calendar.

Page 1, line 9, replace "32,421,470" with "32,397,631"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2023 - Workers Compensation Bureau - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Workers Compensation Bureau	\$32,673,205	\$32,421,470	(\$23,839)	\$32,397,631
Total all funds	\$32,673,205	\$32,421,470	(\$23,839)	\$32,397,631
Less estimated income	<u>32,673,205</u>	<u>32,421,470</u>	<u>(23,839)</u>	<u>32,397,631</u>
General fund	\$0	\$0	\$0	\$0

FTE	228.00	228.00	0.00	228.00
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Dept. 485 - Workers Compensation Bureau - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	TOTAL HOUSE CHANGES
Workers Compensation Bureau	(\$23,839)	(\$23,839)
Total all funds	(\$23,839)	(\$23,839)
Less estimated income	(23,839)	(23,839)
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

REPORT OF STANDING COMMITTEE

SB 2024, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2024 was placed on the Sixth order on the calendar.

Page 1, line 11, replace "1,776,639" with "1,774,885"

Page 1, line 15, replace "4,845,083" with "4,843,329"

Page 1, line 18, replace "2,638,823" with "2,653,654"

Page 1, line 21, replace "4,373,327" with "4,388,158"

Page 1, line 22, replace "9,218,410" with "9,231,487"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2024 - Summary of House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Retirement and Investment Office				
Total all funds	\$4,864,373	\$4,845,083	(\$1,754)	\$4,843,329
Less estimated income	<u>4,864,373</u>	<u>4,845,083</u>	<u>(1,754)</u>	<u>4,843,329</u>
General fund	\$0	\$0	\$0	\$0
Public Employees Retirement System				
Total all funds	\$4,400,690	\$4,373,327	\$14,831	\$4,388,158
Less estimated income	<u>4,400,690</u>	<u>4,373,327</u>	<u>14,831</u>	<u>4,388,158</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$9,265,063	\$9,218,410	\$13,077	\$9,231,487
Less estimated income	<u>9,265,063</u>	<u>9,218,410</u>	<u>13,077</u>	<u>9,231,487</u>
General fund	\$0	\$0	\$0	\$0

Senate Bill No. 2024 - Retirement and Investment Office - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$1,795,929	\$1,776,639	(\$1,754)	\$1,774,885
Operating expenses	986,444	986,444		986,444
Contingencies	82,000	82,000		82,000
Contracted services	<u>2,000,000</u>	<u>2,000,000</u>		<u>2,000,000</u>
Total all funds	\$4,864,373	\$4,845,083	(\$1,754)	\$4,843,329
Less estimated income	<u>4,864,373</u>	<u>4,845,083</u>	<u>(1,754)</u>	<u>4,843,329</u>
General fund	\$0	\$0	\$0	\$0
FTE	17.00	17.00	0.00	17.00

Dept. 190 - Retirement and Investment Office - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	TOTAL HOUSE CHANGES
Salaries and wages	(\$1,754)	(\$1,754)
Operating expenses		
Contingencies		
Contracted services		
Total all funds	(\$1,754)	(\$1,754)
Less estimated income	<u>(1,754)</u>	<u>(1,754)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

Senate Bill No. 2024 - Public Employees Retirement System - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,666,186	\$2,638,823	\$14,831	\$2,653,654
Operating expenses	1,484,504	1,484,504		1,484,504
Contingencies	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$4,400,690	\$4,373,327	\$14,831	\$4,388,158
Less estimated income	<u>4,400,690</u>	<u>4,373,327</u>	<u>14,831</u>	<u>4,388,158</u>
General fund	\$0	\$0	\$0	\$0
FTE	29.00	29.00	0.00	29.00

Dept. 192 - Public Employees Retirement System - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	ADDS FUNDING OMITTED IN EXECUTIVE BUDGET FOR NEW EMPLOYEE ²	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,993)	\$17,824	\$14,831
Operating expenses			
Contingencies			
Total all funds	(\$2,993)	\$17,824	\$14,831
Less estimated income	<u>(2,993)</u>	<u>17,824</u>	<u>14,831</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

² This amendment adds funding of \$11,832 for health benefits and \$5,992 for a classification change for a new FTE position added to the Public Employees Retirement System, which were omitted in the executive budget recommendation.

