

JOURNAL OF THE SENATE

Sixty-first Legislative Assembly

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Bismarck, May 4, 2009

The Senate convened at 8:00 a.m., with President Pro Tem Klein presiding.

The prayer was offered by Senator John Andrist, District 2.

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

A quorum was declared by the President.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. WARDNER MOVED that the conference committee report on SB 2011 as printed on SJ pages 1750-1751 be adopted, which motion prevailed on a voice vote.

SB 2011, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2011: A BILL for an Act to provide an appropriation for defraying the expenses of the highway patrol; and to provide a statement of legislative intent.

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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed SB 2011 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SB 2009, as engrossed: Your conference committee (Sens. Christmann, Wardner, O'Connell and Reps. Martinson, Hawken, Onstad) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 1370 and place SB 2009 on the Seventh order.

Engrossed SB 2009 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CHRISTMANN MOVED that the conference committee report on Engrossed SB 2009 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CHRISTMANN MOVED that the conference committee report on Engrossed HB 1008 as printed on SJ page 1751 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1008, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1008: A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; to provide legislative intent; to provide for a report to the budget section; to provide an exemption; and to amend and reenact section 49-01-05 of the North Dakota Century Code, relating to the salary of public service commissioners.

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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjerm; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1008, as amended, passed and the title was agreed to.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. GRINDBERG MOVED that the conference committee report on Engrossed HB 1014 as printed on SJ pages 1751-1752 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1014, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1014: A BILL for an Act to provide an appropriation for defraying the expenses of the committee on protection and advocacy.

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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjerm; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1014, as amended, passed and the title was agreed to.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report on: SB 2009.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1008, HB 1014.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1009, HB 1016.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2010, SB 2332, SB 2333.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: Your signature is respectfully requested on: SB 2019, SB 2020, SB 2030, SB 2162.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1001, HB 1022.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1481, HB 1551.

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

MR. PRESIDENT: The Speaker has signed: SB 2019, SB 2020, SB 2030, SB 2162.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 10:00 a.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

MOTION

SEN. CHRISTMANN MOVED that SB 2004 be moved to the top of the calendar, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2004, as reengrossed: Your conference committee (Sens. Fischer, Kilzer, Mathern and Reps. Kreidt, Nelson, Kerzman) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1357-1358, adopt amendments as follows, and place SB 2004 on the Seventh order:

That the House recede from its amendments as printed on pages 1357 and 1358 of the Senate Journal and pages 1393-1395 of the House Journal and that Reengrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, remove "and"

Page 1, line 3, after "intent" insert "; to provide for a legislative council study; to amend and reenact sections 23-42-01, 23-42-02, 23-42-04, 23-42-05, 23-42-07, and 54-27-25 of the North Dakota Century Code, relating to the comprehensive tobacco prevention and control plan, advisory committee, and executive committee, plan review, and the tobacco settlement trust fund; to repeal chapter 23-38 of the North Dakota Century Code, relating to the community health grant program and advisory committee; and to declare an emergency"

Page 1, line 13, replace "7,496,481" with "7,152,737" and replace "45,205,612" with "44,861,868"

Page 1, line 14, replace "644,923" with "599,255" and replace "44,681,462" with "44,635,794"

Page 1, line 16, replace "991,734" with "2,396,934" and replace "59,009,510" with "60,414,710"

Page 1, line 17, replace "38,612" with "(3,350,156)" and replace "8,957,958" with "5,569,190"

Page 1, line 19, replace "16,681,010" with "14,308,030" and replace "184,731,185" with "182,358,205"

Page 1, line 20, replace "12,400,770" with "10,435,934" and replace "162,996,047" with "161,031,211"

Page 1, line 21, replace "4,280,240" with "3,872,096" and replace "21,735,138" with "21,326,994"

Page 2, replace lines 9 through 14 with:

"SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the state department of health, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Water quality grants	\$194,300
Superfund arsenic trioxide project grants	7,000,000
Clean diesel grants (provided to the department of public instruction)	1,730,000
Clean water state revolving loan fund administration	769,564
Drinking water state revolving loan fund administration	780,000
Stop violence against women	511,661
Women, infants, and children	<u>61,800</u>
Total federal funds	\$11,047,325

The state department of health may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available."

Page 2, replace lines 21 through 23 with:

"SECTION 5. EMERGENCY MEDICAL SERVICES OPERATIONS - FUNDING FROM INSURANCE TAX DISTRIBUTION FUND - REPORT TO LEGISLATIVE COUNCIL. The estimated income line item in section 1 of this Act includes \$2,750,000 from the insurance tax distribution fund for the biennium beginning July 1, 2009, and ending June 30, 2011. Of this amount, \$2,250,000 is for grants to emergency medical services operations as provided in chapter 23-40 and \$500,000 is for a grant to contract with an organization to:

- Develop, implement, and provide an access critical ambulance service operations assessment process for the purpose of improving emergency medical services delivery;
- Develop, implement, and provide leadership development training;
- Develop, implement, and provide a biennial emergency medical services recruitment drive; and
- Provide regional assistance to ambulance services to develop a quality review process for emergency medical services personnel and a mechanism to report to medical directors.

The state department of health shall report to the legislative council on the use of the funding provided under this section. The department shall require recipients of grants under this section to provide information on the use of funds received as necessary to provide the report to the legislative council."

Page 3, after line 3, insert:

"SECTION 8. EXEMPTION. The \$200,000, of which \$150,000 is from the community health trust fund and \$50,000 is from the general fund, appropriated for colorectal screening grants, as contained in section 3 of chapter 4 of the 2007 Session Laws, is not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations are available and may be expended during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. LEGISLATIVE COUNCIL STUDY - IMMUNIZATION PROGRAM. During the 2009-10 interim, the legislative council shall consider studying the state immunization program. The study, if conducted, must identify pharmacists' or other providers' ability and interest in immunizing children and include a review of the effect of the program on public health units, including billing, billing services, fee collections, and uncollectible accounts. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 10. CONTINGENT FULL-TIME EQUIVALENT POSITION REDUCTION. If funding for tobacco programs is not available to the state department of health for tobacco programs, the department may not fill full-time equivalent positions associated with this funding, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. AMENDMENT. Section 23-42-01 of the North Dakota Century Code is amended and reenacted as follows:

23-42-01. Definitions. As used in this chapter:

1. "Advisory committee" is the nine-member tobacco prevention and control advisory committee responsible to develop the comprehensive plan.
2. "Comprehensive plan" means a comprehensive statewide tobacco prevention and control program that is consistent with the centers for disease control and prevention best practices for comprehensive tobacco prevention and control programs ~~and does not duplicate the work of the community health grant program created in chapter 23-38.~~

3. "Executive committee" means the three-member committee selected by the advisory committee and charged with implementation and administration of the comprehensive plan.
4. "Tobacco prevention and control fund" consists of all principal and interest of the tobacco prevention and control trust fund established by section 54-27-25.

SECTION 12. AMENDMENT. Section 23-42-02 of the North Dakota Century Code is amended and reenacted as follows:

23-42-02. Tobacco prevention and control advisory committee - Membership - Terms - Duties - Removal.

1. The advisory ~~board~~ committee consists of nine North Dakota residents appointed by the governor for three-year terms as follows:
 - a. A practicing respiratory therapist familiar with tobacco-related diseases;
 - b. Four nonstate employees who have demonstrated expertise in tobacco prevention and control;
 - c. A practicing medical doctor familiar with tobacco-related diseases;
 - d. A practicing nurse familiar with tobacco-related diseases;
 - e. A youth between the ages of fourteen and twenty-one; and
 - f. A member of the public with a previously demonstrated interest in fostering tobacco prevention and control.
2. The governor shall select the youth and public member independently; the respiratory therapist from a list of three nominations provided by the North Dakota society for respiratory care; the four tobacco control experts from a list of two nominations per member provided by the North Dakota public health association's tobacco control section; the medical doctor from a list of three nominations provided by the North Dakota medical association; and the nurse from a list of three nominations provided by the North Dakota nurses association. The governor must make the appointments within three weeks of receiving the respective list of nominees. If the governor fails to make an appointment within three weeks, the association that provided the list of nominees shall select the committee member. In the initial appointments for the advisory committee, the governor shall stagger the terms of the members so that the terms of three members expire each fiscal year and that three members are appointed each year by June thirtieth. Accordingly, the governor's initial appointments, in some instances, must be for terms less than three years. The governor shall fill vacancies for the unexpired term as provided in this section.
3. No individual may serve more than two consecutive three-year terms. However, terms of less than three years are not considered in determining an individual's eligibility for reappointment.
4. A quorum of the advisory committee is required to conduct business, but the advisory committee may conduct a meeting with less than a quorum present. A quorum is a majority of the members of the committee. Any action taken requires a vote of the majority of the members present at the meeting.
5. The advisory ~~board~~ committee shall:
 - a. Select the executive committee;
 - b. Fix the compensation of the advisory committee and the executive committee. However, compensation may not exceed compensation allowed to the ~~legislature~~ legislative assembly. Advisory and executive committee members are entitled to reimbursement for

mileage and expenses as provided for state officers in addition to any compensation provided;

- c. Develop the initial comprehensive statewide tobacco prevention and control program ~~that includes~~, including support for cessation interventions, community and youth interventions, and health communication; and
 - d. Evaluate the effectiveness of the plan and its implementation and, before April first of each year, propose any necessary changes to the plan to the executive committee.
6. The governor may remove any member of the advisory committee for malfeasance in office, but the advisory committee is not subject to section 54-07-01.2.
 7. No nomination to, or member of, the advisory committee ~~shall~~ may have any past or current affiliation with the tobacco industry or any industry, contractor, agent, or organization that engages in the manufacturing, marketing, distributing, sale, or promotion of tobacco or tobacco-related products.

SECTION 13. AMENDMENT. Section 23-42-04 of the North Dakota Century Code is amended and reenacted as follows:

23-42-04. Powers and duties of the executive committee. To implement the purpose of this chapter and, in addition to any other authority granted elsewhere in this chapter, to support its efforts and implement the comprehensive plan, the executive committee may employ staff and fix their compensation, accept grants, property, and gifts, enter contracts, make loans, provide grants, borrow money, lease property, provide direction to the state investment board for investment of the tobacco prevention and control fund, and take any action that any private individual, corporation, or limited liability company lawfully may do except as restricted by the provisions of this chapter. The executive committee shall prepare and submit a biennial budget to the office of management and budget and the legislative assembly.

SECTION 14. AMENDMENT. Section 23-42-05 of the North Dakota Century Code is amended and reenacted as follows:

23-42-05. Development of the comprehensive plan. The advisory committee shall develop the initial comprehensive plan within one hundred eighty days of the initial meeting of the advisory committee. The comprehensive plan must be funded at a level equal to or greater than the centers for disease control and prevention recommended funding level. Funding for the comprehensive plan must supplement and may not supplant any funding that in the absence of this chapter would be or has been provided for the community health trust fund or other health initiatives.

SECTION 15. AMENDMENT. Section 23-42-07 of the North Dakota Century Code is amended and reenacted as follows:

23-42-07. Audit. At least once a biennium, the executive committee shall provide for an independent review of the comprehensive plan to assure that the comprehensive plan is consistent with the centers for disease control and prevention best practices. The executive committee shall report the results of that review to the governor and to the state health officer on or before September first in each odd-numbered year.

SECTION 16. AMENDMENT. Section 54-27-25 of the North Dakota Century Code is amended and reenacted as follows:

54-27-25. Tobacco settlement trust fund - Interest on fund - Uses.

1. There is created in the state treasury a tobacco settlement trust fund. The fund consists of the tobacco settlement dollars obtained by the state under subsection IX(c)(1) of the master settlement agreement and consent agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Except as provided in subsection 2, moneys received by the state under subsection IX(c)(1) must be deposited in the fund. Interest earned on the fund must be credited to

the fund and deposited in the fund. The principal and interest of the fund must be allocated as follows:

- a. Transfers to a community health trust fund to be administered by the state department of health. The state department of health may use funds as appropriated for community-based public health programs and other public health programs, including programs with emphasis on preventing or reducing tobacco usage in this state. Transfers under this subsection must equal ten percent of total annual transfers from the tobacco settlement trust fund ~~of which a minimum of eighty percent must be used for tobacco prevention and control.~~
 - b. Transfers to the common schools trust fund to become a part of the principal of that fund. Transfers under this subsection must equal forty-five percent of total annual transfers from the tobacco settlement trust fund.
 - c. Transfers to the water development trust fund to be used to address the long-term water development and management needs of the state. Transfers under this subsection must equal forty-five percent of the total annual transfers from the tobacco settlement trust fund.
2. There is created in the state treasury a tobacco prevention and control trust fund. The fund consists of the tobacco settlement dollars obtained by the state under section IX(c)(2) of the agreement adopted by the east central judicial district court in its judgment entered December 28, 1998 [Civil No. 98-3778] in State of North Dakota, ex rel. Heidi Heitkamp v. Philip Morris, Inc. Interest earned on the fund must be credited to the fund and deposited in the fund. Moneys received into the fund are to be administered by the executive committee for the purpose of creating and implementing the comprehensive plan provided for under chapter 23-42. If in any biennium, the tobacco prevention and control trust fund does not have adequate dollars to fund a comprehensive plan, the treasurer shall transfer money from the water development trust fund to the tobacco prevention and control trust fund in an amount equal to the amount determined necessary by the ~~executive committee~~ legislative assembly to fund a comprehensive plan.
 3. Transfers to the funds under this section must be made within thirty days of receipt by the state.

SECTION 17. REPEAL. Chapter 23-38 of the North Dakota Century Code is repealed.

SECTION 18. EMERGENCY. Sections 3, 11, 12, 13, 14, 15, and 16 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98047.0414 FN 5

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Reengrossed SB 2004 was placed on the Seventh order of business on the calendar.

MOTION

SEN. STENEHJEM MOVED that the conference committee report on Reengrossed SB 2004 be rejected, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

SB 2003, as reengrossed: Your conference committee (Sens. Holmberg, Krebsbach, Robinson and Reps. Skarphol, Martinson, Williams) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1310-1316, adopt amendments as follows, and place SB 2003 on the Seventh order:

That the House recede from its amendments as printed on pages 1310-1316 of the Senate Journal and pages 1387-1393 of the House Journal and that Reengrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;"

Page 1, line 3, after the second semicolon insert "to create and enact a new section to chapter 15-62.2 of the North Dakota Century Code, relating to reporting requirements of scholarship programs; to amend and reenact subsections 1 and 3 of section 15-10-37 and sections 15-62.2-02 and 15.1-01-02 of the North Dakota Century Code, relating to student financial assistance grants, technology grants, and joint meetings of the state's education boards;"

Page 1, line 6, replace "provide" with "provided"

Page 1, line 19, replace "765,707" with "903,718" and replace "7,047,601" with "7,185,612"

Page 2, line 1, replace "1,248,728" with "13,386,525" and replace "7,236,225" with "19,374,022"

Page 2, after line 3, insert:

"Academic and technical education scholarships 0	3,000,000	3,000,000
Two-year campus marketing 0	800,000	800,000

Page 2, line 8, replace "436,030" with "1,436,030" and replace "2,176,344" with "3,176,344"

Page 2, line 13, replace "7,256,984" with "24,332,792" and replace "75,731,832" with "92,807,640"

Page 2, line 15, replace "6,551,756" with "23,627,564" and replace "71,682,874" with "88,758,682"

Page 2, line 21, replace "4,312,999" with "4,470,325" and replace "24,046,679" with "24,204,005"

Page 2, line 24, replace "8,063,136" with "8,220,462" and replace "28,040,297" with "28,197,623"

Page 2, line 26, replace "7,653,636" with "7,810,962" and replace "27,630,797" with "27,788,123"

Page 3, line 1, replace "1,238,516" with "1,444,862" and replace "7,749,864" with "7,956,210"

Page 3, line 4, replace "3,942,243" with "4,148,589" and replace "10,497,253" with "10,703,599"

Page 3, line 6, replace "3,942,243" with "4,148,589" and replace "10,497,253" with "10,703,599"

Page 3, line 12, replace "1,159,630" with "1,274,495" and replace "7,582,134" with "7,696,999"

Page 3, line 13, replace "10,985,000" with "16,985,000" and replace "11,071,475" with "17,071,475"

Page 3, line 15, replace "12,526,632" with "18,641,497" and replace "19,035,611" with "25,150,476"

Page 3, line 16, replace the first "9,375,000" with "15,375,000" and replace the second "9,375,000" with "15,375,000"

Page 3, line 17, replace "3,151,632" with "3,266,497" and replace "9,660,611" with "9,775,476"

Page 3, line 23, replace "18,364,555" with "18,024,953" and replace "125,376,385" with "125,036,783"

Page 3, line 24, replace "54,219,000" with "49,919,000" and replace "56,519,545" with "52,219,545"

Page 3, line 26, replace "79,762,229" with "75,122,627" and replace "189,074,604" with "184,435,002"

Page 3, line 27, replace the first "43,019,000" with "49,919,000" and replace the second "43,019,000" with "49,919,000"

Page 3, line 28, replace "36,743,229" with "25,203,627" and replace "146,055,604" with "134,516,002"

Page 4, line 3, replace "19,628,094" with "18,773,992" and replace "109,221,724" with "108,367,622"

Page 4, line 6, replace "96,083,911" with "95,229,809" and replace "187,369,766" with "186,515,664"

Page 4, line 8, replace "37,983,911" with "37,129,809" and replace "129,269,766" with "128,415,664"

