

## JOURNAL OF THE SENATE

## Fifty-ninth Legislative Assembly

\* \* \* \* \*

Bismarck, April 4, 2005

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

The prayer was offered by Pastor Laurie Natwick, Good Shepherd Lutheran Church, Bismarck.

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

A quorum was declared by the President.

## MOTION

**SEN. CHRISTMANN MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1231, HB 1465, HB 1222, and HB 1434, which motion prevailed.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1231: Sens. Dever, J. Lee, Warner.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Reengrossed HB 1465: Sens. Brown, J. Lee, Warner.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1222: Sens. Cook, G. Lee, Fairfield.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on HB 1434: Sens. G. Lee, Erbele, Taylor.

## CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. J. LEE MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2341 as printed on SJ page 1172 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2341: Sens. Lyson, Brown, Warner.

## CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. TRAYNOR MOVED** that the Senate do not concur in the House amendments to Reengrossed SB 2373 as printed on SJ page 1182 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

## APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT APPOINTED** as a Conference Committee on Reengrossed SB 2373: Sens. Trenbeath, Traynor, Triplett.

## CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. HOLMBERG MOVED** that the Senate do concur in the House amendments to Engrossed SB 2022 as printed on SJ page 1144, which motion prevailed on a voice vote.

Engrossed SB 2022, as amended, was placed on the Eleventh order of business.

## SECOND READING OF SENATE BILL

**SB 2022:** A BILL for an Act to provide an appropriation for defraying the expenses of the state seed department.

## ROLL CALL

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

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

**ABSENT AND NOT VOTING:** Robinson

Reengrossed SB 2022 passed and the title was agreed to.

\*\*\*\*\*

#### **CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2304 as printed on SJ page 1158, which motion prevailed on a voice vote.

Engrossed SB 2304, as amended, was placed on the Eleventh order of business.

#### **SECOND READING OF SENATE BILL**

**SB 2304:** A BILL for an Act to amend and reenact section 50-11.1-02 of the North Dakota Century Code, relating to services included within the definition of early childhood services; and to declare an emergency.

#### **ROLL CALL**

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

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

**ABSENT AND NOT VOTING:** Robinson

Reengrossed SB 2304 passed, the title was agreed to, and the emergency clause was declared carried.

\*\*\*\*\*

#### **CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. KREBSBACH MOVED** that the Senate do concur in the House amendments to Engrossed SB 2336 as printed on SJ page 1089, which motion prevailed on a voice vote.

Engrossed SB 2336, as amended, was placed on the Eleventh order of business.

#### **SECOND READING OF SENATE BILL**

**SB 2336:** A BILL for an Act to amend and reenact sections 16.1-07-01, 16.1-07-05, 16.1-07-06, 16.1-07-08, 16.1-07-08.1, and 16.1-07-12 of the North Dakota Century Code, relating to absentee voting.

#### **ROLL CALL**

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

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

**ABSENT AND NOT VOTING:** Robinson

Reengrossed SB 2336 passed and the title was agreed to.

\*\*\*\*\*

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. TRENBEATH MOVED** that the Senate do concur in the House amendments to Engrossed SB 2368 as printed on SJ pages 1116-1117, which motion prevailed on a voice vote.

Engrossed SB 2368, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2368:** A BILL for an Act to create and enact a new section to chapter 39-04 of the North Dakota Century Code, relating to organization number plates.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 35 YEAS, 11 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Brown; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Krauter; Krebsbach; Kringstad; Lee, J.; Lindaas; Mathern; Nelson; O'Connell; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Tollefson; Traynor; Trenbeath; Urlacher; Wardner; Warner

**NAYS:** Bowman; Christmann; Cook; Kilzer; Klein; Lee, G.; Lyson; Mutch; Nothing; Thane; Triplett

**ABSENT AND NOT VOTING:** Robinson

Reengrossed SB 2368 passed and the title was agreed to.

\*\*\*\*\*

**MOTION**

**SEN. CHRISTMANN MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1017, HB 1019, HB 1020, and HB 1275, which motion prevailed.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1017: Sens. Thane, Andrist, Lindaas.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1019: Sens. Andrist, Schobinger, Tallackson.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1020: Sens. Andrist, Schobinger, Tallackson.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on Engrossed HB 1275: Sens. Kringstad, Christmann, Robinson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2002 as printed on SJ pages 1091-1094 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2002: Sens. Kilzer, Schobinger, Tallackson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2008 as printed on SJ pages 895-896 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2008: Sens. Andrist, Christmann, Lindaas.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2009 as printed on SJ pages 1086-1087 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2009: Sens. Schobinger, Thane, Lindaas.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2010 as printed on SJ pages 1115-1116 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2010: Sens. Thane, Andrist, Mathern.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2011 as printed on SJ page 1116 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2011: Sens. Christmann, Bowman, Tallackson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2016 as printed on SJ pages 1140-1141 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2016: Sens. Fischer, Thane, Mathern.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2019 as printed on SJ pages 1143-1144 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2019: Sens. Thane, Grindberg, Mathern.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2020 as printed on SJ pages 1149-1154 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2020: Sens. Bowman, Holmberg, Lindaas.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2021 as printed on SJ pages 1158-1161 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2021: Sens. Christmann, Fischer, Robinson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2023 as printed on SJ pages 1154-1158 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2023: Sens. Kringstad, Grindberg, Krauter.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to SB 2031 as printed on SJ page 928 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on SB 2031: Sens. Holmberg, Christmann, Tallackson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2059 as printed on SJ page 1094 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2059: Sens. Kringstad, Holmberg, Tallackson.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOLMBERG MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2133 as printed on SJ page 830 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2133: Sens. Schobinger, Christmann, Krauter.

**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 2022, SB 2304, SB 2336, and SB 2368.

**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 2208.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2002, SB 2008, SB 2009, SB 2010, SB 2011, SB 2016, SB 2019, SB 2020, SB 2021, SB 2023, SB 2031, SB 2059, SB 2133, SB 2341, and SB 2373 and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2002:** Sens. Kilzer; Schobinger; Tallackson

**SB 2008:** Sens. Andrist; Christmann; Lindaas

**SB 2009:** Sens. Schobinger; Thane; Lindaas

**SB 2010:** Sens. Thane; Andrist; Mathern

**SB 2011:** Sens. Christmann; Bowman; Tallackson

**SB 2016:** Sens. Fischer; Thane; Mathern

**SB 2019:** Sens. Thane; Grindberg; Mathern

**SB 2020:** Sens. Bowman; Holmberg; Lindaas

**SB 2021:** Sens. Christmann; Fischer; Robinson

**SB 2023:** Sens. Kringstad; Grindberg; Krauter

**SB 2031:** Sens. Holmberg; Christmann; Tallackson

**SB 2059:** Sens. Kringstad; Holmberg; Tallackson

**SB 2133:** Sens. Schobinger; Christmann; Krauter

**SB 2341:** Sens. Lyson; Brown; Warner

**SB 2373:** Sens. Trenbeath; Traynor; Triplett

**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 1017:** Sens. Thane; Andrist; Lindaas

**HB 1019:** Sens. Andrist; Schobinger; Tallackson

**HB 1020:** Sens. Andrist; Schobinger; Tallackson

**HB 1222:** Sens. Cook; G. Lee; Fairfield

**HB 1231:** Sens. Dever; J. Lee; Warner

**HB 1275:** Sens. Kringstad; Christmann; Robinson

**HB 1434:** Sens. G. Lee; Erbele; Taylor

**HB 1465:** Sens. Brown; J. Lee; Warner

**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 1042, HB 1348, HB 1350, HB 1357, HB 1374, HB 1376, HB 1391, HB 1410, HB 1419, HB 1433, HB 1439, HB 1452, HB 1460, HB 1473, HB 1478, HB 1484, HB 1486, HB 1496, HB 1497, and HB 1505.

