

## JOURNAL OF THE SENATE

## Sixty-sixth Legislative Assembly

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Bismarck, February 19, 2019

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

The prayer was offered by Pastor Les Wolfgram, Shepherd of the Valley Church, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

## MOTION

**SEN. KLEIN MOVED** that SB 2312, which is on the Eleventh order, be laid over one legislative day, which motion prevailed.

## CONSIDERATION OF AMENDMENTS

**SB 2265, as engrossed: SEN. SCHAIBLE (Appropriations Committee) MOVED** that the amendments on SJ page 582 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

## SECOND READING OF SENATE BILL

**SB 2265:** A BILL for an Act to amend and reenact sections 15.1-27-03.1 and 15.1-27-04.1 of the North Dakota Century Code, relating to the determination of weighted average daily membership and state aid payable to school districts; to provide for a legislative management study; to provide an appropriation; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Reengrossed SB 2265 passed.

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## CONSIDERATION OF AMENDMENTS

**SB 2013: SEN. HOLMBERG (Appropriations Committee) MOVED** that the amendments on SJ pages 684-697 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

## SECOND READING OF SENATE BILL

**SB 2013:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and the North Dakota vision services - school for the blind; to amend and reenact sections 15-10-38, 15.1-02-02, 15.1-37-05, 15.1-37-06, and 15.1-37-08 of the North Dakota Century Code, relating to a student loan forgiveness program for teachers, the salary of the superintendent of public instruction, early childhood education providers, the distribution of early childhood education provider grants, and early childhood education provider data collection; to provide for a report to the legislative assembly; 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, and has committee recommendation of DO PASS, the roll was called and there were 46 YEAS, 1 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Larsen, O.

Engrossed SB 2013 passed and the emergency clause was declared carried.

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**CONSIDERATION OF AMENDMENTS**

**SB 2306: SEN. MEYER (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 697-699 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2306:** A BILL for an Act to create and enact a new section to chapter 15.1-13, a new section to chapter 15.1-18, and a new section to chapter 43-51 of the North Dakota Century Code, relating to occupational licensure of military members and military spouses; to amend and reenact sections 15.1-13-13, 15.1-13-17, 43-51-01, 43-51-11, and 43-51-11.1 of the North Dakota Century Code, relating to occupational licensure of military members and spouses; to provide a statement of legislative intent; to provide for a report to the legislative management; and to provide for a legislative management study.

**ROLL CALL**

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

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Engrossed SB 2306 passed.

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**CONSIDERATION OF AMENDMENTS**

**SB 2356: SEN. OBAN (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ page 699 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2356:** A BILL for an Act to provide for a legislative management study regarding absentee voting and voting by mail.

**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; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue;

Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Larsen, O.; Myrdal

Engrossed SB 2356 passed.

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

**SB 2062:** A BILL for an Act to amend and reenact section 16.1-15-32 of the North Dakota Century Code, relating to publication of election results.

#### **ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 26 YEAS, 21 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bekkedahl; Cook; Davison; Erbele; Fors; Hogue; Kannianen; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Meyer; Myrdal; Oehlke; Patten; Roers, J.; Roers, K.; Schaible; Sorvaag; Unruh; Wardner

**NAYS:** Bakke; Burckhard; Clemens; Dever; Dotzenrod; Dwyer; Elkin; Grabinger; Heckaman; Hogan; Holmberg; Klein; Mathern; Oban; Osland; Piepkorn; Poolman; Robinson; Rust; Vedaa; Wanzek

SB 2062 passed.

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

**SB 2256:** A BILL for an Act to amend and reenact section 16.1-06-09 of the North Dakota Century Code, relating to the required form for measures to amend the constitution and the manner of placing the measures on ballots.

#### **ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 33 YEAS, 14 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Elkin; Erbele; Fors; Hogue; Kannianen; Klein; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Meyer; Myrdal; Osland; Patten; Poolman; Roers, J.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Bakke; Dotzenrod; Dwyer; Grabinger; Heckaman; Hogan; Holmberg; Krebsbach; Mathern; Oban; Oehlke; Piepkorn; Robinson; Roers, K.

SB 2256 passed.

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

**SB 2227:** A BILL for an Act to provide for a transfer from the strategic investment and improvements fund to the public employees retirement fund.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 3 YEAS, 44 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Hogan; Mathern

**NAYS:** Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Engrossed SB 2227 failed.

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#### SECOND READING OF SENATE BILL

**SB 2106:** A BILL for an Act to amend and reenact sections 50-29-01, 50-29-02, 50-29-03, 50-29-04, and 50-29-05 of the North Dakota Century Code, relating to the children's health insurance program; to repeal section 50-29-06 of the North Dakota Century Code, relating to grants and donations for the children's health insurance program; and to provide an effective date.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 39 YEAS, 8 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Erbele; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Klein; Krebsbach; Kreun; Larson, D.; Lee, J.; Marcellais; Mathern; Meyer; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Wanzek; Wardner

**NAYS:** Elkin; Fors; Kannianen; Larsen, O.; Lee, G.; Luick; Myrdal; Vedaa

SB 2106 passed.

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#### SECOND READING OF SENATE BILL

**SB 2127:** A BILL for an Act to create and enact section 43-51-11.2 of the North Dakota Century Code, relating to regulation of the practice of occupations and professions by military dependents; and to amend and reenact sections 15.1-13-17, 27-11-01, 43-51-01, and 43-51-11.1 of the North Dakota Century Code, relating to regulation of occupations and professions.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 3 YEAS, 44 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Hogue; Larsen, O.; Osland

**NAYS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

SB 2127 failed.

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#### SECOND READING OF SENATE BILL

**SB 2126:** A BILL for an Act to amend and reenact section 43-51-06 of the North Dakota Century Code, relating to licensure of foreign practitioners of occupations and professions.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee

recommendation of DO NOT PASS, the roll was called and there were 2 YEAS, 45 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Hogue; Larsen, O.

**NAYS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

SB 2126 failed.

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#### **SECOND READING OF SENATE CONCURRENT RESOLUTION**

**SCR 4007:** A concurrent resolution urging Congress and the Food and Drug Administration to end the marketing and advertising of e-cigarettes to youth.

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO PASS.

SCR 4007 was declared adopted on a voice vote.

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#### **SECOND READING OF SENATE CONCURRENT RESOLUTION**

**SCR 4013:** A concurrent resolution directing the Legislative Management to considering studying the distribution and transportation of food in the state necessary to the lives of individuals in rural communities, and the roles of state entities in facilitating the movement of food to rural areas of the state.

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO PASS.

SCR 4013 was declared adopted on a voice vote.

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

**MR. PRESIDENT:** The House has passed, unchanged: SCR 4006.

#### **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 Pro Tempore Hogue presiding.

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

**SB 2009: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2009 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "and"

Page 1, line 2, after "transfers" insert "; to create and enact a new chapter to title 4.1 of the North Dakota Century Code, relating to the agricultural products utilization commission; to amend and reenact section 4.1-01-02 of the North Dakota Century Code, relating to the salary of the agriculture commissioner; to provide for a report to the legislative assembly; to repeal chapter 54-60.3 of the North Dakota Century Code, relating to the agricultural products utilization commission; and to provide for a report to the legislative assembly"

Page 1, replace lines 10 through 24 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$12,372,949	\$676,514	\$13,049,463
Operating expenses	6,444,336	133,444	6,577,780
Capital assets	13,000	2,000	15,000
Grants	8,817,774	6,000	8,823,774
Board of animal health	865,718	0	865,718
Wildlife services	1,408,000	49,400	1,457,400
Crop harmonization board	75,000	0	75,000
Pipeline restoration and reclamation oversight program	200,000	0	200,000
Agricultural products utilization commission	0	3,176,791	3,176,791
Total all funds	\$30,196,777	\$4,044,149	\$34,240,926
Less estimated income	<u>21,087,676</u>	<u>3,415,513</u>	<u>24,503,189</u>
Total general fund	\$9,109,101	628,636	\$9,737,737
Full-time equivalent positions	73.00	2.00	75.00"

Page 2, line 1, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY"

Page 2, line 2, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 6 through 8 with:

"Master customer database	<u>0</u>	<u>110,000</u>
Total all funds	\$1,120,000	\$110,000
Less estimated income	<u>1,120,000</u>	<u>0</u>
Total general fund	\$0	\$110,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The agriculture commissioner shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 2, line 14, replace "\$6,446,503" with "\$6,663,678"

Page 3, after line 2, insert:

**"SECTION 9. AMENDMENT.** Section 4.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

**4.1-01-02. Salary of agriculture commissioner.**

The annual salary of the agriculture commissioner is one hundred ~~fiveseventeen~~ thousand ~~four hundred ninety one~~~~eighty seven~~ dollars through June 30, ~~2016~~~~2020~~, and one hundred ~~eight~~~~twenty~~ thousand six hundred ~~fifty six~~ dollars after that date.

**SECTION 10.** A new chapter to title 4.1 of the North Dakota Century Code is created and enacted as follows:

**Agricultural products utilization commission - Composition - Appointment.**

1. The agricultural products utilization commission shall administer the agricultural products utilization fund.
2. The commission consists of nine members:
  - a. Five members, appointed by the governor for terms of two years each, arranged so that two terms expire in odd-numbered years and three terms expire in even-numbered years, three of the members

appointed by the governor must be actively engaged in farming in this state and two members appointed by the governor must be actively engaged in business in this state:

- b. One member, appointed by the agriculture commissioner for a term of two years which expires in odd-numbered years, the member must be actively engaged in farming in this state; and
  - c. The commissioner of commerce, the president of North Dakota state university, and the agriculture commissioner, or their designees.
- 3. Commission members may be reappointed.
  - 4. Terms of appointed commissioners commence on the first day of July.
  - 5. The commission shall elect one member to serve as the presiding officer.