Page 4, line 14, replace "4,101,922" with "4,216,787" and replace "31,492,290" with "31,607,155"

Page 4, line 17, replace "17,972,065" with "18,086,930" and replace "46,115,765" with "46,230,630"

Page 4, line 19, replace "10,836,065" with "10,950,930" and replace "38,979,765" with "39,094,630"

Page 4, line 25, replace "3,116,332" with "4,367,627" and replace "19,972,442" with "21,223,737"

Page 4, line 28, replace "6,778,504" with "8,029,799" and replace "24,018,304" with "25,269,599"

Page 4, line 29, replace the second underscored zero with "350,000" and replace the third underscored zero with "350,000"

Page 4, line 30, replace "6,778,504" with "7,679,799" and replace "24,018,304" with "24,919,599"

Page 5, line 5, replace "1,399,686" with "1,514,551" and replace "11,514,751" with "11,629,616"

Page 5, line 8, replace "11,936,631" with "12,051,496" and replace "22,260,690" with "22,375,555"

Page 5, line 10, replace "8,268,131" with "8,382,996" and replace "18,592,190" with "18,707,055"

Page 5, line 16, replace "4,339,273" with "4,528,585" and replace "34,434,395" with "34,623,707"

Page 5, line 19, replace "30,934,384" with "31,123,696" and replace "61,626,376" with "61,815,688"

Page 5, line 21, replace "8,684,384" with "8,873,696" and replace "39,376,376" with "39,565,688"

Page 5, line 27, replace "1,785,999" with "3,017,864" and replace "15,136,136" with "16,368,001"

Page 5, line 30, replace "22,590,920" with "23,822,785" and replace "36,199,473" with "37,431,338"

Page 6, line 1, replace "4,090,920" with "5,322,785" and replace "17,699,473" with "18,931,338"

Page 6, line 7, replace "922,959" with "1,102,824" and replace "5,682,507" with "5,862,372"

Page 6, line 8, replace "2,800,000" with "3,080,000" and replace "2,909,725" with "3,189,725"

Page 6, line 10, replace "3,819,980" with "4,279,845" and replace "8,689,253" with "9,149,118"

Page 6, line 12, replace "1,819,980" with "2,279,845" and replace "6,689,253" with "7,149,118"

Page 6, line 18, replace "7,172,600" with "7,087,700" and replace "41,200,301" with "41,115,401"

Page 6, line 19, replace "7,172,600" with "7,087,700" and replace "41,200,301" with "41,115,401"

Page 6, line 21, replace "7,172,600" with "7,087,700" and replace "41,200,301" with "41,115,401"

Page 7, line 7, replace "145,140,779" with "153,228,587" and replace "585,208,335" with "593,296,143"

Page 7, line 8, replace "165,163,228" with "197,223,148" and replace "169,504,444" with "201,564,364"

Page 7, line 9, replace "310,304,007" with "350,451,735" and replace "754,712,779" with "794,860,507"

Page 7, after line 9, insert:

"SECTION 2. CONTINGENT FUNDING - LAKE REGION STATE COLLEGE.

The capital assets line item in subdivision 3 of section 1 of this Act includes \$2,609,920 from the general fund for a wind energy project at lake region state college which may be spent only to the extent that federal funds appropriated in section 3 of this Act are not available for these purposes. Notwithstanding provisions of section 54-44.1-11 which authorize the North Dakota university system to continue appropriation authority, any unspent funds from the general fund appropriation provided for the lake region state college wind energy project must be returned to the general fund at the end of the 2009-11 biennium.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Lake region state college - Wind energy project	<u>\$2,609,920</u>
Total federal funds	\$2,609,920

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES FUNDS - ADDITIONAL FUNDING APPROVAL - PRIORITY.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the North Dakota university system, for the period beginning with the effective date of this Act and ending June 30, 2011, for the following capital construction project:

Minot state university Swain hall	\$5,000,000
University of North Dakota education building	11,200,000
Total federal funds	\$16,200,000

The North Dakota university system may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be

replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available. If the sum of federal fiscal stabilization - other government services funds appropriated by the sixty-first legislative assembly exceed funds available, the governor shall give priority for using the funds available for the Minot state university Swain hall project and the university of North Dakota education building project.

SECTION 5. ESTIMATED INCOME - PERMANENT OIL TAX TRUST FUND - WILLISTON STATE COLLEGE. The estimated income line item in subdivision 4 of section 1 of this Act includes \$5,000,000 from the permanent oil tax trust fund for the Williston state college virtual center for career and technical education. Williston state college may only use the funding provided from the permanent oil tax trust fund for the purpose of constructing a virtual center for career and technical education to provide secondary and postsecondary career and technical education programs.

SECTION 6. CONTINGENT APPROPRIATION - DICKINSON STATE UNIVERSITY. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$8,800,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of the renovation and construction of the Dickinson state university Stoxen library, for the biennium beginning July 1, 2009, and ending June 30, 2011. Dickinson state university may spend this funding only if actual general fund revenues for the period from July 1, 2009, through December 31, 2009, exceed estimated general fund revenues for that period by at least \$25,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2009 legislative session."

Page 7, line 24, replace "49,928,248" with "39,008,248"

Page 7, line 25, replace "164,458,000" with "166,958,000"

Page 7, line 26, replace "0" with "10,400,000"

Page 7, line 30, replace "234,611,248" with "236,591,248"

Page 8, line 1, replace "164,458,000" with "177,358,000"

Page 8, line 2, replace "70,153,248" with "59,233,248"

Page 8, after line 6, insert:

"SECTION 8. PERMANENT OIL TAX TRUST FUND - DICKINSON STATE UNIVERSITY. The estimated income line item in subdivision 8 of section 1 of this Act includes \$350,000 from the permanent oil tax trust fund for operations of Dickinson state university, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. PERMANENT OIL TAX TRUST FUND - BISMARCK FAMILY PRACTICE CENTER. The estimated income line item in subdivision 5 of section 1 of this Act includes \$5,400,000 from the permanent oil tax trust fund for the construction of a building for the university of North Dakota school of medicine and health sciences Bismarck family practice center, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 9, line 11, after the comma insert "including funding received through the federal American Recovery and Reinvestment Act of 2009 for competitive grants or other funds that the legislative assembly has not indicated the intent to reject,"

Page 10, after line 13, insert:

"SECTION 22. CAPITAL ASSETS - MINOT STATE UNIVERSITY - GEOTHERMAL SYSTEM. The sum of \$2,500,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 10 of section 1 of this Act, may be used to refurbish the existing coal boiler or in combination with or to match federal or other funds to design and install a geothermal energy system, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 23. CAPITAL ASSETS - MINOT STATE UNIVERSITY SWAIN HALL. The sum of \$1,250,000, or so much of the sum as may be necessary, included in the capital assets line item in subdivision 10 of section 1 of this Act, may be used for the Minot state university Swain hall renovation project, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 24. OPERATING EXPENSES - VALLEY CITY STATE UNIVERSITY. The sum of \$800,000, or so much of the sum as may be necessary, included in the operations line item in subdivision 11 of section 1 of this Act, may be used in support of strategic goals and initiatives, to offset enrollment impacts, and address other needs, including capital, as determined by Valley City state university.

SECTION 25. USE OF UNSPENT 2007-09 GENERAL FUND APPROPRIATIONS - CAMPUS MARKETING. The state board of higher education shall use \$200,000 of the North Dakota university system office unspent 2007-09 general fund appropriation authorized to continue under section 54-44.1-11 for marketing and student retention at Valley City state university, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 10, line 26, after "renovation" insert "and addition and auxiliary services renovation"

Page 10, after line 31, insert:

"University of North Dakota - Hangar renovation and addition 1,500,000"

Page 11, line 2, replace "60,679,500" with "62,179,500"

Page 11, remove lines 3 through 12

Page 11, remove lines 18 through 26

Page 12, replace lines 3 through 9 with:

"SECTION 29. LEGISLATIVE INTENT - LOAN FORGIVENESS PROGRAM. It is the intent of the sixty-first legislative assembly that any qualified returning technology occupation loan forgiveness program applicants for the 2009-10 academic year and forward be eligible to receive \$1,500 per year, for up to four years, combined between the technology occupation loan forgiveness program and science, technology, engineering, and mathematics loan forgiveness program. All new applicants beginning with the 2009-10 academic year are eligible to receive \$1,500 per year, up to a maximum of \$6,000. It is also the intent of the sixty-first legislative assembly that the North Dakota university system make new and continuing loan forgiveness program awards in the 2009-11 biennium to ensure adequate program funding carryover to the 2011-13 biennium to continue the program with approximately the same number of new awards in the 2011-13 biennium without increased state program funding.

SECTION 30. TUITION RATE INCREASES - LIMIT - BUDGET SECTION APPROVAL. Notwithstanding any other provision of law, the state board of higher education shall limit any annual tuition increase for students attending institutions under its control for the 2009-10 and 2010-11 academic years to not more than four percent for each year unless the board receives prior budget section approval."

Page 12, after line 15, insert:

"SECTION 32. LEGISLATIVE COUNCIL STUDY - TUITION WAIVERS. During the 2009-10 interim, the legislative council shall consider studying the impact of tuition waivers on institutions under the control of the state board of higher education. The study if conducted must review the types of tuition waivers available, the number of tuition waivers granted, and the value of tuition waivers. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 33. LEGISLATIVE COUNCIL STUDY - EDUCATION GOVERNANCE. During the 2009-10 interim, the legislative council shall consider studying the feasibility and desirability of creating a department to oversee early childhood, elementary, secondary, and postsecondary education. The study if conducted must include a review of education governance in other states, the efficiency of combining governing agencies, and the potential governing structure of a combined education department. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 34. LEGISLATIVE COUNCIL STUDY - HIGHER EDUCATION STUDENT TRUST FUND. During the 2009-10 interim, the legislative council shall consider studying the establishment of a higher education student trust fund, including available funding sources. The study if conducted must review best practices to include

demonstrated in-migration patterns and long-term return on investment to the citizens of North Dakota by ensuring students are prepared to meet the changing needs of a global economy and to strengthen the economy of the state. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 35. AMENDMENT. Subsections 1 and 3 of section 15-10-37 of the North Dakota Century Code are amended and reenacted as follows:

1. The state board of higher education shall administer a science, technology, engineering, and mathematics occupations student loan program that encourages college students to pursue ~~technology-based~~ studies in these fields, to participate in ~~technology~~ internship programs, and to remain in the state after graduation. The board shall adopt rules to implement the program, including internship requirements, guidelines to determine which technology-related courses of study are eligible under the program, and standards for eligibility.
3. The state board of higher education shall distribute student loan grants directly to the Bank of North Dakota to repay outstanding student loan principal balances for eligible applicants. The maximum student loan grant amount for which an applicant may qualify is one thousand five hundred dollars per year and a total of ~~five six~~ thousand dollars, or a lesser amount established by rule adopted by the state board of higher education.

SECTION 36. AMENDMENT. Section 15-62.2-02 of the North Dakota Century Code is amended and reenacted as follows:

15-62.2-02. State board of higher education - Powers and duties. The state board of higher education shall:

1. Administer the North Dakota student financial assistance program and the North Dakota scholars program and adopt functional rules regarding the eligibility and selection of grant and scholarship recipients.
2. Determine the amount of individual grants, ~~but which may not to exceed~~ one thousand five hundred dollars per recipient per academic year, under the North Dakota student financial assistance program.
3. ~~Adopt for~~ For the North Dakota student financial assistance program, adopt criteria for substantial need, based upon the ability of the parents or guardian to contribute toward the applicant's educational expenses.
4. Establish the appropriate procedures for fiscal control, fund accounting, and necessary reports.
5. Apply for, receive, expend, and administer granted moneys from federal or private sources.

SECTION 37. A new section to chapter 15-62.2 of the North Dakota Century Code is created and enacted as follows:

Annual report. The state board of higher education shall provide to the legislative council an annual report regarding the number of North Dakota academic scholarships and career and technical education scholarships provided and demographic information pertaining to the recipients.

SECTION 38. AMENDMENT. Section 15.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-02. Joint meetings - State board of public school education - State board of higher education - Education standards and practices board - State board for career and technical education. The state board of public school education, the state board of higher education, the education standards and practices board, and the state board for career and technical education shall meet together at least once each year at the call of the superintendent of public instruction, the commissioner of higher education, the executive director of the education standards and practices board, and the director of career and technical education for the purposes of:

1. Coordinating elementary and secondary education programs, career and technical education programs, and higher education programs;
2. Establishing high standards and expectations of students at all levels of the education continuum;
3. Ensuring that all students have access to challenging curricula;
4. Ensuring that the individuals instructing students at all levels of the education continuum are highly qualified and capable;
5. Cooperating in the provision of professional growth and development opportunities for ~~elementary and secondary teachers and administrators~~ individuals instructing students at all levels of the education continuum; and
3. 6. Ensuring cooperation in any other jointly beneficial project or program.

SECTION 39. UNIVERSITY OF NORTH DAKOTA HANGAR PROJECT. The state board of higher education may enter an agreement with a private entity to do all things necessary and proper to authorize construction of a hangar addition and renovation at the university of North Dakota aerospace complex at the Grand Forks international airport using current fees for flight operations, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 12, line 17, after "items" insert "and \$317,000 of the operations line item in subdivision 11" and replace "4, 5, 7, 14, and 15" with "3, 4, 11, 12, 14, 21, 26, and 36"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98046.0326 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Reengrossed SB 2003 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. HOLMBERG MOVED that the conference committee report on Reengrossed SB 2003 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2003, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2003: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to provide a contingent appropriation; to provide for transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to provide for legislative council studies; to create and enact a new section to chapter 15-62.2 of the North Dakota Century Code, relating to reporting requirements of scholarship programs; to amend and reenact subsections 1 and 3 of section 15-10-37 and sections 15-62.2-02 and 15.1-01-02 of the North Dakota Century Code, relating to student financial assistance grants, technology grants, and joint meetings of the state's education boards; 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 41 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Dotzenrod; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Taylor; Triplett; Wanzek; Wardner; Warner

NAYS: Cook; Dever; Erbele; Marcellais; Stenehjem

ABSENT AND NOT VOTING: Fiebiger

Reengrossed SB 2003 passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. HECKAMAN MOVED that the conference committee report on Engrossed HB 1327 as printed on SJ pages 1738-1739 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1327, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1327: A BILL for an Act to provide for the remodeling of a nursing facility to meet the requirements of assisted living and basic care and a pilot project on assisted living rent subsidies; and to provide an appropriation.

ROLL CALL

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

YEAS: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

NAYS: Kilzer

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1327, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

HB 1009, as engrossed: Your conference committee (Sens. Bowman, Fischer, Krauter and Reps. Klein, Martinson, Onstad) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1381-1382, adopt amendments as follows, and place HB 1009 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1381 and 1382 of the House Journal and pages 1263 and 1264 of the Senate Journal and that Engrossed House Bill No. 1009 be amended as follows:

Page 1, line 3, replace "section" with "sections 4-01-19 and", after "4-01-21" insert "and subdivision d of subsection 1 of section 19-18-04", and after "to" insert "marketing program revenue,"

Page 1, line 4, after "commissioner" insert ", and pesticide registration fees", remove "to provide for transfers; and", and after "study" insert "; and to declare an emergency"

Page 1, line 13, replace "1,145,262" with "1,581,356" and replace "8,130,102" with "8,566,196"

Page 1, line 14, replace "1,065,577" with "1,380,220" and replace "5,779,960" with "6,094,603"

Page 1, line 17, replace "78,623" with "263,623" and replace "2,378,325" with "2,563,325"

Page 1, line 20, replace "3,293,462" with "4,229,199" and replace "20,380,612" with "21,316,349"

Page 1, line 21, replace "2,141,162" with "2,706,140" and replace "13,529,488" with "14,094,466"

Page 1, line 22, replace "1,152,300" with "1,523,059" and replace "6,851,124" with "7,221,883"

Page 1, line 23, replace "2.00" with "7.00" and replace "69.50" with "74.50"

Page 2, line 3, replace "\$3,529,556" with "\$3,888,578"

Page 2, line 12, replace "\$768,800" with "\$968,800"

Page 3, replace lines 4 through 9 with:

"SECTION 7. LIVESTOCK HEALTH PERMIT INSPECTION PROGRAM. The state board of animal health shall increase the number of health permit inspections on

livestock entering the state for the biennium beginning July 1, 2009, and ending June 30, 2011. As part of the program, the board shall provide public information on the results of the livestock health permit inspections.

SECTION 8. OFFICE SPACE LEASE FUNDING - BUDGET SECTION APPROVAL. The operating expenses line item in section 1 of this Act includes the sum of \$120,000 from the general fund which the agriculture commissioner may use to lease additional office space for department purposes, subject to budget section approval.

SECTION 9. PROJECT SAFE SEND - 2009 FLOOD PESTICIDE CLEANUP. The operating expenses line item in section 1 of this Act includes the sum of \$40,000 from the environment and rangeland protection fund which the agriculture commissioner shall use for the collection of damaged pesticides resulting from 2009 flooding under the project safe send program for the period beginning with the effective date of this Act and ending June 30, 2011.

SECTION 10. AMENDMENT. Section 4-01-19 of the North Dakota Century Code is amended and reenacted as follows:

4-01-19. Marketing bureau. The agriculture commissioner shall establish and maintain a marketing bureau for the purpose of gathering and disseminating statistical information on agricultural marketing problems of the state and engaging in marketing services of agricultural products. Any moneys received or generated by the pride of Dakota program must be deposited in the ~~general~~ agriculture department operating fund in the state treasury."

