

PROPOSED AMENDMENTS TO REENGROSSED SENATE BILL NO. 2014

That the House recede from its amendments as printed on pages 1330-1333 of the Senate Journal and pages 1353-1356 of the House Journal and that Reengrossed Senate Bill No. 2014 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact two new sections to chapter 54-18 of the North Dakota Century Code, relating to mill and elevator profits and gain sharing;"

Page 1, line 7, remove "and" and after "transfers" insert "; and to declare an emergency"

Page 1, line 19, replace "2,733,761" with "2,323,453" and replace "9,941,305" with "9,530,997"

Page 1, line 20, replace "609,886" with "459,886" and replace "2,865,576" with "2,715,576"

Page 1, line 24, replace the first "1,000,000" with "400,000" and replace the second "1,000,000" with "400,000"

Page 2, line 5, replace "(15,000,000)" with "(17,000,000)" and replace "5,000,000" with "3,000,000"

Page 2, line 6, replace "(\$14,399,304)" with "(\$17,559,612)" and replace "66,269,046" with "63,108,738"

Page 2, line 7, replace "(20,071,262)" with "(20,083,862)" and replace "49,321,084" with "49,308,484"

Page 2, line 8, replace "5,671,958" with "2,524,250" and replace "16,947,962" with "13,800,254"

Page 2, line 14, replace "6,698,389" with "6,490,407" and replace "41,970,256" with "41,762,274"

Page 2, line 17, replace "6,253,389" with "6,045,407" and replace "43,425,256" with "43,217,274"

Page 2, line 26, replace "0" with "1,000,000" and replace "1,400,000" with "2,400,000"

Page 2, line 29, replace the first "1,400,000" with "700,000" and replace the second "1,400,000" with "700,000"

Page 3, line 2, replace "1,400,000" with "1,700,000" and replace "11,750,000" with "12,050,000"

Page 3, line 5, replace "1,400,000" with "1,700,000" and replace "10,800,000" with "11,100,000"

Page 3, line 20, replace "1,533,535" with "1,285,116" and replace "6,230,247" with "5,981,828"

Page 3, line 25, replace "(\$297,102)" with "(\$545,521)" and replace "41,232,188" with "40,983,769"

Page 3, line 27, replace "4.00" with "3.00" and replace "47.00" with "46.00"

Page 4, line 1, replace "7,071,958" with "4,224,250" and replace "27,747,962" with "24,900,254"

Page 4, line 2, replace "(10,823,342)" with "19,068,231" and replace "174,985,770" with "204,877,343"

Page 4, line 3, replace "(\$3,751,384)" with "\$23,292,481" and replace "202,733,732" with "229,777,597"

Page 4, line 9, replace "1,400,000" with "700,000"

Page 4, line 12, replace "1,000,000" with "400,000"

Page 4, after line 13, insert:

"Ag PACE disaster program	0	1,000,000
Recruitment/retention bonuses	0	185,000"

Page 4, line 14, replace "5,000,000" with "3,000,000"

Page 4, line 16, replace "7,493,152" with "5,378,512"

Page 7, after line 3, insert:

"SECTION 11. MILL AND ELEVATOR STUDY. The industrial commission shall obtain the services of a consultant to evaluate the state mill and elevator association during the 2009-10 interim. The evaluation must include a comparison to industry averages or standards of:

1. Financial data reflected on balance sheets and income statements;
2. Cashflow data;
3. Ratio analysis of working capital, operating efficiency, marketing, and other ratios;
4. Liquidity ratios to determine appropriate working capital needed for the mill;
5. Pretax income levels;
6. Business opportunities;
7. Capital investment and recommended net assets levels; and
8. Officer and employee compensation guidelines, including gain-sharing programs.

The industrial commission shall provide a summary report exclusive of proprietary information to the budget section on the results of the evaluation during the 2009-10 interim.

SECTION 12. Two new sections to chapter 54-18 of the North Dakota Century Code are created and enacted as follows:

Transfer of North Dakota mill and elevator profits to general fund. The industrial commission shall transfer to the state general fund fifty percent of the annual earnings and undivided profits of the North Dakota mill and elevator association after any transfers to other state agricultural-related programs. The moneys must be transferred on an annual basis in the amounts and at the times requested by the director of the office of management and budget.

Gain-sharing program. For the purpose of this section, "gain-sharing program" means a program approved annually by the industrial commission with provisions that promote profitability, productivity, and safety. Any gain-sharing program approved by the industrial commission must include provisions that ensure that no payouts occur unless mill and elevator profits exceed one million dollars and transfers will be made to the state general fund for that program year."