#### **Agricultural products utilization commission - Authority.**

- 1. The North Dakota agricultural products utilization commission may apply for and accept any appropriation, grant, gift, or service made available from public or private sources.
- 2. The commission may administer grant programs including:
  - a. A basic and applied research grant program;
  - b. A utilization and marketing grant program;
  - c. A cooperative marketing grant program;
  - d. A nature-based tourism grant program;
  - e. A technical assistance grant program for value-added businesses;
  - f. A farm diversification grant program;
  - g. An agricultural prototype development grant program;
  - h. An agricultural technologies grant program; and
  - i. A North American marketing grant program.
- 3. As a condition of any grant administered by the commission, the commission may require the recipient repay some or all of the grant if the recipient does not fulfill the conditions of the grant. Repayment may be monetary or any other type or method determined by the commission.

#### **Agricultural products utilization commission - Meetings - Personnel - Report.**

The agricultural products utilization commission shall meet as necessary and shall report to each session of the legislative assembly. The commission may secure office space, employ required personnel for the performance of commission duties, hire consultants, spend any funds appropriated to the commission, and contract with public entities or private parties for services.

#### **Agricultural products utilization commission - Reimbursement - Compensation.**

Members of the agricultural products utilization commission are entitled to be reimbursed for expenses incurred in the performance of official duties, in the same manner as other state officials are reimbursed, according to sections 44-08-04 and 54-06-09. If not otherwise employed by the state of North Dakota, members of the commission are entitled to receive per diem compensation of one hundred thirty-five

dollars for each day of attending meetings and performing other duties relating to official business of the commission. The presiding officer, if not otherwise employed by the state of North Dakota, may receive an additional one hundred dollars for each day of a regular meeting attended as payment for reviewing and evaluating grant proposals.

#### **Agricultural products utilization commission - Administrative expenses.**

Administrative expenses of the agricultural products utilization commission, including expenses of members of the commission, employment of required personnel, hiring of consultants, and contracting with public or private entities for services may not exceed ten percent of the funds appropriated to the commission by the legislative assembly each biennium, excluding federal funds.

#### **Agricultural products utilization fund - Purposes.**

The agricultural products utilization fund in the state treasury must be used to fund programs for agricultural research, development, processing, technology, and marketing. The fund must be used to defray the expenses of the North Dakota agricultural products utilization commission. Interest earned on moneys in the fund must be credited to the fund.

**SECTION 11. REPEAL.** Chapter 54-60.3 of the North Dakota Century Code is repealed."

Renumber accordingly

#### **STATEMENT OF PURPOSE OF AMENDMENT:**

#### **Senate Bill No. 2009 - Department of Agriculture - Senate Action**

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$12,372,949	\$676,514	\$13,049,463
Operating expenses	6,444,336	133,444	6,577,780
Capital assets	13,000	2,000	15,000
Grants	8,817,774	6,000	8,823,774
State Board of Animal Health	865,718		865,718
Wildlife services	1,408,000	49,400	1,457,400
Crop Harmonization Board	75,000		75,000
Pipeline restoration and reclamation	200,000		200,000
Ag. Products Utilization Commission		3,176,791	3,176,791
Total all funds	\$30,196,777	\$4,044,149	\$34,240,926
Less estimated income	21,087,676	3,415,513	24,503,189
General fund	\$9,109,101	\$628,636	\$9,737,737
FTE	73.00	2.00	75.00

#### **Department 602 - Department of Agriculture - Detail of Senate Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts Base Level Funding <sup>2</sup>	Adds funding for an Agriculture Commissioner Salary Equity Increase <sup>3</sup>	Adjusts Funding for the Meat Inspection Program <sup>4</sup>	Transfers the Agricultural Products Utilization Commission <sup>5</sup>	Adds One- Time Funding for a Master Customer Database <sup>6</sup>
Salaries and wages	\$661,801		\$14,713			
Operating expenses		\$2,226		\$21,218		\$110,000
Capital assets		2,000				
Grants		6,000				
State Board of Animal Health						
Wildlife services		49,400				
Crop Harmonization Board						
Pipeline restoration and reclamation						
Ag. Products Utilization Commission	23,876				\$3,152,915	
Total all funds	\$685,677	\$59,626	\$14,713	\$21,218	\$3,152,915	\$110,000
Less estimated income	322,005	377	0	(59,784)	3,152,915	0
General fund	\$363,672	\$59,249	\$14,713	\$81,002	\$0	\$110,000
FTE	0.00	0.00	0.00	0.00	2.00	0.00



	<b>Total Senate Changes</b>
Salaries and wages	\$676,514
Operating expenses	133,444
Capital assets	2,000
Grants	6,000
State Board of Animal Health Wildlife services	49,400
Crop Harmonization Board Pipeline restoration and reclamation	
Ag. Products Utilization Commission	3,176,791
<b>Total all funds</b>	<b>\$4,044,149</b>
Less estimated income	<u>3,415,513</u>
General fund	<u>\$628,636</u>
FTE	2.00

<sup>1</sup> The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums from \$1,241 to \$1,427 per month:

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Salary increase	\$192,238	\$163,246	\$355,484
Health insurance increase	<u>171,434</u>	<u>158,759</u>	<u>330,193</u>
Total	\$363,672	\$322,005	\$685,677

<sup>2</sup> Base level funding is adjusted as follows:

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Adds funding for Microsoft Office 365 license expenses	\$1,849	\$377	\$2,226
Adjusts funding for capital assets	2,000	0	2,000
Adds funding for wildlife services operating fees	49,400	0	49,400
Adds funding for grape and wine grants and apiary grants	<u>6,000</u>	<u>0</u>	<u>6,000</u>
Total	\$59,249	\$377	\$59,626

<sup>3</sup> Funding of \$14,713 is added to increase the Agriculture Commissioner's salary to align the Agriculture Commissioner's salary with the Tax Commissioner's salary. Of the total, \$6,135 is added for each fiscal year of the biennium for salaries and \$2,443 is added for fringe benefits. The additional \$6,135 per year increases the Agriculture Commissioner's salary from the current level of \$108,656 to \$114,791, the same amount as the Tax Commissioner. After adjusting for the 2 percent and 3 percent salary increases proposed by the Senate, the Agriculture Commissioner's salary for fiscal years 2020 and 2021 will be \$117,087 and \$120,600, respectively.

<sup>4</sup> Funding of \$21,218, of which \$11,033 is from the general fund and \$10,185 is from federal funds, is added for operating expenses for the meat inspection program. The funding for 1 FTE meat inspector program director position is adjusted to increase funding from the general fund by \$69,969 and to reduce other funds by \$69,969.

<sup>5</sup> The Agricultural Products Utilization Commission (APUC) and related funding of \$3,152,915 from the APUC fund, including 2 FTE positions, is transferred from the Department of Commerce to the Agriculture Commissioner. Of this amount, \$434,342 is for salaries and wages, \$67,857 is for operating expenses, and \$2,650,716 is for grants.

<sup>6</sup> One-time funding of \$110,000 is added from the general fund for a master customer database project.

This amendment also adds sections to:

- Provide statutory changes necessary to increase the Agriculture Commissioner's salary.
- Provide statutory changes necessary to transfer the APUC from the Department of Commerce to the Agriculture Commissioner.
- Repeal North Dakota Century Code Chapter 54-60.3, which establishes the APUC as an office of the Department of Commerce Division of Economic Development and Finance.

## REPORT OF STANDING COMMITTEE

**SB 2012: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "and" with "to create and enact two new sections to chapter 50-06 of the North Dakota Century Code, relating to peer support specialist certification and the establishment of a community behavioral health program; to amend and reenact section 50-24.1-37 of the North Dakota Century Code, relating to the Medicaid expansion program;"

Page 1, line 2, after "transfers" insert "; to provide for a legislative management report; to provide for a legislative management study; to provide an exemption; and to declare an emergency"

Page 1, replace lines 12 through 20 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$26,280,139	(\$6,136,338)	\$20,143,801
Operating expenses	116,315,826	31,908,694	148,224,520
Capital assets	0	50,000	50,000
Grants	204,000	(204,000)	0
Total all funds	\$142,799,965	\$25,618,356	\$168,418,321
Less estimated income	85,679,558	18,100,469	103,780,027
Total general fund	\$57,120,407	\$7,517,887	\$64,638,294"

Page 1, remove lines 22 and 23

Page 2, replace lines 1 through 8 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$62,782,944	\$5,121,667	\$67,904,611
Operating expenses	125,299,436	22,965,990	148,265,426
Capital assets	10,000	0	10,000
Grants	441,420,827	7,455,348	448,876,175
Grants - medical assistance	2,373,678,247	408,656,430	2,782,334,677
Total all funds	\$3,003,191,454	\$444,199,435	\$3,447,390,889
Less estimated income	1,945,157,519	246,336,098	2,191,493,617
Total general fund	\$1,058,033,935	\$197,863,337	\$1,255,897,272"

Page 2, replace lines 11 through 17 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Human service centers	\$196,049,489	\$7,294,632	\$203,344,121
Institutions	140,421,224	7,278,926	147,700,150
Total all funds	\$336,470,713	\$14,573,558	\$351,044,271
Less estimated income	138,543,705	(6,392,183)	132,151,522
Total general fund	\$197,927,008	\$20,965,741	\$218,892,749"

Page 2, replace lines 20 through 23 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
County social services	\$0	\$182,300,000	\$182,300,000
Total special funds	\$0	\$182,300,000	\$182,300,000"

Page 2, replace lines 26 through 31 with:

"	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
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Grand total general fund	\$1,313,081,350	\$226,346,965	\$1,539,428,315
Grand total special funds	<u>2,169,380,782</u>	<u>440,344,384</u>	<u>2,609,725,166</u>
Grand total all funds	\$3,482,462,132	\$666,691,349	\$4,149,153,481
Full-time equivalent positions	2,162.23	145.00	2,307.23"

Page 3, line 1, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY"

Page 3, line 2, after "biennium" insert "and the 2019-21 biennium one-time funding items included in section 1 of this Act"

Page 3, replace lines 8 through 11 with:

"Children's behavioral health services pilot project	150,000	0
Technology projects	0	13,785,658
Capital projects - life skills and transition center	0	4,277,165
Capital projects - state hospital	0	2,493,500
Medically complex children provider funding adjustment	0	977,603
State hospital study	<u>0</u>	<u>200,000</u>
Total all funds	\$430,650,000	\$21,733,926
Less estimated income	<u>404,500,000</u>	<u>20,556,323</u>
Total general fund	\$26,150,000	\$1,177,603

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The department of human services shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 3.** A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

**Peer support certification.**

The behavioral health division shall establish and implement a program for the certification of peer support specialists. In developing the program, the division shall:

1. Define a peer support specialist;
2. Establish eligibility requirements for certification;
3. Establish application procedures and standards for the approval or disapproval of applications for certification;
4. Enter reciprocity agreements with other states as deemed appropriate to certify nonresident applicants registered under the laws of other states having requirements for peer support specialists; and
5. Establish continuing education and certification renewal requirements.