Page 3, after line 15, insert:

"SECTION 12. AMENDMENT. Subdivision d of subsection 1 of section 19-18-04 of the North Dakota Century Code is amended and reenacted as follows:

- d. Be accompanied by a registration fee of three hundred fifty dollars for each product to be registered. At the close of each calendar month, the commissioner shall transmit to the state treasurer all moneys received for the registrations. The state treasurer shall credit ~~fifty dollars for each registered product to the general fund in the state treasury and the remainder of~~ the registration fee for each registered product to the environment and rangeland protection fund.

SECTION 13. FULL-TIME EQUIVALENT POSITION - EMERGENCY COMMISSION APPROVAL. The agriculture commissioner may request from the emergency commission an additional full-time equivalent position for the state meat inspection program if demand for the program increases sufficient to require the position for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 14. EMERGENCY. The sum of \$40,000 for project safe send included in the operating expenses line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98010.0209 FN 4

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1009 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KRAUTER MOVED that the conference committee report on Engrossed HB 1009 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1009, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1009: A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture commissioner; to provide for a livestock health permit inspection program; to amend and reenact sections 4-01-19 and 4-01-21 and subdivision d of subsection 1 of section 19-18-04 of the North Dakota Century Code, relating to marketing program revenue, the salary of the agriculture commissioner, and pesticide registration fees; to provide for a legislative council study; 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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1009, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HB 1016, as engrossed: Your conference committee (Sens. Grindberg, Wardner, Lindaas and Reps. Kempenich, Thoreson, S. Meyer) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1270-1272, adopt amendments as follows, and place HB 1016 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1270-1272 of the House Journal and pages 1176-1178 of the Senate Journal and that Engrossed House Bill No. 1016 be amended as follows:

Page 1, line 3, remove "and" and after "exemption" insert "; to amend and reenact subsections 3 and 4 of section 37-29-03 as created by section 1 of House Bill No. 1181, as approved by the sixty-first legislative assembly, and section 54-06-27 of the North Dakota Century Code, relating to job protections for volunteer emergency responders of the adjutant general's office and leave for emergency service volunteers; to provide for a report to the budget section; and to declare an emergency"

Page 1, line 14, replace "(\$76,773)" with "\$625,027" and replace "4,139,636" with "4,841,436"

Page 1, line 15, replace "(197,937)" with "(171,937)" and replace "3,650,891" with "3,676,891"

Page 1, line 21, replace "(6,668,176)" with "(6,365,827)" and replace "59,755,750" with "60,058,099"

Page 1, line 22, replace "553,319" with "1,082,191" and replace "848,537" with "1,377,409"

Page 1, line 24, replace "(\$5,604,884)" with "(\$4,045,863)" and replace "82,239,018" with "83,798,039"

Page 2, line 1, replace "(7,243,780)" with "(6,499,373)" and replace "67,542,825" with "68,287,232"

Page 2, line 2, replace "1,638,896" with "2,453,510" and replace "14,696,193" with "15,510,807"

Page 2, line 7, replace "1,321,957" with "1,595,403" and replace "9,110,159" with "9,383,605"

Page 2, line 12, replace "10,539,216" with "10,812,662" and replace "63,391,830" with "63,665,276"

Page 2, line 13, replace "4,575,027" with "4,711,801" and replace "51,464,095" with "51,600,869"

Page 2, line 14, replace "5,964,189" with "6,100,861" and replace "11,927,735" with "12,064,407"

Page 2, line 19, replace "7,603,085" with "8,954,371" and replace "26,623,928" with "27,975,214"

Page 2, line 20, replace "(2,668,753)" with "51,996,198" and replace "119,006,920" with "173,671,871"

Page 2, line 21, replace "4,934,332" with "60,950,569" and replace "145,630,848" with "201,647,085"

Page 2, line 22, replace "(2.00)" with "0.00" and replace "230.00" with "232.00"

Page 2, after line 23, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the adjutant general, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Military energy-related maintenance and repairs	\$2,522,270
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The adjutant general may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES. There is appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$1,261,500, or so much of the sum as may be necessary, to the adjutant general for the purpose of replacing boilers, constructing an operations center, and enhancing security relating to the national crime information center, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget.

SECTION 4. APPROPRIATION - FLOOD-RELATED COSTS. There is appropriated from special funds derived from federal funds or other income the sum of \$50,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of defraying expenses relating to 2009 flood disasters, for the period beginning with the effective date of this Act through June 30, 2011.

SECTION 5. APPROPRIATION - VOLUNTEER MANAGEMENT GRANT PROGRAM. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$400,000, or so much of the sum as may be necessary, to the department of emergency services to provide grants to political subdivisions for payments to entities that have provided volunteer management services within that political subdivision for a particular disaster in an amount that may not exceed \$50,000 for each disaster, for the period beginning with the effective date of this Act and ending June 30, 2011."

Page 3, line 30, replace "\$848,537" with "\$1,377,409"

Page 4, after line 2, insert:

"SECTION 11. REINTEGRATION PROGRAM - REPORT TO THE BUDGET SECTION. The adjutant general shall provide a report to the budget section during the 2009-10 interim regarding reintegration program expenditures and the program's impact on service members."

Page 4, after line 9, insert:

"SECTION 13. LEGISLATIVE INTENT - DISASTER FUNDING. It is the intent of the sixty-first legislative assembly that 2009 flood disaster payments to political subdivisions be made allowing for a six percent local share. The difference between current federal funding and anticipated federal funding is to be made by the state until federal reimbursement funds are received for the period beginning with the effective date of this Act through June 30, 2011.

SECTION 14. AMENDMENT. Subsections 3 and 4 of section 37-29-03 of the North Dakota Century Code as created by section 1 of House Bill No. 1181, as approved by the sixty-first legislative assembly, are amended and reenacted as follows:

3. Subsection 1 does not apply if due to serving as a volunteer emergency responder, the employee is absent or tardy from the employee's place of employment for a period that exceeds ~~ten~~ twenty regular ~~business~~ working days in a calendar year.
4. In order to receive the protections of subsection 1, an employee who will be absent or tardy from the employee's place of employment while serving as a volunteer emergency responder in the case of a disaster or emergency shall make reasonable efforts to notify the employer of that service ~~and shall continue to make those reasonable notification efforts over the course of the absence.~~

SECTION 15. AMENDMENT. Section 54-06-27 of the North Dakota Century Code as amended in section 2 of House Bill No. 1181, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

54-06-27. Emergency service volunteers - Leave. Upon issuance of an order or proclamation declaring a state of disaster or emergency pursuant to chapter 37-17.1, a search emergency by the air force rescue coordination center or by the department of emergency services, or a declaration of at least a level II disaster by the American red cross in this or any other state, the executive officer in charge of a state agency or the governing body of any political subdivision may grant a leave of absence to any full-time employee of that governmental entity who is an emergency medical service provider, a member of the civil air patrol, a firefighter, police officer, volunteer member of the North Dakota army or air national guard, or emergency radio operator, or who performs other services necessary in an emergency. The leave of absence must be for the purpose of allowing that employee to provide voluntary emergency services. An individual on leave under this section is not deemed to be an employee of the governmental entity for the purposes of workforce safety and insurance. The cumulative leave granted under this section may not exceed ~~ten~~ twenty working days during any calendar year. The leave may not result in a loss of compensation, seniority, annual leave, sick leave, or accrued overtime for which the employee is otherwise eligible.

SECTION 16. EMERGENCY. Sections 2, 3, 4, 5, 13, 14, and 15 are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98016.0207 FN 4

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1016 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. WARDNER MOVED that the conference committee report on Engrossed HB 1016 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1016, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1016: A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; to provide statements of legislative intent; to provide an appropriation; to provide for transfers; to provide an exemption; to amend and reenact subsections 3 and 4 of section 37-29-03 as created by section 1 of House Bill No. 1181, as approved by the sixty-first legislative assembly, and section 54-06-27 of the North Dakota Century Code, relating to job protections for volunteer emergency responders of the adjutant general's office and leave for emergency service volunteers; to provide for a report to the budget section; and to declare an emergency.

ROLL CALL

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

YEAS: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne;

Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1016, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has not adopted the conference committee report on: SB 2004.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1327.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2003.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1009, HB 1016.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1012.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1008, HB 1014.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The President has signed: SB 2019, SB 2020, SB 2030, SB 2162.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The President has signed: HB 1001, HB 1022, HB 1481, HB 1551.

MOTION

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

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

MOTION

SEN. CHRISTMANN MOVED that HB 1012 be moved to the bottom of the calendar, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2001, as engrossed: Your conference committee (Sens. Christmann, Holmberg, O'Connell and Reps. Delzer, Thoreson, S. Meyer) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1307-1310, adopt amendments as follows, and place SB 2001 on the Seventh order:

That the House recede from its amendments as printed on pages 1307-1310 of the Senate Journal and pages 1384-1387 of the House Journal and that Engrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 2, after the second semicolon insert "to create and enact a new subsection to section 54-03.1-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to the agenda of the organizational session and to a legislative budget committee;"

Page 1, line 3, after "54-03-20" insert ", section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07"

Page 1, line 4, after "compensation" insert ", budget requests, and drafts of appropriation bills" and after the second semicolon insert "to provide for a legislative council study;"

Page 1, line 19, replace "1,224,000" with "794,000" and replace "1,430,000" with "1,000,000"

Page 1, line 24, replace "6,528,252" with "6,098,252" and replace "16,444,554" with "16,014,554"

Page 2, line 5, replace "925,394" with "1,073,394" and replace "6,728,369" with "6,876,369"

Page 2, line 6, replace "758,046" with "956,246" and replace "3,393,934" with "3,592,134"

Page 2, line 9, replace "1,474,440" with "1,820,640" and replace "10,163,303" with "10,509,503"

Page 2, line 11, replace "1,474,440" with "1,820,640" and replace "10,093,303" with "10,439,503"

Page 2, line 12, replace "0.00" with "1.00" and replace "33.00" with "34.00"

Page 2, line 18, replace "8,002,692" with "7,918,892" and replace "26,537,857" with "26,454,057"

Page 2, line 20, replace "8,002,692" with "7,918,892" and replace "26,607,857" with "26,524,057"

Page 2, line 29, replace "1,430,000" with "1,000,000"

Page 2, line 30, replace "5,433,327" with "5,003,327"

Page 3, after line 12, insert:

"State employee compensation study	0	100,000"
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Page 3, line 14, replace "70,000" with "170,000"

Page 3, line 30, replace "\$715,000" with "the sum of \$400,000"

Page 3, line 31, replace "\$1,430,000" with "\$1,000,000"

Page 4, line 2, after "committee" insert ", or its successor" and replace "the remaining \$715,000" with "a separate sum of \$400,000 of the \$1,000,000"

Page 4, line 4, after "committee" insert ", or its successor, and any expenditures relating to the remaining \$200,000 must be approved by a majority of all members of this committee."

Page 4, after line 11, insert:

"SECTION 7. LEGISLATIVE COUNCIL STUDY - STATE EMPLOYEE COMPENSATION. During the 2009-10 interim, the legislative council shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 8. ADDITIONAL LODGING REIMBURSEMENT FOR 2009 LEGISLATIVE ASSEMBLY. Notwithstanding the per calendar month lodging maximum provided in section 54-03-20 for members of the legislative assembly during a legislative session, a member of the sixty-first legislative assembly is entitled to lodging reimbursement as provided in section 44-08-04 for state officers and employees for each calendar day the sixty-first legislative assembly is in session during the month of April 2009 if the member submits a voucher indicating the actual amount expended for lodging during the month of April."

Page 4, after line 27, insert:

"SECTION 11. A new subsection to section 54-03.1-03 of the North Dakota Century Code is created and enacted as follows:

Presentation of the report of the legislative budget committee as provided in section 12 of this Act:

SECTION 12. A new section to chapter 54-35 of the North Dakota Century Code is created and enacted as follows:

Legislative budget committee - Creation - Duties. The legislative council, during each biennium, shall appoint a legislative budget committee consisting of sixteen members, eight of whom must be appointed by the majority leader of the senate and eight of whom must be appointed by the majority leader of the house of representatives. The committee shall coordinate and direct activities involved in the development of budget recommendations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The legislative budget committee, with the assistance of the legislative budget analyst and auditor:

1. Shall develop recommendations for the office of management and budget to consider including in its forms and guidelines for agencies to use in preparing budget requests;
2. Shall review, analyze, and evaluate budgets, budget requests, programs, and activities of state agencies, institutions, and departments;
3. Shall prepare drafts of appropriations acts for the next biennium providing funding at the same base level approved by the most recently adjourned special or regular session of the legislative assembly;
4. May meet up to four times between November tenth of each even-numbered year and the organizational session of the legislative assembly to develop budget-related recommendations pertaining to the state budget or any portion of that budget, including revenues and appropriations to assist the legislative assembly as the legislative assembly develops policy and provides appropriations for the operations of state government. The committee may prepare draft amendments for consideration by the legislative assembly necessary to implement budget-related recommendations of the committee; and
5. Shall prepare a report for presentation on the first day of organizational session.

SECTION 13. AMENDMENT. Section 54-44.1-04 of the North Dakota Century Code is amended and reenacted as follows:

(Effective after June 30, 2009) Budget estimates of budget units filed with the office of the budget and the legislative council - Deadline. The head of each budget unit, not later than July fifteenth of each year next preceding the session of the legislative assembly, shall submit to the office of the budget and the legislative council, estimates of financial requirements of the person's budget unit for the next two fiscal years, on the forms and in the manner prescribed by the office of the budget considering recommendations of the legislative council, with such explanatory data as is required by the office of the budget and such additional data as the head of the budget unit wishes to submit. The estimates so submitted must bear the approval of the board or commission of each budget unit for which a board or commission is constituted. The director of the budget, subject to approval by the legislative council, may extend the filing date for any budget unit if the director finds there is some circumstance that makes it advantageous to authorize the extension. If a budget unit has not submitted its estimate of financial requirements by the required date or within a period of extension set by the director of the budget, the director of the budget shall prepare the budget unit's estimate of financial requirements except the estimate may not exceed ninety percent of the budget unit's previous biennial appropriation. The director of the budget or a subordinate officer as the director shall designate shall examine the estimates and shall afford to the heads of budget units reasonable opportunity for explanation in regard thereto and, when requested, shall grant to the heads of budget units a hearing thereon which must be open to the public.

SECTION 14. AMENDMENT. Subsection 7 of section 54-44.1-06 of the North Dakota Century Code, as effective after June 30, 2009, is amended and reenacted as follows:

7. Drafts of a proposed amendment to a general appropriations act and special appropriations acts embodying the budget data and recommendations of the governor for appropriations for the next biennium and drafts of such revenues and other acts recommended by the governor

for putting into effect the proposed financial plan. ~~The recommended general appropriation for each budget unit must be specified in a separate section of the general appropriations act.~~

SECTION 15. AMENDMENT. Section 54-44.1-07 of the North Dakota Century Code is amended and reenacted as follows:

54-44.1-07. Presentation of budget data - How presented to the legislative assembly. The director of the budget or the director's designee shall present the budget data information in section 54-44.1-06, except the drafts of ~~acts~~ amendments required by subsection 7 of that section, and make available sufficient copies thereof to the legislative assembly at the organizational session. The drafts of ~~acts~~ amendments required by subsection 7 of section 54-44.1-06 must be submitted to the legislative council within seven days after the day of adjournment of the organizational session. The budget data must be completed and made available to the legislative assembly in such form as may be prescribed by the legislative council. The legislative council shall set the time and place at which such budget data is to be presented."

Page 4, line 28, replace "7" with "9"

Page 4, line 29, replace "8" with "10"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98001.0216 FN 3

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed SB 2001 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CHRISTMANN MOVED that the conference committee report on Engrossed SB 2001 be adopted.

REQUEST

SEN. STENEHJEM REQUESTED a verification vote on the motion to adopt the conference committee report on Engrossed SB 2001, which request was granted.

The conference committee report on Engrossed SB 2001 was adopted on a verification vote.

Engrossed SB 2001, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2001: A BILL for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for transfers; to create and enact a new subsection to section 54-03.1-03 and a new section to chapter 54-35 of the North Dakota Century Code, relating to the agenda of the organizational session and to a legislative budget committee; to amend and reenact subdivision c of subsection 7 of section 54-03-20, section 54-44.1-04, subsection 7 of section 54-44.1-06, and section 54-44.1-07 of the North Dakota Century Code, relating to legislative leaders' monthly compensation, budget requests, and drafts of appropriation bills; to provide for applications and transfers; to provide for a legislative council study; to provide an effective date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 26 YEAS, 20 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; Dever; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Lee, G.; Lee, J.; Lyson; Miller; Nething; Nodland; Oehlke; Olafson; Stenehjem; Wanzek; Wardner

NAYS: Anderson; Bakke; Behm; Dotzenrod; Heckaman; Horne; Krauter; Lindaas; Marcellais; Mathern; Nelson; O'Connell; Pomeroy; Potter; Robinson; Schneider; Seymour; Taylor; Triplett; Warner

ABSENT AND NOT VOTING: Fiebiger

Reengrossed SB 2001 passed, the title was agreed to, but the emergency clause lost.

