

JOURNAL OF THE SENATE

Sixty-fourth Legislative Assembly

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Bismarck, April 15, 2015

The Senate convened at 8:00 a.m., with President Wrigley presiding.

The prayer was offered by Pastor Bob Thune, First Evangelical Free Church, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

CONSIDERATION OF AMENDMENTS

HB 1003, as engrossed: SEN. HOLMBERG (Appropriations Committee) MOVED that the amendments on SJ pages 1446-1461 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

HB 1003: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota university system; to create and enact five new sections to chapter 15-10, chapters 15-62.4 and 15-62.5, and a new subsection to a new section to chapter 54-10 as created in section 5 of Senate Bill No. 2004, as approved by the sixty-fourth legislative assembly, of the North Dakota Century Code, relating to a unified workforce, vocational, and technical education program system, the workforce education advisory council, the required use of electronic mail, file server administration, database administration, application server, and hosting services, audits of higher education computer systems, annual reports regarding scholarships, the student financial assistance program, the scholars program, and higher education audits; to amend and reenact subdivision c of subsection 1 of section 15-10-17, sections 15-18.2-02, 15-18.2-03, 15-18.2-04, 15-18.2-05, 54-12-08, and 54-44.1-04, subsection 4 of section 54-44.1-06, and section 54-44.1-11 of the North Dakota Century Code, relating to university system office personnel, state aid to institutions, attorneys hired by the state board of higher education, budget requests submitted to the office of the budget, preparation of budget data, and the cancellation of unexpended appropriations; to repeal chapter 15-62.2 of the North Dakota Century Code, relating to the student financial assistance program and the scholars program; to provide for the transfer of funds; to authorize the state board of higher education to issue and sell bonds for capital projects; to limit tuition rate increases; to reauthorize projects for North Dakota state university and Minot state university; to provide for budget section reports; to provide for reports to the sixty-fifth legislative assembly; to provide for legislative management reports and studies; to provide contingent appropriations to the state board of higher education; to provide exemptions; and to declare an emergency.

REQUEST

SEN. LAFFEN REQUESTED he be recused from voting on HB 1003 pursuant to Senate Rule 321, which request was denied on a voice vote.

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 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Heckaman; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

NAYS: Hogue; Miller

Engrossed HB 1003, as amended, passed and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

HB 1151, as reengrossed and amended: SEN. FLAKOLL (Appropriations Committee) MOVED that the amendments on SJ pages 1461-1462 be adopted and then be placed on the Fourteenth order with **DO PASS**.

REQUEST

SEN. HOLMBERG REQUESTED that the Senate divide the amendments to Reengrossed HB 1151, which request was granted.

DIVISION A: remainder of the amendment

DIVISION B:

Page 2, line 18, after the third comma insert "university of Jamestown."

Page 2, line 20, after the first comma insert "university of Mary."

The question being the adoption of Division A of the proposed amendments to Reengrossed HB 1151, the motion passed on a voice vote.

Division A of the proposed amendments to Reengrossed HB 1151 was adopted on a voice vote.

REQUEST

SEN. CARLISLE REQUESTED a verification vote on Division B of the proposed amendments to Reengrossed HB 1151, which request was granted.

The question being the adoption of Division B of the proposed amendments to Reengrossed HB 1151, the motion failed on a verification vote.

Division B of the proposed amendments to Reengrossed HB 1151 failed on a verification vote.

Therefore, the question being on the motion to adopt the amendments to Reengrossed HB 1151, as amended, which consists of Division A only, the proposed amendments were adopted on a voice vote.

SECOND READING OF HOUSE BILL

HB 1151: A BILL for an Act to amend and reenact sections 15-10-48, 15-10-49, 15-10-50, 15-10-51, 15-10-52, and 15-10-53 of the North Dakota Century Code, relating to matching grants for the advancement of academics at institutions of higher education; to provide for a legislative management study; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 38 YEAS, 9 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Heckaman; Holmberg; Krebsbach; Laffen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wardner; Warner

NAYS: Bekkedahl; Bowman; Grabinger; Hogue; Kilzer; Klein; Larsen; Miller; Wanzek

Reengrossed HB 1151, as amended, passed.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. KLEIN MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1001, Engrossed HB 1002, Engrossed HB 1008, Engrossed HB 1009, Engrossed HB 1011, Engrossed HB 1012, Engrossed HB 1013, Engrossed HB 1014, Engrossed HB 1020, Engrossed HB 1021, and Engrossed HB 1022, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on:

Engrossed HB 1001: Sens. Holmberg, Bowman, Heckaman

Engrossed HB 1002: Sens. Kilzer, Sorvaag, Heckaman

Engrossed HB 1008: Sens. Carlisle, Wanzek, Robinson

Engrossed HB 1009: Sens. Krebsbach, Bowman, O'Connell

Engrossed HB 1011: Sens. Wanzek, Krebsbach, O'Connell

Engrossed HB 1012: Sens. G. Lee, Wanzek, O'Connell

Engrossed HB 1013: Sens. Krebsbach, Wanzek, Heckaman

Engrossed HB 1014: Sens. Carlisle, Holmberg, Heckaman

Engrossed HB 1020: Sens. Bowman, Erbele, O'Connell

Engrossed HB 1021: Sens. Wanzek, G. Lee, Robinson

Engrossed HB 1022: Sens. Kilzer, Carlisle, Robinson

MOTION

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

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

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1151.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has amended, 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 amended and subsequently passed: SB 2151.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2151

In lieu of the amendments adopted by the House as printed on page 1111 of the House Journal, Engrossed Senate Bill No. 2151 is amended as follows:

Page 1, line 4, after the first semicolon insert "to provide for a superintendent of public instruction study and report to the legislative management;"

Page 2, line 30, remove "one thousand five"

Page 2, line 31, replace "hundred" with "two thousand"

Page 3, line 1, remove "or reduced"

Page 3, line 2, remove "one thousand dollars for each child so"

Page 3, line 3, replace "enrolled who is not eligible for free or reduced lunches" with "one thousand dollars for each child enrolled in a program of early childhood education, if the child is eligible for reduced lunches under the Richard B. Russell National School Lunch Act [42 U.S.C. 1751, et seq.]"