**SECTION 4.** A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

**Community behavioral health program.**

1. The department of human services shall establish and implement a community behavioral health program to provide comprehensive community-based services for individuals who have serious behavioral health conditions.
2. In developing the program, the department shall:
  - a. Establish a referral and evaluation process for access to the program.

- b. Establish eligibility criteria that includes consideration of behavioral health condition severity.
- c. Establish discharge criteria and processes.
- d. Develop program oversight and evaluation processes that include outcome and provider reporting metrics.
- e. Establish a system through which the department:
  - (1) Contracts with and pays behavioral health service providers.
  - (2) Supervises, supports, and monitors referral caseloads and the provision of services by contract behavioral health service providers.
  - (3) Requires contract behavioral health service providers to accept eligible referrals and to provide individualized care delivered through integrated multidisciplinary care teams.
  - (4) Provides payments to contract behavioral health service providers on a per-month per-referral basis based on a pay-for-performance model that includes consideration of identified outcomes and the level of services required.

**SECTION 5. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

**50-24.1-37. Medicaid expansion - Legislative management report.  
(Effective January 1, 2014, through July 31, 2019-- Contingent repeal - See note)**

- 1. The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, ~~based on modified adjusted gross income published by the federal office of management and budget applicable to the household size.~~
- 2. The department of human services shall inform new enrollees in the medical assistance expansion program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
- 3. The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
- 4. The contract between the department and the private carrier must:
  - a. Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:
    - (1) Be available on the department's website; and
    - (2) Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.
  - b. Provide full transparency of all costs and all rebates in aggregate.
  - c. Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require

mail order to be the sole method of service and must allow for all contracted pharmacy providers to dispense any and all drugs included in the benefit plan and allowed under the pharmacy provider's license.

- d. Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.
  - e. Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of the amounts allowed under the reimbursement methodology provided in subdivision a.
5. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
  6. Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section."

Page 3, remove lines 21 through 30

Page 4, replace lines 1 and 2 with:

**"SECTION 7. FUNDING TRANSFERS - EXCEPTION - AUTHORIZATION.**

Notwithstanding section 54-16-04, the director of the office of management and budget shall transfer appropriation authority from line items within subdivisions 1, 2, and 3 of section 1 of this Act to subdivision 4 of section 1 of this Act for the biennium beginning July 1, 2019, and ending June 30, 2021, as requested by the department of human services. The department of human services shall notify the legislative council of any transfer made pursuant to this section. The department shall report to the budget section after June 30, 2020, any transfer made in excess of \$50,000 and to the appropriations committees of the sixty-seventh legislative assembly regarding any transfers made pursuant to this section.

**SECTION 8. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line items in subdivisions 1 and 3 of section 1 of this Act include the sum of \$11,490,695 from the strategic investment and improvements fund for information technology and capital projects.

**SECTION 9. ESTIMATED INCOME - HUMAN SERVICE FINANCE FUND.** The estimated income line item in subdivision 4 of section 1 of this Act includes the sum of \$182,300,000 from the human service finance fund for state-paid economic assistance and a social service redesign project.

**SECTION 10. ESTIMATED INCOME - TOBACCO PREVENTION AND CONTROL TRUST FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of \$6,000,000 from the tobacco prevention and control trust fund for defraying expenses in the medical services division.

**SECTION 11. PLACEMENT OF INDIVIDUALS IN INSTITUTIONS FOR MENTAL DISEASE - REPORT TO LEGISLATIVE MANAGEMENT.** During the

biennium beginning July 1, 2019, and ending June 30, 2021, the department of human services shall develop and implement a statewide plan to address acute psychiatric and residential care needs. The statewide plan must address the following:

1. The size and use of the state hospital;
2. The use of state-operated or private acute facilities in areas of the state outside the city of Jamestown;
3. The potential to expand private providers' offering of acute psychiatric care and residential care to fulfill the identified need, including how the implementation of services authorized by the sixty-sixth legislative assembly affects the balance of inpatient, residential, and community-based services; and
4. The impact of department efforts to adjust crisis services and other behavioral health services provided by the regional human service centers.

If necessary to implement the plan's provisions, the department shall submit applicable state Medicaid plan amendments and apply for applicable state Medicaid plan waivers, including the Medicaid demonstration waiver. Prior to October 1, 2020, the department shall report to the legislative management on the statewide plan, along with any legislation required to implement the plan.

**SECTION 12. MENTAL HEALTH VOUCHER PROGRAM - LEGISLATIVE MANAGEMENT REPORT.** Subdivision 2 of section 1 of this Act includes the sum of \$1,050,000 for the department to establish and administer a voucher program by July 1, 2020, to address gaps in the state's unified mental health delivery system pursuant to section 50-06-01.7 and to assist in the payment of mental health services provided by mental health providers, excluding human service centers. The department may spend up to \$300,000 of the amount identified in this section for administering the voucher system. Clinical services eligible for the voucher program include only those for mental disorders recognized by the "Diagnostic and Statistical Manual of Mental Disorders", American psychiatric association, fifth edition, text revision (2017). The department of human services shall ensure that a provider accepting vouchers under this Act collects and reports process and outcome measures. The department of human services shall ensure vouchers under this Act are only used for individuals who are between seventeen and twenty-five years of age with serious emotional disturbance or serious mental illness. The department of human services shall develop requirements and provide training and technical assistance to a private provider accepting vouchers under this Act. A private mental health provider accepting vouchers under this Act shall provide evidence-based services. Before July 1, 2020, the department of human services shall provide a report to the legislative management regarding the rules adopted to establish and administer the voucher system to assist in the payment for mental health services provided by mental health providers.

**SECTION 13. SCHOOL BEHAVIORAL HEALTH PROGRAM.** Subdivision 2 of section 1 of this Act includes the sum of \$300,000 for a school behavioral health program. The department of human services shall use a portion of this funding for behavioral health pilot projects in a rural school and a tribal school.

**SECTION 14. EXEMPTION.** The amount appropriated for the replacement of the Medicaid management information system and related projects in chapter 50 of the 2007 Session Laws and chapter 38 of the 2011 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from these appropriations approved under section 54-44.1-11 for continuation into the 2009-11 biennium, then the 2011-13 biennium, then the 2013-15 biennium, then the 2015-17 biennium, and then the 2017-19 biennium are available for the completion of the Medicaid management information system and related projects during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 15. EXEMPTION.** The amount appropriated for the modification of the department of human services' eligibility systems in chapter 578 of the 2011 Special Session Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2013-15 biennium, then the 2015-17 biennium, and then the 2017-19 biennium are available for the completion of the modification of the eligibility systems project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 16. EXEMPTION.** The amount appropriated for the development of the electronic health records system in chapter 12 of the 2013 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation approved under section 54-44.1-11 for continuation into the 2015-17 biennium and then the 2017-19 biennium are available for the completion of the electronic health records system during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 17. EXEMPTION.** The sum of \$3,000,000 of federal funds appropriated for the development of the child care licensing and data system in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the child care licensing and data system during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 18. EXEMPTION.** The sum of \$40,800,000 of federal and other funds appropriated for the development of the health information network and care coordination project in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the health information network and care coordination project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 19. EXEMPTION.** The amount appropriated for the development of the electronic visit verification project in chapter 11 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the electronic visit verification project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 20. CONVEYANCE OF LAND AUTHORIZED - STATE HOSPITAL - EXEMPTION.** The state of North Dakota by and through the department of human services may convey real property associated with the state hospital in Stutsman County to the department of corrections and rehabilitation. The department of human services may convey building 2404, formerly known as the nursing residence building and Tompkins building, and surrounding property on the terms and conditions determined appropriate by the department of human services and the attorney general. Sections 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

**SECTION 21. CAPITAL PROJECTS AND PAYMENTS.** During the period beginning with the effective date of this Act, and ending June 30, 2021, the department of human services is authorized to expend funds for the following capital projects and payments:

1. The construction of a heating system and plant building at the state hospital;
2. The renovation of the cedar grove and maplewood buildings at the life skills and transition center, including the construction of a structure to connect the buildings;
3. The demolition of the refectory and pleasant view buildings at the life skills and transition center; and
4. The payment of special assessments at the state hospital.

**SECTION 22. DEVELOPMENTAL DISABILITIES CASE MANAGEMENT.**

The department of human services shall provide case management services for individuals with a developmental disability within the ratio provided pursuant to North Dakota Administrative Code for the biennium beginning July 1, 2019, and ending June 30, 2021. If case management services for individuals with a developmental disability exceed the ratio requirement provided in the North Dakota Administrative Code, the department of human services may hire temporary staff or the department of human services may propose a change to North Dakota Administrative Code to meet the ratio requirement.

**SECTION 23. BEHAVIORAL HEALTH PROVIDER PROCESS AND OUTCOME MEASURES.** Behavioral health service providers that receive funding from the department of human services shall submit process and outcome measures to the department of human services for programs and services supported by state funding during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 24. TELEPHONE SUPPORT AND DIRECTORY SERVICES.** The vendor of telephone and directory services, under contract with the department of human services, shall include private behavioral health service providers in the vendor's directory at no cost to the private behavioral health service providers during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 25. ADULT COMPANION SERVICES.** The department of human services shall include adult companion services as an allowable service under the home and community-based services Medicaid waiver, effective for dates of service on or after January 1, 2020.

