

JOURNAL OF THE HOUSE**Sixtieth Legislative Assembly**

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Bismarck, April 11, 2007

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

The prayer was offered by Pastor Spencer Baker with Open Door Baptist Church, Bismarck.

The roll was called and all members were present except Representatives DeKrey, S. Kelsh, Kempenich, and Williams.

A quorum was declared by the Speaker.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. SVEDJAN MOVED that the House do not concur in the Senate amendments to Engrossed HB 1003 as printed on HJ pages 1346-1357 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on Engrossed HB 1003: Reps. Wald, Monson, Aarsvold.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. SVEDJAN MOVED that the House do not concur in the Senate amendments to Reengrossed HB 1015 as printed on HJ pages 1494-1498 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on Reengrossed HB 1015: Reps. Pollert, Wieland, Metcalf.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. SVEDJAN MOVED that the House do not concur in the Senate amendments to Engrossed HB 1020 as printed on HJ pages 1416-1421 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on Engrossed HB 1020: Reps. Klein, Hawken, Gulleson.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. SVEDJAN MOVED that the House do not concur in the Senate amendments to Engrossed HB 1463 as printed on HJ page 1410 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on Engrossed HB 1463: Reps. Price, Porter, Kaldor.

APPOINTMENT OF CONFERENCE COMMITTEE

REP. SVEDJAN MOVED that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Reengrossed SB 2186, which motion prevailed.

THE SPEAKER APPOINTED as a Conference Committee on:

Reengrossed SB 2186: Reps. Pollert, Pietsch, Kaldor

APPOINTMENT OF CONFERENCE COMMITTEE

REP. PRICE MOVED that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Reengrossed SB 2379, which motion prevailed.

THE SPEAKER APPOINTED as a Conference Committee on:

Reengrossed SB 2379: Reps. Weisz, Pietsch, Schneider

SECOND READING OF HOUSE BILL

HB 1403: A BILL for an Act to create and enact a new section to chapter 57-38 and a new subsection to section 57-38-30.3 of the North Dakota Century Code, relating to an individual and corporate income tax credit for operation of a microbusiness; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 80 YEAS, 10 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Charging; Clark; Conrad; Dahl; Damschen; Delmore; Dietrich; Dosch; Ekstrom; Froelich; Froseth; Glassheim; Griffin; Gruchalla; Gulleston; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunsakor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Potter; Price; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Thorpe; Uglem; Vig; Vigesaa; Wall; Weisz; Wieland; Wolf; Wrangham; Zaiser; Speaker Delzer

NAYS: Carlisle; Carlson; Drovda; Grande; Kreidt; Porter; Svedjan; Thoreson; Wald; Weiler

ABSENT AND NOT VOTING: DeKrey; Kelsh, S.; Kempenich; Williams

Reengrossed HB 1403 passed and the title was agreed to.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. OWENS MOVED that the conference committee report on Engrossed HB 1166 as printed on HJ page 1513 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1166, as amended, was placed on the Eleventh order.

SECOND READING OF HOUSE BILL

HB 1166: A BILL for an Act to provide for a portion of a paved four-lane highway for United States highway 52.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 87 YEAS, 3 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; Delmore; Dietrich; Dosch; Drovda; Ekstrom; Froelich; Glassheim; Grande; Griffin; Gruchalla; Gulleston; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunsakor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Price; Ruby; Schmidt; Schneider; Solberg; Sukut; Svedjan; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Wolf; Wrangham; Zaiser; Speaker Delzer

NAYS: Froseth; Skarphol; Thoreson

ABSENT AND NOT VOTING: DeKrey; Kelsh, S.; Kempenich; Williams

Reengrossed HB 1166 passed and the title was agreed to.

MOTION

REP. BERG MOVED that Rep. Boehning replace Rep. DeKrey on the House Conference Committee on SB 2284, which motion prevailed.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed: HB 1010, HB 1056, HB 1060, HB 1088, HB 1092, HB 1136, HB 1147, HB 1157, HB 1219, HB 1315, HB 1348, HB 1402, HB 1422, HB 1446, HB 1456, HB 1492, HB 1501, HB 1505.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 11, 2007: HB 1010, HB 1056, HB 1060, HB 1088, HB 1092, HB 1136, HB 1147, HB 1157, HB 1219, HB 1315, HB 1348, HB 1402, HB 1422, HB 1446, HB 1456, HB 1492, HB 1501, HB 1505.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: Your signature is respectfully requested on: HB 1065, HB 1270, HB 1319, HB 1334, HB 1491, HB 1507, HB 1513, HCR 3034.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed: SB 2111, SB 2125, SB 2154, SB 2204, SB 2236, SB 2247, SB 2274, SB 2276, SB 2277, SB 2411, SCR 4001.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1003, HB 1015, HB 1020, and HB 1463 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1003: Reps. Wald; Monson; Aarsvold

HB 1015: Reps. Pollert; Wieland; Metcalf

HB 1020: Reps. Klein; Hawken; Gulleeson

HB 1463: Reps. Price; Porter; Kaldor

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The Speaker has appointed Rep. Boehning to replace Rep. DeKrey on the Conference Committee on SB 2284.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House has adopted the conference committee reports and subsequently passed: HB 1166 and HB 1403.