REPORT OF CONFERENCE COMMITTEE

SB 2018, as reengrossed: Your conference committee (Sens. Grindberg, Holmberg, Robinson and Reps. Delzer, Berg, Kaldor) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1358-1365, adopt amendments as follows, and place SB 2018 on the Seventh order:

That the House recede from its amendments as printed on pages 1358-1365 of the Senate Journal and pages 1395-1401 of the House Journal and that Reengrossed Senate Bill No. 2018 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide an appropriation to the office of management and budget; to provide a contingent appropriation;"; remove "to provide for an audit;"; and remove "to authorize"

Page 1, line 3, remove "the department of commerce to borrow funds from the Bank of North Dakota;"

Page 1, line 4, after the second "to" insert "provide reports to the budget section; to provide for the establishment of a centers of excellence fund; to" and after "new" insert "subsection to section 15-69-01, a new"

Page 1, line 5, replace "15-69" with "54-18, a new section to chapter 54-44.1,"

Page 1, line 6, replace "the establishment of a centers of excellence fund to" with "definitions relating to centers of excellence, an annual transfer from the state mill and elevator association, the establishment of a searchable database,"

Page 1, line 8, after "subsection" insert "1 of section 15-69-02, subsections 1," after "2" insert ", and 3", replace the second "and" with ", subsections 1, 3, 4, and 5 of", and after "15-69-05" insert ", subsection 2 of section 54-60-16, and section 54-60-17"

Page 1, line 9, after "excellence" insert ", the international business and trade office, and higher education internships and work experience opportunities; to provide an expiration date"

Page 1, line 19, replace "1,359,088" with "1,193,961" and replace "10,185,967" with "10,020,840"

Page 1, line 20, replace "719,584" with "169,584" and replace "15,028,272" with "14,478,272"

Page 1, line 22, replace "32,661,310" with "19,611,310" and replace "81,436,058" with "68,386,058"

Page 2, line 2, replace "664,000" with "564,000" and replace "2,164,000" with "2,064,000"

Page 2, line 4, replace "35,272,419" with "21,407,292" and replace "114,512,900" with "100,647,773"

Page 2, line 5, replace "12,950,345" with "13,907,954" and replace "68,708,861" with "69,666,470"

Page 2, line 6, replace "22,322,074" with "7,499,338" and replace "45,804,039" with "30,981,303"

Page 2, after line 7, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of commerce, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Community development block grant program	\$1,300,000
Community services block grant	4,853,305
State energy program	24,585,000
Energy efficiency and conservation block grants	10,000,000
Weatherization assistance program	25,266,330

Emergency shelter grants	2,590,000
Total federal funds	\$68,594,635

The department of commerce may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

The department of commerce may accept federal fiscal stimulus funding for programs that continue into the biennium beginning July 1, 2011, and ending June 30, 2013. Any federal fiscal stimulus funding received in the 2011-13 biennium is not a part of the agency's 2013-15 base budget.

SECTION 3. USE OF FEDERAL FISCAL STIMULUS FUNDS - ELECTRICAL GENERATORS. The department of commerce shall use \$2,000,000 of the funding appropriated in section 2 of this Act for the purpose of establishing a grant program to assist in the purchase and installation of electrical generators that consume at least seventy-five percent of the gas from oil and gas well sites which would otherwise be flared or wasted, for the period beginning with the effective date of this Act and ending June 30, 2011. The funding is contingent upon approval from the United States department of energy of use of the funding for the grant program. Before making a grant from the program established by this section, the department of commerce shall obtain the recommendation of the oil and gas research program administered by the industrial commission regarding the application's technical accuracy and consistency with the oil and gas research program.

SECTION 4. USE OF FEDERAL FISCAL STIMULUS FUNDS - BIOFUEL BLENDER PUMP GRANTS. The department of commerce shall use up to \$1,000,000 of the funding appropriated in section 2 of this Act for biofuel blender pump grants.

SECTION 5. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES. There is appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$400,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of establishing a searchable database of state expenditures as provided for in section 35 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget."

Page 2, line 11, replace "11" with "12"

Page 2, line 16, replace "2,000,000" with "1,000,000"

Page 2, line 17, replace "2,000,000" with "1,000,000"

Page 2, remove lines 19 and 20

Page 2, line 23, replace "11,100,000" with "2,100,000"

Page 3, remove lines 13 through 16

Page 3, line 20, replace "fifty" with "sixty-two and one-half"

Page 3, line 29, replace "\$2,000,000" with "\$1,000,000"

Page 4, replace lines 3 through 30 with:

"SECTION 13. TECHNOLOGY-BASED ENTREPRENEURSHIP GRANT PROGRAM - REPORT TO THE BUDGET SECTION. The grants line item in section 1 of this Act includes the sum of \$1,000,000 from the general fund for a technology-based entrepreneurship grant program to be developed by the department of commerce, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce shall report to the budget section in the third quarter of 2010 on the status of

the technology-based entrepreneurship grant program, including an overview of the program and program expenditures.

SECTION 14. TAX-EXEMPT PROPERTY - REPORT TO THE BUDGET SECTION. During the 2009-10 interim, the department of commerce shall compile information identifying tax-exempt property by school district, including information on the related value of the property based on soil survey, insured value, or other means, and a categorization of the property by whether or not it produces revenue based on its use. The department of commerce shall report the information compiled to the budget section during the third quarter of 2010.

SECTION 15. LEGISLATIVE INTENT - DIVISION OF TOURISM - LARGE TOURISM INFRASTRUCTURE GRANTS. It is the intent of the sixty-first legislative assembly that the department of commerce division of tourism develop criteria for large tourism infrastructure grants and a method for setting funding priorities for such grants in future bienniums."

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 6

Page 6, line 12, after the period insert "The funds may be used only for construction costs."

Page 6, line 15, remove "Wade Westin memorial"

Page 6, line 18, after the period insert "The funds may be used only for construction costs."

Page 6, remove lines 19 through 31

Page 7, remove lines 1 through 5

Page 7, line 23, remove "the Dakota defense"

Page 7, line 24, remove "alliance," and remove the second comma

Page 7, replace lines 26 through 30 with:

"SECTION 21. APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$15,000,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing funding to centers of excellence, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 22. CONTINGENT APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing additional centers of excellence funding, for the biennium beginning July 1, 2009, and ending June 30, 2011. The office of management and budget may transfer this funding only if actual general fund revenues for the period from July 1, 2009, through December 1, 2009, exceed estimated general fund revenues for that period by at least \$5,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2009 legislative session.

SECTION 23. CENTERS OF EXCELLENCE ENHANCEMENT GRANTS. The department of commerce shall use \$10,000,000 of the funds transferred to the centers of excellence fund in section 21 of this Act for centers of excellence enhancement grants during the biennium beginning July 1, 2009, and ending June 30, 2011. The centers of excellence enhancement grants may be made available to research universities under the control of the state board of higher education or nonprofit university-related foundations for use in infrastructure or enhancement of economic development and employment opportunities. Appropriate use of funds include a base realignment grant to enhance economic development and employment opportunities associated with the Grand Forks air force base resulting from action by the federal defense base closure and realignment commission; infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks air force base; and infrastructure and economic development projects or programs to enhance the capacity of a research university to interface and collaborate with private industry on research, development, demonstration, and commercialization

of technology. The commissioner of commerce shall develop application criteria, including local support criteria for requests relating to the Grand Forks air force base; review submitted applications; and recommend applications for approval to the centers of excellence commission. Centers of excellence enhancement grants made under this section are exempt from section 15-69-02, subsections 3 and 4 of section 15-69-04, and subsections 1, 3, and 4 of section 15-69-05.

SECTION 24. CENTERS OF EXCELLENCE STATE TAX REVENUE IMPACT STUDY - REPORT.

1. During the 2009-11 biennium, the state auditor, in consultation with the tax commissioner and the department of commerce, shall conduct a study of the state tax revenue impact of the centers of excellence program and shall calculate the direct and indirect impact of the program on state tax revenues. The study must include an analysis for each center of excellence of the actual matching funds received by source, actual number of private sector jobs created, and new private sector facilities opened as the result of the center. The study must be based on information available to the tax commissioner and the state auditor.
2. By August 1, 2010, the state auditor shall submit to the legislative council a report on the findings and results of the centers of excellence state tax revenue impact study.
3. The tax commissioner shall compile direct tax revenue and expenditure data and provide this data to the state auditor. Notwithstanding the confidentiality provisions contained in chapters 57-38 and 57-39.2, the tax commissioner shall provide the state auditor the information necessary to accomplish and effectuate the study required by this section. The tax commissioner may request the assistance of the department of commerce as necessary to compile this data.
4. The tax commissioner may establish the procedure and format by which the tax data will be provided to the state auditor. If additional information is needed by the state auditor to calculate the tax impact of the centers of excellence program, the state auditor may ask the department of commerce to contact those taxpayers determined necessary to effectuate the study required by this section.
5. Except as provided in subsection 6, the state auditor may establish the manner in which the centers of excellence impact data will be analyzed, organized, and presented in the report.
6. Confidential information the state auditor receives from the tax commissioner may not be divulged by the state auditor unless the information is in the aggregate and in a manner that will not divulge information specific to any taxpayer.

SECTION 25. CENTERS OF EXCELLENCE BEST PRACTICE REVIEW. The department of commerce and the centers of excellence commission shall conduct a best practice review of the centers of excellence program by contracting with an appropriate entity with broad-based expertise in programs similar to North Dakota's centers of excellence program.

SECTION 26. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of contracting with an entity to perform the review required in section 25 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 27. EXEMPTION - TRANSFER. The amount appropriated for centers of excellence contained in sections 14 and 15 of chapter 18 of the 2007 Session Laws is not subject to section 54-44.1-11. The office of management and budget shall transfer any unexpended funds from these appropriations to the centers of excellence fund at the end of the 2007-09 biennium.

SECTION 28. CENTERS OF EXCELLENCE - REPORTS. The department of commerce shall report on the status of the centers of excellence program and the status of the centers of excellence fund to the budget section during the third quarter of 2010 and to the appropriations committees of the sixty-second legislative assembly.

SECTION 29. Centers of excellence fund - Continuing appropriation. The centers of excellence fund is a special fund in the state treasury. All moneys in the centers of excellence fund are appropriated to the department of commerce on a continuing basis for the purpose of implementing and administering this chapter. Interest earned on moneys in the fund must be credited to the fund.

SECTION 30. A new subsection to section 15-69-01 of the North Dakota Century Code is created and enacted as follows:

"Infrastructure" means new building construction or major building renovation. The term does not include a purchase of equipment or remodel of an existing building.

SECTION 31. AMENDMENT. Subsection 1 of section 15-69-02 of the North Dakota Century Code is amended and reenacted as follows:

1. The board shall establish a centers of excellence program relating to economic development. ~~The program must distinguish among center designations for awards designated to address commercialization and infrastructure needs.~~ Workforce may not be the primary need addressed by a center. Through the program the commission shall make funding award recommendations for commission-approved applications to the board, the foundation, the emergency commission, and the budget section of the legislative council. A center must be an institution of higher education under the control of the board or a nonprofit university-related or college-related foundation of an institution of higher education under the control of the board. In order to be considered for center designation, the institution of higher education or nonprofit foundation must be working in partnership with the private sector. ~~For an application that includes infrastructure to be considered for center designation, the application must provide detailed information regarding how the future operational costs and maintenance costs related to the infrastructure will be provided and how the costs will not be provided from the general fund.~~ In addition to any center designated under this chapter, the North Dakota state university center for technology enterprise and the university of North Dakota center for innovation are centers.

SECTION 32. AMENDMENT. Subsections 1, 2, and 3 of section 15-69-04 of the North Dakota Century Code are amended and reenacted as follows:

1. The department of commerce shall provide center application forms, accept applications, review applications for completeness and compliance with board and commission policy, forward complete applications to the commission in accordance with guidelines established by the commission, and assist with preaward reviews and postaward monitoring as may be requested by the commission. No more than two applications per campus of an institution of higher education under the control of the board may be submitted to the department of commerce for each round of center funding.
2. The commission shall meet as necessary to review all complete applications; consider the potential need for independent, expert review of complete applications; approve or disapprove complete applications; make funding award recommendations for commission-approved proposed centers; direct the ~~office of management and budget~~ department of commerce to distribute funds to the centers; monitor centers for compliance with award requirements; review changes in assertions made in center applications; and conduct postaward monitoring of centers.
3. In considering whether to approve or disapprove an application, the commission shall determine whether the applicant has conducted the due diligence necessary to put together a viable proposal, the commission shall determine whether the applicant has provided information in the application which clearly outlines how the matching fund requirement will be met, and the commission shall consider whether the center will:
 - a. Use university or college research to promote private sector job growth and expansion of knowledge-based industries or use university or college research to promote the development of new products, high-tech companies, or skilled jobs in this state;

- b. Create high-value private sector employment opportunities in this state;
- c. Provide for public-private sector involvement and partnerships;
- d. Leverage other funding, including cash from the private sector;
- e. Increase research and development activities that may involve federal funding from the national science foundation experimental program to stimulate competitive research;
- f. Foster and practice entrepreneurship;
- g. Promote the commercialization of new products and services in industry clusters;
- h. Become financially self-sustaining; and
- i. Establish and meet a deadline for acquiring and expending all public and private funds specified in the application.

SECTION 33. AMENDMENT. Subsections 1, 3, 4, and 5 of section 15-69-05 of the North Dakota Century Code are amended and reenacted as follows:

- 1. A center shall use funds awarded under this chapter to enhance capacity; ~~enhance infrastructure~~; and leverage state, federal, and private sources of funding. A center awarded funds under this chapter may not use the funds for infrastructure, to supplant funding for current operations or academic instructions, or to pay indirect costs.
- 3. Before the commission directs the ~~office of management and budget department of commerce~~ to distribute funds awarded under this chapter, the center shall provide the commission with detailed documentation of private sector participation and the availability of two dollars of matching funds for each dollar of state funds to be distributed under this chapter. Of the two dollars of matching funds, at least one dollar must be cash, of which at least fifty cents must be from the private sector. The matching funds may include funds facilitated through the collaboration of the private sector participants with other funding entities. The noncash matching funds may include ~~a combination of cash and~~ in-kind assets with itemized value. Private sector participation may be established through equity investments or through contracts for services with private sector entities. In making funding recommendations and designation determinations, the commission, board, foundation, and budget section shall give major consideration to the portion of the matching funds provided in cash by the private sector.
- 4. The commission shall direct the ~~office of management and budget department of commerce~~ to distribute the funds awarded under this chapter in disbursements consistent with the center's budget and timeframe outlined in the approved award. The commission may not direct distribution of funds under this chapter if there are no private sector partners participating or if the statutorily required matching funds are not available.
- 5. If, before funds are distributed by the ~~office of management and budget department of commerce~~, a center undergoes a change in the terms of or assertions made in its application, the commission may direct that the ~~office of management and budget department of commerce~~ withhold all or a portion of any undistributed funds pending commission review of the changes.

SECTION 34. A new section to chapter 54-18 of the North Dakota Century Code is created and enacted as follows:

Annual transfer. Within thirty days after the conclusion of each fiscal year, the industrial commission shall transfer five percent of the net income earned by the state mill and elevator association during that fiscal year to the agricultural fuel tax fund.

SECTION 35. A new section to chapter 54-44.1 of the North Dakota Century Code is created and enacted as follows:

Searchable database of expenditures.

1. By June 30, 2011, the director of the budget shall develop and make publicly available an aggregate and searchable budget database website that includes the following information for the biennium ending June 30, 2009:
 - a. Each budget unit making expenditures.
 - b. The amount of funds expended.
 - c. The source of the funds expended.
 - d. The budget program of the expenditure.
 - e. Any other information determined relevant by the director of the budget.
2. The director of the budget shall include the name and city of the recipient of each expenditure in the budget database website after the director has completed implementation of a business intelligence component to the state's financial reporting system.
3. The director of the budget may not include in the database any information that is confidential or exempt under state or federal law.
4. The director of the budget may update the budget database website as new data becomes available. Each state agency shall provide to the director of the budget any data required to be included in the budget database website no later than thirty days after the data becomes available to the agency.
5. By January first of each even-numbered year, the director of the budget shall add data for the previous biennium to the budget database website. The director of the budget shall ensure that all data added to the budget database website remains accessible to the public for a minimum of ten years.
6. The budget database website may not redirect users to any other government website, unless the website has information from all budget units and each category of information required can be searched electronically by field in a single search.

SECTION 36. AMENDMENT. Subsection 2 of section 54-60-16 of the North Dakota Century Code is amended and reenacted as follows:

2. The commissioner may designate a nonprofit corporation incorporated in this state that has the primary purpose of assisting North Dakota exporters or contract with a third party for the provision of services for the international business and trade office. If the commissioner designates a nonprofit corporation or contracts with a third party under this subsection, all data and data bases collected and created by the third party in performing services for the office are the property of the department and the third party.

SECTION 37. AMENDMENT. Section 54-60-17 of the North Dakota Century Code is amended and reenacted as follows:

54-60-17. Division of workforce development - ~~Higher education internships~~ Internships, apprenticeships, and work experience opportunities. The division of workforce development shall administer a program to increase use of ~~higher education~~ internships, apprenticeships, and work experience opportunities for higher education students and high school students enrolled in grade eleven or twelve. The primary focus of this program must be higher education internships in target industries. This program shall provide services to employers, communities, and business organizations to increase ~~higher education~~ internship, apprenticeship, and work experience opportunities. The department shall maintain records of the number of

internship, apprenticeship, and work experience opportunities subsidized within each funding recipient which shall then constitute a base level for that funding recipient. The department in each subsequent biennium may only subsidize new or expanded internship, apprenticeship, and work experience opportunities above the base level for funding recipients."