**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 1258 and HB 1437 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1258:** Reps. Nottestad; Kasper; Amerman

**HB 1437:** Reps. Dietrich; Keiser; Boe

**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 1008, HB 1291, HB 1417, and HB 1454 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1008:** Reps. Kempenich; Thoreson; Kroeber

**HB 1291:** Reps. Nicholas; Brandenburg; Froelich

**HB 1417:** Reps. Kretschmar; Dietrich; Ekstrom

**HB 1454:** Reps. Maragos; Pietsch; Kaldor

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

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2267.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2267**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact section 57-39.2-26.2 of the North Dakota Century Code, relating to allocation of sales, use, and motor vehicle excise tax revenues to a state matching program for senior citizen services and programs; to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26 of the North Dakota Century Code, relating to a state matching program for senior citizen services and programs; to provide a continuing appropriation; to provide a statement of legislative intent; and to provide an effective date.

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

**SECTION 1. AMENDMENT.** Subsection 5 of section 57-15-56 of the North Dakota Century Code is amended and reenacted as follows:

5. The ~~department of human services~~ state treasurer shall provide matching funds ~~as provided in this subsection for the amounts levied by counties and cities for senior citizen services and programs operated pursuant to funded as required by this section.~~ The grants must be made on or before March first of each year ~~and must be equal to the amount levied for the previous taxable year by each county or city within the limitations of legislative appropriations, provided that no such~~ to each eligible county. A county receiving a grant under this section which has not levied a tax under this section shall transfer the amount received to a city within the county which has levied a tax under this section. A grant may ~~not~~ be made to any ~~county or city which~~ that has not filed with the ~~department of human services~~ state treasurer a ~~required~~ written report verifying that grant funds received in the previous year under this subsection have been budgeted for

the same purposes permitted for the expenditure of proceeds of a tax levied under this section. The written report must be received by the ~~department of human services~~ state treasurer on or before February first of each year following a year in which the reporting county ~~or city~~ received grant funds under this subsection. A matching fund grant must be provided from the senior citizen services and programs fund to each eligible county equal to two-thirds of the amount levied in dollars in the county under this section for the taxable year, but the matching fund grant applies only to a levy of up to one mill under this section.

A county or city may not levy a tax of more than one mill under this section unless the county or city has allocated from its funds to be raised or received under section 57-15-06, 57-15-08, or 57-39.2-26.1, or any combination of those fund sources, an amount for senior citizen services and programs which is at least equal to the revenue that would be generated by a levy of one-third of one mill on the taxable valuation of all property in the county subject to a levy under this section for the taxable year.

**SECTION 2. AMENDMENT.** Section 57-39.2-26 of the North Dakota Century Code is amended and reenacted as follows:

**57-39.2-26. Allocation of revenue.** ~~All~~ Except as provided by sections 57-39-26.1 and 57-39.2-26.2, all moneys collected and received under this chapter must be paid into the state treasury and must be credited by the state treasurer to the general fund. Moneys deposited with the commissioner as security for the payment of tax, penalties, or costs due must be deposited and accounted for as provided in subsection 3 of section 57-39.2-12.

**SECTION 3.** Section 57-39.2-26.2 of the North Dakota Century Code is created and enacted as follows:

57-39.2-26.2. Allocation of revenues to senior citizen services and programs matching fund - Continuing appropriation. Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to the amount of revenue that would have been generated by a levy of two-thirds of one mill on the taxable valuation of all property in the state subject to a levy under section 57-15-56 in the previous taxable year must be deposited by the state treasurer in the senior citizen services and programs fund during the period from July first through December thirty-first of each year. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax revenues which must be deposited in the fund as determined under this section. Revenues deposited in the senior citizen services and programs fund are provided as a standing and continuing appropriation for allocation as provided in subsection 5 of section 57-15-56. Any unexpended and unobligated amount in the senior citizen services and programs fund at the end of the biennium must be transferred by the state treasurer to the state general fund.

**SECTION 4. LEGISLATIVE INTENT - HOME-DELIVERED MEALS.** It is the intent of the fifty-ninth legislative assembly that the department of human services encourage providers, to the extent possible, to allocate additional resources to make available more home-delivered meals for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 5. EFFECTIVE DATE.** This Act is effective for tax collections received after June 30, 2005."

Renumber accordingly

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2005, SB 2117, SB 2227, SB 2281, SB 2343, SCR 4030.

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

**MR. SPEAKER:** The President has signed: HB 1120, HB 1151, HB 1168, HB 1174, HB 1177, HB 1274, HB 1305, HB 1409, HB 1418, HB 1475, HB 1525, HB 1528, HCR 3042, HCR 3047.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HCR 3037, HCR 3057, HCR 3058.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1005, HB 1007, HB 1014, HB 1022, HB 1024, HB 1043, HB 1163, HB 1204, HB 1206, HB 1235, HB 1238, HB 1239, HB 1266, HB 1272, HB 1273, HB 1276, HB 1311, HB 1312, HB 1313.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1061, HB 1062, HB 1069, HB 1076, HB 1094, HB 1104, HB 1105, HB 1136.

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

**MR. PRESIDENT:** The Speaker has signed: SCR 4013.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bill was delivered to the Governor for approval on April 4, 2005: SB 2366.

**MOTION**

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

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

**CORRECTION AND REVISION OF THE JOURNAL**

**MR. PRESIDENT:** Your **Committee on Correction and Revision of the Journal (Sen. Espgaard, Chairman)** has carefully examined the Journal of the Sixtieth Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1209, line 30, remove "HB 1230,"

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

**COMMUNICATION FROM GOVERNOR JOHN HOEVEN**

**March 28, 2005**

Pursuant to North Dakota Century Code Section 53-06.1-01.1, I am hereby nominating Mr. James Wang of Minnewauken for re-appointment to the North Dakota Gaming Commission. His term would be from July 1, 2005 until July 1, 2008.

Pursuant to Article V, Section 8 of the North Dakota Constitution, I ask the Senate to confirm James Wang for this position during the 2005 Legislative Session.

Thank you for your consideration.

**MOTION**

**SEN. CHRISTMANN MOVED** that Engrossed HB 1010, which is on the Sixth order, be laid over one legislative day, which motion prevailed.

**MOTION**

**SEN. CHRISTMANN MOVED** that Engrossed HB 1203, which is on the Sixth order, be laid over two legislative days, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**HB 1018, as engrossed: SEN. KRAUTER (Appropriations Committee) MOVED** that the amendments on SJ pages 1266-1267 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1018:** A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department; to amend and reenact sections 20.1-02-16.1 and 20.1-04-15 of the North Dakota Century Code, relating to the game and fish fund and establishing a youth pheasant hunting season; to provide a statement of legislative intent; to provide an expiration date; and to declare an emergency.

**MOTION**

**SEN. KRAUTER MOVED** that Engrossed HB 1018, as amended, be further amended as follows, which motion prevailed on a voice vote.

In lieu of the amendments adopted by the Senate as printed on pages 1266 and 1267 of the Senate Journal, Engrossed House Bill No. 1018 is amended as follows:

Page 1, line 2, replace "section" with "sections" and after "20.1-02-16.1" insert "and 20.1-04-15"



Page 1, line 3, after "fund" insert "and establishing a youth pheasant hunting season; to provide statements of legislative intent; to provide an expiration date"

Page 1, line 23, replace "1,431,668" with "1,414,443"

Page 2, line 2, replace "1,812,072" with "2,312,072"

Page 2, line 3, replace "47,683" with "46,564"

Page 2, line 6, replace "191,480" with "190,854"

Page 2, after line 6, insert:  
"Wildlife services

130,000"

Page 2, line 8, replace "5,829,291" with "6,440,321"

Page 2, line 15, replace "16,805,250" with "16,788,025"

Page 2, line 18, replace "5,414,122" with "5,914,122"

Page 2, line 19, replace "10,229,098" with "10,227,979"

Page 2, line 23, replace "1,529,033" with "1,528,407"

Page 2, line 24, replace "550,000" with "680,000"

Page 2, line 26, replace "49,195,054" with "49,806,084"

Page 3, line 9, replace "\$550,000" with "\$680,000"

Page 3, after line 19, insert:

**"SECTION 8. LEGISLATIVE INTENT - GRAHAMS ISLAND ROAD.** It is the intent of the fifty-ninth legislative assembly that if the bids for the Grahams Island road construction project are less than the amount budgeted, then \$100,000 of the \$500,000 grant provided by the game and fish department for the road project must be returned to the game and fish fund."