Page 4, after line 7, insert:

"SECTION 6. SUPERINTENDENT OF PUBLIC INSTRUCTION STUDY - REPORT TO LEGISLATIVE MANAGEMENT. During the 2015-16 interim, the superintendent of public instruction shall study the implementation of a uniform

system for the accounting, budgeting, and reporting of data by an early childhood education provider who has received a grant distributed in accordance with section 3 of this Act. The superintendent of public instruction shall report its findings to the legislative management by August 1, 2016."

Page 4, line 10, replace "\$6,000,000" with "\$3,000,000"

Renumber accordingly

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

MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2206.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2206

In addition to the amendments adopted by the House as printed on pages 1311-1313 of the House Journal, Engrossed Senate Bill No. 2206 is further amended as follows:

Page 1, line 9, replace "establish a social services financing commission" with "provide for a legislative management study"

Page 7, remove lines 9 through 31

Page 8, replace lines 1 through 14 with:

"SECTION 12. SOCIAL SERVICES FINANCING - LEGISLATIVE MANAGEMENT STUDY.

1. During the 2015-16 interim, the legislative management shall study the feasibility and desirability of developing a proposal and options for transferring the cost of operating social service programs from county property tax levies to state general fund appropriations, the tax ramifications of the transfer, and the cost and benefits of the transfer to the state and the state's citizens. If developed, the proposal and options may include a timeline for the major milestones of a transition plan, considerations for a transition, estimated costs, the property tax reduction for the amount of budgeted savings brought about by a transfer of county social services costs to the state, and the elimination of the county social services levy under section 50-06.2-05. The study may include input from counties and affected executive branch agencies.
2. The legislative management shall assign the study to an interim committee that studies taxation issues.
3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly."

Renumber accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

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

HB 1001: Sens. Holmberg; Bowman; Heckaman

HB 1002: Sens. Kilzer; Sorvaag; Heckaman

HB 1008: Sens. Carlisle; Wanzek; Robinson

HB 1009: Sens. Krebsbach; Bowman; O'Connell

HB 1011: Sens. Wanzek; Krebsbach; O'Connell

HB 1012: Sens. G. Lee; Wanzek; O'Connell

HB 1013: Sens. Krebsbach; Wanzek; Heckaman

HB 1014: Sens. Carlisle; Holmberg; Heckaman

HB 1020: Sens. Bowman; Erbele; O'Connell

HB 1021: Sens. Wanzek; G. Lee; Robinson

HB 1022: Sens. Kilzer; Carlisle; Robinson

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: Your signature is respectfully requested on: SB 2021, SB 2030, SB 2074, SB 2075, SB 2097, SB 2164, SB 2190.

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

MR. PRESIDENT: The Speaker has signed: SB 2278, SB 2289, SB 2318, SB 2327, SB 2334.

REPORT OF CONFERENCE COMMITTEE

SB 2258, as engrossed: Your conference committee (Sens. Poolman, Davison, Nelson and Reps. B. Koppelman, Laning, Amerman) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1357-1358 and place SB 2258 on the Seventh order.

Engrossed SB 2258 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2332, as engrossed: Your conference committee (Sens. Armstrong, Casper, Nelson and Reps. Paur, M. Johnson, P. Anderson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1140, adopt amendments as follows, and place SB 2332 on the Seventh order:

That the House recede from its amendments as printed on page 1140 of the Senate Journal and page 1263 of the House Journal and that Engrossed Senate Bill No. 2332 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 4, after "penalty" insert "; to provide an effective date; and to provide an expiration date"

Page 1, remove line 16

Page 1, line 17, replace "offender's residence or is available online, a" with "A"

Page 1, line 17, replace "a first" with "an"

Page 1, after line 21, insert:

"SECTION 3. EFFECTIVE DATE - EXPIRATION DATE. Section 2 of this Act is effective from January 1, 2016, through July 31, 2017, and is thereafter ineffective."

Renumber accordingly

Engrossed SB 2332 was placed on the Seventh order of business on the calendar.

CORRECTION AND REVISION OF THE JOURNAL

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

Page 1492, line 44, overstrike "two" and insert immediately thereafter "three"

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

CONSIDERATION OF AMENDMENTS

HB 1059, as reengrossed: SEN. BEKKEDAH (Appropriations Committee) MOVED that the amendments on SJ pages 1487-1494 be adopted and then be placed on the Fourteenth order with **DO PASS**.

REQUEST

SEN. DOTZENROD REQUESTED that the Senate divide the amendments to Reengrossed HB 1059, which request was granted.

DIVISION A: Remainder of amendment

DIVISION B: Section 5 and "subsection 1 of subsection 57-02-08.1," of the title

REQUEST

SEN. DOTZENROD REQUESTED a recorded roll call vote on Division A of the proposed amendments to Reengrossed HB 1059, which request was granted.

ROLL CALL

The question being the adoption of Division A of the proposed amendments to Reengrossed HB 1059, the roll was called and there were 24 YEAS, 23 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Armstrong; Bekkedahl; Burckhard; Carlisle; Casper; Cook; Davison; Dever; Flakoll; Hogue; Holmberg; Kilzer; Krebsbach; Laffen; Lee, J.; Nelson; Oehlke; Poolman; Schaible; Sinner; Sorvaag; Triplett; Unruh; Wardner

NAYS: Anderson; Axness; Bowman; Campbell; Dotzenrod; Erbele; Grabinger; Heckaman; Klein; Larsen; Lee, G.; Luick; Marcellais; Mathern; Miller; Murphy; O'Connell; Oban; Robinson; Rust; Schneider; Wanzek; Warner

Division A of the proposed amendments to Reengrossed HB 1059 was adopted on a recorded roll call vote.

The question being the adoption of Division B of the proposed amendments to Reengrossed HB 1059, the motion passed on a voice vote.