Page 8, remove lines 1 through 31

Page 9, remove lines 1 through 25

Page 10, line 7, replace "July" with "November"

Page 10, line 9, replace "submit for acceptance" with "present"

Page 10, line 10, replace "biennial budget request" with "workforce-related budget initiatives for the upcoming biennium, including alignment of these initiatives with the consolidated biennial statewide strategic plan."

Page 10, line 11, after the underscored period insert "The North Dakota workforce development council members shall consider potential areas for collaboration."

SECTION 39. EXPIRATION DATE. Section 36 of this Act is effective through June 30, 2011, and after that date is ineffective."

Page 10, line 12, replace "\$1,200,000" with "\$900,000"

Page 10, line 13, replace "is" with "and section 2 of this Act are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98037.0443 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Reengrossed SB 2018 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. GRINDBERG MOVED that the conference committee report on Reengrossed SB 2018 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2018, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2018: A BILL for an Act to provide an appropriation for defraying the expenses of the department of commerce; to provide an appropriation to the office of management and budget; to provide a contingent appropriation; to provide exemptions; to provide for transfers; to provide a continuing appropriation; to provide for legislative council studies; to provide reports to the budget section; to provide for the establishment of a centers of excellence fund; to create and enact a new subsection to section 15-69-01, a new section to chapter 54-18, a new section to chapter 54-44.1, and a new section to chapter 54-60 of the North Dakota Century Code, relating to definitions relating to centers of excellence, an annual transfer from the state mill and elevator association, the establishment of a searchable database, and the division of workforce development's strategic plan and the North Dakota workforce development council; to amend and reenact subsection 1 of section 15-69-02, subsections 1, 2, and 3 of section 15-69-04, subsections 1, 3, 4, and 5 of section 15-69-05, subsection 2 of section 54-60-16, and section 54-60-17 of the North Dakota Century Code, relating to centers of excellence, the international business and trade office, and higher education internships and work experience opportunities; 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 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Bakke; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

NAYS: Behm; Krauter

ABSENT AND NOT VOTING: Fiebiger

Reengrossed SB 2018 passed, the title was agreed to, and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HB 1012, as engrossed: Your conference committee (Sens. Kilzer, Fischer, Warner and Reps. Pollert, Kreidt, Ekstrom) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1470-1477, adopt amendments as follows, and place HB 1012 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1470-1477 of the House Journal and pages 1317-1323 and pages 1337 and 1338 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 2, after the first semicolon insert "to provide a contingent appropriation;"

Page 1, line 3, replace the first "and" with "to create and enact a new subsection to section 50-25.1-05 of the North Dakota Century Code, relating to the adoption of rules regarding the recording of interviews in child abuse or neglect cases;", after "25-04-05" insert ", 50-24.1-02.6", and after "50-24.5-04" insert ", 50-29-04"

Page 1, line 5, after "facilities" insert ", eligibility under the state children's health insurance program" and after "fund" insert "; to repeal section 4 of chapter 422 of the 2007 Session Laws, relating to the effective date of the expansion of medical assistance benefits; and to declare an emergency"

Page 1, line 17, replace "2,148,542" with "2,520,060" and replace "13,660,900" with "14,032,418"

Page 1, line 18, replace "(13,582,286)" with "(13,567,566)" and replace "46,528,070" with "46,542,790"

Page 1, line 20, replace "(\$11,434,02911)" with "(\$11,047,791)" and replace "60,188,970" with "60,575,208"

Page 1, line 21, replace "(16,622,573)" with "(16,290,983)" and replace "34,041,261" with "34,372,851"

Page 1, line 22, replace "5,188,544" with "5,243,192" and replace "26,147,709" with "26,202,357"

Page 2, line 3, replace "18,552,432" with "16,090,648" and replace "43,963,473" with "41,501,689"

Page 2, line 4, replace "4,364,279" with "4,966,224" and replace "72,176,081" with "72,778,026"

Page 2, line 6, replace "111,111,588" with "111,831,588" and replace "455,130,804" with "455,850,804"

Page 2, line 7, replace "189,244,935" with "171,985,015" and replace "1,306,432,756" with "1,289,172,836"

Page 2, line 10, replace "310,797,543" with "292,397,784" and replace "1,877,716,114" with "1,859,316,355"

Page 2, line 11, replace "223,418,640" with "250,532,515" and replace "1,350,082,207" with "1,377,196,082"

Page 2, line 12, replace "87,378,903" with "41,865,269" and replace "527,633,907" with "482,120,273"

Page 2, line 17, replace "715,235" with "958,104" and replace "8,209,132" with "8,452,001"

Page 2, line 18, replace "2,135,169" with "2,425,414" and replace "18,917,773" with "19,208,018"

Page 2, line 19, replace "823,712" with "1,080,022" and replace "10,641,067" with "10,897,377"

Page 2, line 20, replace "3,509,556" with "3,661,082" and replace "25,616,905" with "25,768,431"

Page 2, line 21, replace "3,699,225" with "4,086,258" and replace "29,760,855" with "30,147,888"

Page 2, line 22, replace "573,509" with "883,684" and replace "15,257,320" with "15,567,495"

Page 2, line 23, replace "3,675,196" with "4,003,786" and replace "24,362,468" with "24,691,058"

Page 2, line 24, replace "964,207" with "1,058,549" and replace "10,762,996" with "10,857,338"

Page 2, line 25, replace "9,519,982" with "11,226,902" and replace "66,911,926" with "68,618,846"

Page 2, line 26, replace "6,195,786" with "7,019,985" and replace "52,989,719" with "53,813,918"

Page 2, line 27, replace "31,811,577" with "36,403,786" and replace "263,430,161" with "268,022,370"

Page 2, line 28, replace "12,094,114" with "15,503,656" and replace "124,851,343" with "128,260,885"

Page 2, line 29, replace "19,717,463" with "20,900,130" and replace "138,578,818" with "139,761,485"

Page 3, line 3, replace "112,284,910" with "68,008,591" and replace "692,360,434" with "648,084,115"

Page 3, line 4, replace "218,890,181" with "342,634,393" and replace "1,508,974,811" with "1,632,719,023"

Page 3, line 5, replace "331,175,091" with "410,642,984" and replace "2,201,335,245" with "2,280,803,138"

Page 3, after line 6, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the department of human services, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Federal medical assistance percentage	\$66,500,000
Elderly nutrition services	485,000
Child support incentive matching funds	3,200,000
Rehabilitation services and disability assistance and independent living	2,043,000
Individuals With Disabilities Education Act - Part C	2,140,000
Supplemental nutrition assistance program benefits and administration	9,874,747
Senior employment program	143,288
Older blind	<u>3,170</u>
Total federal funds	\$84,389,205

The department of human services may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section, except for the funding of \$66,500,000 relating to the federal medical assistance percentage and funding of \$2,763,082 of child support incentive matching funds, are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. GENERAL FUND TRANSFER TO BUDGET STABILIZATION FUND - EXCEPTION - USE OF GENERAL FUND AMOUNTS. Notwithstanding section 54-27.2-02, the state treasurer and the office of management and budget may not include in the amount used to determine general fund transfers to the budget stabilization fund at the end of the 2007-09 biennium under chapter 54-27.2 any general fund amounts resulting from the increased federal share of medical assistance payments resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009. The state treasurer and the office of management and budget shall separately account for these amounts and 2009-11 biennium general fund amounts resulting from federal medical assistance percentage changes under the federal American Recovery and Reinvestment Act of 2009 and use these amounts to defray the expenses of continuing program costs of the department of human services from the general fund, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

Inflationary increases for human service providers	\$27,345,292
Rate increases for selected medicaid services due to rebasing	21,788,982
Rate increases for nursing homes due to property limit changes and other nursing home increases	7,788,572
Wage increases for employees of nursing homes, basic care, and developmental disabilities services providers and qualified service providers	16,229,317
Salary increases for department of human services employees	14,293,872
Total	\$87,446,035

SECTION 4. BANK OF NORTH DAKOTA LOAN AUTHORIZATION - BUDGET SECTION APPROVAL - CONTINGENT APPROPRIATION. If the caseload/utilization of medical services, long-term care, and developmental disabilities services is more than anticipated by the sixty-first legislative assembly, the department of human services, subject to budget section approval, may borrow the sum of \$8,500,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated for the purpose of providing the state matching share of additional medical assistance grants for medical services, long-term care, and developmental disabilities services, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of human services shall request funding from the sixty-second legislative assembly to repay any loan obtained pursuant to provisions of this section, including accrued interest.

SECTION 5. 2009-11 SPENDING LEVEL - AUTHORIZATION. If department of human services expenditures exceed funding levels, including loan proceeds appropriated in section 4 of this Act, approved by the sixty-first legislative assembly during the 2009-11 biennium due to caseload/utilization of programs exceeding the level anticipated by the legislative assembly, the department may continue to spend at the increased level and may seek a deficiency appropriation from the sixty-second legislative assembly."

Page 3, after line 18, insert:

"Supplemental payment - Critical access hospitals	0	400,000"
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Page 3, line 19, replace "2,793,692" with "3,443,692"

Page 3, line 21, replace "3,146,298" with "4,196,298"

Page 4, line 5, replace "\$4,324,506" with "\$4,124,506"

Page 4, remove lines 22 through 29

Page 5, line 1, replace "\$14,739,128" with "\$17,977,513" and replace "\$4,950,451" with "\$5,512,441"

Page 5, line 2, replace "\$1,000,000" with "\$800,000" and replace "\$8,788,677" with "\$11,665,072"

Page 5, line 4, replace "each employee earning a salary that is less than the eightieth" with "employees beginning July 1, 2009. Basic care and skilled nursing care facilities may not use the money received under this section for providing salary and benefit enhancements to administrators or directors of nursing."

Page 5, remove lines 5 and 6

Page 5, line 9, replace "\$18,929,151" with "\$21,639,106" and replace "\$7,000,000" with "\$7,086,807"

Page 5, line 10, replace "\$11,929,151" with "\$14,552,299"

Page 5, line 11, replace "each employee earning a" with "employees beginning July 1, 2009. Developmental disabilities service providers may not use the money received under this section for providing salary and benefit enhancements to administrators."

Page 5, replace lines 12 and 13 with:

"SECTION 13. LEGISLATIVE INTENT - MEDICAID PROVIDER PAYMENTS.

It is the intent of the legislative assembly that the department of human services establish a goal to set medicaid payments for hospitals, physicians, chiropractors, and ambulances at 100 percent of cost.

SECTION 14. SUPPLEMENTAL PAYMENT - CRITICAL ACCESS HOSPITALS. The grants - medical assistance line item in subdivision 2 of section 1 of this Act includes the sum of \$400,000 of one-time funding from the general fund that the department of human services shall use for providing a supplemental payment to eligible critical access hospitals. A critical access hospital is eligible for a payment under this section only if its percentage of medical payments exceeds 25 percent of its total annual revenue in its most recent audited financial statements and is located in a city with a population that does not exceed 1,450. The department shall seek federal medicaid funding to provide a portion of the \$400,000 supplemental payment. If federal medicaid funding is not available for a portion of the payment, the department may spend the \$400,000 from the general fund for making the supplemental payment only if the action will not result in a reduction in federal medicaid funding to the state.

SECTION 15. LEGISLATIVE INTENT - DEMENTIA CARE SERVICES. It is the intent of the sixty-first legislative assembly that the department of human services integrate the dementia care services program established in House Bill No. 1043, as approved by the sixty-first legislative assembly, with the home and community-based care services programs of the department.

SECTION 16. LEGISLATIVE COUNCIL STUDY - TRAUMATIC BRAIN INJURY. During the 2009-11 interim, the legislative council shall consider studying the impact of individuals with traumatic brain injury, including veterans who are returning from wars, on the state's human services system. The study must include an analysis of the estimated cost of providing human service-related services to the individuals with traumatic brain injury. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 17. LEGISLATIVE INTENT - CHILDREN'S HEALTH INSURANCE PROGRAM OUTREACH. It is the intent of the sixty-first legislative assembly that the department of human services award a contract for outreach services for the state children's health insurance program to an entity other than an insurance company, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 18. UNSPENT 2007-09 BIENNIUM GENERAL FUND APPROPRIATIONS - EXCEPTION. The amount of \$270,000 of the \$3,100,000 for a sexual offender treatment addition at the state hospital appropriated in subdivision 3 of section 3 of 2007 Senate Bill No. 2012 is not subject to section 54-44.1-11 and may be spent during the 2009-11 biennium for completing roof repairs at the state hospital."

Page 7, after line 21, insert:

"SECTION 20. AMENDMENT. Section 50-24.1-02.6 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.6. ~~(Contingent effective date—See note) Medical assistance benefits—Eligibility criteria.~~

1. ~~The department shall provide medical assistance benefits to otherwise eligible persons who are:~~
 - a. ~~Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and~~
 - b. ~~Minors who have countable income that does not exceed an amount determined under subsection 3.~~
2. ~~The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.~~
3. ~~The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, that provide an income level for all minors born before September 30, 1983, equal to one hundred percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined and that do not exceed legislative appropriations for that purpose.~~
4. ~~The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets.~~

(Contingent effective date — See note) Medical assistance benefits - Eligibility criteria.

1. The department shall provide medical assistance benefits to otherwise eligible persons who are:
 - a. Medically needy persons who have countable income that does not exceed an amount determined under subsection 2; and
 - b. Minors who have countable income that does not exceed an amount determined under subsection 3.
2. The department of human services shall establish an income level for medically needy persons at an amount, no less than required by federal law, that, consistent with the requirements of subsection 3, is the greatest income level achievable without exceeding legislative appropriations for that purpose.
3. The department of human services shall establish income levels for minors, based on the age of the minors, at amounts, no less than required by federal law, ~~that provide an income level for all individuals from birth through age eighteen equal to one hundred thirty three percent of the federal poverty level in the month for which eligibility for medical assistance benefits is being determined.~~
4. The department of human services shall provide medical assistance benefits to children and families coverage groups and pregnant women without consideration of assets."

Page 7, after line 29, insert:

"SECTION 22. A new subsection to section 50-25.1-05 of the North Dakota Century Code is created and enacted as follows:

The department shall adopt guidelines for case referrals to a children's advocacy center. When cases are referred to a children's advocacy center, all interviews of the alleged abused or neglected child conducted at the children's advocacy center under this section shall be audio-recorded or video-recorded.

SECTION 23. AMENDMENT. Section 50-29-04 of the North Dakota Century Code is amended and reenacted as follows:

50-29-04. Plan requirements. The plan:

1. Must be provided through private contracts with insurance carriers;
2. Must allow conversion to another health insurance policy;
3. Must be based on an actuarial equivalent of a benchmark plan;
4. Must incorporate every state-required waiver approved by the federal government;
5. Must include community-based eligibility outreach services; and
6. Must provide:
 - a. A net income eligibility limit of one hundred ~~fifty~~ sixty percent of the poverty line;
 - b. A copayment requirement for each pharmaceutical prescription and for each emergency room visit;
 - c. A deductible for each inpatient hospital visit;
 - d. Coverage for:
 - (1) Inpatient hospital, medical, and surgical services;
 - (2) Outpatient hospital and medical services;
 - (3) Psychiatric and substance abuse services;
 - (4) Prescription medications;
 - (5) Preventive screening services;
 - (6) Preventive dental and vision services; and
 - (7) Prenatal services; and
 - e. A coverage effective date that is the first day of the month, following the date of application and determination of eligibility."

Page 8, after line 21, insert:

"SECTION 25. REPEAL. Section 4 of chapter 422 of the 2007 Session Laws is repealed.

SECTION 26. EMERGENCY. Sections 2 and 18 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98013.0219 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1012 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KILZER MOVED that the conference committee report on Engrossed HB 1012 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1012, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1012: A BILL for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide a contingent appropriation; to provide for legislative council studies; to provide statements of legislative intent; to create and enact a new subsection to section 50-25.1-05 of the North Dakota Century Code,

relating to the adoption of rules regarding the recording of interviews in child abuse or neglect cases; to amend and reenact sections 25-04-05, 50-24.1-02.6, 50-24.5-04, 50-29-04, and 50-30-02 of the North Dakota Century Code, relating to developmental center admission screenings, the personal needs allowance for individuals in basic care facilities, eligibility under the state children's health insurance program, and use of the health care trust fund; to repeal section 4 of chapter 422 of the 2007 Session Laws, relating to the effective date of the expansion of medical assistance benefits; 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 45 YEAS, 1 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Wanzek; Wardner; Warner

NAYS: Triplett

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1012, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2018.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1012.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause failed: SB 2001.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1004.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2011.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1020.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently failed to pass: HB 1003.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: Your signature is respectfully requested on: SB 2010, SB 2332, SB 2333.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1009, HB 1016, HB 1327.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The President has signed: HB 1008, HB 1014.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 2:30 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

CORRECTION AND REVISION OF THE JOURNAL

MR. PRESIDENT: Your **Committee on Correction and Revision of the Journal (Sen. Andrist, Chairman)** has carefully examined the Journal of the Thirty-third, Seventy-fifth, and Seventy-seventh Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 550, after line 26 insert "SB 2230, as amended, was placed on the Eleventh order."