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

MR. SPEAKER: The Senate has not adopted the conference committee report and the President has appointed as a new conference committee to act with a like committee from the House on:

SB 2293: Sens. Lyson; Freborg; Heitkamp

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 1359: Sens. G. Lee; Nothing; Bakke

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 1296: Sens. Erbele; Dever; Warner

HB 1311: Sens. Lyson; Freborg; Triplett

HB 1395: Sens. Freborg; Flakoll; Taylor

HB 1433: Sens. Dever; J. Lee; Heckaman

HB 1435: Sens. J. Lee; Kilzer; Warner

HB 1488: Sens. Dever; Erbele; Pomeroy

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1089, HB 1125, HB 1417.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1380.

ANNOUNCEMENT

SPEAKER DELZER ANNOUNCED that the House stand in recess until 1:00 p.m..

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Delzer presiding.

CORRECTION AND REVISION OF THE JOURNAL

MR. SPEAKER: Your **Committee on Correction and Revision of the Journal (Rep. Kretschmar, Chairman)** has carefully examined the Journal of the Sixty-fourth Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1451, after line 16 insert:

"MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed: HCR 3049."

REP. KRETSCHMAR MOVED that the report be adopted, which motion prevailed.

COMMUNICATION FROM GOVERNOR JOHN HOEVEN

This is to inform you that on April 9, 2007, I have signed the following: HB 1155, HB 1227, HB 1229, HB 1258, HB 1293, HB 1295, HB 1360, HB 1362, HB 1434, and HB 1483.

SIXTH ORDER OF BUSINESS

SB 2418, as reengrossed and amended: REP. KREIDT (Appropriations Committee)

MOVED that the amendments on HJ page 1523 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2418: A BILL for an Act to provide a contingent appropriation to the veterans' home for the purpose of building a new facility; to provide for the issuance of evidences of indebtedness; to provide for an exception to the moratorium on expansion of long-term care bed capacity; and to provide for reports to the budget section.

ROLL CALL

The question being on the final passage of the further amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 89 YEAS, 1 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovdal; Ekstrom; Froelich; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleson; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigasaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Zaiser; Speaker Delzer

NAYS: Sukut

ABSENT AND NOT VOTING: Bellew; Kempenich; Price; Wrangham

Reengrossed SB 2418, as further amended, passed and the title was agreed to.

REQUEST

REP. SUKUT REQUESTED that the record show he intended to vote YEA on SB 2418, which request was granted.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. HATLESTAD MOVED that the conference committee report on Engrossed SB 2100 as printed on HJ page 1520 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. KLEMIN MOVED that the conference committee report on Engrossed SB 2137 as printed on HJ page 1521 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. CARLISLE MOVED that the conference committee report on Engrossed SB 2161 as printed on HJ page 1521 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. CARLISLE MOVED that the conference committee report on Reengrossed SB 2341 as printed on HJ page 1522 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. VIGESAA MOVED that the conference committee report on Engrossed HB 1278 as printed on HJ page 1513 be adopted, which motion prevailed on a voice vote.

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

SECOND READING OF HOUSE BILL

HB 1278: A BILL for an Act to amend and reenact section 52-04-06.1 of the North Dakota Century Code, relating to construction project risk protection.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 90 YEAS, 0 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovdal; Ekstrom; Froelich; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleson; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Zaiser; Speaker Delzer

ABSENT AND NOT VOTING: Bellew; Kempenich; Price; Wrangham

Reengrossed HB 1278 passed and the title was agreed to.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. WALD MOVED that the conference committee report on Reengrossed SB 2021 as printed on HJ pages 1516-1518 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2021, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2021: A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance; to provide legislative intent; to provide for a report; to provide a continuing appropriation; and to create and enact a new section to chapter 65-02 of the North Dakota Century Code, relating to implementation of occupational health and preventive medicine programs.

ROLL CALL

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

YEAS: Aarsvold; Amerman; Belter; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovdal; Ekstrom; Froelich; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleson; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Zaiser; Speaker Delzer

ABSENT AND NOT VOTING: Bellew; Berg; Kempenich; Price; Wrangham

Reengrossed SB 2021, as amended, passed and the title was agreed to.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. GRANDE MOVED that the conference committee report on Engrossed SB 2093 as printed on HJ pages 1518-1520 be adopted.