**SECTION 26. ADULT RESIDENTIAL RATES - REBASING.** The department of human services shall rebase adult residential rates, effective for dates of service on or after January 1, 2020. The department of human services shall request cost information from adult residential providers who are enrolled as Medicaid home and community-based waiver providers and serve clients who receive memory care services or have a traumatic brain injury.

**SECTION 27. TARGETED CASE MANAGEMENT - SERIOUS EMOTIONAL DISTURBANCE.** The department of human services shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious emotional disturbance beginning on or after October 1, 2019. If this expansion results in expenditures that exceed the amount appropriated to the department of human services for this service, the department shall request a deficiency appropriation from the sixty-seventh legislative assembly for any shortfall.

**SECTION 28. TARGETED CASE MANAGEMENT - SERIOUS MENTAL ILLNESS.** The department of human services shall expand the types of providers recognized as Medicaid providers of targeted case management for individuals with a serious mental illness beginning on or after October 1, 2019. If this expansion results in expenditures that exceed the amount appropriated to the department of human services for this service, the department shall request a deficiency appropriation from the sixty-seventh legislative assembly for any shortfall.

**SECTION 29. WITHDRAWAL MANAGEMENT.** The department of human services shall include withdrawal management as a covered service in the Medicaid state plan during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 30. IMPLEMENTATION OF BEHAVIORAL HEALTH STUDY RECOMMENDATIONS - REPORT TO LEGISLATIVE MANAGEMENT.** Before August 1, 2020, the department of human services shall provide a report to the legislative management regarding the implementation of the human services research institute report recommendations.

**SECTION 31. LEGISLATIVE MANAGEMENT STUDY - HEALTH CARE DELIVERY SYSTEM.** During the 2019-20 interim, the legislative management shall consider studying the delivery of health care in the state. The study must review the needs and future challenges of the North Dakota health care delivery system, including rural access to primary health care, the use of emergency medical



services, strategies to better serve residents, and the role of health care services in the future development of the state. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

**SECTION 32. EMERGENCY.** The sum of \$6,770,665 in subdivision 3 of section 1 of this Act for capital projects at the state hospital and life skills and transition center and section 21 of this Act are declared to be an emergency measure."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2012 - Summary of Senate Action

	Base Budget	Senate Changes	Senate Version
DHS - Management			
Total all funds	\$142,799,965	\$25,618,356	\$168,418,321
Less estimated income	85,679,558	18,100,469	103,780,027
General fund	<u>\$57,120,407</u>	<u>\$7,517,887</u>	<u>\$64,638,294</u>
FTE	140.45	(32.50)	107.95
DHS - Program/Policy			
Total all funds	\$3,003,191,454	\$444,199,435	\$3,447,390,889
Less estimated income	1,945,157,519	246,336,098	2,191,493,617
General fund	<u>\$1,058,033,935</u>	<u>\$197,863,337</u>	<u>\$1,255,897,272</u>
FTE	366.50	10.75	377.25
DHS - County Social Services Financing			
Total all funds	\$0	\$182,300,000	\$182,300,000
Less estimated income	0	182,300,000	182,300,000
General fund	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
FTE	0.00	223.00	223.00
DHS - Field Services			
Total all funds	\$336,470,713	\$14,573,558	\$351,044,271
Less estimated income	138,543,705	(6,392,183)	132,151,522
General fund	<u>\$197,927,008</u>	<u>\$20,965,741</u>	<u>\$218,892,749</u>
FTE	1,655.28	(56.25)	1,599.03
Bill total			
Total all funds	\$3,482,462,132	\$666,691,349	\$4,149,153,481
Less estimated income	2,169,380,782	440,344,384	2,609,725,166
General fund	<u>\$1,313,081,350</u>	<u>\$226,346,965</u>	<u>\$1,539,428,315</u>
FTE	2,162.23	145.00	2,307.23

#### Senate Bill No. 2012 - DHS - Management - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$26,280,139	(\$6,136,338)	\$20,143,801
Operating expenses	116,315,826	31,908,694	148,224,520
Capital assets		50,000	50,000
Grants	<u>204,000</u>	<u>(204,000)</u>	<u></u>
Total all funds	\$142,799,965	\$25,618,356	\$168,418,321
Less estimated income	85,679,558	18,100,469	103,780,027
General fund	<u>\$57,120,407</u>	<u>\$7,517,887</u>	<u>\$64,638,294</u>
FTE	140.45	(32.50)	107.95

#### Department 326 - DHS - Management - Detail of Senate Changes

	Management Changes <sup>1</sup>	Total Senate Changes
Salaries and wages	(\$6,136,338)	(\$6,136,338)
Operating expenses	31,908,694	31,908,694
Capital assets	50,000	50,000
Grants	<u>(204,000)</u>	<u>(204,000)</u>
Total all funds	\$25,618,356	\$25,618,356
Less estimated income	18,100,469	18,100,469
General fund	<u>\$7,517,887</u>	<u>\$7,517,887</u>

FTE

(32.50)

(32.50)

<sup>1</sup> The following changes are made to management:

	FTE Positions	General Fund	Other Funds	Total
<b>2019-21 Ongoing Funding Changes</b>				
Transfers and adjustments	30.50	\$3,415,322	\$1,945,713	\$5,361,035
Base payroll changes	0.00	916,246	(750,204)	166,042
Salary increase - 2 percent 1st year, 3 percent 2nd year	0.00	372,801	179,035	551,836
Health insurance increase from \$1,241 to \$1,427 per month	0.00	364,626	177,334	541,960
<b>Administration</b>				
Continued program changes	0.00	(206,214)	(213,546)	(419,760)
Savings plan	(11.00)	(1,183,219)	(645,805)	(1,829,024)
<b>Information Technology Services</b>				
Continued program changes	0.00	(1,800,138)	(1,524,064)	(3,324,202)
Savings plan	(4.00)	(527,763)	(329,485)	(857,248)
Microsoft Office 365 license expenses	0.00	906,744	226,685	1,133,429
Information technology unification	(48.00)	425,927	217,386	643,313
Medicaid management information system (MMIS) maintenance	0.00	4,010,885	4,010,886	8,021,771
SPACES maintenance	0.00	822,670	1,020,876	1,843,546
Total ongoing funding changes	(32.50)	\$7,517,887	\$4,314,811	\$11,832,698
<b>One-Time Funding Items</b>				
Child welfare technology project (\$575,000 from the strategic investment and improvements fund)	0.00	\$0	\$1,250,000	\$1,250,000
Upgrade MMIS Tech Stack (\$1,776,000 from the strategic investment and improvements fund)	0.00	0	7,104,000	7,104,000
SPACES program support (\$2,369,030 from the strategic investment and improvements fund)	0.00	0	5,431,658	5,431,658
Total one-time funding changes	0.00	\$0	\$13,785,658	\$13,785,658
Total changes to base level funding	(32.50)	\$7,517,887	\$18,100,469	\$25,618,356

### Senate Bill No. 2012 - DHS - Program/Policy - Senate Action

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$62,782,944	\$5,121,667	\$67,904,611
Operating expenses	125,299,436	22,965,990	148,265,426
Capital assets	10,000		10,000
Grants	441,420,827	7,455,348	448,876,175
Grants - Medical assistance	2,373,678,247	408,656,430	2,782,334,677
Total all funds	\$3,003,191,454	\$444,199,435	\$3,447,390,889
Less estimated income	1,945,157,519	246,336,098	2,191,493,617
General fund	\$1,058,033,935	\$197,863,337	\$1,255,897,272
FTE	366.50	10.75	377.25

### Department 328 - DHS - Program/Policy - Detail of Senate Changes

	Program and Policy Changes <sup>1</sup>	Total Senate Changes
Salaries and wages	\$5,121,667	\$5,121,667
Operating expenses	22,965,990	22,965,990
Capital assets		
Grants	7,455,348	7,455,348
Grants - Medical assistance	408,656,430	408,656,430
Total all funds	\$444,199,435	\$444,199,435
Less estimated income	246,336,098	246,336,098
General fund	\$197,863,337	\$197,863,337
FTE	10.75	10.75

<sup>1</sup> The following changes are made to program and policy:

	FTE Positions	General Fund	Other Funds	Total
<b>2019-21 Ongoing Funding Changes</b>				
Transfers and adjustments	(2.75)	(\$3,872,416)	\$7,791,213	\$3,918,797
Base payroll changes	0.00	(144,370)	(758,443)	(902,813)
Salary increase - 2 percent 1st year, 3 percent 2nd year	0.00	706,703	1,079,745	1,786,448
Health insurance increase from \$1,241 to \$1,427 per month	0.00	691,207	1,063,268	1,754,475