Page 1593, line 4, replace "1308" with "2308"

Page 1723, line 7, replace "section 2" with "section 3"

Page 1723, line 15, replace "section 2" with "section 3"

Page 1723, line 25, replace "Section 2" with "Section 3"

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

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

MR. PRESIDENT: The Speaker has signed: SB 2010, SB 2332, SB 2333.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The President has signed: HB 1009, HB 1016, HB 1327.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 3:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

REPORT OF CONFERENCE COMMITTEE

HB 1004, as engrossed: Your conference committee (Sens. Wardner, Bowman, Krauter and Reps. Thoreson, Delzer, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1003, adopt amendments as follows, and place HB 1004 on the Seventh order:

That the Senate recede from its amendments as printed on page 1003 of the House Journal and page 753 of the Senate Journal and that Engrossed House Bill No. 1004 be amended as follows:

Page 1, line 12, replace "435,504" with "593,805" and replace "7,756,745" with "7,915,046"

Page 1, line 13, replace "(25,564)" with "(564)" and replace "784,985" with "809,985"

Page 1, line 15, replace "0" with "50,000" and replace the second "100,000" with "150,000"

Page 1, line 16, replace "499,940" with "733,241" and replace "8,741,730" with "8,975,031"

Page 1, line 17, replace "(312,198)" with "(272,972)" and replace "2,273,576" with "2,312,802"

Page 1, line 18, replace "812,138" with "1,006,213" and replace "6,468,154" with "6,662,229"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98005.0302 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1004 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. WARDNER MOVED that the conference committee report on Engrossed HB 1004 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1004, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1004: A BILL for an Act to provide an appropriation for defraying the expenses of the state auditor; to provide legislative intent; and to amend and reenact section 54-10-10 of the North Dakota Century Code, relating to the salary of the state auditor.

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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1004, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

HB 1020, as engrossed: Your conference committee (Sens. Fischer, Holmberg, Warner and Reps. Skarphol, Wald, Williams) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1601-1603, adopt amendments as follows, and place HB 1020 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1742 and 1743 of the House Journal and pages 1601-1603 of the Senate Journal and that Engrossed House Bill No. 1020 be amended as follows:

Page 1, line 2, replace "an exemption; to provide a line of credit" with "exemptions"

Page 1, line 3, replace "provide an appropriation for repayment of the line of credit" with "declare an emergency"

Page 1, line 12, replace "488,031" with "522,808" and replace "2,942,897" with "2,977,674"

Page 1, line 13, replace "137,000,806" with "137,223,637" and replace "307,545,203" with "307,768,034"

Page 1, line 14, replace "137,488,837" with "137,746,445" and replace "310,488,100" with "310,745,708"

Page 1, line 15, replace "136,298,107" with "134,799,793" and replace "298,420,123" with "296,921,809"

Page 1, line 16, replace "1,190,730" with "2,946,652" and replace "12,067,977" with "13,823,899"

Page 1, after line 24, insert:

"SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. There is appropriated out of any federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, the sum of \$12,000,000, or so much of the sum as may be necessary, to the state water commission for the purpose of providing funding for the southwest pipeline project, for the period beginning with the effective date of this Act and ending June 30, 2011.

The state water commission may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available."

Page 2, after line 17, insert:

"SECTION 7. FARGO FLOOD CONTROL PROJECT FUNDING - EXEMPTION. Of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, \$45,000,000 is for Fargo flood control projects, for the biennium beginning July 1, 2009, and ending June 30, 2011. Any funds not spent by June 30, 2011, are not subject to section 54-44.1-11 and must be continued into the next or subsequent bienniums and may be expended only for Fargo flood control projects. These funds may be used only for land purchases and construction; may not be used for administration, engineering, legal, planning, or other similar purposes; and are not subject to the sixty-five percent funding requirement contained in Senate Bill No. 2316 (2009).

SECTION 8. LEGISLATIVE INTENT - FARGO FLOOD CONTROL. It is the intent of the sixty-first legislative assembly that a total of \$75,000,000 be committed by the state to match a grant of federal funds for Fargo flood control, of which \$45,000,000 is appropriated in section 1 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 9. LEGISLATIVE INTENT - STATE WATER COMMISSION PROJECTS. It is the intent of the sixty-first legislative assembly that of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, the state water commission provide funding for the following projects, for the biennium beginning July 1, 2009, and ending June 30, 2011:

Digital elevation mapping project	\$300,000
Enhancement of the local share of funding for the Renwick dam in Pembina County	\$100,000
Evaluate, in conjunction with state, local, and federal officials and entities, long-term flood control solutions in the Red River valley	\$500,000
Michigan spillway in Nelson County	\$500,000

SECTION 10. LEGISLATIVE INTENT - NELSON COUNTY WATER RESOURCE DISTRICT. It is the intent of the sixty-first legislative assembly that the state water commission assist the Nelson County water resource district by providing engineering and permitting services, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 11. EMERGENCY. Section 3 of this Act is declared to be an emergency measure."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98020.0208 FN 1

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1020 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. FISCHER MOVED that the conference committee report on Engrossed HB 1020 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1020, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1020: A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission; to provide legislative intent; to provide exemptions; 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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern;

Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Engrossed HB 1020, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1004.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1020.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2001, SB 2003, SB 2018.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2011.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The President has signed: SB 2010, SB 2332, SB 2333.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 4:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause failed to pass: SB 2009.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1012.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: SB 2011.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The President has signed: SB 2011.

COMMUNICATION FROM GOVERNOR JOHN HOEVEN

This is to inform you that on April 30, 2009, I have signed the following: SB 2195 and SB 2230.

Also, on May 1, 2009, I have signed the following: SB 2002, SB 2006, SB 2016, SB 2017, and SB 2097.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 5:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report and subsequently failed to pass: HB 1377.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2001, SB 2003, SB 2009, SB 2018.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)
MR. SPEAKER: The President has signed: HB 1012.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 7:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 7:45 p.m., which motion prevailed.

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

REPORT OF CONFERENCE COMMITTEE

SB 2004, as reengrossed: Your conference committee (Sens. Fischer, Kilzer, Mathern and Reps. Kreidt, Nelson, Kerzman) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1357-1358, adopt amendments as follows, and place SB 2004 on the Seventh order:

That the House recede from its amendments as printed on pages 1357 and 1358 of the Senate Journal and pages 1393-1395 of the House Journal and that Reengrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, remove "and"

Page 1, line 3, after "intent" insert "; to provide for a legislative council study; to provide for an exemption; to provide for a report to the legislative council; to provide for a contingent transfer; and to declare an emergency"

Page 1, line 13, replace "7,496,481" with "7,152,737" and replace "45,205,612" with "44,861,868"

Page 1, line 14, replace "644,923" with "599,255" and replace "44,681,462" with "44,635,794"

Page 1, line 16, replace "991,734" with "2,396,934" and replace "59,009,510" with "60,414,710"

Page 1, line 17, replace "38,612" with "160,339" and replace "8,957,958" with "9,079,685"

Page 1, line 19, replace "16,681,010" with "17,818,525" and replace "184,731,185" with "185,868,700"

Page 1, line 20, replace "12,400,770" with "13,946,429" and replace "162,996,047" with "164,541,706"

Page 1, line 21, replace "4,280,240" with "3,872,096" and replace "21,735,138" with "21,326,994"

Page 2, replace lines 9 through 14 with:

"SECTION 3. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the state department of health, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Water quality grants	\$194,300
Superfund arsenic trioxide project grants	7,000,000
Clean diesel grants (provided to the department of public instruction)	1,730,000
Clean water state revolving loan fund administration	769,564
Drinking water state revolving loan fund administration	780,000
Stop violence against women	511,661
Women, infants, and children	61,800
Total federal funds	\$11,047,325

The state department of health may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 4. CONTINGENT APPROPRIATION - TRANSFER - COMMUNITY HEALTH TRUST FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,405,371, or so much of the sum as may be necessary, which the office of management and budget shall transfer to the community health trust fund if moneys in the community health trust fund are not sufficient to provide for legislative appropriations, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 2, replace lines 21 through 23 with:

"SECTION 6. EMERGENCY MEDICAL SERVICES OPERATIONS - FUNDING FROM INSURANCE TAX DISTRIBUTION FUND - REPORT TO LEGISLATIVE COUNCIL. The estimated income line item in section 1 of this Act includes \$2,750,000 from the insurance tax distribution fund for the biennium beginning July 1, 2009, and ending June 30, 2011. Of this amount, \$2,250,000 is for grants to emergency medical services operations as provided in chapter 23-40 and \$500,000 is for a grant to contract with an organization to:

- Develop, implement, and provide an access critical ambulance service operations assessment process for the purpose of improving emergency medical services delivery;
- Develop, implement, and provide leadership development training;
- Develop, implement, and provide a biennial emergency medical services recruitment drive; and
- Provide regional assistance to ambulance services to develop a quality review process for emergency medical services personnel and a mechanism to report to medical directors.

The state department of health shall report to the legislative council on the use of the funding provided under this section. The department shall require recipients of grants under this section to provide information on the use of funds received as necessary to provide the report to the legislative council."

Page 3, after line 3, insert:

"SECTION 9. EXEMPTION. The \$200,000, of which \$150,000 is from the community health trust fund and \$50,000 is from the general fund, appropriated for colorectal screening grants, as contained in section 3 of chapter 4 of the 2007 Session Laws, is not subject to the provisions of section 54-44.1-11, and any unexpended funds from these appropriations are available and may be expended during the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 10. LEGISLATIVE COUNCIL STUDY - IMMUNIZATION PROGRAM. During the 2009-10 interim, the legislative council shall consider studying the state immunization program. The study, if conducted, must identify pharmacists' or other providers' ability and interest in immunizing children and include a review of the effect of the program on public health units, including billing, billing services, fee collections, and uncollectible accounts. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-second legislative assembly.

SECTION 11. EMERGENCY. Section 3 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98047.0421 FN 11

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Reengrossed SB 2004 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KILZER MOVED that the conference committee report on Reengrossed SB 2004 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2004, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2004: A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to provide for a grant from the state water commission; to provide legislative intent; to provide for a legislative council study; to provide for an exemption; to provide for a report to the legislative council; to provide for a contingent transfer; 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: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjem; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

Reengrossed SB 2004 passed, the title was agreed to, and the emergency clause was declared carried.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2004.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1004, HB 1020.

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

MR. PRESIDENT: The Speaker has signed: SB 2001, SB 2003, SB 2009, SB 2018.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The President has signed: SB 2001, SB 2003, SB 2009, SB 2018.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The President has signed: HB 1004, HB 1020.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 9:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

REPORT OF STANDING COMMITTEE

HB 1015, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1015 was placed on the Sixth order on the calendar.

Page 1, replace lines 3 through 8 with "exemption; to provide for various transfers; to create and enact section 8 to chapter 160 of the 2007 Session Laws, a new section to chapter 54-27, and paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code, relating to contingent distributions of grant assistance money, the allocation of funds to certain coal-producing counties, and vacant state

employee positions; to amend and reenact sections 18-05.1-01, 18-05.1-02, and 18-05.1-03, subdivisions of subsection 3 of section 32-12.2-02, sections 50-24.5-04, 54-06-08.2, 54-21-24, and 54-24-21.1, and subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code, relating to payment from the firefighters death benefit fund, the reciprocal licensure and classification system to carry a firearm or dangerous weapon concealed, the personal needs allowance for individuals in basic care facilities, leasing of office space by state entities, liability of the state, and credit card fees charged by state agencies; to amend and reenact sections 1 and 2 of House Bill No. 1350 and subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, relating to the Great Plains applied energy technology center and weather-related transportation funding; to provide an appropriation for a statewide salary equity pool; to establish a statewide salary equity pool; to provide for budget section reports; to provide for a transfer of appropriation authority; to limit the number of full-time equivalent positions; to provide legislative intent; to provide for a legislative council study; to provide an appropriation to the department of emergency services; to provide an appropriation to the department of public instruction; to provide an effective date; and to declare an emergency."

Page 1, line 18, replace "1,433,263" with "1,989,620" and replace "16,647,029" with "17,203,386"

Page 1, line 19, replace "2,296,958" with "2,796,958" and replace "13,989,094" with "14,489,094"

Page 1, line 20, replace "775,279" with "3,625,279" and replace "2,420,298" with "5,270,298"

Page 1, line 22, replace "0" with "2,016,200" and replace "1,337,138" with "3,353,338"

Page 2, remove lines 2 and 3

Page 2, line 7, replace "(\$51,501,957)" with "(\$54,320,943)" and replace "43,390,102" with "40,571,116"

Page 2, line 8, replace "(12,053,004)" with "(16,390,195)" and replace "13,176,111" with "8,838,920"

Page 2, line 9, replace "(\$39,448,953)" with "(\$37,930,748)" and replace "30,213,991" with "31,732,196"

Page 2, line 10, replace "(1.00)" with "0.00" and replace "131.50" with "132.50"

Page 2, after line 10, insert:

"SECTION 2. APPROPRIATION - FEDERAL FISCAL STABILIZATION - OTHER GOVERNMENT SERVICES FUNDS - ADDITIONAL FUNDING APPROVAL.

The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal fiscal stabilization - other government services funds made available to the governor under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the office of management and budget, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Information technology, accounting, and verification	\$289,494
Total federal funds	\$289,494

The office of management and budget may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated under this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds appropriated under this section are not a part of the agency's 2011-13 base budget. Any program expenditures made with these funds will not be replaced with state funds after the federal American Recovery and Reinvestment Act of 2009 funds are no longer available.

SECTION 3. APPROPRIATION - PERMANENT OIL TAX TRUST FUND - WEATHER-RELATED ASSISTANCE. There is appropriated out of any moneys in the permanent oil tax trust fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the office of management

and budget for the purpose of matching federal United States department of agriculture funds to assist North Dakota ranchers affected by severe winter weather and flooding, for the period beginning with the effective date of this Act and ending June 30, 2009.

SECTION 4. APPROPRIATION - TRANSFER - CENTERS OF EXCELLENCE FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,450,000, which the office of management and budget shall transfer to the centers of excellence fund for the purpose of providing funding for 2007-09 centers of excellence awarded projects, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 5. TRANSFER - PERMANENT OIL TAX TRUST FUND. During the biennium beginning July 1, 2009, and ending June 30, 2011, the office of management and budget shall transfer \$140,000,000 from the permanent oil tax trust fund to the general fund."

Page 2, line 17, replace "0" with "2,016,200"

Page 2, line 20, replace "1,220,000" with "2,850,000"

Page 2, line 22, replace "2,346,041" with "5,992,241"

Page 2, line 23, replace "0" with "1,008,100"

Page 2, line 24, replace "2,346,041" with "4,984,141"

Page 2, remove lines 29 and 30

Page 3, replace lines 1 and 2 with:

"SECTION 7. PERMANENT OIL TAX TRUST FUND. The estimated income line item in section 1 of this Act includes \$1,008,100 from the permanent oil tax trust fund for the prairie public broadcasting digital conversion, for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 3, remove lines 15 through 23

Page 4, replace lines 14 through 31 with:

"SECTION 12. AMENDMENT. Section 18-05.1-01 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-01. ~~Firefighters death benefit fund~~ Payments to deceased firefighter's survivor. The firefighters death benefit fund is a special fund in the state treasury. The revenue provided in section 26.1-03-17 must be deposited in the fund and is appropriated on a continuing basis to the insurance commissioner for disbursement as provided in this chapter. The insurance commissioner shall administer the fund.

SECTION 13. AMENDMENT. Section 18-05.1-02 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-02. Payments from firefighters death benefit fund. ~~The governing body of a municipality having a paid fire department or the governing body of a city or rural fire protection district having no paid fire department may request that the insurance commissioner pay ten thousand dollars from the firefighters death benefit fund to the estate of a firefighter who dies from an injury sustained while responding to, during, or within forty eight hours after a fire emergency or training activity. The insurance commissioner shall pay ten thousand dollars to the a deceased firefighter's estate survivor upon receipt of the a request for payment and upon receipt of evidence that the of a line of duty death occurred from an injury sustained while responding to, during, or within forty eight hours after a fire emergency from the fire chief or the fire chief's designee of a city fire department, rural fire department, or rural fire protection district.~~

SECTION 14. AMENDMENT. Section 18-05.1-03 of the North Dakota Century Code is amended and reenacted as follows:

18-05.1-03. Definition Definitions. For purposes of this chapter, ~~firefighter:~~

1. "Firefighter" means an individual who is a member of a paid or volunteer fire department that is a part of or is administered by this state, any political subdivision of this state, or a rural fire protection district.
2. "Line of duty death" means a death that was due to an injury sustained while performing firefighter duties if the death occurred within forty-eight hours of participating in an emergency response or training event. Death from a heart attack or stroke is deemed to be a line of duty death if it occurs within forty-eight hours of an emergency response or training event.
3. "Survivor" means the spouse of a deceased firefighter who died in the line of duty. If there is no spouse, the term means the individual designated in writing by the deceased firefighter as beneficiary of the Public Safety Officers' Benefit Act [42 U.S.C. 3796 et seq.] death benefit, or if no beneficiary is designated, the deceased firefighter's estate.

SECTION 15. AMENDMENT. Subdivision s of subsection 3 of section 32-12.2-02 of the North Dakota Century Code is amended and reenacted as follows:

- s. A claim for liability assumed under contract, except this exclusion does not apply to liability arising from a state employee's operation of a rental vehicle if the ~~vehicle is rented for a period of thirty days or less and~~ the loss is not covered by the state employee's personal insurance or by the vehicle rental company.