REQUEST

REP. WEILER REQUESTED a recorded roll call vote on the motion to adopt the conference committee report on Engrossed SB 2093, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed SB 2093, the roll was called and there were 50 YEAS, 40 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Berg; Boe; Boucher; Brandenburg; Charging; Conrad; Dahl; Damschen; DeKrey; Delmore; Ekstrom; Glassheim; Grande; Gruchalla; Guleson; Haas; Hanson; Hawken; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Martinson; Metcalf; Monson; Mueller; Myxter; Nelson; Nottestad; Owens; Porter; Potter; Schmidt; Skarphol; Solberg; Uglem; Wall; Weisz; Wieland

NAYS: Belter; Boehning; Carlisle; Carlson; Clark; Dietrich; Dosch; Drovdal; Froseth; Griffin; Hatlestad; Headland; Heller; Kasper; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Meier, L.; Meyer, S.; Onstad; Pietsch; Pinkerton; Pollert; Ruby; Schneider; Sukut; Svedjan; Thoreson; Thorpe; Vig; Vigesaa; Wald; Weiler; Williams; Wolf; Wrangham; Zaiser; Speaker Delzer

ABSENT AND NOT VOTING: Bellew; Froelich; Kempenich; Price

Engrossed SB 2093, as amended, was placed on the Fourteenth order.

The conference committee report on Engrossed SB 2093 was adopted.

SECOND READING OF SENATE BILL

SB 2093: A BILL for an Act to amend and reenact section 11-10-16, subsection 2 of section 44-08-04, and sections 44-08-04.4, 44-08-05.1, and 54-44.4-11 of the North Dakota Century Code, relating to payment of travel expenses of state and county officers and employees and purchasing card authority; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 1 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovdal; Ekstrom; Froseth; Glassheim; Grande; Griffin; Gruchalla; Guleson; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Wrangham; Zaiser

NAYS: Speaker Delzer

ABSENT AND NOT VOTING: Bellew; Froelich; Kempenich; Price

Engrossed SB 2093, as amended, passed and the title was agreed to.

MOTION

REP. BERG MOVED that Rep. DeKrey replace Rep. Boehning on the House Conference Committee on SB 2284, which motion prevailed.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: Your signature is respectfully requested on: HB 1089, HB 1125, HB 1380, HB 1417.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently passed: SB 2418.

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 1003: Sens. Holmberg; Krebsbach; Robinson

HB 1015: Sens. Fischer; Grindberg; Krauter

HB 1020: Sens. Bowman; Holmberg; Lindaas

HB 1290: Sens. Erbele; J. Lee; Pomeroy

HB 1463: Sens. J. Lee; Dever; Warner

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1256, HB 1379.

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 2019, SB 2146.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The Speaker has appointed Rep. DeKrey to replace Rep. Boehning on the Conference Committee on SB 2284.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House has adopted the conference committee report on: SB 2100, SB 2137, SB 2161, SB 2341.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House adopted the conference committee report and subsequently passed: HB 1278.

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

MR. SPEAKER: The President has signed: SB 2343.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House has adopted the conference committee reports and subsequently passed: SB 2021 and SB 2093.

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

MR. SPEAKER: The President has signed: SB 2049, SB 2056, SB 2113, SB 2117, SB 2118, SB 2123, SB 2139, SB 2155, SB 2182, SB 2295.

ANNOUNCEMENT

SPEAKER DELZER ANNOUNCED that the House stand in recess until 4:00 p.m..

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Delzer presiding.

COMMUNICATION FROM GOVERNOR JOHN HOEVEN

This is to inform you that on April 10, 2007, I have signed the following: HB 1128, HB 1129, HB 1134, HB 1195, HB 1218, HB 1241, HB 1282, HB 1304, HB 1312, HB 1340, HB 1344, HB 1392, HB 1421, HB 1432, HB 1482, HB 1499, and HB 1503.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. HERBEL MOVED that the House do not concur in the Senate amendments to Engrossed HB 1321 as printed on HJ pages 1340-1341 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on Engrossed HB 1321: Reps. Koppelman, Wrangham, Kaldor.

CONSIDERATION OF MESSAGE FROM THE SENATE

REP. SVEDJAN MOVED that the House do not concur in the Senate amendments to HB 1330 as printed on HJ page 1404 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE SPEAKER APPOINTED as a Conference Committee on HB 1330: Reps. Kempenich, Thoreson, Williams.

APPOINTMENT OF CONFERENCE COMMITTEE

REP. PORTER MOVED that the Speaker appoint a committee of three to act with a like committee from the Senate as a new Conference Committee on SB 2293, which motion prevailed.