Page 3, after line 29, insert:

**"SECTION 10. AMENDMENT.** Section 20.1-04-15 of the North Dakota Century Code is amended and reenacted as follows:

**20.1-04-15. Pheasant season - Opening.** The open or lawful season on pheasant and the open or lawful season on duck may not commence on the same weekend. The Except as otherwise provided in this section for the opening of pheasant season for youth, the open or lawful season on pheasant may not open earlier than one-half hour before sunrise and the season may not commence earlier than the first Saturday of October of any given year. The governor, in the governor's proclamation, may provide a pheasant hunting season for youth ages twelve through sixteen on the Saturday and Sunday preceding the opening of the regular pheasant season.

**SECTION 11. EXPIRATION DATE.** Section 10 of this Act is effective through July 31, 2007, and after that date is ineffective."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1018 - Game and Fish Department - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$16,870,147	\$16,805,250	(\$17,225)	\$16,788,025
Operating expenses	9,736,435	9,736,435		9,736,435
Capital assets	2,961,116	2,961,116		2,961,116
Grants	5,414,122	5,414,122	500,000	5,914,122
Land habitat and deer depredation	10,232,286	10,229,098	(1,119)	10,227,979
Noxious weed control	350,000	350,000		350,000
Grants, gifts, and donations	700,000	700,000		700,000
Nongame wildlife conservation	120,000	120,000		120,000
Lonetree Reservoir	1,531,060	1,529,033	(626)	1,528,407

Wildlife services	550,000	550,000	130,000	680,000
Ramp improvements and marina development		<u>800,000</u>		<u>800,000</u>
Total all funds	\$48,465,166	\$49,195,054	\$611,030	\$49,806,084
Less estimated income	<u>48,465,166</u>	<u>49,195,054</u>	<u>611,030</u>	<u>49,806,084</u>
General fund	\$0	\$0	\$0	\$0
FTE	152.00	152.00	0.00	152.00

### Dept. 720 - Game and Fish Department - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	ADDS FUNDING FOR GRAHAMS ISLAND ROAD <sup>2</sup>	INCREASES FUNDING FOR WILDLIFE SERVICES <sup>3</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$17,225)			(\$17,225)
Operating expenses				
Capital assets				
Grants		\$500,000		500,000
Land habitat and deer depredation	(1,119)			(1,119)
Noxious weed control				
Grants, gifts, and donations				
Nongame wildlife conservation				
Lonetree Reservoir	(626)			(626)
Wildlife services			\$130,000	130,000
Ramp improvements and marina development				
Total all funds	(\$18,970)	\$500,000	\$130,000	\$611,030
Less estimated income	<u>(18,970)</u>	<u>500,000</u>	<u>130,000</u>	<u>611,030</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

<sup>2</sup> This amendment adds \$500,000 of special funds spending authority to the grants line item for the Game and Fish Department to provide a grant toward the construction costs of the Grahams Island road. This amendment also adds a section of legislative intent that if the bids for the road construction project are less than the amount budgeted, then \$100,000 of the \$500,000 is to be returned to the game and fish fund.

<sup>3</sup> This amendment adds \$130,000 from the game and fish fund for wildlife services, for a total of \$680,000 available to provide to the Agriculture Commissioner to pay for services provided by the United States Department of Agriculture Wildlife Services Agency to alleviate wildlife depredation and damage in North Dakota.

This amendment also amends North Dakota Century Code Section 20.1-04-15 relating to the opening of pheasant hunting season for youth and provides an expiration date.

**HB 1018:** A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department; to amend and reenact sections 20.1-02-16.1 and 20.1-04-15 of the North Dakota Century Code, relating to the game and fish fund and establishing a youth pheasant hunting season; to provide statements of legislative intent; 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, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

Engrossed HB 1018, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

\*\*\*\*\*

### CONSIDERATION OF AMENDMENTS

**HB 1016, as engrossed: SEN. GRINDBERG (Appropriations Committee) MOVED** that the amendments on SJ pages 1262-1266 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1016:** A BILL for an Act to provide an appropriation for defraying the expenses of the division of emergency management and a division of homeland security and state radio communications; to provide for a performance audit of the division of emergency management; to provide a statement of legislative intent; to provide for a report to the legislative council; to create and enact a new section to chapter 54-23.2 of the North Dakota Century Code, relating to a division of homeland security and state radio communications advisory commission; and to amend and reenact sections 54-23.2-01, 54-23.2-04.1, 54-23.2-09, 57-40.6-11, and 57-40.6-12 of the North Dakota Century Code, relating to a division of homeland security and state radio communications.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espesgard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mutch; Nelson; Nething; O'Connell; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

**NAYS:** Mathern; Tallackson

Engrossed HB 1016, as amended, passed and the title was agreed to.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1252:** A BILL for an Act to create and enact a new section to chapter 50-24.1 of the North Dakota Century Code, relating to developmental disabilities service providers; to amend and reenact sections 50-24.4-06 and 50-24.4-10, subsection 1 of section 50-24.4-11, sections 50-24.4-13, 50-24.4-14, 50-24.4-16, 50-24.4-19, and 50-24.4-27, and subsection 3 of section 50-24.5-02 of the North Dakota Century Code, relating to nursing home rates and basic care rates; and to repeal section 50-24.4-09 of the North Dakota Century Code, relating to interim rates for nursing homes.

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

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espesgard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

Reengrossed HB 1252, as amended, passed and the title was agreed to.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1459:** A BILL for an Act to create and enact a new section to chapter 50-06 and a new section to chapter 50-24.1 of the North Dakota Century Code, relating to creation of a prescription drug monitoring program and medical assistance program management; to provide for reports to the legislative council; to provide for a legislative council study; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christmann; Dever; Erbele; Espesgard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Hacker; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; O'Connell; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Triplett; Urlacher; Wardner; Warner

**ABSENT AND NOT VOTING:** Cook

Reengrossed HB 1459, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1223:** A BILL for an Act to create and enact a new section to chapter 53-10 and a new chapter to title 53 of the North Dakota Century Code, relating to liability for injury or damage incurred during equine activity and during activity involving livestock; and to amend and reenact section 53-10-02 of the North Dakota Century Code, relating to liability for injury or damage incurred during equine activity.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 17 YEAS, 29 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Christmann; Erbele; Every; Fischer; Flakoll; Heitkamp; Klein; Krauter; Mathern; Mutch; O'Connell; Tallackson; Taylor; Urlacher; Wardner

**NAYS:** Bercier; Brown; Dever; Espegard; Fairfield; Freborg; Grindberg; Hacker; Holmberg; Kilzer; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Nelson; Nething; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Thane; Tollefson; Traynor; Trenbeath; Triplett; Warner

**ABSENT AND NOT VOTING:** Cook

Reengrossed HB 1223 lost.

\*\*\*\*\*

**MOTION**

**SEN. CHRISTMANN MOVED** that Senate Rule 338 be further amended to read "sixty-third" in place of "sixty-first", thereby extending the deadline for reporting bills out of committee, which motion prevailed.

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

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1016, HB 1252.

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

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1018.

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

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1459.