Provider inflationary increases - 2 percent 1st year, 3 percent 2nd year	0.00	31,548,501	37,048,673	68,597,174
<b>Economic Assistance</b>				
Continued program changes	0.00	(170,486)	(1,601,209)	(1,771,695)
Grant cost and caseload changes	0.00	(1,234,948)	(11,437,579)	(12,672,527)
Temporary assistance for needy families tribal kinship care	0.00	2,935,800	0	2,935,800
<b>Child Support</b>				
Continued program changes	0.00	12,948	(193,734)	(180,786)
Savings plan	(6.00)	(249,880)	(485,063)	(734,943)
<b>Medical Services</b>				
Continued program changes	0.00	(2,448,041)	(778,139)	(3,226,180)
Grant cost and caseload changes	0.00	16,940,099	8,057,177	24,997,276
Replace 2017-19 funding from the tobacco prevention and control trust fund and community health trust fund	0.00	34,175,000	(34,175,000)	0
Replace 2017-19 one-time funding for Medicaid Expansion commercial rates	0.00	13,300,000	212,700,000	226,000,000
Federal medical assistance percentage changes - Medicaid expansion	0.00	26,407,133	(26,407,133)	0
Savings plan	2.00	(891,519)	(3,130,160)	(4,021,679)
Medicaid funding source change from general fund to the department's operating fund	0.00	(6,679,246)	6,679,246	0
Medicaid funding for peer support	0.50	432,287	563,906	996,193
1915i plan amendment	3.00	5,453,475	5,244,919	10,698,394
Fee schedule increase for physical, occupational, and speech therapy	0.00	1,507,876	1,770,535	3,278,411
Children with disabilities buy in	0.00	1,241,435	1,241,426	2,482,861
<b>Long-Term Care</b>				
Continued program changes	0.00	2,111,435	2,111,443	4,222,878
Grant cost and caseload changes	0.00	22,357,421	9,076,179	31,433,600
Replace 2017-19 funding from the tobacco prevention and control trust fund and health care trust fund	0.00	2,136,191	(2,136,191)	0
Savings plan	0.00	(475,348)	(475,354)	(950,702)
Service payments to elderly and disabled (SPED) functional eligibility change	0.00	2,884,691	0	2,884,691
Expand elderly community grants	0.00	540,000	0	540,000
Expand home and community-based services waiver for residential services	0.00	3,867,333	3,867,316	7,734,649
SPED client contribution levels	0.00	624,051	0	624,051
Rebase adult residential service rates	0.00	100,000	100,000	200,000
Pediatric subacute care facility	0.00	817,615	817,613	1,635,228
Autism extended services	0.00	170,000	0	170,000
<b>DD Council</b>				
Continued program changes	0.00	0	36,276	36,276
<b>Aging Services</b>				
Continued program changes	0.00	(124,241)	(303,446)	(427,687)
Administration of SPED functional eligibility change	1.00	54,605	72,152	126,757
Administration of expanded home and community-based services waiver for residential services	1.00	54,605	72,152	126,757
<b>Children and Family Services</b>				
Continued program changes	0.00	(130,038)	1,219,235	1,089,197
Grant cost and caseload changes	0.00	8,122,852	(3,428,031)	4,694,821
Savings plan	0.00	(4,025,480)	2,672,765	(1,352,715)
Increase grants to children's advocacy centers to provide a total of \$1.6 million	0.00	600,000	0	600,000
<b>Behavioral Health Division</b>				
Continued program changes	0.00	(366,216)	8,089,466	7,723,250
Grant cost and caseload changes	0.00	314,112	0	314,112
Replace 2017-19 funding from tobacco prevention and control trust fund	0.00	1,854,159	(1,854,159)	0
Savings plan	1.00	184,398	0	184,398
Transfer suicide prevention program from State Department of Health	1.00	1,260,512	0	1,260,512
Transfer tobacco reporting to State Department of Health	0.00	(75,000)	0	(75,000)
Expand free through recovery program	6.00	4,500,000	0	4,500,000
Behavioral health recovery home grants	0.00	200,000	0	200,000
Expand substance use disorder voucher program	2.00	3,053,523	0	3,053,523
Certify peer support specialists	1.00	275,000	0	275,000
Increase Parents Listen, Educate, Ask, Discuss program to \$360,000	0.00	260,000	0	260,000
School behavioral health program	0.00	300,000	0	300,000
Health Services Research Institute report recommendations implementation	0.00	300,000	0	300,000
Children's system of care grant	0.00	0	3,000,000	3,000,000
Substance use disorder voucher services for 14 to 18 year olds	0.00	175,091	0	175,091

Expansion of early intervention and prevention services	0.00	600,000	0	600,000
Establish a mental health voucher program	1.00	1,050,000	0	1,050,000
Trauma-informed practices group	0.00	200,000	0	200,000
<b>Vocational Rehabilitation</b>				
Continued program changes	0.00	254,676	(298,395)	(43,719)
Corporate disability investigation unit	1.00	0	180,000	180,000
<b>Developmental Disabilities</b>				
Continued program changes	0.00	103,355	(331,309)	(227,954)
Grant cost and caseload changes	0.00	22,059,559	21,717,656	43,777,215
Federal medical assistance percentage changes	0.00	1,529,534	(1,529,534)	0
Savings plan	(1.00)	(60,166)	(56,459)	(116,625)
Home and community-based services residential waiver adjustment	0.00	(556,916)	(556,925)	(1,113,841)
Corporate guardianships - Adds 20	0.00	122,863	0	122,863
Total ongoing funding changes	10.75	\$196,885,734	\$246,336,098	\$443,221,832
<b>One-Time Funding Items</b>				
Medically complex children services provider adjustment	0.00	\$977,603	\$0	\$977,603
Total one-time funding changes	0.00	\$977,603	\$0	\$977,603
Total changes to base level funding	10.75	\$197,863,337	\$246,336,098	\$444,199,435

### Senate Bill No. 2012 - DHS - County Social Services Financing - Senate Action

	Base Budget	Senate Changes	Senate Version
County social services		\$182,300,000	\$182,300,000
Total all funds	\$0	\$182,300,000	\$182,300,000
Less estimated income	0	182,300,000	182,300,000
General fund	\$0	\$0	\$0
FTE	0.00	223.00	223.00

### Department 333 - DHS - County Social Services Financing - Detail of Senate Changes

	County Social Service Financing Changes <sup>1</sup>	Total Senate Changes
County social services	\$182,300,000	\$182,300,000
Total all funds	\$182,300,000	\$182,300,000
Less estimated income	182,300,000	182,300,000
General fund	\$0	\$0
FTE	223.00	223.00

<sup>1</sup> Funding of \$182.3 million from the human service finance fund and 223 FTE positions are added for the human service delivery redesign project. Senate Bill No. 2124 provides the department may add the positions if human service zone duties are transferred to the Department of Human Services.

### Senate Bill No. 2012 - DHS - Field Services - Senate Action

	Base Budget	Senate Changes	Senate Version
Human service centers	\$196,049,489	\$7,294,632	\$203,344,121
Institutions	140,421,224	7,278,926	147,700,150
Total all funds	\$336,470,713	\$14,573,558	\$351,044,271
Less estimated income	138,543,705	(6,392,183)	132,151,522
General fund	\$197,927,008	\$20,965,741	\$218,892,749
FTE	1,655.28	(56.25)	1,599.03

### Department 349 - DHS - Field Services - Detail of Senate Changes

	Field Services Changes <sup>1</sup>	Total Senate Changes
Human service centers	\$7,294,632	\$7,294,632
Institutions	7,278,926	7,278,926
Total all funds	\$14,573,558	\$14,573,558
Less estimated income	(6,392,183)	(6,392,183)
General fund	\$20,965,741	\$20,965,741

FTE

(56.25)

(56.25)

<sup>1</sup> The following changes are made to field services:

	FTE Positions	General Fund	Other Funds	Total
<b>2019-21 Ongoing Funding Changes</b>				
Transfers and adjustments	(27.75)	\$457,094	(\$9,736,926)	(\$9,279,832)
Base payroll changes	0.00	(2,509,398)	6,301,599	3,792,201
	0.00	4,186,135	2,902,602	7,088,737
Salary increase - 2 percent 1st year, 3 percent second year				
	0.00	4,094,341	2,867,518	6,961,859
Health insurance increase from \$1,241 to \$1,427 per month				
Provider inflationary increases - 2 percent 1st year, 3 percent 2nd year	0.00	556,611	6,921	563,532
<b>Human Service Centers</b>				
Continued program changes	0.00	6,287,498	(7,322,873)	(1,035,375)
Cost and caseload changes	0.00	1,549,130	0	1,549,130
Savings plan	(14.00)	(1,001,675)	(1,095,826)	(2,097,501)
Underfunds salaries and wages	0.00	(2,891,071)	0	(2,891,071)
Expand crisis services	27.00	4,096,174	0	4,096,174
Restore selected positions removed in savings plan	7.00	478,430	625,557	1,103,987
Supportive housing grant for northeast human service region	0.00	550,000	0	550,000
<b>Institutions</b>				
Continued program changes	0.00	4,835,861	(1,819,056)	3,016,805
Savings plan	(77.00)	(4,974,691)	(6,362,324)	(11,337,015)
Underfunds salaries and wages	0.00	(1,803,659)	0	(1,803,659)
Expand CARES services provided by the Life Skills and Transition Center	7.50	469,961	469,960	939,921
Restore beds at State Hospital	21.00	6,385,000	0	6,385,000
Total ongoing funding changes	(56.25)	\$20,765,741	(\$13,162,848)	\$7,602,893
<b>One-Time Funding Items</b>				
Life Skills and Transition Center - Remodeling projects (strategic investment and improvements fund)	0.00	\$0	\$3,361,595	\$3,361,595
Life Skills and Transition Center - Demolish buildings (strategic investment and improvements fund)	0.00	0	915,570	915,570
State Hospital - Roof replacement (strategic investment and improvements fund)	0.00	0	562,500	562,500
State Hospital - Coal boiler replacement project (strategic investment and improvements fund)	0.00	0	1,931,000	1,931,000
State Hospital study	0.00	0	0	200,000
Total one-time funding changes	0.00	\$200,000	\$6,770,665	\$6,970,665
Total changes to base level funding	(56.25)	\$20,965,741	(\$6,392,183)	\$14,573,558

**Senate Bill No. 2012 - Other Changes - Senate Action**

This amendment also:

- Adds two sections to North Dakota Century Code Chapter 50-06 to certify peer support specialists and to provide for a community behavioral health program.
- Amends Section 50-24.1-37 to remove the expiration date for the Medicaid Expansion program.
- Adds a section to allow the Department of Human Services (DHS) to transfer appropriation authority from line items within subdivisions 1 through 3 of Section 1 of the bill to subdivision 4 of Section 1.
- Adds sections to allow DHS to continue unexpended appropriations for prior biennium information technology projects into the 2019-21 biennium.
- Adds a section to identify \$182.3 million from the human service finance fund for administering county social service programs.
- Adds a section to identify \$11.5 million from the strategic investment and improvements fund for various DHS capital and information technology projects.
- Adds a section to identify \$6 million from the tobacco control and prevention trust fund for medical services costs.
- Adds a section to require DHS to study the placement of individuals in institutions for mental disease.
- Adds a section to authorize DHS to convey certain buildings housing the Tompkins Rehabilitation and Corrections Center located on the State Hospital grounds to the Department of Corrections and Rehabilitation.