THE SPEAKER APPOINTED as a new Conference Committee on:

SB 2293: Reps. Porter, DeKrey, S. Meyer

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. BOEHNING MOVED that the conference committee report on Engrossed SB 2262 as printed on HJ pages 1521-1522 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2262, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2262: A BILL for an Act to amend and reenact section 12.1-06-05 of the North Dakota Century Code, relating to the renunciation of criminal intent; 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 91 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovda; Ekstrom; Froelich; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleon; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunsford; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigasaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Wrangham; Speaker Delzer

ABSENT AND NOT VOTING: Kempenich; Price; Zaiser

Engrossed SB 2262, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. HOFSTAD MOVED that the conference committee report on Engrossed SB 2352 as printed on HJ page 1522 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2352, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2352: A BILL for an Act to create and enact a new section to chapter 12.1-31 of the North Dakota Century Code, relating to limitations on tattooing, branding, subdermal implantation, scarifying, and body piercing of minors; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 90 YEAS, 1 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovda; Ekstrom; Froelich; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleon; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel;

Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Wieland; Williams; Wolf; Wrangham; Speaker Delzer

NAYS: Weisz

ABSENT AND NOT VOTING: Kempenich; Price; Zaiser

Engrossed SB 2352, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SB 2146, as engrossed: Your conference committee (Sens. G. Lee, Nething, Potter and Reps. Sukut, Vigesaa, Delmore) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 705, adopt amendments as follows, and place SB 2146 on the Seventh order:

That the House recede from its amendments as printed on page 705 of the Senate Journal and pages 802 and 803 of the House Journal and that Engrossed Senate Bill No. 2146 be amended as follows:

Page 1, line 11, overstrike the third "or"

Page 1, line 12, overstrike "during the investigation of an accident"

Page 1, line 16, remove the overstrike over "~~twenty~~" and remove "seven"

Page 1, line 17, after "request" insert "; however, during the investigation of an accident, the person may be charged with a violation of this section if that person fails to provide the satisfactory evidence within three business days from the date of the request"

Renumber accordingly

Engrossed SB 2146 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SUKUT MOVED that the conference committee report on Engrossed SB 2146 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2146, as amended, was placed on the Fourteenth order.

SECOND READING OF SENATE BILL

SB 2146: A BILL for an Act to amend and reenact subsection 1 of section 39-08-20 of the North Dakota Century Code, relating to proof of insurance.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 2 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Dahl; Damschen; DeKrey; Delmore; Dietrich; Dosch; Drovda; Ekstrom; Froseth; Glassheim; Grande; Griffin; Gruchalla; Gulleon; Haas; Hanson; Hatlestad; Hawken; Headland; Heller; Herbel; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kingsbury; Klein; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Myxter; Nelson; Nottestad; Onstad; Owens; Pietsch; Pinkerton; Pollert; Porter; Potter; Ruby; Schmidt; Schneider; Skarphol; Solberg; Sukut; Svedjan; Thoreson; Thorpe; Uglem; Vig; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wolf; Wrangham

NAYS: Froelich; Speaker Delzer

ABSENT AND NOT VOTING: Kempenich; Price; Zaiser

Engrossed SB 2146, as amended, passed and the title was agreed to.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1321 and HB 1330 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1321: Reps. Koppelman; Wrangham; Kaldor

HB 1330: Reps. Kempenich; Thoreson; Williams

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

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

SB 2293: Reps. Porter; DeKrey; S. Meyer

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

MR. PRESIDENT: The House has adopted the conference committee reports and subsequently passed: SB 2146, SB 2262, and SB 2352.

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, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:30 a.m., Thursday, April 12, 2007, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

HB 1006, as engrossed: Your conference committee (Sens. Fischer, Holmberg, Tallackson and Reps. Carlisle, Thoreson, Kroeber) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 1437 and place HB 1006 on the Seventh order.

Engrossed HB 1006 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1146, as engrossed: Your conference committee (Sens. Urlacher, Tollefson, Triplett and Reps. Damschen, Hofstad, Hanson) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1079, adopt amendments as follows, and place HB 1146 on the Seventh order:

That the Senate recede from its amendments as printed on page 1079 of the House Journal and pages 868 and 869 of the Senate Journal and that Engrossed House Bill No. 1146 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 47-05 of the North Dakota Century Code, relating to severance of the right of access for hunting access from the surface estate; to provide for a legislative council study; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 47-05 of the North Dakota Century Code is created and enacted as follows:

Severance of the right of access for hunting access prohibited. The right of access to land to shoot, shoot at, pursue, take, attempt to take, or kill any game animals or game birds; search for or attempt to locate or flush any game animals and game birds; lure, call, or attempt to attract game animals or game birds; hide for the purpose of taking or attempting to take game animals or game birds; and walk, crawl, or advance toward wildlife while possessing implements or equipment useful in the taking of game animals or game birds may not be severed from the surface estate. This section does not apply to deeds, instruments, or interests in property recorded before the effective date of this Act.

SECTION 2. LEGISLATIVE COUNCIL - SEVERANCE OF HUNTING ACCESS FROM SURFACE ESTATE STUDY. The legislative council shall consider studying, during the 2007-08 interim, issues related to the severance of hunting access from the

surface estate. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-first legislative assembly.

SECTION 3. EXPIRATION DATE. This Act is effective through July 31, 2009, and after that date is ineffective."

Renumber accordingly

Engrossed HB 1146 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1243, as engrossed: Your conference committee (Sens. Oehlke, Dever, Horne and Reps. Klemm, Dahl, Onstad) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ pages 1450-1451 and place HB 1243 on the Seventh order.