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

**MR. SPEAKER:** The Senate has failed to pass: HB 1223.

**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 1530.

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

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

**SB 2372:** Reps. Nelson; Uglem; Sandvig

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

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2217, SB 2270.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2217**

In lieu of the amendments adopted by the House as printed on pages 1459-1461 of the House Journal, Engrossed Senate Bill No. 2217 is amended as follows:

Page 1, line 1, after "enact" insert "chapter 6-09.17," and after "57-38" insert ", a new subsection to section 57-38-30.3,"

Page 1, line 2, after the second "to" insert "a biodiesel partnership in assisting community expansion program," and after "corporate" insert "and individual"

Page 1, line 3, after "credits" insert a comma

Page 1, line 4, after "equipment" insert "; to amend and reenact section 7 of chapter 531 of the 2003 Session Laws, relating to extending the time special fuels tax reductions are available for biodiesel fuel", replace "and" with "to provide an appropriation; to provide a continuing appropriation;", and after "date" insert "; and to provide an expiration date"

Page 1, after line 5, insert:

**"SECTION 1.** Chapter 6-09.17 of the North Dakota Century Code is created and enacted as follows:

6-09.17-01. Definitions. In this chapter, unless the context or subject matter otherwise requires:

1. "Biodiesel partnership in assisting community expansion fund" or "fund" means a fund established to buy down the interest rate on loans to biodiesel production facilities as provided under this chapter.
2. "Biodiesel production facility" means a corporation, limited liability company, partnership, individual, or association involved in production of diesel fuel containing at least five percent biodiesel meeting the specifications adopted by the American society for testing and materials.
3. "Community" means the city or county in which an eligible biodiesel production facility is located, or a local development corporation, community organization, or any other group whose interest is in the economic growth of the area.

6-09.17-02. Biodiesel partnership in assisting community expansion fund - Continuing appropriation - Administration. A biodiesel partnership in assisting community expansion fund is hereby established. All moneys transferred into the fund, interest on fund moneys, and payments to the fund are hereby appropriated for the purposes of this chapter. This fund is subject to section 54-44.1-11 and any unexpended and unobligated balance in the fund at the end of the biennium must be transferred to the state general fund. The Bank of North Dakota shall administer the fund.

6-09.17-03. Fund - Purpose - Interest rate buydown. Moneys in the biodiesel partnership in assisting community expansion fund must be used for the purpose of buying down the interest rate on loans made by a lead financial institution in participation with the Bank of North Dakota. The Bank of North Dakota's participation may not exceed eighty percent nor be less than fifty percent of the total loans. If the loan is approved by the lenders and there is evidence of the community's commitment and ability to fund its portion of the buydown, the fund's participation in the buydown must automatically be approved.

6-09.17-04. Fund moneys - Eligible uses.

1. The fund moneys may be used to participate in an interest rate buydown on a loan to a biodiesel production facility for the following eligible uses:
  - a. Purchase of real property and equipment.
  - b. Expansion of facilities.
  - c. Working capital.
  - d. Inventory.

The loan funds cannot be used to refinance any existing debt or for the relocation of the business within North Dakota.

2. The community shall determine the amount of the interest rate buydown and apply to the Bank of North Dakota for participation from the biodiesel

partnership in assisting community expansion fund. The funds for the community's portion of the buydown may come from a local development corporation, contributions, community funds, future dedicated tax programs, or any other community source. Any community funds provided for a buydown under chapter 6-09.14 for a biodiesel production facility may be considered as funds for the community's portion of the buydown under this chapter for that facility.

3. The fund participation portion in the buydown must be determined by the Bank of North Dakota based on economic conditions in the city or county in which the business is located.
4. The maximum amount from the fund in the interest rate buydown may not exceed two hundred fifty thousand dollars per loan and not more than one loan may be provided to any single biodiesel production facility under this chapter. However, if the partnership in assisting community expansion fund does not have adequate funds on hand for an interest rate buydown for a biodiesel production facility, the maximum amount from the fund under this subsection is increased to five hundred thousand dollars per loan and, in that event, the community funds required for participation in the interest rate buydown must be limited to the amount required when the fund provides two hundred fifty thousand dollars per loan. The fund participation must be limited to the amount required to buy down the interest to five hundred basis points below the national prime interest rate.
5. The Bank of North Dakota shall adopt rules to implement this chapter."

Page 1, line 8, replace "Corporate income" with "Income"

Page 1, line 10, after "section" insert "57-38-29," and after "57-38-30" insert ", or 57-38-30.3"

Page 1, after line 15, insert:

"A partnership, subchapter S corporation, limited partnership, limited liability company, or any other passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of this section, and the amount of the credit allowed with respect to the entity's investments must be determined at the passthrough entity level. The amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity."

Page 1, line 18, replace "Corporate income" with "Income" and replace "taxpayer" with "seller of biodiesel fuel"

Page 1, line 19, after "section" insert "57-38-29," and after "57-38-30" insert ", or 57-38-30.3"

Page 1, line 20, replace "taxpayer's" with "biodiesel fuel seller's"

Page 2, line 1, replace the first "the" with "a"

Page 2, line 2, replace "taxpayer" with "biodiesel fuel seller"

Page 2, line 4, replace "taxpayer" with "biodiesel fuel seller"

Page 2, after line 8, insert:

"A partnership, subchapter S corporation, limited partnership, limited liability company, or any other passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of this section, and the amount of the credit allowed with respect to the entity's investments must be determined at the passthrough entity level. The amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity."

**SECTION 4.** A new subsection to section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

A taxpayer filing a return under this section is entitled to the credits provided under sections 2 and 3 of this Act."

Page 2, after line 15, insert:

**"SECTION 6. AMENDMENT.** Section 7 of chapter 531 of the 2003 Session Laws is amended and reenacted as follows:

**SECTION 7. EXPIRATION DATE.** Sections 1, 3, 4, and 5 of this Act are effective for taxable events occurring from the effective date of this Act through June 30, ~~2005~~ 2007, and are thereafter ineffective.

**SECTION 7. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,200,000, or so much of the sum as may be necessary, to the Bank of North Dakota for deposit in the biodiesel partnership in assisting community expansion fund for use as provided in chapter 6-09.17, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Page 2, line 16, replace "1 and 2" with "2, 3, and 4"

Page 2, line 17, replace "1" with "31" and replace "3" with "5"

Renumber accordingly

**HOUSE AMENDMENTS TO REENGROSSED SENATE BILL NO. 2270**

Page 1, line 1, replace "section" with "sections" and after "4-14.1-07.1" insert "and 4-14.1-07.2"

Page 1, line 2, replace "section" with "sections 4-14.1-08 and"

Page 1, after line 7, insert:

"4-14.1-07.1. Ethanol plant production incentives - Report to budget section.

1. a. An ethanol plant that was in operation before July 1, 1995, and which has a production capacity of fewer than fifteen million gallons [56781000 liters] of ethanol may receive up to nine hundred thousand dollars in production incentives from the state during the 2005-07 biennium and may receive no production incentives under this section after the 2005-07 biennium.
  - b. An ethanol plant that was in operation before July 1, 1995, and which produced fifteen million gallons [56781000 liters] or more in the previous fiscal year is eligible to receive up to four hundred fifty thousand dollars in production incentives from the state during the 2005-07 biennium and may receive no production incentives under this section after the 2005-07 biennium.
2. The agricultural products utilization commission shall determine the amount of production incentives to which a plant is entitled under this section by multiplying the number of gallons of ethanol produced by the plant and marketed to a distributor or wholesaler by forty cents. The commission shall forward the production incentives to the plant upon receipt of an affidavit by the plant indicating that the ethanol is to be sold at retail to consumers. The affidavit must be accompanied by an affidavit from a wholesaler or retailer indicating that the ethanol is to be sold at retail to consumers.
3. Within ninety days after the conclusion of the plant's fiscal year, the plant shall submit to the budget section of the legislative council a statement by a certified public accountant indicating whether the plant produced a profit from its operation in the preceding fiscal year, after deducting the payments received under this section.

**SECTION 2.** Section 4-14.1-07.2 of the North Dakota Century Code is created and enacted as follows:"

Page 1, line 8, replace "4-14.1-07.1" with "4-14.1-07.2"

Page 1, after line 13, insert:

**"SECTION 3. AMENDMENT.** Section 4-14.1-08 of the North Dakota Century Code is amended and reenacted as follows:

**4-14.1-08. Ethanol production incentive - Calculation - Payment.** The agricultural products utilization commission shall provide quarterly to each eligible facility a production incentive based on the average North Dakota price per bushel of corn received by farmers during the quarter, as established by the North Dakota agricultural statistics service and the average North Dakota rack price per gallon [3.79 liters] of ethanol during the quarter, as compiled by ~~the American coalition for ethanol~~ AXXIS petroleum. The amount payable as a production incentive must be calculated by including the sum arrived at under subsection 1 with the sum arrived at under subsection 2.