SECTION 16. AMENDMENT. Section 50-24.5-04 of the North Dakota Century Code as amended in section 21 of House Bill No. 1012, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

50-24.5-04. Services provided - Limit on cost. Services provided under this chapter must be treated as necessary remedial care to the extent those services are not covered under the medical assistance program. The cost of the services provided under this chapter to a person residing in a basic care or adult family foster care facility for which the rate charged includes room and board is limited to the rate set for services in that facility, plus ~~seventy-five~~ eighty-five dollars, less that person's total income.

SECTION 17. AMENDMENT. Section 54-06-08.2 of the North Dakota Century Code is amended and reenacted as follows:

54-06-08.2. Payment by credit or debit card or by electronic fund transfer - State credit card processor - Fees.

1. A state agency, board, or commission, the judicial branch, or any political subdivision may accept payment by credit or debit card or by electronic fund transfer of any fee, interest, penalty, tax, or other payment that is due or collectible by the agency, board, or commission. The judicial branch may accept payment by credit or debit card or by electronic fund transfer for any fees, costs, or other assessments required or imposed under state law or court rule.
2. The Bank of North Dakota is the state credit card administrator for credit card transactions of state agencies, boards, or commissions. The Bank of North Dakota shall select a credit card processor or processors to provide credit card services to state agencies, boards, and commissions. All funds from credit card transactions must be deposited in the respective entity's account in the Bank of North Dakota. ~~If on January 1, 1997, any state agency, board, or commission uses a credit card processor other than a credit card processor selected by the Bank of North Dakota, it may continue using that processor until June 30, 1999, or until transition to the state processor is available with minimal fee or penalty, whichever is earlier. The judicial branch may accept payment by credit card for any fees, costs, or other assessments required or imposed under state law or court rule.~~
3. Except as otherwise provided under section 20.1-03-32, in accordance with rules adopted by the office of management and budget, an executive branch agency may charge a fee to be added to a payment as a service charge for the acceptance of a payment made by a credit or debit card or an electronic fund transfer. The office of management and budget shall

adopt rules establishing the terms under which executive agencies may charge a service fee under this subsection."

Page 5, remove lines 1 through 10

Page 5, line 13, replace "\$4,000,000" with "\$9,000,000"

Page 5, line 15, replace "\$4,000,000" with "\$6,984,000"

Page 5, line 17, remove "classified", after "employees" insert "of the executive branch", and replace "15" with "19"

Page 5, line 19, replace "**CLASSIFIED**" with "**EXECUTIVE BRANCH**"

Page 5, line 20, replace "14" with "18"

Page 5, line 21, remove "classified" and after "employees" insert "of executive branch agencies, institutions, and departments, excluding entities under the control of the state board of higher education"

Page 5, line 22, after the period insert "The market equity adjustments must be given after any July 2009 general compensation increases authorized by the sixty-first legislative assembly."

Page 5, replace lines 25 and 26 with:

"The market equity increases are to be prioritized based on a statewide plan to address occupational market disparities, economic growth areas, recruitment and retention challenges, and internal and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to employees who have been employed by the state for the greatest length of time and are furthest below their salary range midpoint. The office of management and budget, in developing the plan, shall consider employee pay comparisons to similar occupational classifications of other North Dakota employers and employers in Montana, South Dakota, and Wyoming."

Page 6, replace lines 4 through 7 with:

"Notwithstanding any other provisions of law relating to the allocation of funds from this statewide salary equity pool, the office of management and budget shall transfer appropriation authority from the statewide salary equity pool appropriation included in section 18 of this Act to eligible agencies as determined by the office of management and budget based on each agency's submission and approval by the office of management and budget of a salary equity plan for the biennium beginning July 1, 2009, and ending June 30, 2011."

Page 7, after line 19, insert:

"SECTION 23. A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

Vacant state employee positions salary savings - Budget section reports - Budget section review and approval. The head of each executive branch agency, department, and institution shall report each month to the office of management and budget the number of vacant full-time equivalent employee positions and related salary and fringe benefit savings. The office of management and budget shall report at each budget section meeting on the cumulative savings resulting from the vacant positions. Agencies, departments, and institutions reporting vacant positions under this section may spend funds available as a result of these vacant positions, subject to approval by the office of management and budget in an amount that does not exceed a cumulative amount of two million dollars for a biennium for payment of accrued annual leave and sick leave balances for eligible employees upon retirement or resignation, employee workload increases, employee reclassifications, and unanticipated overtime. The office of management and budget shall report periodically to the budget section on the amounts spent for each of these purposes by agency. Agencies, departments, and institutions may not spend any remaining savings from these vacant positions without prior approval of the office of management and budget and the budget section.

SECTION 24. Paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code is created and enacted as follows:

- (5) The state treasurer shall allocate funds provided by legislative appropriation to cities, the county general fund, and school districts within a coal-producing county according to the allocation method provided in subdivision a in an amount to offset fifty percent of the loss of that county's share of coal severance tax revenue allocated to a non-coal-producing county under this subdivision in the previous calendar year. The state treasurer shall make the allocation, within the limits of legislative appropriations, under this paragraph at the time and in the manner funds are distributed under this section. The state treasurer shall include in each biennial budget request the amounts estimated to be necessary for the biennium for purposes of this paragraph, based on the allocations under this subdivision in the most recent calendar years.

SECTION 25. AMENDMENT. Subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code as amended in section 1 of Senate Bill No. 2415, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

- d. The applicant has the written approval for the issuance of a license from the sheriff of the applicant's county of residence, and, if the city has one, the chief of police or a designee of the city in which the applicant resides. The approval by the sheriff may not be given until the applicant has successfully completed a background investigation in that county and has successfully completed the testing procedure conducted by a certified firearm or dangerous weapon instructor. The person conducting the testing may assess a charge of up to fifty dollars for conducting this testing. The attorney general may certify a firearm or dangerous weapon instructor based upon criteria and guidelines prescribed by the director of the bureau of criminal investigation.

SECTION 26. AMENDMENT. Subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

1. Ten million dollars to townships in accordance with the ~~formula~~ provisions used to distribute funds to townships under section 54-27-19.1, except that organized townships are not required to provide matching funds to receive distributions under this section.

SECTION 27. ELECTRONIC BUDGET PRESENTATION - PILOT PROJECT.

The office of management and budget shall select two agencies to present their proposed 2011-13 budgets and related information electronically to the appropriations committees of the sixty-second legislative assembly. Each state agency selected shall use an electronic format to present and distribute any information regarding its budget, including testimony, supporting documentation, and related materials.

SECTION 28. AMENDMENT. Section 1 of House Bill No. 1350, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

SECTION 1. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing a grant for construction of a great plains applied energy ~~research~~ technology center on the Bismarck state college campus, for the biennium beginning July 1, 2009, and ending June 30, 2011. The department of commerce may spend the general fund appropriation only when the department certifies to the office of management and budget that:

1. The center has completed a detailed business plan demonstrating positive outcomes relating to the development of end-use products and the public policy required to support the products; the use of technology developed at regional research universities; and the testing, development, and application of products and technology to address problems relating to the transmission and storage of electricity;

2. Other nonstate matching funds of three dollars for each one dollar of grant funds are available for all costs of the center, a portion of which must be from the private sector;
- ~~2.~~ 3. The state will be a proportionate owner in the center based on the state's contribution percentage of all costs of the center;
- ~~3.~~ 4. The state will not be responsible for any future operational costs, including property tax, of the center; ~~and~~
4. 5. The center will be subject to local property tax assessments at the discretion of the local taxing authority;
6. The grant recipient is a state entity or private nonprofit entity; and
7. The department has completed an independent comprehensive commercialization study, developed a business and operational plan for the center with a clearly defined mission and objectives, and received budget section approval.

SECTION 29. AMENDMENT. Section 2 of House Bill No. 1350, as approved by the sixty-first legislative assembly, is amended and reenacted as follows:

SECTION 2. REPORT REPORTS TO THE BUDGET SECTION. The department of commerce shall present the independent comprehensive commercialization study and related business and operational plan for the center to the budget section for approval. The department shall also provide a report to the budget section at its first meeting after September 1, 2009, and at its first meeting after March 1, 2010, regarding the status of the construction of a great ~~plans~~ plans applied energy ~~research~~ technology center, including the extent to which nonstate matching funds have been made available for the project.

SECTION 30. Section 8 to chapter 160 of the 2007 Session Laws is created and enacted as follows:

SECTION 8. CONTINGENT MONEY. If any money appropriated to the state board of higher education for grant assistance to tribally controlled community colleges remains after the board complies with all statutory payment obligations imposed under this Act, the state board shall distribute a prorated amount per full-time equivalent nonbeneficiary student.

SECTION 31. STATE EMPLOYEE ACCRUED LEAVE PAYMENTS - BUDGET SECTION REPORT. The office of management and budget shall prepare and report to the budget section alternative methods of budgeting for the compensation of state employee accrued annual leave and sick leave. The information presented must include the number of employees compensated and the total amount paid by agency for the 2007-09 and 2005-07 bienniums. The office of management and budget shall present this report to the budget section at its first meeting after December 1, 2009. The budget section shall determine the method to be used for providing funding for these items in the preparation of the 2011-13 executive budget.

SECTION 32. 2011-13 BIENNIUM BUDGET REQUESTS - RECOMMENDATION - FULL-TIME EQUIVALENT POSITIONS. Notwithstanding any other provision of law, the office of management and budget, in preparation of the 2011-13 executive budget, shall limit the total number of full-time equivalent positions for executive branch agencies, departments, and institutions included in agency budget requests and the executive budget recommendation to the same level approved by the sixty-first legislative assembly in total for these entities, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 33. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000, or so much of the sum as may be necessary, to the department of public instruction for the development and customization of a North Dakota personal finance schoolbook, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 34. APPROPRIATION - DEPARTMENT OF EMERGENCY SERVICES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as

may be necessary, to the department of emergency services for the purpose of providing grants to eligible political subdivisions for up to fifty percent of the costs incurred by the political subdivisions in meeting the local cost-share required by the federal emergency management agency for disaster, emergency response, and recovery costs, and for up to fifty percent of the costs incurred by the political subdivisions for disaster, emergency response, and recovery costs not covered by the federal emergency management agency, for the period beginning with the effective date of this Act and ending June 30, 2011. For the purposes of this section, an eligible political subdivision is one that experienced damage or destruction due to a tornado during the summer of 2007.

SECTION 35. EFFECTIVE DATE. Section 24 of this Act is effective for taxable events occurring after June 30, 2011.

SECTION 36. EMERGENCY. Sections 2, 3, 30, and 34 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98048.0248 FN 8

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

CONSIDERATION OF AMENDMENTS

HB 1015, as engrossed: SEN. HOLMBERG (Appropriations Committee) MOVED that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**.

REQUEST

SEN. POTTER REQUESTED that the Senate divide the amendments to Engrossed HB 1015, which request was granted.

DIVISION B: Sections 31 and 32 of HB 1015

DIVISION A: The remainder of HB 1015

REQUEST

SEN. POTTER REQUESTED a recorded roll call vote on Division B of the proposed amendments to Engrossed HB 1015, which request was granted.

ROLL CALL

The question being the motion to adopt Division B of the proposed amendments to Engrossed HB 1015, the roll was called and there were 25 YEAS, 20 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Christmann; Cook; Dever; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Krebsbach; Lee, G.; Lee, J.; Lyson; Miller; Nething; Nodland; Oehlke; Olafson; Stenehjerm; Wanzek; Wardner

NAYS: Anderson; Bakke; Behm; Dotzenrod; Heckaman; Horne; Krauter; Lindaas; Marcellais; Mathern; Nelson; O'Connell; Pomeroy; Potter; Robinson; Schneider; Seymour; Taylor; Triplett; Warner

ABSENT AND NOT VOTING: Fiebiger; Klein

Division B of the proposed amendments to Engrossed HB 1015 was adopted.

REQUEST

SEN. POTTER REQUESTED a recorded roll call vote on Division A of the proposed amendments to Engrossed HB 1015, which request was granted.

ROLL CALL

The question being the motion to adopt Division A of the proposed amendments to Engrossed HB 1015, the roll was called and there were 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjerm; Taylor; Triplett; Wanzek; Wardner; Warner

NAYS: Anderson; Mathern

ABSENT AND NOT VOTING: Fiebiger

Division A of the proposed amendments to Engrossed HB 1015 was adopted.

Therefore, the question being the adoption of the proposed amendments which include both Division B and Division A, the roll was called and there were 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjelm; Taylor; Triplett; Wanzek; Wardner; Warner

NAYS: Anderson; Mathern

ABSENT AND NOT VOTING: Fiebiger

The proposed amendments to Engrossed HB 1015 were adopted.

Engrossed HB 1015, as amended, was placed on the Fourteenth order for immediate second reading.

SECOND READING OF HOUSE BILL

HB 1015: A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an exemption; to provide for various transfers; to create and enact section 8 to chapter 160 of the 2007 Session Laws, a new section to chapter 54-27, and paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code, relating to contingent distributions of grant assistance money, the allocation of funds to certain coal-producing counties, and vacant state employee positions; to amend and reenact sections 18-05.1-01, 18-05.1-02, and 18-05.1-03, subdivisions s of subsection 3 of section 32-12.2-02, sections 50-24.5-04, 54-06-08.2, 54-21-24, and 54-24-21.1, and subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code, relating to payment from the firefighters death benefit fund, the reciprocal licensure and classification system to carry a firearm or dangerous weapon concealed, the personal needs allowance for individuals in basic care facilities, leasing of office space by state entities, liability of the state, and credit card fees charged by state agencies; to amend and reenact sections 1 and 2 of House Bill No. 1350 and subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, relating to the Great Plains applied energy technology center and weather-related transportation funding; to provide an appropriation for a statewide salary equity pool; to establish a statewide salary equity pool; to provide for budget section reports; to provide for a transfer of appropriation authority; to limit the number of full-time equivalent positions; to provide legislative intent; to provide for a legislative council study; to provide an appropriation to the department of emergency services; to provide an appropriation to the department of public instruction; to provide an effective date; and to declare an emergency.

MOTION

SEN. ROBINSON MOVED that Engrossed HB 1015 be amended as follows:

Page 5, line 13, replace "\$4,000,000" with "\$11,000,000"

Page 5, line 15, replace "\$4,000,000" with "\$8,536,000"

Page 5, replace lines 25 and 26 with "The market equity increases are to be prioritized based on a statewide plan to address occupational market disparities, economic growth areas, recruitment and retention challenges, and internal and external pay inequities for employees who are critical to the mission of the agency. The plan must give priority to those employees whose salaries are furthest below salary range midpoints as of July 1, 2009. The plan must also consider pay comparisons to similar occupational classifications of other North Dakota employers and employers in Colorado, Iowa, Kansas, Minnesota, Missouri, Montana, Nebraska, Oklahoma, South Dakota, and Wyoming."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides additional funding of \$7 million from the general fund and \$4,536,000 of other funds for the statewide salary equity pool for classified state employees. The additional funding provides a total salary equity pool of \$19,536,000, of which \$11 million is from the general fund.

REQUEST

SEN. ROBINSON REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1015, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1015, the roll was called and there were 20 YEAS, 26 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Bakke; Behm; Dotzenrod; Heckaman; Horne; Krauter; Lindaas; Marcellais; Mathern; Nelson; O'Connell; Pomeroy; Potter; Robinson; Schneider; Seymour; Taylor; Triplett; Warner

NAYS: Andrist; Bowman; Christmann; Cook; Dever; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Lee, G.; Lee, J.; Lyson; Miller; Nething; Nodland; Oehlke; Olafson; Stenehjem; Wanzek; Wardner

ABSENT AND NOT VOTING: Fiebiger

The proposed amendments to Engrossed HB 1015 failed.

MOTION

SEN. STENEHJEM MOVED that Engrossed HB 1015 be amended as follows, which motion prevailed on a voice vote.

In addition to the amendments adopted by the Senate as printed on pages ____ of the Senate Journal, Engrossed House Bill No. 1015 is further amended as follows:

Page 1, line 8, remove "and" and after "study" insert "; to provide an appropriation for the tobacco prevention and control executive committee; to provide for a biennial budget; to restrict expenditures from the water development trust fund; to provide for a report to the legislative council; to provide for retroactive application; and to declare an emergency"

Page 7, after line 19, insert:

"SECTION 19. APPROPRIATION. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the tobacco prevention and control trust fund, not otherwise appropriated, to the tobacco prevention and control executive committee for the purpose of defraying the expenses of the committee, for the biennium beginning July 1, 2009, and ending June 30, 2011, as follows:

	Base Level	Adjustments or Enhancements	Appropriation
Comprehensive tobacco control	\$0	\$12,882,000	\$12,882,000
Total special funds	\$0	\$12,882,000	\$12,882,000
Full-time equivalent positions	0.00	4.00	4.00

SECTION 20. APPROPRIATION. There is appropriated out of any moneys in the tobacco prevention and control trust fund, not otherwise appropriated, the sum of \$62,403, or so much of the sum as may be necessary, to the tobacco prevention and control executive committee for the purpose of defraying the expenses of the committee; developing, implementing, and administering the comprehensive tobacco control and prevention plan; and contracting with a consultant to facilitate the development of the comprehensive plan, for the period beginning January 1, 2009, and ending June 30, 2009.