- Adds a section to authorize DHS to proceed with capital projects and pay special assessments costs at the State Hospital and Life Skills and Transition Center.
- Adds a section to allow DHS to hire temporary staff to assist in developmental disability case management if case management services exceed the ratio provided pursuant to North Dakota Administrative Code.
- Adds a section to require behavioral health services providers to submit process and outcome measures to DHS for services provided through state-funded programs.
- Adds a section to require the vendor of telephone and directory services under contract with DHS to include private behavioral health service providers in the vendor's directory at no cost to the private behavioral health service providers.
- Adds a section to require DHS to include adult companionship services as an allowable service under the home and community-based Medicaid waiver on or after January 1, 2020.
- Adds a section to require DHS to rebase adult residential rates for services provided on or after January 1, 2020.
- Adds sections to require DHS to expand the types of providers recognized as Medicaid providers of targeted case management for individuals with serious emotional disturbance or serious mental illness.
- Adds a section to require DHS to include withdrawal management as a covered service in the Medicaid state plan.
- Adds a section to require DHS to provide reports regarding the implementation of the state behavioral health study.
- Adds a section to provide for a Legislative Management study of the health care delivery system.
- Removes sections relating to base funding being provided from the health care trust fund and community health trust fund.

#### REPORT OF STANDING COMMITTEE

**SB 2148, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2148 was placed on the Sixth order on the calendar.

Page 14, line 29, remove "or ethics commission"

Page 14, line 30, remove "or ethics commission"

Page 22, replace lines 11 through 14 with:

"Ethics commission	<u>\$517,155</u>
Total general fund	\$517,155
Full-time equivalent positions	2.00"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

This amendment increases the appropriation for the Ethics Commission from \$422,000 to \$517,155 from the general fund and reduces the number of FTE positions from 3 to 2.

#### REPORT OF STANDING COMMITTEE

**SB 2315: Agriculture Committee (Sen. Luick, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2315 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "section 20.1-02-33" with "chapter 20.1-18"

Page 1, line 2, after the first "to" insert "a database"

Page 1, line 2, after "identifying" insert "whether"

Page 1, line 2, after "land" insert "is"

Page 1, line 4, remove "repeal section 20.1-01-17 of the North"

Page 1, line 5, replace "Dakota Century Code, relating to posting land" with "provide a statement of legislative intent; to provide for a legislative management study"

Page 1, line 19, after "be" insert ", except as provided in sections 20.1-01-18, 20.1-01-19, 20.1-03-42, and 20.1-18-03"

Page 3, line 21, overstrike "- **Penalty**"

Page 3, line 22, remove "not"

Page 3, line 24, remove "or verifying the land is open to hunters by"

Page 3, line 25, remove "complying with subsection 3 of section 20.1-02-03"

Page 3, line 25, overstrike the period

Page 3, line 25, remove "An individual"

Page 3, line 25, overstrike "may"

Page 3, line 25, remove "not"

Page 3, line 25, overstrike "enter upon"

Page 3, overstrike line 26

Page 3, line 27, overstrike "gaining the written permission of the owner or operator of that land."

Page 3, line 27, remove "An individual"

Page 3, line 27, overstrike "who"

Page 3, overstrike line 28

Page 3, line 29, overstrike "misdemeanor for a subsequent offense within a two-year period" and insert immediately thereafter "unless the land is designated as closed to hunters or open to hunters with permission under section 20.1-18-02 or the land is legally posted in accordance with section 20.1-01-17"

Page 4, line 6, after "with" insert "**a hunting license and a**"

Page 4, line 8, remove "an individual"

Page 4, line 8, overstrike "having" and insert immediately thereafter "an individual had"

Page 4, line 9, overstrike "in the person's"

Page 4, line 9, remove "individual's"

Page 4, line 9, overstrike "possession" and insert immediately thereafter "and a valid license to hunt game in the relevant area when the individual"

Page 4, remove lines 12 through 29

Page 5, after line 1, insert:

"1."

Page 5, line 5, after the comma insert "or"

Page 5, line 6, overstrike ", or" and insert immediately thereafter ".

2. A person may not act as a hunting guide or outfitter"

Page 5, line 6, after "lands" insert "that are"

Page 5, line 6, remove the overstrike over "~~posted against hunting or~~"

Page 5, line 7, remove the overstrike over "~~trespassing~~" and insert immediately thereafter "under section 20.1-01-17 or private lands that are designated as closed to hunters or open to hunters with permission under section 20.1-18-02."

Page 5, replace line 10 with:

"**SECTION 6.** Chapter 20.1-18 of the North Dakota Century Code is created and enacted as follows:

**20.1-18-01. Hunters access advisory group.**

1. The hunters access advisory group consists of:
  - a. The agriculture commissioner or the commissioner's designee;
  - b. The director or the director's designee;
  - c. The chief information officer or the officer's designee;
  - d. A representative of the North Dakota association of counties;
  - e. Two members of agriculture organizations; and
  - f. Two members of sportsmen organizations.
2. The hunters access advisory group shall oversee the development of the hunters access database identifying private land in the state as open to hunters, closed to hunters, or open to hunters with permission from the owner or lawful occupant.
3. The hunters access advisory group shall establish guidelines for the development of the database and acceptance criteria for county data used to develop the database.

**20.1-18-02. Hunters access database.**

1. The hunters access database must use color coding or other clear indicators to designate private land in the state as open to hunters, closed to hunters, or open to hunters with permission from the owner or lawful occupant.
2. A landowner or lawful occupant may designate which of the three categories in subsection 1 applies to the landowner's or occupant's land. Land for which a landowner or lawful occupant does not designate a category must be indicated in the database as open to hunters if the county in which the land is located is included in the database.
3. If a landowner or lawful occupant designates land as open to hunters with permission, the landowner or lawful occupant shall provide contact information to be included in the database for hunters to request permission to hunt on the land.
4. The database must be accessible electronically to the public and may be made available to the public through other means, including smartphone applications.



5. To be included in the database, a county shall provide geographic information system data or other data to the information technology department which meets the criteria established by the hunters access advisory group.

**20.1-18-03. Noncompliance with database and posting - Penalty.**

1. Until the county in which private land is located is included in the hunters access database, the land is deemed open unless posted in accordance with section 20.1-01-17.
2. After a county is included in the database:
  - a. A hunter may not enter land in the county which is designated in the database as closed to hunters or open to hunters with permission unless the hunter has permission to enter the land or otherwise is entitled to enter the land. A hunter is guilty of an infraction for a first knowing violation and a class B misdemeanor for a second and subsequent knowing violation of this subdivision; and
  - b. A hunter without permission may enter land in the county which is not designated in the database as closed to hunters or open to hunters with permission, unless the land is posted in accordance with section 20.1-01-17.
3. A hunter may not enter land that is posted in accordance with section 20.1-01-17 unless the hunter has permission to enter the land or otherwise is entitled to enter the land, regardless of the designation of the land in the database. A hunter is guilty of an infraction for a first knowing violation and a class B misdemeanor for a second and subsequent knowing violation of this subsection.

**SECTION 7. LEGISLATIVE INTENT - TIMELINE FOR DATABASE**

**DEVELOPMENT.** It is the intent of the legislative assembly that several counties will be included in an operational hunters access database by the fall hunting season of 2020, and the operational database will include all counties whose data meet the specifications of the hunters access database advisory group by September 1, 2022.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - ACCESS TO LANDS**

**FOR HUNTING AND TRAPPING.** During the 2019-20 interim, the legislative management shall consider studying access to public and private lands for hunting, trapping, and related issues. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly."

Renumber accordingly

**CONSIDERATION OF AMENDMENTS**

**SB 2315: SEN. LUICK (Agriculture Committee) MOVED** that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2315:** A BILL for an Act to create and enact chapter 20.1-18 of the North Dakota Century Code, relating to a database identifying whether private land is open to hunters; to amend and reenact sections 12.1-22-03, 20.1-01-18, 20.1-01-19, 20.1-01-20, and 20.1-03-42 of the North Dakota Century Code, relating to criminal trespass and hunting on private land; to provide a statement of legislative intent; to provide for a legislative management study; and to provide a penalty.

**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 28 YEAS, 18 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Clemens; Davison; Dotzenrod; Elkin; Erbele; Heckaman; Hogan; Hogue; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Lee, G.; Lee, J.; Luick; Meyer; Myrdal; Oehlke; Osland; Patten; Roers, J.; Rust; Schaible; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Anderson; Bakke; Bekkedahl; Burckhard; Cook; Dever; Fors; Grabinger; Holmberg; Larson, D.; Marcellais; Mathern; Oban; Piepkorn; Poolman; Robinson; Roers, K.; Sorvaag

**ABSENT AND NOT VOTING:** Dwyer

Engrossed SB 2315 passed.

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#### CONSIDERATION OF AMENDMENTS

**SB 2009: SEN. WANZEK (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2009:** A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture commissioner; to provide for transfers; to create and enact a new chapter to title 4.1 of the North Dakota Century Code, relating to the agricultural products utilization commission; to amend and reenact section 4.1-01-02 of the North Dakota Century Code, relating to the salary of the agriculture commissioner; to repeal chapter 54-60.3 of the North Dakota Century Code, relating to the agricultural products utilization commission; and to provide for a report to the legislative assembly.

#### 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, 1 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Larsen, O.

**ABSENT AND NOT VOTING:** Dwyer

Engrossed SB 2009 passed.