1. a. If the average quarterly price per bushel of corn is above one dollar and eighty cents, for each one cent by which the quarterly price is above one dollar and eighty cents, the agricultural products utilization commission shall add to the amount payable under this section one-tenth of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
- b. If the average quarterly price per bushel of corn is one dollar and eighty cents, the agricultural products utilization commission shall add zero to any amount payable under this section.
- c. If the average quarterly price per bushel of corn is below one dollar and eighty cents, for each one cent by which the quarterly price is below one dollar and eighty cents, the agricultural products utilization commission shall subtract from the amount payable under this section one-tenth of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
2. a. If the average quarterly rack price per gallon of ethanol is above one dollar and thirty cents, for each one cent by which the average quarterly rack price is above one dollar and thirty cents, the agricultural products utilization commission shall subtract from the amount payable under this section, two-tenths of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
- b. If the average quarterly rack price per gallon of ethanol is one dollar and thirty cents, the agricultural products utilization commission shall subtract zero from any amount payable under this section.
- c. If the average quarterly rack price per gallon of ethanol is below one dollar and thirty cents, for each one cent by which the average quarterly rack price is below one dollar and thirty cents, the agricultural products utilization commission shall add to the amount payable under this section two-tenths of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter."

Page 1, line 21, after "4-14.1-07.1" insert ", 4-14.1-07.2"

Renumber accordingly

#### **MOTION**

**SEN. CHRISTMANN MOVED** that the absent member be excused, which motion prevailed.

#### **MOTION**

**SEN. CHRISTMANN MOVED** that the Senate be on the Fourth, Fifth, Seventh, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Tuesday, April 5, 2005, which motion prevailed.

#### **REPORT OF STANDING COMMITTEE**

**HB 1012, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "and" with "an"

Page 1, line 3, remove "and" and after "authority" insert "; to create and enact a new section to chapter 25-18 of the North Dakota Century Code, relating to providing services to



medically fragile children; to amend and reenact subsection 10 of section 54-44.8-01 of the North Dakota Century Code, relating to telecommunications equipment; and to declare an emergency"

Page 3, line 29, replace "\$486,633" with "\$498,738"

Page 3, line 30, replace "(1,787,339)" with "27,401,520"

Page 4, line 2, replace "\$5,535,466" with "\$23,641,288"

Page 4, line 3, replace "(11,288,586)" with "17,895,373"

Page 4, line 4, replace "5,753,120" with "5,745,915"

Page 4, line 7, replace "699,801" with "670,847"

Page 4, line 8, replace "(109,195)" with "(29,195)"

Page 4, line 10, replace "44,572,418" with "44,935,006"

Page 4, line 11, replace "71,360,100" with "73,920,919"

Page 4, line 12, replace "116,517,316" with "119,491,769"

Page 4, line 13, replace "63,463,933" with "65,616,479"

Page 4, line 14, replace "53,053,383" with "53,875,290"

Page 4, line 19, replace "43,292" with "37,052"

Page 4, line 20, replace "39,123" with "35,963"

Page 4, line 21, replace "4,169" with "1,089"

Page 4, line 23, replace "713,327" with "698,351"

Page 4, line 24, replace "533,839" with "526,839"

Page 4, line 25, replace "179,488" with "171,512"

Page 4, line 27, replace "680,656" with "672,918"

Page 4, line 28, replace "431,083" with "427,285"

Page 4, line 29, replace "249,573" with "245,633"

Page 5, line 2, replace "1,055,769" with "1,037,049"

Page 5, line 3, replace "745,840" with "734,210"

Page 5, line 4, replace "309,929" with "302,839"

Page 5, line 6, replace "2,801,880" with "2,779,416"

Page 5, line 7, replace "2,430,373" with "2,417,169"

Page 5, line 8, replace "371,507" with "362,247"

Page 5, line 10, replace "780,171" with "769,313"

Page 5, line 11, replace "578,413" with "572,445"

Page 5, line 12, replace "201,758" with "196,868"

Page 5, line 14, replace "920,924" with "905,199"

Page 5, line 15, replace "537,278" with "529,098"

Page 5, line 16, replace "383,646" with "376,101"

Page 5, line 18, replace "383,660" with "373,926"

Page 5, line 19, replace "250,774" with "245,520"

Page 5, line 20, replace "132,886" with "128,406"

Page 5, line 22, replace "230,001" with "292,827"

Page 5, line 23, replace "5,430,860" with "5,424,120"

Page 5, line 24, replace "5,660,861" with "5,716,947"

Page 5, line 25, replace "(728,482)" with "(746,586)"

Page 5, line 26, replace "6,389,343" with "6,463,533"

Page 5, line 28, replace "1,463,546" with "1,403,643"

Page 5, line 29, replace "(1,124,148)" with "(1,168,531)"

Page 5, line 30, replace "2,587,694" with "2,572,174"

Page 5, line 31, replace "14,254,086" with "14,143,814"

Page 6, line 1, replace "3,694,093" with "3,573,412"

Page 6, line 2, replace "10,559,993" with "10,570,402"

Page 6, line 3, replace "69,366,496" with "70,191,607"

Page 6, line 4, replace "55,869,440" with "87,085,264"

Page 6, line 5, replace "125,235,936" with "157,276,871"

Page 6, line 14, replace "10,529,652" with "10,517,547"

Page 6, line 15, replace "31,779,849" with "60,968,708"

Page 6, line 17, replace "42,312,257" with "71,489,011"

Page 6, line 18, replace "22,841,521" with "52,025,480"

Page 6, line 19, replace "19,470,736" with "19,463,531"

Page 6, line 22, replace "22,753,582" with "22,724,628"

Page 6, line 23, replace "37,272,214" with "37,352,214"

Page 6, line 25, replace "333,260,143" with "333,622,731"

Page 6, line 26, replace "993,037,274" with "995,598,093"

Page 6, line 27, replace "1,386,357,077" with "1,389,331,530"

Page 6, line 28, replace "1,022,556,015" with "1,024,708,561"

Page 6, line 29, replace "363,801,062" with "364,622,969"

Page 7, line 3, replace "7,318,971" with "7,312,731"

Page 7, line 4, replace "3,684,763" with "3,681,603"

Page 7, line 5, replace "3,634,208" with "3,631,128"

Page 7, line 7, replace "15,278,197" with "15,263,221"

Page 7, line 8, replace "7,257,513" with "7,250,513"

Page 7, line 9, replace "8,020,684" with "8,012,708"

Page 7, line 11, replace "9,101,589" with "9,093,851"

Page 7, line 12, replace "4,214,056" with "4,210,258"

Page 7, line 13, replace "4,887,533" with "4,883,593"

Page 7, line 15, replace "20,496,952" with "20,478,232"

Page 7, line 16, replace "12,190,660" with "12,179,030"

Page 7, line 17, replace "8,306,292" with "8,299,202"

Page 7, line 19, replace "23,526,422" with "23,503,958"

Page 7, line 20, replace "13,645,595" with "13,632,391"

Page 7, line 21, replace "9,880,827" with "9,871,567"

Page 7, line 23, replace "12,139,146" with "12,128,288"

Page 7, line 24, replace "6,310,281" with "6,304,313"

Page 7, line 25, replace "5,828,865" with "5,823,975"

Page 7, line 27, replace "18,505,768" with "18,490,043"

Page 7, line 28, replace "9,658,913" with "9,650,733"

Page 7, line 29, replace "8,846,855" with "8,839,310"

Page 8, line 1, replace "9,308,287" with "9,298,553"

Page 8, line 2, replace "4,809,497" with "4,804,243"