Engrossed HB 1243 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1390, as engrossed: Your conference committee (Sens. Dever, Erbele, Pomeroy and Reps. Porter, Weisz, Conrad) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ pages 982-983 and place HB 1390 on the Seventh order.

Engrossed HB 1390 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2019, as engrossed: Your conference committee (Sens. Krebsbach, Holmberg, Seymour and Reps. Wald, Martinson, Aarsvold) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1081-1082, adopt amendments as follows, and place SB 2019 on the Seventh order:

That the House recede from its amendments as printed on pages 1081 and 1082 of the Senate Journal and pages 1184-1186 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, line 3, replace "marina construction" with "boat ramp improvements"

Page 1, line 5, after the semicolon insert "to provide for a report;"

Page 2, line 10, replace "3,680,736" with "3,318,236"

Page 2, line 12, replace "6,833,000" with "707,500"

Page 2, line 14, replace "9,964,070" with "3,476,070"

Page 2, line 15, replace "6,408,806" with "(79,194)"

Page 2, line 25, replace "6,608,806" with "120,806"

Page 2, line 26, replace "12,931,070" with "6,443,070"

Page 3, line 6, replace "13,352,979" with "12,990,479"

Page 3, line 8, replace "6,833,000" with "707,500"

Page 3, line 9, replace "30,932,952" with "24,444,952"

Page 3, line 10, replace "19,836,389" with "13,348,389"

Page 3, line 20, replace "20,036,389" with "13,548,389"

Page 3, line 21, replace "34,502,806" with "28,014,806"

Page 3, line 28, after the period insert "Of the \$381,750, \$109,750 is for boat ramp improvements at Fort Stevenson state park and may only be spent if the corps of engineers does not begin construction of the marina at Fort Stevenson by March 31, 2008."

Page 4, remove lines 5 through 13

Page 4, line 14, after "ASSETS" insert "- INSURANCE PROCEEDS - APPROPRIATION"

Page 4, line 17, after the period insert "Any additional income from insurance proceeds, in excess of the \$108,000, is appropriated, for the period beginning with the effective date of this Act and ending June 30, 2009, to the parks and recreation department to assist with the replacement of the maintenance building and other capital assets."

Page 5, after line 25, insert:

"SECTION 8. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The total general fund appropriation line item in section 3 of this Act includes \$5,388,000 for the one-time funding items identified in this section. This amount is not a part of the agency's base budget to be used in preparing the 2009-11 executive budget. The parks and recreation department shall report to the appropriations committees of the sixty-first legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2007, and ending June 30, 2009.

Online reservation system and equipment replacement	\$660,000
Parks capital projects and deferred maintenance	2,295,000
International Peace Garden capital projects and deferred maintenance	<u>2,433,000</u>
Total	\$5,388,000"

Page 5, line 27, replace "7" with "6"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Parks and Recreation Department						
Total all funds	\$24,099,952	\$30,932,952	(\$6,488,000)	\$24,444,952	\$30,544,952	(\$6,100,000)
Less estimated income	<u>13,128,389</u>	<u>19,836,389</u>	<u>(6,488,000)</u>	<u>13,348,389</u>	<u>19,448,389</u>	<u>(6,100,000)</u>
General fund	\$10,971,563	\$11,096,563	\$0	\$11,096,563	\$11,096,563	\$0
International Peace Garden						
Total all funds	\$3,169,854	\$3,569,854	\$0	\$3,569,854	\$3,569,854	\$0
Less estimated income	<u>200,000</u>	<u>200,000</u>		<u>200,000</u>	<u>200,000</u>	
General fund	\$3,169,854	\$3,369,854	\$0	\$3,369,854	\$3,369,854	\$0
Bill Total						
Total all funds	\$27,269,806	\$34,502,806	(\$6,488,000)	\$28,014,806	\$34,114,806	(\$6,100,000)
Less estimated income	<u>13,128,389</u>	<u>20,036,389</u>	<u>(6,488,000)</u>	<u>13,548,389</u>	<u>19,648,389</u>	<u>(6,100,000)</u>
General fund	\$14,141,417	\$14,466,417	\$0	\$14,466,417	\$14,466,417	\$0

Senate Bill No. 2019 - Parks and Recreation Department - Conference Committee Action

	EXECUTIVE BUDGET	SENATE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	COMPARISON TO HOUSE
Capital assets		\$6,833,000	(\$6,125,500)	\$707,500	\$6,707,500	(\$6,000,000)
Administration	\$2,110,099	2,110,099		2,110,099	2,110,099	
Natural resources	13,352,979	13,352,979	(362,500)	12,990,479	13,090,479	(100,000)
Recreation	<u>8,636,874</u>	<u>8,636,874</u>		<u>8,636,874</u>	<u>8,636,874</u>	
Total all funds	\$24,099,952	\$30,932,952	(\$6,488,000)	\$24,444,952	\$30,544,952	(\$6,100,000)
Less estimated income	<u>13,128,389</u>	<u>19,836,389</u>	<u>(6,488,000)</u>	<u>13,348,389</u>	<u>19,448,389</u>	<u>(6,100,000)</u>
General fund	\$10,971,563	\$11,096,563	\$0	\$11,096,563	\$11,096,563	\$0
FTE	50.50	50.50	0.00	50.50	50.50	0.00