Division B of the proposed amendments to Reengrossed HB 1059 was adopted on a voice vote.

Therefore, the question being on the motion to adopt the amendments to Reengrossed HB 1059, which includes Division A and Division B, the proposed amendments were adopted on a voice vote.

SECOND READING OF HOUSE BILL

HB 1059: A BILL for an Act to create and enact section 57-02-01.1 of the North Dakota Century Code, relating to training and certification of assessors; to amend and reenact sections 11-10.1-01, 11-10.1-05, and 57-01-05, subsection 1 of section 57-02-08.1, and sections 57-02-33, 57-06-17.3, 57-20-07.2, and 57-33.2-02 of the North Dakota Century Code, relating to training and certification of assessors, the homestead tax credit, a new transmission line property tax exemption, a state-paid property tax relief credit, and the transmission line mile tax rate; to provide for transition; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 42 YEAS, 5 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Erbele; Flakoll; Grabinger; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Mathern; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

NAYS: Anderson; Dotzenrod; Marcellais; Miller; Murphy

Reengrossed HB 1059, as amended, passed.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. KLEIN MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1113, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on:

HB 1113: Sens. Laffen, Hogue, Murphy

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. KLEIN MOVED that the Senate do not concur in the House amendments to Engrossed SB 2016 as printed on SJ pages 1481-1486 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on:

Engrossed SB 2016: Sens. Holmberg, Bowman, Robinson.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BOWMAN MOVED that the conference committee report on Engrossed SB 2011 as printed on SJ pages 1428-1429 be adopted, which motion prevailed on a voice vote.

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

SECOND READING OF SENATE BILL

SB 2011: A BILL for an Act to provide an appropriation for defraying the expenses of the securities department.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2011 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. POOLMAN MOVED that the conference committee report on Engrossed SB 2258 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2258, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2258: A BILL for an Act to provide for a legislative management study of the state employee leave system.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 7 YEAS, 40 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Carlisle; Flakoll; Kilzer; Mathern; O'Connell; Schneider; Sinner

NAYS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Miller; Murphy; Nelson; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Sorvaag; Triplett;

Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2258 failed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. ARMSTRONG MOVED that the conference committee report on Engrossed SB 2332 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2332, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2332: A BILL for an Act to create and enact section 12.1-29-07 of the North Dakota Century Code, relating to an offender education program; to amend and reenact section 12.1-29-06 of the North Dakota Century Code, relating to hiring an individual to engage in sexual activity; to provide a penalty; to provide an effective date; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2332 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. ARMSTRONG MOVED that the conference committee report on Engrossed HB 1030 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1030, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1030: A BILL for an Act to create and enact a new section to chapter 12.1-32 of the North Dakota Century Code, relating to exceptions from mandatory minimum sentences; to amend and reenact subsection 19 of section 12.1-01-04, subdivision a of subsection 3 of section 12.1-20-03, and subsection 2 of section 12.1-32-07.1 of the North Dakota Century Code, relating to the definition of manifest injustice.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed HB 1030, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. ANDERSON MOVED that the conference committee report on Reengrossed HB 1244 be adopted, which motion prevailed on a voice vote.

Reengrossed HB 1244, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1244: A BILL for an Act to amend and reenact section 54-06-14.5 of the North Dakota Century Code as created by section 1 of House Bill No. 1387, as approved by the sixty-fourth legislative assembly, relating to state employee use of sick leave and annual leave.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Axness; Bekkedahl; Bowman; Burckhard; Campbell; Carlisle; Casper; Cook; Davison; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oban; Oehlke; Poolman; Robinson; Rust; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed HB 1244, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. J. LEE MOVED that the conference committee report on Engrossed HB 1255 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. DAVISON MOVED that the conference committee report on Reengrossed HB 1474 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KLEIN MOVED that the conference committee report on Reengrossed HB 1313 be adopted, which motion prevailed on a voice vote.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1059.

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

MR. PRESIDENT: The House has passed, unchanged: SB 2275.

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

MR. PRESIDENT: The House has amended and subsequently passed: SB 2107.

HOUSE AMENDMENTS TO REENGROSSED SENATE BILL NO. 2107

Page 2, line 9, after "b" insert "of subsection 1"

Page 7, line 31, remove "and"

Page 8, line 7, replace "2" with "3"

Page 8, line 13, after "prostitution" insert ", felony forgery, felony theft, felony drug distribution,"

Page 10, line 27, remove "not"

Page 10, line 27, remove "in favor"

Page 10, line 28, replace "of abortion" with "for family planning services, but may not be used to perform, refer for, or encourage abortion"

Renumber accordingly

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2020, SB 2199.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2020

Page 1, line 2, after the second semicolon insert "to create and enact three new sections to chapter 61-02 of the North Dakota Century Code, relating to a Bank of North Dakota line of credit, to the state water commission cost-share policy, and to North Dakota outdoor heritage fund grants and cost-share;"

Page 1, line 3, remove "to repeal section"

Page 1, line 4, remove "61-02-78 of the North Dakota Century Code, relating to the infrastructure revolving loan fund;"

Page 1, line 5, after the semicolon insert "to allocate funding; to provide contingent allocations; to provide for reports to the legislative assembly;"

Page 1, line 5, remove "and"

Page 1, line 6, replace "legislative management" with "state water commission"

Page 1, line 6, after "study" insert "; and to declare an emergency"

Page 1, line 11, replace "biennium" with "period"

Page 1, line 11, replace "July 1, 2015" with "with the effective date of this Act"

Page 1, replace lines 15 through 21 with:

"Accrued leave payments	\$325,774	(\$325,774)	\$0
Administrative and support services	4,716,665	818,953	5,535,618
Water and atmospheric resources	<u>822,365,166</u>	<u>296,834,597</u>	<u>1,119,199,763</u>
Total all funds	\$827,407,605	\$297,327,776	\$1,124,735,381
Full-time equivalent positions	90.00	6.00	96.00"

Page 2, after line 13, insert:

"SECTION 4. SOVEREIGN LANDS RECREATION USE GRANT. The water and atmospheric resources line item in section 1 of this Act includes \$1,000,000 from the resources trust fund which the state water commission shall provide as a grant to the parks and recreation department for developing recreation opportunities on sovereign lands in the state, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 2, line 14, after "**APPROPRIATION**" insert "- **BUDGET SECTION APPROVAL**"

Page 2, line 17, after "appropriated" insert ", subject to budget section approval,"

Page 2, after line 25, insert:

"SECTION 7. BANK OF NORTH DAKOTA LOAN - BOND PAYMENTS. The state water commission shall obtain a loan from the Bank of North Dakota in an amount that may not exceed \$56,000,000 for the purpose of paying off or defeasing outstanding bond issues, for the period beginning with the effective date of this Act, and ending June 30, 2017."