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#### CONSIDERATION OF AMENDMENTS

**SB 2148, as engrossed: SEN. UNRUH (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2148:** A BILL for an Act to create and enact a new subsection to section 16.1-08.1-01, a new section to chapter 16.1-08.1, and chapter 54-66 of the North Dakota Century Code, relating to disclosures of expenditures, restrictions on public officials and lobbyists, investigations of ethics violations, and implementing requirements of article XIV of the Constitution of North Dakota; to amend and reenact sections 16.1-08.1-04.1, 28-32-01, 28-32-02, 28-32-03, 28-32-06, 28-32-07, and 28-32-08, subsection 5 of section 28-32-08.1, sections 28-32-08.2, 28-32-09, 28-32-10, 28-32-11, 28-32-12, 28-32-15, and 28-32-16, and subsections 2 and 4 of section 28-32-19 of the North Dakota Century Code, relating to the prohibition on personal use of campaign contributions and the rulemaking procedures and requirements for

the North Dakota ethics commission; to provide a penalty; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Dwyer

Reengrossed SB 2148 passed.

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#### CONSIDERATION OF AMENDMENTS

**SB 2012: SEN. DEVER (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2012:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of human services; to create and enact two new sections to chapter 50-06 of the North Dakota Century Code, relating to peer support specialist certification and the establishment of a community behavioral health program; to amend and reenact section 50-24.1-37 of the North Dakota Century Code, relating to the Medicaid expansion program; to provide for transfers; to provide for a legislative management report; to provide for a legislative management study; to provide an exemption; and to declare an emergency.

#### ROLL CALL

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

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Kannianen

**ABSENT AND NOT VOTING:** Dwyer

Engrossed SB 2012 passed and the emergency clause was declared carried.

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#### MOTION

**SEN. KLEIN MOVED** that Joint Rule 206 be suspended through the 32nd Legislative Day, which motion prevailed.

#### MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)

MR. SPEAKER: The Senate wishes to inform the House that the Senate has voted to suspend Joint Rule 206.

**SECOND READING OF SENATE BILLS ON CONSENT CALENDAR**

**SB 2026:** A BILL for an Act to provide an appropriation to the department of human services for improving mental health services; and to provide for a report.

**SB 2028:** A BILL for an Act to provide an appropriation to the department of human services for behavioral health prevention and early intervention services.

**SB 2029:** A BILL for an Act to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating to the implementation of a community behavioral health program; and to provide an appropriation.

**SB 2030:** A BILL for an Act to provide for a report to legislative management; and to provide an appropriation to the department of human services to coordinate the implementation of recommendations relating to the state's behavioral health system.

**SB 2031:** A BILL for an Act to provide an appropriation to the department of human services for targeted case management services; and to expand Medicaid providers for targeted case management.

**SB 2032:** A BILL for an Act to create and enact a new section to chapter 50-06 of the North Dakota Century Code, relating to peer support specialist certification; and to provide an appropriation.

**SB 2057:** A BILL for an Act to provide an appropriation to the attorney general for a forensic nurse examiners grant program.

**SB 2159:** A BILL for an Act to provide an appropriation to the attorney general for human trafficking victims treatment and support services; and to provide for reports to the attorney general, legislative assembly, and legislative management.

**SB 2168:** A BILL for an Act to provide for adjustments to qualified service provider rates; and to provide an appropriation.

**SB 2175:** A BILL for an Act to amend and reenact section 50-06-42 of the North Dakota Century Code, relating to the substance use disorder treatment voucher system; and to provide an effective date.

**SB 2242:** A BILL for an Act to provide an appropriation to the department of human services for grants to children's advocacy centers.

**SB 2298:** A BILL for an Act to provide an appropriation to the department of human services to implement the 1915i Medicaid state plan amendment for children.

**ROLL CALL**

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

**NAYS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Osland; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Dwyer

SB 2026, SB 2028, SB 2029, SB 2030, SB 2031, SB 2032, SB 2057, SB 2159, SB 2168, SB 2175, SB 2242, and SB 2298 lost.

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**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, and your favorable consideration is requested on: SB 2003, SB 2019, SB 2022, SB 2023, SB 2046, SB 2047, SB 2048, SB 2115, SB 2163, SB 2221, SB 2268, SB 2271, SB 2278, SB 2291, SB 2293, SB 2314, SB 2328, SB 2346,

SB 2353, SCR 4001.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, the emergency clause carried, and your favorable consideration is requested on: SB 2016, SB 2024.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1002, HB 1007, HB 1025, HB 1032, HB 1053, HB 1101, HB 1164, HB 1308, HB 1313, HB 1347, HB 1394, HB 1395, HB 1417, HB 1532.

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

**MR. PRESIDENT:** The House has passed, the emergency clause carried, and your favorable consideration is requested on: HB 1012, HB 1283, HB 1364, HB 1519.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** Your signature is respectfully requested on: SCR 4006.

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

**MR. PRESIDENT:** The Speaker has signed: SCR 4006.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The President has signed: SCR 4006.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolution was delivered to the Secretary of State for filing on February 19, 2019: SCR 4006.

**MOTION**

**SEN. KLEIN MOVED** that the Senate be on the Fourth, Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 9:00 a.m., Wednesday, February 20, 2019, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**SB 2015: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2015 was placed on the Sixth order on the calendar.

Page 1, line 2, replace the second "and" with "to create and enact a new section to chapter 54-27 of the North Dakota Century Code, relating to a shared services fund; to amend and reenact section 54-06-30 of the North Dakota Century Code, relating to the state employee performance bonuses; to repeal section 54-06-24 of the North Dakota Century Code, relating to the state employee suggestion incentive program; to provide compensation guidelines; to provide for a report to the legislative assembly; to provide for a transfer;"

Page 1, line 3, after "exemption" insert "; and to provide an effective date"

Page 1, remove lines 10 through 24

Page 2, replace lines 1 through 2 with:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$21,596,832	(\$588,055)	\$21,008,777
Operating expenses	14,051,438	4,076,010	18,127,448
Emergency commission contingency fund	600,000	(100,000)	500,000
Capital assets	973,477	1,863,648	2,837,125
Grants	54,000	0	54,000
Guardianship grants	1,328,600	1,001,400	2,330,000
Prairie public broadcasting	1,200,000	200,000	1,400,000
Community service supervision grants	350,000	50,000	400,000
Litigation funding pool	0	2,500,000	2,500,000
State student internship program	0	250,000	250,000

Total all funds	\$40,154,347	\$9,253,003	\$49,407,350
Less estimated income	<u>9,434,087</u>	<u>6,188,799</u>	<u>15,622,886</u>
Total general fund	\$30,720,260	\$3,064,204	\$33,784,464
Full-time equivalent positions	117.00	(9.00)	108.00"

Page 2, line 3, after "FUNDING" insert "- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SEVENTH LEGISLATIVE ASSEMBLY"

Page 2, line 4, after "biennium" insert "and the 2019-21 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 6 through 11 with:

"Surplus property building	\$800,000	\$0
Theodore Roosevelt center grant	500,000	0
Cybersecurity remediation pool	1,000,000	0
Extraordinary repairs	0	1,900,000
Risk management technology project	0	170,000
State student internship program	0	250,000
Electronic procurement study	0	50,000
Special assessments on capitol grounds	0	320,000
Litigation funding pool	0	2,500,000
Assessments of state lands and facilities	<u>0</u>	<u>2,000,000</u>
Total all funds	\$2,300,000	\$7,190,000
Total special funds	<u>1,800,000</u>	<u>6,890,000</u>
Total general fund	\$500,000	\$300,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The office of management and budget shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

### SECTION 3. TRANSFER - TAX RELIEF FUND TO HUMAN SERVICE

**FINANCE FUND.** The office of management and budget shall transfer the sum of \$182,300,000 from the tax relief fund to the human service finance fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 4. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO PRELIMINARY PLANNING REVOLVING FUND.** The office of management and budget shall transfer the sum of \$500,000 from the strategic investment and improvements fund to the preliminary planning revolving fund during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. TRANSFER - STATE STUDENT INTERNSHIP PROGRAM TO STATE AGENCIES.** The office of management and budget shall transfer funds from the state student internship program line item appropriated in section 1 of this Act to eligible state agencies for student internships during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. TRANSFER - LITIGATION POOL TO STATE AGENCIES.** The office of management and budget shall transfer funds from the litigation funding pool line item appropriated in section 1 of this Act to eligible state agencies for litigation expenses during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. GRANTS AND SPECIAL ITEMS.** Section 1 of this Act includes appropriation authority which may only be used for the following grants and special items:

Boys and girls club work	\$53,000
Unemployment insurance	\$2,000,000
Capitol grounds planning commission	\$25,000
Statewide memberships and related expenses	\$625,064

**SECTION 8. ESTIMATED INCOME - ONE-TIME FUNDING - CAPITOL BUILDING FUND.** The estimated income line item in section 1 of this Act includes \$2,220,000 of one-time funding from the capitol building fund. Of the \$2,220,000, \$1,900,000 in the capital assets line item is for extraordinary repairs, and \$320,000 in the operating expenses line item is for special assessments associated with the capitol grounds.

**SECTION 9. ESTIMATED INCOME - ONE-TIME FUNDING - RISK MANAGEMENT FUND.** The capital assets line item and the estimated income line item in section 1 of this Act includes \$170,000 of one-time funding from the risk management fund for an information technology project.

**SECTION 10. ESTIMATED INCOME - ONE-TIME FUNDING - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in section 1 of this Act includes \$4,500,000 of one-time funding from the strategic investment and improvements fund. Of the \$4,500,000, \$2,000,000 in the operating expenses line item is for an assessment of state lands and facilities, and \$2,500,000 in the litigation funding pool line item is for a litigation funding pool.

**SECTION 11. PRAIRIE PUBLIC BROADCASTING GRANT - MATCHING FUNDS.** The prairie public broadcasting line item and the general fund appropriation in section 1 of this Act includes \$200,000 for a grant of up to \$200,000 to prairie public broadcasting for essential equipment needs. The \$200,000 may be awarded only to the extent prairie public broadcasting provides one dollar of matching funds from nonstate sources for each dollar provided by the office of management and budget."