SECTION 21. LEGISLATIVE INTENT. It is the intent of the sixty-first legislative assembly that any act of the tobacco prevention and control executive committee or its employees is an act of the state of North Dakota functioning in its sovereign and governmental capacity. As a state entity the committee is subject to accountability

requirements, including laws relating to state audits, fiscal management, records retention, and procurement. Employees of the committee are part of the state classified system.

SECTION 22. REPORTS TO THE BUDGET SECTION. The tobacco prevention and control executive committee shall report to the budget section quarterly on the implementation of the comprehensive tobacco prevention and control plan and outcomes achieved, for the 2009-10 interim.

SECTION 23. Water development trust fund expenditures. Any moneys deposited in the water development trust fund under section 54-27-25 may be spent only pursuant to legislative appropriations.

SECTION 24. Biennial budget. The tobacco prevention and control executive committee shall prepare and submit a biennial budget to the office of management and budget as required by section 54-44.1-04.

SECTION 25. RETROACTIVE APPLICATION. Section 20 of this Act is retroactive to January 1, 2009.

SECTION 26. EMERGENCY. Sections 20 and 25 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment adds the appropriation for the Tobacco Prevention and Control Executive Committee for the 2009-11 biennium and as, an emergency measure, a retroactive appropriation for expenses incurred by the committee from January 1, 2009, through June 30, 2009. The amendment also:

- Provides for legislative intent with regard to the committee.
- Provides for Budget Section reports.
- Adds a section providing that funds from the water development trust fund may be spent only pursuant to legislative appropriations.
- Provides the Tobacco Prevention and Control Executive Committee shall prepare and submit a biennial budget.

HB 1015: A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an exemption; to provide for various transfers; to create and enact section 8 to chapter 160 of the 2007 Session Laws, a new section to chapter 54-27, and paragraph 5 to subdivision b of subsection 2 of section 57-62-02 of the North Dakota Century Code, relating to contingent distributions of grant assistance money, the allocation of funds to certain coal-producing counties, and vacant state employee positions; to amend and reenact sections 18-05.1-01, 18-05.1-02, and 18-05.1-03, subdivisions s of subsection 3 of section 32-12.2-02, sections 50-24.5-04, 54-06-08.2, 54-21-24, and 54-24-21.1, and subdivision d of subsection 1 of section 62.1-04-03 of the North Dakota Century Code, relating to payment from the firefighters death benefit fund, the reciprocal licensure and classification system to carry a firearm or dangerous weapon concealed, the personal needs allowance for individuals in basic care facilities, leasing of office space by state entities, liability of the state, and credit card fees charged by state agencies; to amend and reenact sections 1 and 2 of House Bill No. 1350 and subsection 1 of section 3 of Senate Bill No. 2012, as approved by the sixty-first legislative assembly, relating to the Great Plains applied energy technology center and weather-related transportation funding; to provide an appropriation for a statewide salary equity pool; to establish a statewide salary equity pool; to provide for budget section reports; to provide for a transfer of appropriation authority; to limit the number of full-time equivalent positions; to provide legislative intent; to provide for a legislative council study; to provide an appropriation to the department of emergency services; to provide an appropriation to the department of public instruction; to provide an appropriation for the tobacco prevention and control executive committee; to provide for a biennial budget; to restrict expenditures from the water development trust fund; to provide for a report to the legislative council; to provide for retroactive application; to provide an effective date; and to declare an emergency.

MOTION

SEN. KRAUTER MOVED that Engrossed HB 1015 be amended as follows:

In addition to the amendments adopted by the Senate as printed on pages ____ of the Senate Journal, Engrossed House Bill No. 1015 is further amended as follows:

Page 7, after line 19, insert:

"SECTION 19. APPROPRIATION - DEPARTMENT OF EMERGENCY SERVICES. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the department of emergency services for the purpose of providing grants to eligible political subdivisions for up to fifty percent of the costs incurred by the political subdivisions in meeting the local cost-share required by the federal emergency management agency for disaster, emergency response, and recovery costs, and for up to fifty percent of the costs incurred by the political subdivisions for disaster, emergency response, and recovery costs not covered by the federal emergency management agency, for the period beginning with the effective date of this Act and ending June 30, 2011. For the purposes of this section, an eligible political subdivision is one that experienced damage or destruction due to a tornado during the summer of 2007.

SECTION 20. EMERGENCY. Section 19 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment provides an additional \$250,000 general fund appropriation to the Department of Emergency Services to provide a total of \$500,000 for providing grants to eligible political subdivisions for emergency and disaster recovery.

REQUEST

SEN. KRAUTER REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1015, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1015, the roll was called and there were 20 YEAS, 26 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Bakke; Behm; Dotzenrod; Heckaman; Horne; Krauter; Lindaas; Marcellais; Mathern; Nelson; O'Connell; Pomeroy; Potter; Robinson; Schneider; Seymour; Taylor; Triplett; Warner

NAYS: Andrist; Bowman; Christmann; Cook; Dever; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Lee, G.; Lee, J.; Lyson; Miller; Nething; Nodland; Oehlke; Olafson; Stenehjerm; Wanzek; Wardner

ABSENT AND NOT VOTING: Fiebiger

The proposed amendments to Engrossed HB 1015 failed.

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 36 YEAS, 10 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schneider; Seymour; Stenehjerm; Taylor; Wanzek; Wardner

NAYS: Bakke; Behm; Heckaman; Horne; Marcellais; Mathern; Pomeroy; Potter; Triplett; Warner

ABSENT AND NOT VOTING: Fiebiger

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

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2004.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 11:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

SENATE INTERIM COMMITTEES

PRESIDENT PRO TEM KLEIN ANNOUNCED the following Senate Interim Committees:

Legislative Council

Sen. Erbele
Sen. Grindberg
Sen. Holmberg
Sen. Wardner
Sen. Potter
Sen. Robinson

Capitol Grounds Planning Commission:

Sen. Christmann
Sen. Horne

State Council for Interstate Adult Offender Supervision

Sen. Lyson

MOTION

SEN. FREBORG MOVED that Sen. G. Lee be elected to the position of member of the Education Commission of the States, which motion prevailed.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1015.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: Your signature is respectfully requested on: SB 2004.

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

MR. PRESIDENT: The Speaker has signed: SB 2004.

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The President has signed: SB 2004.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 11:45 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tem Klein presiding.

REPORT OF CONFERENCE COMMITTEE

HB 1003, as engrossed: Your conference committee (Sens. Kilzer, Holmberg, Warner and Reps. Carlson, Thoreson, Kaldor) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1171-1172, adopt amendments as follows, and place HB 1003 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1171 and 1172 of the House Journal and pages 1002 and 1003 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 2, remove "to create and enact a new subsection to section 31-13-03 of the North Dakota Century"

Page 1, line 3, remove "Code, relating to DNA testing;" and after "reenact" insert "subsection 1 of section 53-12.1-04 and"

Page 1, line 4, after the first "to" insert "the lottery commission and" and remove "and"

Page 1, line 5, after "study" insert "; to provide legislative intent; and to declare an emergency"

Page 1, line 14, replace "2,396,350" with "3,351,102" and replace "24,824,285" with "25,779,037"

Page 1, line 15, replace "2,829,979" with "3,513,279" and replace "13,426,505" with "14,109,805"

Page 1, line 17, replace "(637,775)" with "(744,775)" and replace "3,559,225" with "3,452,225"

Page 1, line 24, replace "4,210,569" with "5,741,621" and replace "48,101,731" with "49,632,783"

Page 2, line 1, replace "1,008,689" with "1,167,232" and replace "21,910,610" with "22,069,153"

Page 2, line 2, replace "3,201,880" with "4,574,389" and replace "26,191,121" with "27,563,630"

Page 2, line 3, replace "2.50" with "4.00" and replace "191.00" with "192.50"

Page 2, line 17, replace "\$617,000" with "\$510,000"

Page 3, replace lines 11 through 14 with:

"SECTION 8. AMENDMENT. Subsection 1 of section 53-12.1-04 of the North Dakota Century Code is amended and reenacted as follows:

1. There is created the lottery advisory commission, which is composed of five members, three of whom are legislators selected by the chairman of the legislative council and two of whom are selected by the attorney general. The term of office is three years, expiring on June thirtieth with no more than two terms expiring in any one year. ~~No member may be appointed to more than two consecutive terms.~~ Each member must be a citizen of the United States and a resident of this state. A chairman of the commission must be chosen annually from the membership of the commission by a majority of its members at the first meeting of the commission each fiscal year. A member may serve as chairman for more than one year."

Page 3, line 19, overstrike "2008" and insert immediately thereafter "2010", overstrike "and", and after "dollars" insert "through December 31, 2010, one hundred thirteen thousand two hundred sixty-six dollars through June 30, 2011, and one hundred thirty thousand two hundred twenty-eight dollars"

Page 3, after line 20, insert:

"SECTION 10. LEGISLATIVE INTENT - LEGAL SERVICE STAFF TRAVEL. It is the intent of the sixty-first legislative assembly that the office of the attorney general continue the practice of state agencies paying directly for requested legal service staff travel.

SECTION 11. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS - ADDITIONAL FUNDING APPROVAL. The funds provided in this section, or so much of the funds as may be necessary, are appropriated from federal funds made available to the state under the federal American Recovery and Reinvestment Act of 2009, not otherwise appropriated, to the attorney general, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

Edward Byrne memorial justice assistance	\$1,652,426
grant program funding	
Internet crimes against children grant program funding	216,174
Rural Law Enforcement Assistance Act funding	<u>390,588</u>
Total federal funds	\$2,259,188
Full-time equivalent positions	8.00

The attorney general may seek emergency commission and budget section approval under chapter 54-16 for authority to spend any additional federal funds received under the federal American Recovery and Reinvestment Act of 2009 in excess of the amounts appropriated in this section, for the period beginning with the effective date of this Act and ending June 30, 2011.

The attorney general may accept federal fiscal stimulus funding for programs that continue into the biennium beginning July 1, 2011, and ending June 30, 2013. Any federal fiscal stimulus funding received in the 2011-13 biennium is not a part of the agency's 2013-15 base budget.

SECTION 12. FEDERAL FISCAL STIMULUS FUNDS - COMMUNITY ORIENTED POLICING SERVICES GRANTS - APPROVAL. The attorney general shall seek emergency commission and budget section approval under chapter 54-16 for authority to accept and spend federal funds received under the federal American Recovery and Reinvestment Act of 2009 for the community oriented policing services grant program, for the period beginning with the effective date of this Act and ending June 30, 2011. The attorney general may seek authority to hire up to two additional full-time equivalent positions with funding authorized under this section.

SECTION 13. ATTORNEY GENERAL REFUND FUND TRANSFER TO THE GENERAL FUND - EXCEPTION. Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2009.

SECTION 14. EMERGENCY. Sections 11, 12, and 13 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98004.0215 FN 2

A copy of the statement of purpose of amendment is on file in the Legislative Council Office.

Engrossed HB 1003 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KILZER MOVED that the conference committee report on Engrossed HB 1003 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1003, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1003: A BILL for an Act to provide an appropriation for defraying the expenses of the attorney general; to amend and reenact subsection 1 of section 53-12.1-04 and section 54-12-11 of the North Dakota Century Code, relating to the lottery commission and the salary of the attorney general; to provide for a legislative council study; to provide legislative 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Bakke; Behm; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Horne; Kilzer; Klein; Krauter; Krebsbach; Lee, G.; Lee, J.; Lindaas; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Pomeroy; Potter; Robinson; Schneider; Seymour; Stenehjelm; Taylor; Triplett; Wanzek; Wardner; Warner

ABSENT AND NOT VOTING: Fiebiger

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

MESSAGE TO THE HOUSE FROM THE SENATE (FRAN A. GRONBERG, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1003.

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

MR. PRESIDENT: The House has failed to pass unchanged: SCR 4038.

MOTION

SEN. CHRISTMANN MOVED that the President appoint a committee of three to notify the House that the Senate has completed its business and is about to adjourn, which motion prevailed.

PRESIDENT PRO TEM KLEIN appointed as such committee, Sens. Nething, Krebsbach, and Schneider.

MOTION

SEN. CHRISTMANN MOVED that the President appoint a committee of three to notify the Governor that the Senate has completed its business and is about to adjourn, which motion prevailed.

PRESIDENT PRO TEM KLEIN appointed as such committee, Sens. Freborg, Bowman, and Marcellais.

REQUEST

SEN. NETHING REQUESTED that the committee appointed to inform the House that the Senate has completed its business and is about to adjourn be discharged, as the committee has completed its task, which request was granted.

REQUEST

SEN. FREBORG REQUESTED that the committee appointed to notify the Governor that the Senate has completed its business and is about to adjourn be discharged, as the committee has completed its task, which request was granted.

REMARKS OF MAJORITY LEADER STENEHJEM

Mr. President and Fellow Senators: I humbly stand before you and offer my appreciation for your hard work and dedication. We will leave here today after passing the largest tax reduction in state history . . . putting \$400 million back into the pockets of hardworking North Dakotans all across this state. We have funded our priorities, made wise use of our surplus with important one-time investments, and we have saved enough in reserve to ensure that we can sustain this for years to come. You should all be proud of what has been accomplished. Thank you for your hard work.

Your work would not be possible without the tireless efforts of the remarkable staff that we have had the honor to work beside. On behalf of all my colleagues, I offer a special thank you to the Legislative Council, the Legal Staff, the Fiscal Staff, the Support Staff, the front desk, the office staff pages, committee clerks, sergeants-at-arms, and all other employees that make up our Senate family. Working for the legislature is often times a difficult task. Although the legislative session is a few short months, it also entails many long hours. You were the wheels that kept this legislative body in motion. We appreciate you. Rest assured that your efforts have made a difference and have bettered the lives of all North Dakotans.

To my caucus members, thank you. Once again you entrusted me as your leader. It was an honor and a privilege to serve and work with such a dignified group of Senators. I appreciate the work of Senator Jerry Klein as the Caucus Leader and Senator Randy Christmann as Assistant Majority Leader. These two positions are key to keeping the trains running around here. Your work and your friendship are deeply appreciated.

Thank you to our presiding officers. The Senate respects the dedication of Lieutenant Governor Jack Dalrymple as President, Senator Tom Fischer and Senator Jerry Klein as President Pro Tempore. Through their dedication the Senate was constantly moving forward.

Several months ago I stood before this body and announced that individually we could do nothing, but by working together we could accomplish great things. It is with great pride that I can report that we were successful in accomplishing great things. This chamber may be divided by political parties, but it will always be united behind that task of providing a better livelihood for the citizens of North Dakota. It was because of this common goal that we were able to work together across the aisle and achieve positive results. This is due in large part to my friend and fellow Leader, Senator David O'Connell. Working with Senator O'Connell has always been a sincere pleasure. I admire Senator O'Connell on many levels and appreciate his dedication to reaching beyond party lines for the good of this great state. This is the fourth session that I have had the honor to work with Senator O'Connell. He is a man of great integrity that I will always hold in high esteem.

The Sixty-first Legislation Session was unique in many ways. The citizens across North Dakota were beset with hardship caused by flooding over the past few months. Though the waters were rising, snow was falling, and the winds were blowing, the spirit of North Dakota was shining brightly. The nation stood in reverence as it witnessed what is truly great about North Dakota. Our citizens dropped what they were doing and selflessly went to the aid of those in danger. We stood together after the floods of 1997 and we stood together again this year. We passed legislation that provided the necessary funding to ensure an expedient recovery to all areas affected by the flood.

Over the biennium, North Dakota became the economic envy of the nation. We arrived at our current economic situation by making wise decisions. While we haven't been immune to the national recession, we are in a position that no other state is. In 2007, we passed a 4 and 4 percent pay increase to our valued state employees. This session we were able to provide a 5 and 5 percent increase. I am proud of the work of our state employees and I applaud their desire to hold state positions and better the lives of all North Dakotans.

A large concern of mine this session was the unprecedented amount of spending. This was largely due to the federal stimulus package and the surplus the state enjoyed over the biennium. It is my hope that as we move forward, we will continue to fight for limited spending and limited government. We must not forget that we arrived at these prosperous times through fiscal conservative principles.

In closing, I would like to thank the citizens of North Dakota. You have bestowed upon this body of Senators a great honor, that of representing you. Your participation is crucial to ensuring a better and brighter tomorrow. All of your letters were read, carefully considered and acted upon. I hope you are proud of the many accomplishments we have achieved on your behalf.

Thank you once again to all of you. During this legislative session, we all experienced defeats and triumphs. I encourage all of you to safely return to your respective districts and inform your constituents of the great works accomplished during this session. We have a lot to be proud of. Thank you.

REMARKS OF MINORITY LEADER O'CONNELL

Thank you, Mr. President.

I would like to thank my colleagues on both sides of the aisle for working through a sometimes tough but ultimately very productive legislative session.

I would like to thank my caucus for their hard work and advocacy this session, and I would like to thank the front desk staff and my office staff--Kathy, Matt, Jon, Kevin, and Wanda--for all their good work.

To Senator Stenehjem, I want to thank you for a good working relationship with the minority this session. We appreciate the open line of communication and that our caucuses can work together for the betterment of our state.

I hope everybody has a safe trip home and a happy and prosperous 2009.

MOTION

SEN. CHRISTMANN MOVED that the remarks of Majority Leader Stenehjem and Minority Leader O'Connell be printed in the Journal, which motion prevailed.

MOTION

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

MOTION

SEN. STENEHJEM MOVED that the Senate be on the Fourth, Fifteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned sine die.

Pursuant to Senator Stenehjem's motion, the Senate stood adjourned sine die.

Fran A. Gronberg, Secretary