Page 8, line 3, replace "4,498,790" with "4,494,310"

Page 8, line 5, replace "42,119,562" with "42,182,388"

Page 8, line 6, replace "5,430,860" with "5,424,120"

Page 8, line 7, replace "47,550,422" with "47,606,508"

Page 8, line 8, replace "15,676,878" with "15,658,774"

Page 8, line 9, replace "31,873,544" with "31,947,734"

Page 8, line 11, replace "42,224,603" with "42,164,700"

Page 8, line 12, replace "30,825,680" with "30,781,297"

Page 8, line 13, replace "11,398,923" with "11,383,403"

Page 8, line 14, replace "205,450,357" with "205,340,085"

Page 8, line 15, replace "108,273,836" with "108,153,155"

Page 8, line 16, replace "97,176,521" with "97,186,930"

Page 8, line 17, replace "480,448,319" with "481,273,430"

Page 8, line 18, replace "1,153,671,372" with "1,184,887,196"

Page 8, line 19, replace "1,634,119,691" with "1,666,160,626"

Page 9, line 11, replace "\$114,755" with "\$254,356"

Page 9, after line 14, insert:

**"SECTION 8. ESTIMATED INCOME - LIMIT - HEALTH CARE TRUST FUND.**

The estimated income line item in subdivision 1 of section 3 of this Act includes

\$3,667,820 from the health care trust fund. The department of human services expenditures from this fund may not exceed this amount for the period beginning with the effective date of this Act, and ending June 30, 2007."

Page 9, after line 25, insert:

**"SECTION 11. LEGISLATIVE COUNCIL STUDY - RESIDENTIAL TREATMENT CENTER AND RESIDENTIAL CHILD CARE FACILITY PAYMENT SYSTEMS.** The legislative council shall consider studying, during the 2005-06 interim, the services provided by residential treatment centers and residential child care facilities and the appropriateness of the payments provided by the state for these services.

**SECTION 12. PLAN TO TRANSFER APPROPRIATE DEVELOPMENTAL CENTER RESIDENTS TO COMMUNITIES - LEGISLATIVE COUNCIL REPORT.** The department of human services, with input from developmental disabilities services providers, shall develop, during the 2005-06 interim, a plan to transfer appropriate individuals from the developmental center to community placements and to the extent possible, begin the transfers during the 2005-07 biennium. The department shall report to the legislative council on its plan and on the anticipated number of individuals that may be transferred during the 2005-07 biennium.

**SECTION 13. DEPARTMENT OF HUMAN SERVICES AND INDIAN AFFAIRS COMMISSION - CHILD SUPPORT - STATE AND TRIBAL COURT COORDINATION.** The department of human services and the indian affairs commission shall collaborate to facilitate the coordination of state and tribal court activities to increase the amount of child support collected for noncustodial parents for the biennium beginning July 1, 2005, and ending June 30, 2007.

**SECTION 14.** A new section to chapter 25-18 of the North Dakota Century Code is created and enacted as follows:

Payment for services to medically fragile children. The department shall recognize the unique level of care, the additional cost required to provide services to medically fragile clients under twenty-one years of age, and the actual and reasonable cost of providing services to developmentally disabled individuals when reimbursing an intermediate care facility for the mentally retarded.

**SECTION 15. AMENDMENT.** Subsection 10 of section 54-44.8-01 of the North Dakota Century Code is amended and reenacted as follows:

10. "Specialized telecommunications equipment" means a dedicated telecommunications device that, when connected to a telephone, enables or assists a person who is communications impaired to communicate with another person utilizing the telephone network. The term may include telecommunications devices for the deaf, amplifiers, and signaling devices. Specialized telecommunications equipment provided under this chapter to an individual may not exceed two thousand dollars in total cost per device.

**SECTION 16. EMERGENCY.** The appropriation of \$29,188,859 included in subdivision 1 of section 3 of this Act for the medicaid management information system replacement project and section 15 of this Act are declared to be an emergency measure."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1012 - Summary of Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
DHS - Management				
Total all funds	\$71,539,214	\$42,312,257	\$29,176,754	\$71,489,011
Less estimated income	48,374,575	22,841,521	29,183,959	52,025,480
General fund	\$23,164,639	\$19,470,736	(\$7,205)	\$19,463,531
DHS - Program/Policy				
Total all funds	\$1,396,151,539	\$1,386,357,077	\$2,974,453	\$1,389,331,530
Less estimated income	1,027,728,022	1,022,556,015	2,152,546	1,024,708,561
General fund	\$368,423,517	\$363,801,062	\$821,907	\$364,622,969
DHS - State Hospital				
Total all funds	\$47,728,538	\$47,550,422	\$56,086	\$47,606,508

Less estimated income	15,610,871	15,676,878	(18,104)	15,658,774
General fund	\$32,117,667	\$31,873,544	\$74,190	\$31,947,734
DHS - Developmental Center				
Total all funds	\$43,046,377	\$42,224,603	(\$59,903)	\$42,164,700
Less estimated income	31,349,952	30,825,680	(44,383)	30,781,297
General fund	\$11,696,425	\$11,398,923	(\$15,520)	\$11,383,403
DHS - Northwest HSC				
Total all funds	\$7,379,756	\$7,318,971	(\$6,240)	\$7,312,731
Less estimated income	3,691,210	3,684,763	(3,160)	3,681,603
General fund	\$3,688,546	\$3,634,208	(\$3,080)	\$3,631,128
DHS - North Central HSC				
Total all funds	\$15,433,218	\$15,278,197	(\$14,976)	\$15,263,221
Less estimated income	7,270,196	7,257,513	(7,000)	7,250,513
General fund	\$8,163,022	\$8,020,684	(\$7,976)	\$8,012,708
DHS - Lake Region HSC				
Total all funds	\$9,196,380	\$9,101,589	(\$7,738)	\$9,093,851
Less estimated income	4,221,881	4,214,056	(3,798)	4,210,258
General fund	\$4,974,499	\$4,887,533	(\$3,940)	\$4,883,593
DHS - Northeast HSC				
Total all funds	\$20,696,142	\$20,496,952	(\$18,720)	\$20,478,232
Less estimated income	12,211,610	12,190,660	(11,630)	12,179,030
General fund	\$8,484,532	\$8,306,292	(\$7,090)	\$8,299,202
DHS - Southeast HSC				
Total all funds	\$23,822,246	\$23,526,422	(\$22,464)	\$23,503,958
Less estimated income	13,673,717	13,645,595	(13,204)	13,632,391
General fund	\$10,148,529	\$9,880,827	(\$9,260)	\$9,871,567
DHS - South Central HSC				
Total all funds	\$12,238,992	\$12,139,146	(\$10,858)	\$12,128,288
Less estimated income	6,322,357	6,310,281	(5,968)	6,304,313
General fund	\$5,916,635	\$5,828,865	(\$4,890)	\$5,823,975
DHS - West Central HSC				
Total all funds	\$18,700,619	\$18,505,768	(\$15,725)	\$18,490,043
Less estimated income	9,675,203	9,658,913	(8,180)	9,650,733
General fund	\$9,025,416	\$8,846,855	(\$7,545)	\$8,839,310
DHS - Badlands HSC				
Total all funds	\$9,388,791	\$9,308,287	(\$9,734)	\$9,298,553
Less estimated income	4,819,177	4,809,497	(5,254)	4,804,243
General fund	\$4,569,614	\$4,498,790	(\$4,480)	\$4,494,310
Bill Total				
Total all funds	\$1,675,321,812	\$1,634,119,691	\$32,040,935	\$1,666,160,626
Less estimated income	1,184,948,771	1,153,671,372	31,215,824	1,184,887,196
General fund	\$490,373,041	\$480,448,319	\$825,111	\$481,273,430