Page 3, line 11, after the period insert "It is further the intent of the sixty-fourth legislative assembly that state funding of \$120,000,000 be provided for Fargo interior flood control projects and that any funds spent for Fargo interior flood control projects after July 1, 2017, require fifty percent matching funds from the Fargo flood authority."

Page 3, line 12, replace "\$206,000,000" with "\$266,000,000"

Page 3, line 13, replace "project" with "projects"

Page 3, removes lines 28 through 31

Page 4, replace lines 1 through 6 with:

"SECTION 11. APPROPRIATION - FARGO INTERIOR FLOOD PROTECTION - STATE DISASTER RELIEF FUND - FUNDING REQUIREMENTS. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, the sum of \$30,000,000, or so much of the sum as may be necessary, for the purpose of providing funding for flood protection projects within city limits of Fargo for the period beginning with the effective date of this Act and ending June 30, 2017. The city of Fargo must apply for flood protection funding, but the state water commission may not deny an application unless the funds are not intended to be used in accordance with provisions of this section. The city of Fargo may use the funds for costs directly associated with completion of interior flood protection projects within its city limits, including engineering and legal fees, right-of-way acquisition costs, land purchases, home buyouts, and construction costs. Funds may not be used for general operations or administrative costs. Any funds designated by the sixty-fourth legislative assembly for Fargo interior flood control projects may be expended only for Fargo interior flood control projects, including levees and dikes until a federal appropriation is provided for project construction for the Fargo flood control project at which time it may be used for a federally authorized Fargo flood control project."

Page 3, after line 27, insert:

"SECTION 13. RED RIVER VALLEY WATER SUPPLY PROJECT FUNDING. The 2013-15 unobligated funding of \$7,359,000 designated by the state water commission for the Red River valley water supply project in the water and atmospheric resources line item in section 1 of this Act and an additional \$5,000,000 in the water and atmospheric resources line item in section 1 of this Act is designated for a grant to the Garrison diversion conservancy district to plan and design the Red River valley water supply project for the biennium beginning July 1, 2015, and ending June 30, 2017. The Garrison diversion conservancy district shall report on a regular basis to the legislative management's water topics overview committee to review its progress in planning and designing the Red River valley water supply project.

SECTION 14. APPROPRIATION - MISSOURI RIVER CORRECTIONAL CENTER LEVEE - FOX ISLAND LEVEE - STATE DISASTER RELIEF FUND. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, the sum of \$5,000,000, or so much of the sum as may be necessary, to the state water commission, for the purpose of providing funding for levee projects for the biennium beginning July 1, 2015, and ending June 30, 2017. Of the funds the state water commission shall make available \$1,700,000 for a levee for the Missouri River correctional center, and \$3,300,000, for a levee for Lincoln township's Fox Island area.

SECTION 15. 2013-15 BIENNIUM CARRYOVER FUNDING - FLOOD CONTROL PROJECT FUNDING. The 2013-15 unobligated funding of \$4,543,679 designated by the state water commission for the irrigation development and 2013-15 unobligated funding of \$5,198,663 designated by the state water commission for general water management in the water and atmospheric resources line item in section 1 of this Act is designated for providing \$9,742,342 for grants to flood control projects that pose an imminent threat to loss of life and property for the biennium beginning July 1, 2015, and ending June 30, 2017.

SECTION 16. FUNDING DESIGNATION - REIMBURSEMENTS FOR 2013-15 BIENNIUM RURAL AND MUNICIPAL WATER SYSTEMS AFFECTED BY LOCAL COST-SHARE CHANGE. Of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, the state water commission shall make available \$8,000,000 from funds available from the line of credit for reimbursing rural and municipal water systems affected by local cost-share changes during the 2013-15 biennium. Rural and municipal water systems must be

reimbursed up to an amount, which makes the state share 65 percent in lieu of the 75 percent which was approved by the state water commission.

SECTION 17. STATE WATER COMMISSION PROJECT FUNDING

DESIGNATIONS. Of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act from funds available in the resources trust fund, water development trust fund, and the line of credit available from the Bank of North Dakota, \$501,000,000 is designated as follows:

1. \$69,000,000 for a grant for Fargo flood control project;
2. \$40,000,000 for a grant for Minot flood control project;
3. \$10,000,000 for a grant for northwest area water supply project;
4. \$3,000,000 for reimbursing rural and municipal water systems affected by local cost-share changes during the 2013-15 biennium;
5. \$11,000,000 for a grant for operation of the Devils Lake outlet;
6. \$30,000,000 for a grant for Sheyenne River flood control;
7. \$40,000,000 capital repayment loan for southwest pipeline project;
8. \$7,000,000 for a grant for Williston flood control project;
9. \$20,000,000 for a grant for Grafton flood control project;
10. \$20,000,000 for a grant and \$40,000,000 for a loan for western area water supply authority projects;
11. \$30,000,000 for a grant for Grand Forks water treatment plant;
12. \$30,000,000 for a grant for Fargo interior flood control;
13. \$40,000,000 for providing grants and \$11,000,000 for providing loans from the infrastructure revolving loan fund for general water management;
14. \$50,000,000 for the purpose of providing grants for rural water supply projects for all project costs;
15. \$25,000,000 for the purpose of providing grants for municipal water supply projects for all project costs;
16. \$25,000,000 for providing loans from the infrastructure revolving loan fund for the purposes identified in subsections 14 and 15.