Dept. 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	PROVIDES FUNDING FOR ICELANDIC STATE PARK ¹	REDUCES FUNDING FOR EXTRAORDINARY REPAIRS ²	REMOVES FUNDING FOR FORT STEVENSON MARINA ³	TOTAL CONFERENCE COMMITTEE CHANGES
Capital assets	\$474,500		(\$6,600,000)	(\$6,125,500)
Administration				

Natural resources		(\$362,500)		(362,500)
Recreation				
Total all funds	\$474,500	(\$362,500)	(\$6,600,000)	(\$6,488,000)
Less estimated income	<u>112,000</u>		<u>(6,600,000)</u>	<u>(6,488,000)</u>
General fund	\$362,500	(\$362,500)	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ This amendment adds funding for expansion of the Heritage Center at Icelandic State Park.

² This amendment reduces general fund support for extraordinary repairs by \$362,500 to \$950,000.

³ This amendment removes funding for the marina at Fort Stevenson State Park.

A section is added identifying the one-time funding included in the budget and providing for a report to the 61st Legislative Assembly on the agency's use of the one-time funding.

Section 6 of this Act is amended to allow the department to spend any additional insurance proceeds received for the fire-damaged maintenance shop and contents.

This amendment removes funding for the Fort Stevenson marina and provides a contingency appropriation of \$109,750 for boat ramp improvements at Fort Stevenson if the Corps of Engineers does not begin construction of the marina by March 31, 2008.

Senate Bill No. 2019 - International Peace Garden - Conference Committee Action

The conference committee did not change the Senate version.

Engrossed SB 2019 was placed on the Seventh order of business on the calendar.

REPORT OF STANDING COMMITTEE

SB 2419, as reengrossed: Natural Resources Committee (Rep. Porter, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed SB 2419 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 chapter 57-51.2 of the North Dakota Century Code, relating to agreements with an Indian tribe to share revenue from state taxes on oil and gas production within the boundaries of the Fort Berthold Reservation; to amend and reenact section 57-51.1-03 of the North Dakota Century Code, relating to an oil extraction tax exemption on production from wells on Indian reservations, Indian trust land, and land owned by an Indian tribe; to provide a continuing appropriation; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-51.1-03 of the North Dakota Century Code is amended and reenacted as follows:

57-51.1-03. Exemptions from oil extraction tax. The following activities are specifically exempted from the oil extraction tax:

1. The activity of extracting from the earth any oil that is exempt from the gross production tax imposed by chapter 57-51.
2. The activity of extracting from the earth any oil from a stripper well property.
3. For a well drilled and completed as a vertical well, the initial production of oil from the well is exempt from any taxes imposed under this chapter for a period of fifteen months, except that oil produced from any well drilled and

completed as a horizontal well is exempt from any taxes imposed under this chapter for a period of twenty-four months. Oil recovered during testing prior to well completion is exempt from the oil extraction tax. The exemption under this subsection becomes ineffective if the average price of a barrel of crude oil exceeds the trigger price for each month in any consecutive five-month period. However, the exemption is reinstated if, after the trigger provision becomes effective, the average price of a barrel of crude oil is less than the trigger price for each month in any consecutive five-month period.

4. The production of oil from a qualifying well that was worked over is exempt from any taxes imposed under this chapter for a period of twelve months, beginning with the first day of the third calendar month after the completion of the work-over project. The exemption provided by this subsection is only effective if the well operator establishes to the satisfaction of the industrial commission upon completion of the project that the cost of the project exceeded sixty-five thousand dollars or production is increased at least fifty percent during the first two months after completion of the project. A qualifying well under this subsection is a well with an average daily production of no more than fifty barrels of oil during the latest six calendar months of continuous production. A work-over project under this subsection means the continuous employment of a work-over rig, including recompletions and reentries. The exemption provided by this subsection becomes ineffective if the average price of a barrel of crude oil exceeds the trigger price for each month in any consecutive five-month period. However, the exemption is reinstated if, after the trigger provision becomes effective, the average price of a barrel of crude oil is less than the trigger price for each month in any consecutive five-month period.
5.
 - a. The incremental production from a secondary recovery project which has been certified as a qualified project by the industrial commission after July 1, 1991, is exempt from any taxes imposed under this chapter for a period of five years from the date the incremental production begins.
 - b. The incremental production from a tertiary recovery project which has been certified as a qualified project by the industrial commission subsequent to June 30, 1991, is exempt from any taxes imposed under this chapter for a period of ten years from the date the incremental production begins.
 - c. For purposes of this subsection, incremental production is defined in the following manner:
 - (1) For purposes of determining the exemption provided for in subdivision a and with respect to a unit where there has not been a secondary recovery project, incremental production means the difference between the total amount of oil produced from the unit during the secondary recovery project and the amount of primary production from the unit. For purposes of this paragraph, primary production means the amount of oil which would have been produced from the unit if the secondary recovery project had not been commenced. The industrial commission shall determine the amount of primary production in a manner which conforms to the practice and procedure used by the commission at the time the project is certified.
 - (2) For purposes of determining the exemption provided for in subdivision a and with respect to a unit where a secondary recovery project was in existence prior to July 1, 1991, and where the industrial commission cannot establish an accurate production decline curve, incremental production means the difference between the total amount of oil produced from the unit during a new secondary recovery project and the amount of production which would be equivalent to the average monthly production from the unit during the most recent twelve months of normal production reduced by a production decline rate of ten percent for each year. The industrial commission shall determine the average monthly production from the unit during the most recent twelve months of normal production and must