## House Bill No. 1012 - DHS - Management - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION	
Salaries and wages	\$10,567,750	\$10,529,652	(\$12,105)	\$10,517,547	
Operating expenses	60,968,708	31,779,849	29,188,859	60,968,708	
Capital assets	<u>2,756</u>	<u>2,756</u>		<u>2,756</u>	
Total all funds	\$71,539,214	\$42,312,257	\$29,176,754	\$71,489,011	
Less estimated income	<u>48,374,575</u>	<u>22,841,521</u>	<u>29,183,959</u>	<u>52,025,480</u>	
General fund	\$23,164,639	\$19,470,736	(\$7,205)	\$19,463,531	
FTE	99.10	99.10	0.00	99.10	
		FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
<sup>1</sup> Management - Senate Changes:					
Reduces recommended funding for health insurance			(\$7,205)	(\$4,900)	(\$12,105)
Administration Support Program					
None					
Division of Information Technology Program					
Restores funding for the Medicaid management system (MMIS) computer project removed by the House with state matching funds of \$3,667,820 provided from the health care trust fund rather than the general fund				29,188,859	29,188,859
Total Senate Changes - Management		0.00	(\$7,205)	\$29,183,959	\$29,176,754

## House Bill No. 1012 - DHS - Program/Policy - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION
Salaries and wages	\$23,054,340	\$22,753,582	(\$28,954)	\$22,724,628
Operating expenses	38,232,573	37,272,214	80,000	37,352,214
Capital assets	33,864	33,864		33,864
Grants	334,055,993	333,260,143	362,588	333,622,731
Grants - Medical assistance	<u>1,000,774,769</u>	<u>993,037,274</u>	<u>2,560,819</u>	<u>995,598,093</u>

Total all funds	\$1,396,151,539	\$1,386,357,077	\$2,974,453	\$1,389,331,530
Less estimated income	<u>1,027,728,022</u>	<u>1,022,556,015</u>	<u>2,152,546</u>	<u>1,024,708,561</u>
General fund	\$368,423,517	\$363,801,062	\$821,907	\$364,622,969
FTE	233.30	232.30	0.00	232.30

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
--	-----	--------------	------------------	-------

**<sup>1</sup>Program and Policy - Senate Changes:**

Reduces recommended funding for health insurance		(\$8,140)	(\$20,814)	(\$28,954)
--	--	-----------	------------	------------

**Economic Assistance Policy Program**

None

**Child Support Program**

None

**Medical Services Program**

Restores funding reduced by the House from the community health trust fund for breast and cervical cancer treatment services			139,601	139,601
--	--	--	---------	---------

Adds funding for the children's health insurance program (Healthy Steps) in anticipation of increased caseload resulting from implementation of the vision eligibility system	428,425	1,607,893		2,036,318
---	---------	-----------	--	-----------

**Long-Term Care Program**

None

**Aging Services Program**

None

**Children and Family Services Program**

Adds funding for increasing the maximum treatment services payment for residential child care facilities to \$15 per day. The House had added funding to increase the maximum payment from \$11.50 to \$14.15 per day.	21,622	56,066		77,688
--	--------	--------	--	--------

Restores a portion of the House reductions made to the funding anticipated to be needed for foster care and subsidized adoption services. The House had reduced this funding by \$594,106, of which \$250,000 is from the general fund.	100,000	184,900		284,900
---	---------	---------	--	---------

**Mental Health and Substance Abuse Program**

None

**Developmental Disabilities Council**

None

**Disabilities Program**

Adds funding for increasing payment rates for facilities serving children with extensive medical needs, including the Anne Carlsen Center. This amount is in addition to the \$284,900 added by the House for this purpose.	100,000	184,900		284,900
---	---------	---------	--	---------

Adds funding for the department to develop a plan to transfer appropriate individuals from the Developmental Center to community placements, and to the extent possible to begin the transition during the 2005-07 biennium	50,000			50,000
---	--------	--	--	--------

Restores funding to \$910,056 from the general fund for the family subsidy program. The House reduced funding for this program by \$100,000 from the general fund.	100,000			100,000
--	---------	--	--	---------

Adds funding for paying petitioning costs for indigent individuals with developmental disabilities who have been referred for corporate guardianship	30,000			30,000
--	--------	--	--	--------

<b>Total Senate Changes - Program and Policy</b>	0.00	\$821,907	\$2,152,546	\$2,974,453
--	------	-----------	-------------	-------------

**Other changes affecting Program and Policy programs:**

A section is added requiring the department to recognize additional costs incurred by intermediate care facilities for the mentally retarded (ICF/MRs) serving medically fragile clients under 21 years of age.

A section is added directing the department and developmental disabilities services providers to develop, during the 2005-06 interim, a plan for transferring appropriate individuals from the Developmental Center to community placements and to the extent possible, to begin the transition during the 2005-07 biennium. The section also provides that the department report to the Legislative Council on its plan.

A section is added changing the definition of specialized telecommunications equipment.

A section is added requiring the department and the Indian Affairs Commission to collaborate to improve the coordination of tribal and state court activities relating to child support enforcement.

A section is added providing for a Legislative Council study of the services provided by residential treatment centers and residential child care facilities and the appropriateness of the payments provided by the state for these services.

**House Bill No. 1012 - DHS - State Hospital - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION	
Salaries and wages					
Traditional	\$42,272,978	\$42,119,562	\$62,826	\$42,182,388	
Secure	<u>5,455,560</u>	<u>5,430,860</u>	<u>(6,740)</u>	<u>5,424,120</u>	
Total all funds	\$47,728,538	\$47,550,422	\$56,086	\$47,606,508	
Less estimated income	<u>15,610,871</u>	<u>15,676,878</u>	<u>(18,104)</u>	<u>15,658,774</u>	
General fund	\$32,117,667	\$31,873,544	\$74,190	\$31,947,734	
FTE	424.01	424.01	0.00	424.01	
		FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
<b><sup>1</sup>State Hospital - Senate Changes:</b>					
Reduces recommended funding for health insurance			(\$35,810)	(\$18,104)	(\$53,914)
Adds funds for repairing and painting the State Hospital water tower			110,000		110,000
<b>Total Senate Changes - State Hospital</b>		0.00	\$74,190	(\$18,104)	\$56,086

**House Bill No. 1012 - DHS - Developmental Center - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION	
Human service centers/institutions	\$43,046,377	\$42,224,603	(\$59,903)	\$42,164,700	
Total all funds	\$43,046,377	\$42,224,603	(\$59,903)	\$42,164,700	
Less estimated income	<u>31,349,952</u>	<u>30,825,680</u>	<u>(44,383)</u>	<u>30,781,297</u>	
General fund	\$11,696,425	\$11,398,923	(\$15,520)	\$11,383,403	
FTE	451.54	451.54	0.00	451.54	
		FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
<b><sup>1</sup>Developmental Center - Senate Changes:</b>					
Reduces recommended funding for health insurance			(\$15,520)	(\$44,383)	(\$59,903)
<b>Total Senate Changes - Developmental Center</b>		0.00	(\$15,520)	(\$44,383)	(\$59,903)

**House Bill No. 1012 - Human Service Centers - General Fund Summary**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION
DHS - Northwest HSC	\$3,688,546	\$3,634,208	(\$3,080)	\$3,631,128
DHS - North Central HSC	8,163,022	8,020,684	(7,976)	8,012,708
DHS - Lake Region HSC	4,974,499	4,887,533	(3,940)	4,883,593
DHS - Northeast HSC	8,484,532	8,306,292	(7,090)	8,299,202
DHS - Southeast HSC	10,148,529	9,880,827	(9,260)	9,871,567
DHS - South Central HSC	5,916,635	5,828,865	(4,890)	5,823,975
DHS - West Central HSC	9,025,416	8,846,855	(7,545)	8,839,310
DHS - Badlands HSC	<u>4,569,614</u>	<u>4,498,790</u>	<u>(4,480)</u>	<u>4,494,310</u>
Total general fund	\$54,970,793	\$53,904,054	(\$48,261)	\$53,855,793