SECTION 18. FUNDING DESIGNATIONS - TRANSFERS - BUDGET

SECTION APPROVAL. The funding designated for the items in section 15 of this Act and subsections 14, 15, and 16 of section 17 of this Act, are designated for the specific purposes identified; however, the state water commission may transfer funding among these items, subject to budget section approval.

SECTION 19. CENTRAL DAKOTA WATER SUPPLY STUDY. The state water commission shall conduct a study on the feasibility and desirability of the central Dakota water supply project for the biennium beginning July 1, 2015, and ending June 30, 2017. The study must include a cost-benefit analysis as well as a detailed business plan for the project, including projected operational costs and projected water supply needs for the area to be served.

SECTION 20. CONTINGENT ALLOCATION - WATER AND

ATMOSPHERIC RESOURCES. Of the funds appropriated in the water and atmospheric resources line item in section 1 of this Act, \$70,000,000, is designated as follows, contingent on the state water commission entering into a written

agreement that a fertilizer or chemical processing facility will be constructed in Stutsman County:

1. \$10,000,000 for a grant and \$40,000,000 for a loan for a water reuse facility;
2. \$20,000,000 for the central Dakota water supply project.

SECTION 21. STUTSMAN COUNTY WATER REUSE FACILITY - EXEMPTION. For purposes of a project for a water reuse facility the Stutsman rural water district is granted an exemption from the aggregate total outstanding limit of \$50,000,000 of revenue bonds under section 61-35-15 and is instead limited to an aggregate total outstanding limit of \$100,000,000 of revenue bonds for purposes of section 61-35-15.

SECTION 22. STUTSMAN COUNTY WATER REUSE FACILITY PROJECT - USER BONDING. Any agreement entered into by the state water commission relating to the Stutsman County water reuse facility project must include requirements that the users of the water from the plant are responsible for repayment of the loans or revenue bonds authorized by the sixty-fourth legislative assembly for the Stutsman County water reuse facility and the users must be bonded in an amount equal to each user's proportionate share of any outstanding debt of the project.

SECTION 23. LEGISLATIVE MANAGEMENT STUDY. During the 2015-16 interim, the legislative management shall study options available for providing a sustainable water supply to central and eastern North Dakota. The study must compile and review studies that have been completed relating to the project options and prepare a report that evaluates each option's ability to meet projected water demands to central North Dakota as well as eastern North Dakota. The report must also include a cost-benefit analysis, and a feasibility analysis of the options as well as a detailed business plan for the project, including projected operational costs, and projected water costs to the end users. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fifth legislative assembly.

SECTION 24. LEGISLATIVE INTENT - RED RIVER VALLEY WATER SUPPLY PROJECT. It is the intent of the sixty-fourth legislative assembly that the state, over the next four bienniums, provide \$150,000,000 per biennium of state funds to implement the selected alternative for the Red River valley water supply project.

SECTION 25. LEGISLATIVE INTENT - LOWER HEART RIVER, MORTON COUNTY, ENHANCED FLOOD CONTROL PROJECT. It is the intent of the sixty-fourth legislative assembly that state funding be provided for a share of the nonfederal or local cost for construction of the lower Heart River, Morton County, flood control project.

SECTION 26. WESTERN AREA WATER SUPPLY AUTHORITY MEMBER ENTITIES - DEBT. A western area water supply authority member entity may incur debt as authorized by law, except that an entity may not use any income from industrial water sales relating to oil and gas exploration or production to repay any debt or as collateral to secure debt beginning July 1, 2015."

Page 4, line 18, replace "budget section" with "legislative management's water topics overview committee"

Page 4, after line 20, insert:

"SECTION 29. INDEPENDENT WATER PROVIDERS AND WESTERN AREA WATER SUPPLY AUTHORITY - REPORT TO THE WATER TOPICS OVERVIEW COMMITTEE. During the 2015-16 interim, the independent water providers and the western area water supply authority shall report to the legislative management's water topics overview committee on a regular basis and collaborate with the committee and the state water commission to monitor water usage, rates,

engineering contract procedures, and market share. The water topics overview committee shall report to the legislative management with recommendations to ensure western area water supply authority's ability to maintain its payment schedule of the state's loan.

SECTION 30. REPORT TO LEGISLATIVE ASSEMBLY - SOUTHWEST PIPELINE PROJECT. The state water commission and the southwest water authority shall continue the process of reviewing capital repayment and revenues being returned to the resources trust fund; payments necessary to meet obligations of existing bonds and other loans; ownership of land and associated facilities; existing construction documents; liabilities; contracts with cities, bulk users, companies, and other users; and other items; and shall report to the sixty-fifth legislative assembly on the actions necessary for the transfer of ownership and responsibility of the southwest pipeline project from the state water commission to the southwest water authority."

Page 4, line 28, remove "The impacts in the area outside the area recognized by the United States army corps"

Page 4, replace lines 29 through 31 with "The area determined by hydrology modeling to be affected by project conditions in excess of six inches, and outside the area recognized by the army corps of engineers for which mitigation is required upstream of the proposed dam, which is consistent with current floodplain designation by the federal emergency management agency for the studied flood event."

Page 5, line 1, replace "Agricultural production income impacts due to operation of the diversion project." with "The impacts on agricultural production income due to operation of the diversion project."

Page 5, replace lines 2 and 3 with "The study must be completed by September 1, 2016."

Page 5, line 12, after "develop" insert "and review"

Page 5, line 12, after "policies" insert "and update as necessary"

Page 5, after line 26, insert:

"SECTION 33. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

Bank of North Dakota - Line of credit.