REPORT OF STANDING COMMITTEE

SB 2028: Appropriations Committee (Rep. Svedjan, Chairman) recommends **DO NOT PASS** (12 YEAS, 10 NAYS, 1 ABSENT AND NOT VOTING). SB 2028 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2119, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (19 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING). Engrossed SB 2119 was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on pages 780 and 781 of the House Journal, Senate Bill No. 2119 is amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 2 of section 15-62.2-00.1 of the North Dakota Century Code, relating to eligible institutions under the student financial assistance program.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 2 of section 15-62.2-00.1 of the North Dakota Century Code is amended and reenacted as follows:

2. "Eligible institution" means an accredited public or ~~nonprofit~~ private postsecondary institution offering a program of at least two academic years in length in this state.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$146,400, or so much of the sum as may be necessary, to the North Dakota university system office for the purpose of expanding the student financial assistance program as provided for in section 1 of this Act, for the biennium beginning July 1, 2003, and ending June 30, 2005."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds a section to the bill to provide a \$146,400 general fund appropriation to the North Dakota University System office to expand the student financial assistance program.

REPORT OF STANDING COMMITTEE

SB 2420, as engrossed: Government and Veterans Affairs Committee (Rep. M. Klein, Chairman) recommends **DO PASS** (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2420 was placed on the Fourteenth order on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2099: Your conference committee (Sens. Tollefson, Syverson, Seymour and Reps. Drovdal, Schmidt, Grosz) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 645, adopt amendments as follows, and place SB 2099 on the Seventh order:

That the House recede from its amendments as printed on page 645 of the Senate Journal and page 785 of the House Journal and that Senate Bill No. 2099 be amended as follows:

Page 1, line 1, after "57-38" insert "and a new subdivision to subsection 2 of section 57-38-30.3"

Page 1, line 3, after "documents" insert "and an individual income tax deduction for the new and expanding business exemption; to repeal subdivision b of subsection 2 of section 57-35.3-02, subdivision i of subsection 1 of section 57-38-01.2, and subdivision g of subsection 1 of section 57-38-01.3 of the North Dakota Century Code, relating to the tax deduction for dividends; to provide an effective date; and to provide for retroactive application"

Page 1, line 8, replace "1. The tax commissioner shall provide, with" with "With"

Page 1, line 10, replace ", that if the amount of the item is other than a whole dollar" with "and for purposes of amounts in tax tables prescribed under subsection 12 of section 57-38-30.3 and subsection 3 of section 57-38-59, the amount may be rounded to the nearest dollar. The cents must be disregarded if the cents amount to less than one-half dollar. If the cents amount to one-half dollar or more, the amount must be increased to the next whole dollar."

SECTION 2. A new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

Reduced by income from a new and expanding business exempt from state income tax under section 40-57.1-04.

SECTION 3. REPEAL. Subdivision b of subsection 2 of section 57-35.3-02, subdivision i of subsection 1 of section 57-38-01.2, and subdivision g of subsection 1 of section 57-38-01.3 of the North Dakota Century Code are repealed.

SECTION 4. EFFECTIVE DATE. Section 2 of this Act is effective for taxable years beginning after December 31, 2002.

SECTION 5. RETROACTIVE APPLICATION. Section 3 of this Act applies retroactively to taxable years beginning after December 31, 1999."

Page 1, remove lines 11 through 22

Renumber accordingly

Engrossed SB 2099 was placed on the Seventh order of business on the calendar.

MOTION

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

MOTION

REP. MONSON MOVED that the House be on the Fifth, Seventh, Ninth, Twelfth, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Friday, April 4, 2003, which motion prevailed.

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

BRADLEY C. FAY, Chief Clerk