**House Bill No. 1012 - Human Service Centers - Other Funds Summary**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION
DHS - Northwest HSC	\$3,691,210	\$3,684,763	(\$3,160)	\$3,681,603
DHS - North Central HSC	7,720,196	7,257,513	(7,000)	7,250,513
DHS - Lake Region HSC	4,221,881	4,214,056	(3,798)	4,210,258
DHS - Northeast HSC	12,211,610	12,190,660	(11,630)	12,179,030
DHS - Southeast HSC	13,673,717	13,645,595	(13,204)	13,632,391
DHS - South Central HSC	6,322,357	6,310,281	(5,968)	6,304,313
DHS - West Central HSC	9,675,203	9,658,913	(8,180)	9,650,733
DHS - Badlands HSC	<u>4,819,177</u>	<u>4,809,497</u>	<u>(5,254)</u>	<u>4,804,243</u>
Total other funds	\$61,885,351	\$61,771,278	(\$58,194)	\$61,713,084

**House Bill No. 1012 - Human Service Centers - All Funds Summary**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES <sup>1</sup>	SENATE VERSION
DHS - Northwest HSC	\$7,379,756	\$7,318,971	(\$6,240)	\$7,312,731
DHS - North Central HSC	15,433,218	15,278,197	(14,976)	15,263,221
DHS - Lake Region HSC	9,196,380	9,101,589	(7,738)	9,093,851
DHS - Northeast HSC	20,696,142	20,496,952	(18,720)	20,478,232
DHS - Southeast HSC	23,822,246	23,526,422	(22,464)	23,503,958
DHS - South Central HSC	12,238,992	12,139,146	(10,858)	12,128,288
DHS - West Central HSC	18,700,619	18,505,768	(15,725)	18,490,043
DHS - Badlands HSC	<u>9,388,791</u>	<u>9,308,287</u>	<u>(9,734)</u>	<u>9,298,553</u>
Total all funds	\$116,856,144	\$115,675,332	(\$106,455)	\$115,568,877
FTE	840.48	840.48	0.00	840.48

<sup>1</sup>Reduces recommended funding for health insurance at the human service centers as follows:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Northwest HSC		(\$3,080)	(\$3,160)	(\$6,240)
North Central HSC		(7,976)	(7,000)	(14,976)
Lake Region HSC		(3,940)	(3,798)	(7,738)
Northeast HSC		(7,090)	(11,630)	(18,720)
Southeast HSC		(9,260)	(13,204)	(22,464)
South Central HSC		(4,890)	(5,968)	(10,858)
West Central HSC		(7,545)	(8,180)	(15,725)
Badlands HSC		<u>(4,480)</u>	<u>(5,254)</u>	<u>(9,734)</u>
Total		(\$48,261)	(\$58,194)	(\$106,455)

### REPORT OF STANDING COMMITTEE

**HB 1021, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1021 was placed on the Sixth order on the calendar.

Page 1, line 4, after the semicolon insert "to provide legislative intent; to provide water commission authority to issue bonds;"

Page 1, line 19, replace "94,276" with "92,903"

Page 1, line 20, replace "(47,204,774)" with "(26,963,759)"

Page 1, line 21, replace "(\$47,110,498)" with "(\$26,870,856)"

Page 1, line 22, replace "(47,544,575)" with "(27,540,887)"

Page 1, line 23, replace "434,077" with "670,031"

Page 2, line 6, replace "2,170,511" with "2,169,138"

Page 2, line 7, replace "110,577,845" with "130,818,860"

Page 2, line 8, replace "112,748,356" with "132,987,998"

Page 2, line 9, replace "102,928,883" with "122,932,571"

Page 2, line 10, replace "9,819,473" with "10,055,427"

Page 2, line 12, replace "\$52,863,116" with "\$54,013,116"

Page 2, line 20, replace "\$15,044,400" with "\$21,908,446"

Page 5, after line 31, insert:

**"SECTION 12. LEGISLATIVE INTENT - ADMINISTRATIVE EXPENSES.** It is the intent of the fifty-ninth legislative assembly that the use of water development trust fund moneys as a source of funding for state water commission administrative expenses be reduced during the 2007-09 biennium and discontinued as a source thereafter.

**SECTION 13. LEGISLATIVE INTENT - NELSON COUNTY INFRASTRUCTURE.** It is the intent of the fifty-ninth legislative assembly that the state water commission provide up to \$500,000 for water-related damage to infrastructure in Nelson County."

Page 6, line 3, replace "\$9,819,473" with "\$8,055,427"



Page 6, after line 4, insert:

**"SECTION 15. BONDING AUTHORITY - WATER PROJECTS.**  
Notwithstanding the provisions of section 61-02.1-02.1, the state water commission may issue bonds for statewide water development projects in an amount not to exceed \$14,000,000 plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves during the biennium beginning July 1, 2005, and ending June 30, 2007."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1021 - Water Commission - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Administrative and support services	\$2,176,060	\$2,170,511	(\$1,373)	\$2,169,138
Water and atmospheric resources	110,611,774	110,577,845	20,241,015	130,818,860
Total all funds	\$112,787,834	\$112,748,356	\$20,239,642	\$132,987,998
Less estimated income	<u>110,724,477</u>	<u>102,928,883</u>	<u>20,003,688</u>	<u>122,932,571</u>
General fund	\$2,063,357	\$9,819,473	\$235,954	\$10,055,427
FTE	84.00	84.00	0.00	84.00

#### Dept. 770 - Water Commission - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	INCREASES FUNDING FROM RESOURCES TRUST FUND 2	INCREASES FUNDING FROM WATER DEVELOPMENT TRUST FUND 3	ADJUSTS FUNDING FOR ADMINISTRATIVE EXPENSES 4	ADDS SPENDING AUTHORITY FOR WATER PROJECTS FROM BOND PROCEEDS 5	TOTAL SENATE CHANGES
Administrative and support services	(\$1,373)					(\$1,373)
Water and atmospheric resources	(8,985)	\$1,150,000	\$5,100,000		\$14,000,000	20,241,015
Total all funds	(\$10,358)	\$1,150,000	\$5,100,000	\$0	\$14,000,000	\$20,239,642
Less estimated income		<u>1,150,000</u>	<u>5,100,000</u>	<u>(246,312)</u>	<u>14,000,000</u>	<u>20,003,688</u>
General fund	(\$10,358)	\$0	\$0	\$246,312	\$0	\$235,954
FTE	0.00	0.00	0.00	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

2 The Senate increased the spending authority from the resources trust fund, based on total anticipated available funding, for water projects from \$52,863,116 to \$54,013,116.

3 The House version provided for funding of \$15,044,400 from the water development trust fund. The Senate increased funding for water projects by \$5,100,000 from anticipated available funding from the water development trust fund. Additional funding was also made available from a reduction in the transfer to the general fund from the water development trust fund of \$2 million, net of an increase in administrative expenses of \$246,312 and a decrease in health insurance of \$10,358. The amount available from the water development trust fund net of adjustments is \$21,908,446.

4 The House version provided for a transfer of \$9,819,473, the amount equal to administrative expenses of the State Water Commission, from the water development trust fund to the general fund. The Senate increased the total administrative expenses of the State Water Commission by \$246,312 per State Water Commission adjustment and decreased administrative expenses \$10,358 for health insurance. The total administrative expenses net of the adjustments is \$10,055,427. This amount is to be funded from the general fund rather than the water development trust fund. In addition, the Senate reduced the transfer from the water development trust fund to the general fund by \$2 million, based on administrative expenses of \$10,055,427, or a net transfer of \$8,055,427.

5 The Senate authorized the State Water Commission to issue up to \$14 million in bonds, in addition to the \$60 million of authority included in House Bill No. 1153, for statewide water development projects.

The Senate added an intent section that the administrative expenses of the State Water Commission be funded in the future from general fund moneys.

The Senate added an intent section that up to \$500,000 be made available for water-related damages to infrastructure in Nelson County.

The House provided for an amount equal to the administrative expenses of the State Water Commission be transferred from the water development trust fund to the general fund. the Senate reduced that transfer by \$2 million.

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

**William R. Horton, Secretary**