The Bank of North Dakota shall extend a line of credit not to exceed two hundred million dollars at a rate that may not exceed one and three-quarters percent to the state water commission. The state water commission shall repay the line of credit from funds available in the resources trust fund, water development trust fund, or other funds, as appropriated by the legislative assembly. The state water commission may access the line of credit, as necessary, to provide funding as authorized by the legislative assembly up to the amounts designated for the following projects:

1. Sixty-nine million dollars for Fargo flood control;
2. Forty million dollars for Minot flood control;
3. Ten million dollars for northwest area water supply;
4. Three million dollars for Rice Lake flood control;
5. Fifty million dollars for a water reuse facility in Stutsman County;
6. Twenty million dollars for central Dakota water supply;
7. Eight million dollars for reimbursement for 2013-15 biennium rural and municipal water systems affected by the local cost-share change.

SECTION 34. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

State water commission cost-share policy.

The state water commission shall adopt a cost-share policy for the financing of water projects. The policy:

1. Must provide a water supply project is eligible for grants up to seventy-five percent of the total project cost with the remaining cost of the project financed through loans. The commission shall set the terms of the loan at one and one-half percent interest per year for up to forty years.
2. May not prioritize water supply projects based on population growth factor.
3. Must provide all project costs are eligible for reimbursement except the commission may exclude operations expense and regular maintenance. The commission may require a water project sponsor to maintain a capital improvement fund from the rates charged customers for future extraordinary maintenance projects as condition of funding an extraordinary maintenance project.
4. May not use affordability in a service area as a factor in determining the priority of a project or a loan amount. However, affordability may be used as a factor in determining the amount of a grant.

SECTION 35. A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

North Dakota outdoor heritage fund grants - Effect on local cost-share.

For projects involving the repair of an existing flood control or recreation structure, the state water commission may not deduct North Dakota outdoor heritage fund moneys provided from the cost of the project before determining the local cost-share. The state water commission shall include those provided moneys as part of the local cost-share, however, the local entity may not receive funding in excess of the total project cost."

Page 5, replace line 27 with:

"SECTION 36. EMERGENCY. Sections 1, 7, 11, and 17 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2020 - State Water Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
Administrative and support services	\$4,716,665	\$4,507,674	\$1,027,944	\$5,535,618
Water and atmospheric resources	822,365,166	989,218,748	129,981,015	1,119,199,763
Accrued leave payments	325,774			
Fargo interior flood protection			30,000,000	30,000,000
Levees in Burleigh County			5,000,000	5,000,000
Total all funds	\$827,407,605	\$993,726,422	\$166,008,959	\$1,159,735,381
Less estimated income	827,407,605	968,741,263	190,994,118	1,159,735,381
General fund	\$0	\$24,985,159	(\$24,985,159)	\$0
FTE	90.00	98.00	(2.00)	96.00

Department No. 770 - State Water Commission - Detail of House Changes

	Changes Funding Source for Administrative Costs ¹	Adds Funding for Costs Associated to Funding Source Change ²	Adjusts Funding for Health Insurance Premium Increases ³	Removes Funding for New Water Permitting Position ⁴	Removes Funding for New Sovereign Lands Position ⁵	Adds Funding From a Line of Credit for Water Projects ⁶
Administrative and support services		\$1,038,000	(\$10,056)			
Water and atmospheric resources			(70,851)	(218,640)	(200,455)	200,000,000
Accrued leave payments						
Fargo interior flood protection						
Levees in Burleigh County						
Total all funds	\$0	\$1,038,000	(\$80,907)	(\$218,640)	(\$200,455)	\$200,000,000
Less estimated income	24,985,159	1,038,000	(80,907)	(218,640)	(200,455)	200,000,000
General fund	(\$24,985,159)	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	(1.00)	(1.00)	0.00

	Adds Funding From Bank of North Dakota Bond Refinancing Loan ⁷	Adds Funding for 2015-17 Biennium Payment on Refinanced Bonds ⁸	Removes Carryover Funding for Water Projects ⁹	Adjusts Water Projects Funding ¹⁰	Adds One-Time Funding for Fargo Interior Flood Protection ¹¹	Adds One-Time Funding for Levees ¹²
Administrative and support services						
Water and atmospheric resources	56,000,000	7,000,000	(16,529,039)	(116,000,000)		
Accrued leave payments						
Fargo interior flood protection					30,000,000	
Levees in Burleigh County						5,000,000
Total all funds	\$56,000,000	\$7,000,000	(\$16,529,039)	(\$116,000,000)	\$30,000,000	\$5,000,000
Less estimated income	56,000,000	7,000,000	(16,529,039)	(116,000,000)	30,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Administrative and support services	\$1,027,944
Water and atmospheric resources	129,981,015
Accrued leave payments	
Fargo interior flood protection	30,000,000
Levees in Burleigh County	5,000,000
Total all funds	\$166,008,959
Less estimated income	190,994,118
General fund	(\$24,985,159)
FTE	(2.00)

¹ The funding source for administrative, salaries and benefits, and operating costs is changed from the general fund to the resources trust fund.

² The following funding is added for additional base level operating costs as a result of being a special funded agency:

	General Fund	Other Funds	Total
Rent		\$315,000	\$315,000
Statewide cost allocation		235,000	235,000
Legal fees		488,000	488,000
Total	\$0	\$1,038,000	\$1,038,000

³ Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

⁴ Funding is removed for a new water permitting FTE position (\$210,184) and related salary increase (\$8,456).

⁵ Funding is removed for a new sovereign lands FTE position (\$192,784) and related salary increase (\$7,671).

⁶ Funding from a \$200 million line of credit from the Bank of North Dakota is added for the following projects:

	Grants	Loans	Line of Credit Total
Fargo flood control project	\$69,000,000		\$69,000,000
Minot flood control project	40,000,000		40,000,000
Stutsman County water reuse facility	10,000,000	40,000,000	50,000,000
Central Dakota water supply project (Contingent)	20,000,000		20,000,000
Northwest Area Water Supply Project (Contingent)	10,000,000		10,000,000
Rice Lake flood control project	3,000,000		3,000,000
2013-15 biennium cost-share reimbursements	8,000,000		8,000,000
Line of credit total	\$160,000,000	\$40,000,000	\$200,000,000

⁷ Funding is added from loan proceeds from the Bank of North Dakota to pay off or defease the remaining outstanding bonds issues of the State Water Commission.