Page 7, line 29, replace "\$1,000,000" with "\$400,000"

Page 7, line 31, after the period insert "The use of any funds provided for in this section must be approved by the lignite research council and the industrial commission after following the standard lignite research development program review and approval process."

SECTION 15. AGRICULTURE PARTNERSHIP IN ASSISTING COMMUNITY EXPANSION DISASTER PROGRAM - RETURN OF FUNDS TO GENERAL FUND.

The agriculture partnership in assisting community expansion fund line item in subdivision 3 of section 1 of this Act includes \$1,000,000 from the general fund which may be deposited in the agriculture partnership in assisting community expansion fund and used by the Bank of North Dakota to expand parameters for the agriculture partnership in assisting community expansion disaster program to assist those farmers and livestock producers that suffered extraordinary losses directly as a result of the weather-related events in the winter and spring of 2009, for the biennium beginning July 1, 2009, and ending June 30, 2011. The Bank of North Dakota shall return any agriculture partnership in assisting community expansion disaster program funds not obligated by January 1, 2011, to the general fund. The Bank of North Dakota may transfer funds available in the partnership in assisting community expansion and biofuels partnership in assisting community expansion programs to the agriculture partnership in assisting community expansion program for providing additional funds for the disaster program, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 16. TRANSFER - BANK OF NORTH DAKOTA. The industrial commission, on June 30, 2011, shall transfer from the current earnings and undivided profits of the Bank of North Dakota to the general fund an amount equal to any general fund moneys deposited in the agriculture partnership in assisting community expansion fund and obligated for the disaster program provided for under section 15 of this Act, for the biennium beginning July 1, 2009, and ending June 30, 2011.

SECTION 17. HOUSING FINANCE AGENCY FINANCING - PILOT PROJECT.

The housing finance agency may establish a pilot project using funds available in subdivision 5 of section 1 of this Act to provide incentives for private sector investment in single-family residential dwelling units and multifamily housing facilities in difficult-to-develop areas of the state, for the biennium beginning July 1, 2009, and ending June 30, 2011. The housing finance agency shall report to the budget section at its last interim meeting prior to the 2010 legislative assembly organizational session.

SECTION 18. LEGISLATIVE INTENT - LAND PURCHASE. It is the intent of the sixty-first legislative assembly that to the best of its ability the Bank of North Dakota ensure that properties adjacent to Bank of North Dakota property northwest of west

street are developed for uses that are consistent with the mission and purpose of the Bank of North Dakota.

SECTION 19. LEGISLATIVE INTENT - COLLEGE SAVE PROGRAM

INCENTIVE. It is the intent of the sixty-first legislative assembly that the Bank of North Dakota use administrative fee collections associated with the Bank's college SAVE program to provide incentives to establish 529 college savings plans under the Bank's college SAVE program.

SECTION 20. APPROPRIATION - FEDERAL FISCAL STIMULUS FUNDS -

ADDITIONAL FUNDING APPROVAL. The industrial 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, for the period beginning with the effective date of this Act and ending June 30, 2011.

Any federal funds received and spent 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 21. 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 housing finance agency, for the period beginning with the effective date of this Act and ending June 30, 2011, as follows:

HOME tax credit assistance program	\$4,860,574
Housing tax credit exchange program	<u>25,500,000</u>
Total federal funds	\$30,360,574

The housing finance agency 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 22. FEDERAL FISCAL STIMULUS BOND ALLOCATIONS - RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS - RECOVERY ZONE FACILITY BONDS - QUALIFIED ENERGY CONSERVATION BONDS.

Any bond allocations made available to the state of North Dakota under the federal American Recovery and Reinvestment Act of 2009 for the national recovery zone economic development bond limitation, the national recovery zone facility bond limitation, and the qualified energy conservation bond limitation must be reallocated by this state as provided therein and as may be provided in any guidance issued by the secretary of the treasury or the internal revenue service. Any such reallocation must be made by the governor, or may be delegated by the governor to the industrial commission or public finance authority.

SECTION 23. DEPARTMENT OF MINERAL RESOURCES SHARE OF

EQUITY POOL. The office of management and budget shall provide at least four percent of any general fund salary equity pool that is appropriated for salary equity increases for state employees, for the biennium beginning July 1, 2009, and ending June 30, 2011, to the department of mineral resources."

Page 8, after line 2, insert:

"SECTION 25. EMERGENCY. The sum of \$1,000,000 from the general fund included in the agriculture partnership in assisting community expansion fund in subdivision 3 of section 1 of this Act and sections 13, 15, 20, 21, and 22 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT - LC 98033.0327 FN 7

A copy of the statement of purpose of amendment is attached.