upon request or upon its own motion hold a hearing to make this determination. For purposes of this paragraph, when determining the most recent twelve months of normal production the industrial commission is not required to use twelve consecutive months. In addition, the production decline rate of ten percent must be applied from the last month in the twelve-month period of time.

- (3) For purposes of determining the exemption provided for in subdivision a and with respect to a unit where a secondary recovery project was in existence before July 1, 1991, and where the industrial commission can establish an accurate production decline curve, incremental production means the difference between the total amount of oil produced from the unit during the new secondary recovery project and the total amount of oil that would have been produced from the unit if the new secondary recovery project had not been commenced. For purposes of this paragraph, the total amount of oil that would have been produced from the unit if the new secondary recovery project had not been commenced includes both primary production and production that occurred as a result of the secondary recovery project that was in existence before July 1, 1991. The industrial commission shall determine the amount of oil that would have been produced from the unit if the new secondary recovery project had not been commenced in a manner that conforms to the practice and procedure used by the commission at the time the new secondary recovery project is certified.
- (4) For purposes of determining the exemption provided for in subdivision b and with respect to a unit where there has not been a secondary recovery project, incremental production means the difference between the total amount of oil produced from the unit during the tertiary recovery project and the amount of primary production from the unit. For purposes of this paragraph, primary production means the amount of oil which would have been produced from the unit if the tertiary recovery project had not been commenced. The industrial commission shall determine the amount of primary production in a manner which conforms to the practice and procedure used by the commission at the time the project is certified.
- (5) For purposes of determining the exemption provided for in subdivision b and with respect to a unit where there is or has been a secondary recovery project, incremental production means the difference between the total amount of oil produced during the tertiary recovery project and the amount of production which would be equivalent to the average monthly production from the unit during the most recent twelve months of normal production reduced by a production decline rate of ten percent for each year. The industrial commission shall determine the average monthly production from the unit during the most recent twelve months of normal production and must upon request or upon its own motion hold a hearing to make this determination. For purposes of this paragraph, when determining the most recent twelve months of normal production the industrial commission is not required to use twelve consecutive months. In addition, the production decline rate of ten percent must be applied from the last month in the twelve-month period of time.
- (6) For purposes of determining the exemption provided for in subdivision b and with respect to a unit where there is or has been a secondary recovery project and where the industrial commission can establish an accurate production decline curve, incremental production means the difference between the total amount of oil produced from the unit during the tertiary recovery project and the total amount of oil that would have been produced from the unit if the tertiary recovery project had not been commenced. For purposes of this paragraph, the total

amount of oil that would have been produced from the unit if the tertiary recovery project had not been commenced includes both primary production and production that occurred as a result of any secondary recovery project. The industrial commission shall determine the amount of oil that would have been produced from the unit if the tertiary recovery project had not been commenced in a manner that conforms to the practice and procedure used by the commission at the time the tertiary recovery project is certified.

- d. The industrial commission shall adopt rules relating to this exemption that must include procedures for determining incremental production as defined in subdivision c.
6. The production of oil from a two-year inactive well, as determined by the industrial commission and certified to the state tax commissioner, for a period of ten years after the date of receipt of the certification. The exemption under this subsection becomes ineffective if the average price of a barrel of crude oil exceeds the trigger price for each month in any consecutive five-month period. However, the exemption is reinstated if, after the trigger provision becomes effective, the average price of a barrel of crude oil is less than the trigger price for each month in any consecutive five-month period.
7. The production of oil from a horizontal reentry well, as determined by the industrial commission and certified to the state tax commissioner, for a period of nine months after the date the well is completed as a horizontal well. The exemption under this subsection becomes ineffective if the average price of a barrel of crude oil exceeds the trigger price for each month in any consecutive five-month period. However, the exemption is reinstated if, after the trigger provision becomes effective, the average price of a barrel of crude oil is less than the trigger price for each month in any consecutive five-month period.
8. ~~The initial production of oil from a well is exempt from any taxes imposed under this chapter for a period of sixty months if:~~
 - a. ~~The well is located within the boundaries of an Indian reservation;~~
 - b. ~~The well is drilled and completed on lands held in trust by the United States for an Indian tribe or individual Indian; or~~
 - e. ~~The well is drilled and completed on lands held by an Indian tribe if the interest is in existence on August 1, 1997.~~

SECTION 2. Chapter 57-51.2 of the North Dakota Century Code is created and enacted as follows:

57-51.2-01. Authority to enter agreements. The governor, in consultation with the tax commissioner, may enter agreements with the Three Affiliated Tribes relating to taxation and regulation of oil and gas exploration and production within the boundaries of the Fort Berthold Reservation.