⁸ Funding is added from the water development trust fund for repayment to the Bank of North Dakota, relating to the loan to refinance the existing outstanding bonds of the State Water Commission.

⁹ Carryover funding from the resources trust fund has been removed for the following projects:

	General Fund	Other Funds	Total
Devils Lake gravity outflow channel		(\$13,686,839)	(\$13,686,839)
Rice Lake recreation district		(2,842,200)	(2,842,200)
Total	\$0	(\$16,529,039)	(\$16,529,039)

¹⁰ Water projects funding is adjusted to provide a total of \$381 million for new water projects in the 2015-17 biennium from the resources trust fund and water development trust fund.

¹¹ One-time funding from the state disaster relief fund is added for the Fargo interior flood protection project along with a section regarding funding requirements.

¹² One-time funding from the state disaster relief fund is added for the following levees in Burleigh County:

	General Fund	Other Funds	Total
Missouri River Correctional Center levee		\$1,700,000	\$1,700,000
Fox Island levee		3,300,000	3,300,000
Total	\$0	\$5,000,000	\$5,000,000

This amendment also:

- Adds a section granting \$1 million to the Parks and Recreation Department for developing recreation opportunities on sovereign lands in the state.
- Adds a section requiring the State Water Commission to obtain a loan from the Bank of North Dakota to pay off or defease the Commission's outstanding bond issues.
- Amends Section 10, indicating that the Legislative Assembly intends to provide \$120 million for Fargo interior flood control projects.
- Adds a section designating funding from the water and atmospheric resources line item in Section 1 to the Garrison Diversion Conservancy District for planning and designing the Red River Valley Water Supply Project.
- Adds a section designating funding from the water and atmospheric resources line item in Section 1 for grants for flood control projects that pose an imminent threat to loss of life and property.
- Adds a section designating funding made available from the line of credit for reimbursing rural water systems affected by local cost-share changes during the 2013-15 biennium.
- Adds a section designating funding from the water and atmospheric resources line item in Section 1 to various projects.

- Adds a section allowing funding transfers between specific items identified in Section 15 and Section 17, subject to Budget Section approval.
- Adds a section regarding a central North Dakota water supply study.
- Adds a section providing a contingent allocation from the water and atmospheric resources line item in Section 1 for various projects.
- Adds a section increasing Stutsman rural water districts aggregated total outstanding limit from \$50 million to \$100 million of revenue bonds.
- Adds a section requiring any agreement entered into by the State Water Commission for the Stutsman County water reuse facility project to include requirements that the users be bonded in proportion to their share of any project debt.
- Adds a Legislative Management study of the options available for providing a sustainable water supply to central and eastern North Dakota.
- Adds a section that provides the legislative intent that over the next four bienniums, \$150 million per biennium be provided for the implementation of the option identified in the Legislative Management study indicated in the preceding section.
- Removes Section 14 relating to incremental funding for the Western Area Water Supply Authority.
- Adds a section providing legislative intent that state funding be provided for a share of the nonfederal or local cost for construction of the lower Heart River, Morton County, flood control project.
- Adds a section restricting Western Area Water Supply Authority member entities from using industrial water sales relating to oil and gas exploration or production to repay debt or as collateral to secure debt.
- Adds a section requiring independent water providers and the Western Area Water Supply Authority to report to the Legislative Management's Water Topics Overview Committee.
- Adds a section requiring Southwest Pipeline Authority to report to the 65th Legislative Assembly.
- Amends Section 25 relating to a State Water Commission study.
- Creates a new section to North Dakota Century Code Chapter 61-02 relating to the Bank of North Dakota extending a line of credit to the State Water Commission for designated projects.
- Creates a new section to Chapter 61-02 relating to North Dakota outdoor heritage fund grants and their effect on local cost-share.
- Adds an emergency clause.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2199

Page 1, line 2, replace "pilot project; and" with ", to amend and reenact section 54-12-14 of the North Dakota Century Code, relating to the assets forfeiture fund;"

Page 1, line 3, after "management" insert "; to provide a continuing appropriation; and to declare an emergency"

Page 1, line 5, after the boldfaced hyphen insert "**REPORTS -**"

Page 1, line 7, replace "\$1,000,000" with "\$500,000"

Page 1, line 8, remove "implementing a human trafficking victims treatment and"

Page 1, remove lines 9 through 18

Page 1, line 19, replace "support of advocacy services; and programs promoting positive outcomes for victims" with "providing grants to organizations involved in providing prevention and treatment services related to human trafficking victims in non-oil-producing counties for the period beginning with the effective date of this Act and ending June 30, 2017. The attorney general may provide grants for the development and implementation of direct care, emergency or long-term crisis

services, residential care, training for law enforcement, support of advocacy services, and programs promoting positive outcomes for victims. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-fifth legislative assembly on the use of the funds received and the outcomes of its program"

Page 1, line 21, replace "pilot project" with "grant program"

Page 1, line 21, after the period insert "This appropriation is a one-time funding item."

SECTION 2. BOARD OF UNIVERSITY AND SCHOOL LANDS - USE OF OIL AND GAS IMPACT GRANTS - REPORTS. The board of university and school lands funds, from funds designated in House Bill No. 1176 as approved by the sixty-fourth legislative assembly, for grants to law enforcement agencies impacted by oil and gas development, shall make available \$750,000 for grants to organizations involved in providing prevention and treatment services related to human trafficking victims in hub cities located in oil-producing counties for the period beginning with the effective date of this Act and ending June 30, 2017. The board of university and school lands shall award the grants as directed by the attorney general. Any organization that receives a grant under this section shall report to the attorney general and the appropriations committees of the sixty-fifth legislative assembly on the use of the funds received and the outcomes of its program.

SECTION 3. AMENDMENT. Section 54-12-14 of the North Dakota Century Code is amended and reenacted as follows:

54-12-14. Assets forfeiture fund - Created - Purpose - Continuing appropriation.

1. The attorney general assets forfeiture fund consists of funds appropriated by the legislative assembly and additional funds obtained from moneys, assets, and proceeds seized and forfeited pursuant to section 19-03.1-36, amounts received through court proceedings as restitution, amounts remaining from the forfeiture of property after the payment of expenses for forfeiture and sale authorized by law, and amounts received from a multijurisdictional drug task force as defined in section 54-12-26. The amount of deposits into the fund which do not come from legislative appropriation or from a multijurisdictional drug task force and are not payable to another governmental entity may not exceed two hundred thousand dollars within a biennium and any moneys in excess of that amount must be deposited in the general fund. The funds are appropriated, as a standing and continuing appropriation, to the attorney general for the following purposes:
 - 1- a. For obtaining evidence for enforcement of any state criminal law or law relating to the control of drug abuse.
 - 2- b. For repayment of rewards to qualified local programs approved under section 12.1-32-02.2, if the information that was reported to the qualified local program substantially contributed to forfeiture of the asset, and for paying, at the discretion of the attorney general, rewards for other information or assistance leading to a forfeiture under section 19-03.1-36.
 - 3- c. For paying, at the discretion of the attorney general, any expenses necessary to seize, detain, inventory, safeguard, maintain, advertise, or sell property seized, detained, or forfeited pursuant to section 19-03.1-36, or of any other necessary expenses incident to the seizure, detention, or forfeiture of such property.
 - 4- d. For equipping, for law enforcement functions, forfeited vessels, vehicles, and aircraft retained as provided by law for official use by the state board of pharmacy or a law enforcement agency.

- 5- e. For paying, at the discretion of the attorney general, overtime compensation to agents of the bureau of criminal investigation incurred as a result of investigations of violations of any state criminal law or law relating to the control of drug abuse.
- 6- f. For paying matching funds required to be paid as a condition for receipt of funds from a federal government program awarding monetary grants or assistance for the investigation, apprehension, or prosecution of persons violating the provisions of chapter 19-03.1.
2. The attorney general shall, with the concurrence of the director of the office of management and budget, establish the necessary accounting procedures for the use of the fund, and shall personally approve, in writing, all requests from the director of the bureau of criminal investigation or the director of the drug enforcement unit for the use of the fund.
3. Notwithstanding subsection 1, the amount of deposits into the fund related to human trafficking are appropriated, as a standing and continuing appropriation, to the attorney general for awarding grants to organizations providing prevention and treatment services for human trafficking victims.

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

Renumber accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2016, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2016: Sens. Holmberg; Bowman; Robinson

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

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

SB 2008: Reps. Streyle; Monson; Guggisberg

SB 2009: Reps. Monson; Schmidt; Boe

SB 2012: Reps. Pollert; Bellew; Holman

SB 2039: Reps. Brandenburg; Vigesaa; Boe

SB 2205: Reps. Hofstad; Rich S. Becker; Oversen

SB 2284: Reps. Skarphol; Vigesaa; Holman

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

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1015, HB 1016, HB 1113, and HB 1151, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1015: Reps. J. Nelson; Pollert; Holman

HB 1016: Reps. Dosch; Sanford; Guggisberg

HB 1113: Reps. Laning; Dockter; Mooney

HB 1151: Reps. Sanford; Streyle; Boe

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

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

HB 1113: Sens. Laffen; Hogue; Murphy

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1255, HB 1313, HB 1474.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2011, SB 2332.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1030, HB 1244.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently failed to pass: SB 2258.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: Your signature is respectfully requested on: SB 2323.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1006, HB 1017, HB 1023, HB 1102, HB 1206, HB 1231, HB 1256, HB 1358, HB 1390, HB 1403.

MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)

MR. SPEAKER: The President has signed: SB 2278, SB 2289, SB 2318, SB 2327, SB 2334.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 15, 2015: SB 2278, SB 2289, SB 2318, SB 2327, SB 2334.

COMMUNICATION FROM GOVERNOR JACK DALRYMPLE

This is to inform you that on April 15, 2015, I have signed the following: SB 2050, SB 2052, SB 2092, SB 2188, SB 2233, SB 2259, SB 2347, and SB 2367.

MOTION

SEN. KLEIN MOVED that the Senate be on the Fourth, Fifth, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Thursday, April 16, 2015, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1055, as reengrossed: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1055 was placed on the Sixth order on the calendar.

Page 1, line 23, after the ninth comma insert "and"

Page 1, line 24, after the first comma insert "subdivision a of subsection 1 of section 57-20-07.1, sections"

Page 1, line 24, remove the second comma

Page 9, line 1, overstrike "**Mill**" and insert immediately thereafter "**Tax**"

Page 26, line 25, overstrike "mill" and insert immediately thereafter "tax"

Page 26, line 26, overstrike "mill" and insert immediately thereafter "tax"

Page 27, line 8, overstrike "mill" and insert immediately thereafter "tax"

Page 58, line 16, replace "sixty" with "thirty"

Page 58, line 22, replace "thirty" with "fifteen"

Page 58, line 27, replace "thirty" with "fifteen"

Page 110, after line 2, insert:

"SECTION 130. AMENDMENT. Subdivision a of subsection 1 of section 57-20-07.1 of the North Dakota Century Code is amended and reenacted as follows:

- a. Include a dollar valuation of the true and full value as defined by law of the property and the total ~~mill~~tax levy applicable."

Page 118, line 22, overstrike "total" and insert immediately thereafter "tax rate"

Page 118, line 23, overstrike "ten mills" and insert immediately thereafter "fifty cents per one thousand dollars of taxable valuation of property in the county"

Page 129, line 31, replace "ten" with "five"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1067: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1067 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1070: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **DO NOT PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1070 was placed on the Fourteenth order on the calendar.

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

Jane Schaible, Secretary