57-51.2-02. Agreement requirements. An agreement under this chapter is subject to the following:

1. All revenue from taxes under chapters 57-51 and 57-51.1 from oil and gas production attributable to fee land within the exterior boundaries of the reservation is retained by the state and allocated as provided by law. All revenue from taxes under chapters 57-51 and 57-51.1 from oil and gas production attributable to Indian trust land and land owned by an Indian tribe within the exterior boundaries of the Fort Berthold Reservation is allocated as follows:
 - a. Revenue from taxes under chapter 57-51 attributable to oil and gas production on Indian trust land and land owned by an Indian tribe must be allocated among political subdivisions in the amount, proportion, and manner provided in chapter 57-51.

- b. The cost of state oil and gas administration must be deducted and transferred for deposit in the state general fund.
- c. All revenue remaining after deduction of the amounts under subdivisions a and b must be divided in equal amounts between the state and the tribe.
2. An oil or gas well that is drilled and completed during the time an agreement under this chapter is in effect is subject to state tax and regulatory provisions for the life of the well.
3. The exemptions for oil and gas production under chapters 57-51 and 57-51.1 do not apply to production within the boundaries of the reservation unless the exemption is specified in the agreement or in a later amendment to the agreement and the revenue loss attributable to the exemption is divided equally between the state and the tribe.
4. Fees and taxes imposed by the tribe under an agreement with an oil or gas exploration or production company within the boundaries of the reservation entered before July 1, 2007, are unaffected by an agreement under this chapter. Fees and taxes may not be imposed by the tribe by agreement or otherwise with an oil or gas exploration or production company for activities within the exterior boundaries of the reservation after the effective date of this Act.
5. Jurisdiction of any dispute under this chapter or under the agreement entered under this chapter is in the federal district court for the western division of North Dakota.

57-51.2-03. Statutory inconsistencies superseded. This chapter supersedes any inconsistent provisions of chapters 57-51 and 57-51.1 and any provision of state law relating to regulatory provisions of state law relating to oil and gas exploration and production and administration of those provisions.

SECTION 3. EFFECTIVE DATE. Section 1 of this Act becomes effective on July 1, 2010.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2256, as engrossed: **Judiciary Committee (Rep. deKrey, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2256 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 amend and reenact the new section to chapter 12.1-20 of the North Dakota Century Code as created by section 1 of House Bill No. 1472, as approved by the sixtieth legislative assembly, relating to sexual offenders on school property.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. The new section to chapter 12.1-20 of the North Dakota Century Code as created by section 1 of House Bill No. 1472, as approved by the sixtieth legislative assembly, is amended and reenacted as follows:

Sexual offender presence near schools prohibited.

1. Except for purposes of voting in a school building used as a public polling place or attending an open meeting under chapter 44-04 in a school building, a sexual offender, as defined in section 12.1-32-15, who has pled guilty or been found guilty of or has been adjudicated delinquent of a class A misdemeanor or felony sexual offense against a minor or is required to register under section 12.1-32-15 or equivalent law of another state may not knowingly enter upon the real property comprising a public or

nonpublic elementary, middle, or high school unless provided by this section or allowed on school property through compliance with a written policy adopted by the school board of a public school or governing body of a nonpublic school. The school board or governing body shall provide a copy of the policy to local law enforcement upon request.

2. If a school board or a governing body does not have a written policy on sexual offenders on school property, subsection 1 does not apply under the following circumstances:
 - a. The offender is a parent or guardian of a student attending the school and the offender, with the written permission of the principal or administrator of the school, is attending a conference at the school with school personnel to discuss the progress of the student academically or socially, participating in a child review conference in which evaluation and placement decisions may be made regarding special education services, or attending a conference to discuss other student issues, including retention and promotion.
 - b. The offender is a parent, guardian, or relative of a student attending or participating in a function at the school and the offender has filed with the school written permission from a probation officer allowing the offender's presence at school functions where other adults are present with the students.
 - c. The offender is a parent, guardian, or relative of a student attending or participating in a function at the school and the offender is not on supervised probation and has requested advance permission from the superintendent or school board allowing the offender's presence at school functions.
 - d. The offender is a student at the school.
 - e. The offender is attending a religious service at the school while the school is not in session.
3. An individual who violates this section is guilty of a class A misdemeanor."

Renumber accordingly

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

Buell J. Reich, Chief Clerk