Page 2, replace lines 18 through 23 with:

**"SECTION 13. STATE EMPLOYEE COMPENSATION ADJUSTMENTS - GUIDELINES.**

1. The 2019-21 biennium compensation adjustments for permanent state employees are to average 2 percent with a minimum of \$80 per month per eligible employee for the first year of the biennium and are to average 3 percent for the second year. The increases for the first year of the biennium are to be given beginning with the month of July 2019, to be paid in August 2019, and for the second year of the biennium are to be given beginning with the month of July 2020, to be paid in August 2020. Increases for eligible state employees are to be based on documented performance and are not to be the same percentage increase for each employee.
2. The office of management and budget shall develop guidelines for use by state agencies for providing compensation adjustments for classified state employees. The guidelines must follow the compensation philosophy statement under section 54-44.3-01.2.
3. Probationary employees are not entitled to the increases. However, at the discretion of the appointing authority, probationary employees may be given all or a portion of the increases effective in July, paid in August, or upon completion of probation. Employees whose overall documented performance level does not meet standards are not eligible for any salary increase.

**SECTION 14. AMENDMENT.** Section 54-06-30 of the North Dakota Century Code is amended and reenacted as follows:

**54-06-30. State employee performance bonus program - Criteria - Limitations.**

State agencies may provide monetary performance bonuses to their employees under this section.

1. State agencies may pay bonuses under this section if:

- a. The agency has had a written employee performance evaluation policy in place for more than one year before paying the bonus;
  - b. The written employee performance evaluation policy required in subdivision a must have at least three levels of performance criteria; and
  - c. The agency performance bonus program adopted under this section must be a written policy and must be communicated to each employee in the agency. Development of the written policy must include input from employees.
2. State employees are eligible to receive a bonus under this section only if:
  - a. The employee has held a position in state government for at least one year before a bonus is paid;
  - b. The employee's overall annual performance evaluation satisfies the agency's performance bonus program criteria for receiving a bonus; and
  - c. The employee is a full-time or part-time regular nonprobationary employee holding a regularly funded nontemporary position.
3. An employee may not receive more than one performance bonus per fiscal year and may not receive more than one thousand two thousand five hundred dollars in bonuses per fiscal year.
4. ~~Except as provided in this subsection, agencies may pay bonuses under this section during a fiscal year to not more than the number of employees equal to twenty-five percent of the employees employed by the agency on July first at the beginning of each state fiscal year. Upon a showing of special circumstances, North Dakota human resource management services may approve pay bonuses above the twenty-five percent limitation in this subsection. North Dakota human resource management services shall report any exceptions granted under this subsection to the budget section of the legislative management. Each agency must fund the performance bonus program from within its agency budget for salaries and wages.~~
5. Bonuses paid under this section may not be included in an employee's base salary for purposes of calculating any wage or salary increase.
6. Bonuses paid under this section are not fiscal irregularities under section 54-14-03.1.

**SECTION 15.** A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

**Shared services fund - Continuing appropriation.**

There is created in the state treasury the shared services fund. The fund consists of all payments made from one state agency or institution to another state agency or institution related to a shared services agreement. State agencies and institutions must deposit any payments resulting from the shared services agreement into the fund. All moneys in the fund are appropriated on a continuing basis to the state agencies receiving a payment resulting from the shared services agreement. The state agency receiving the payment shall use the money to defray the costs related to the shared services. Shared services include the equipment costs, operating expenses, and salaries and wages.

**SECTION 16. REPEAL.** Section 54-06-24 of the North Dakota Century Code is repealed.



**SECTION 17. EFFECTIVE DATE.** Section 16 of this Act becomes effective July 1, 2021."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2015 - Office of Management and Budget - Senate Action**

	Base Budget	Senate Changes	Senate Version
Salaries and wages	\$21,596,832	(\$588,055)	\$21,008,777
Operating expenses	14,051,438	4,076,010	18,127,448
Capital assets	973,477	1,863,648	2,837,125
Grants	54,000		54,000
Emergency commission contingency fund	600,000	(100,000)	500,000
Guardianship grants	1,328,600	1,001,400	2,330,000
Prairie Public Broadcasting	1,200,000	200,000	1,400,000
Community service supervision grants	350,000	50,000	400,000
Litigation pool		2,500,000	2,500,000
State student internship		250,000	250,000
Total all funds	\$40,154,347	\$9,253,003	\$49,407,350
Less estimated income	9,434,087	6,188,799	15,622,886
General fund	\$30,720,260	\$3,064,204	\$33,784,464
FTE	117.00	(9.00)	108.00

**Department 110 - Office of Management and Budget - Detail of Senate Changes**

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Salary and Benefit Increases <sup>2</sup>	Removes FTE Positions and Adjusts Funding <sup>3</sup>	Adjusts Funding and FTE Positions for IT Unification <sup>4</sup>	Adjusts Funding for Operating Expenses <sup>5</sup>	Reduces Funding for Contingency Fund <sup>6</sup>
Salaries and wages	(\$40,219)	\$1,000,061	(\$754,350)	(\$793,547)		
Operating expenses				820,022	\$885,988	
Capital assets						
Grants						
Emergency commission contingency fund						(\$100,000)
Guardianship grants						
Prairie Public Broadcasting						
Community service supervision grants						
Litigation pool						
State student internship						
Total all funds	(\$40,219)	\$1,000,061	(\$754,350)	\$26,475	\$885,988	(\$100,000)
Less estimated income	(50,000)	175,530	(600,994)	0	(225,737)	0
General fund	\$9,781	\$824,531	(\$153,356)	\$26,475	\$1,111,725	(\$100,000)
FTE	0.00	0.00	(5.00)	(4.00)	0.00	0.00

	Reduces Funding For Bond Payments <sup>7</sup>	Increases Funding for Grants <sup>8</sup>	Adds One-Time Funding for Projects and a Funding Pool <sup>9</sup>	Total Senate Changes
Salaries and wages				(\$588,055)
Operating expenses			\$2,370,000	4,076,010
Capital assets	(\$206,352)		2,070,000	1,863,648
Grants				
Emergency commission contingency fund				(100,000)
Guardianship grants		\$1,001,400		1,001,400
Prairie Public Broadcasting		200,000		200,000
Community service supervision grants		50,000		50,000
Litigation pool			2,500,000	2,500,000
State student internship			250,000	250,000
Total all funds	(\$206,352)	\$1,251,400	\$7,190,000	\$9,253,003
Less estimated income	0	0	6,890,000	6,188,799
General fund	(\$206,352)	\$1,251,400	\$300,000	\$3,064,204
FTE	0.00	0.00	0.00	(9.00)

<sup>1</sup> Funding is adjusted for base payroll changes.

<sup>2</sup> The following funding is added for 2019-21 biennium salary adjustments of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, and increases in health insurance premiums

from \$1,241 to \$1,427 per month:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary increase	\$441,684	\$94,320	\$536,004
Health insurance increase	<u>382,847</u>	<u>81,210</u>	<u>464,057</u>
Total	\$824,531	\$175,530	\$1,000,061

<sup>3</sup> FTE positions and funding for salaries and wages is adjusted as follows:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Removes FTE positions	(5.00)	(\$560,182)	\$0	(\$560,182)
Underfunds salaries and wages	0.00	(210,252)	(600,994)	(811,246)
Adds funding to reclassify positions	0.00	560,678	0	560,678
Adds funding for temporary employees	<u>0.00</u>	<u>56,400</u>	<u>0</u>	<u>56,400</u>
Total	(5.00)	(\$153,356)	(\$600,994)	(\$754,350)

<sup>4</sup> Funding and FTE positions are adjusted as follows for the information technology unification initiative:

	<u>FTE Positions</u>	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Transfers FTE positions	(4.00)	(\$793,547)	\$0	(\$793,547)
Adds funding for operating expenses	0.00	<u>820,022</u>	<u>0</u>	<u>820,022</u>
Total	(4.00)	\$26,475	\$0	\$26,475

<sup>5</sup> Funding for operating expenses is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Reduces funding for information technology and maintenance costs	(\$588,483)	(\$247,461)	(\$835,944)
Adds funding for contracted custodians	640,000	0	640,000
Increases funding for utility costs	427,650	0	427,650
Adds funding for information technology costs associated with the state's accounting software and an employee onboarding project	483,360	0	483,360
Adds funding for Microsoft Office 365 licensing	55,584	21,724	77,308
Increases funding for statewide memberships and dues	<u>93,614</u>	<u>0</u>	<u>93,614</u>
Total	\$1,111,725	(\$225,737)	\$885,988

<sup>6</sup> Funding is reduced for the Emergency Commission contingency fund by \$100,000, from \$600,000 to \$500,000.

<sup>7</sup> Funding is reduced for bond payments to provide total funding of \$567,125.

<sup>8</sup> Funding from the general fund is increased for grants as follows:

- \$1,001,400 for guardianship grants to provide total funding of \$2,330,000.
- \$50,000 for community service supervision grants to provide total funding of \$400,000.
- \$200,000 for matching grants for Prairie Public Broadcasting to provide total funding of \$1,400,000.

<sup>9</sup> Funding is added for the following one-time items:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Extraordinary repairs (Capitol building fund)	\$0	\$1,900,000	\$1,900,000
Risk management technology project (risk management fund)	0	170,000	170,000
State student internship program	250,000	0	250,000
Electronic procurement study	50,000	0	50,000
Special assessments on Capitol grounds (Capitol building fund)	0	320,000	320,000
Litigation funding pool (strategic investment and improvements fund)	0	2,500,000	2,500,000
Assessment of state lands and facilities (strategic investment and improvements fund)	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total	\$300,000	\$6,890,000	\$7,190,000

This amendment also:

- Transfers \$182.3 million from the tax relief fund to the human service finance fund.
- Transfers \$500,000 from the strategic investment and improvements fund to the preliminary planning revolving fund.
- Authorizes the Office of Management and Budget (OMB) to transfer student internship funding and litigation funding to other state agencies.
- Identifies the funding designated for certain grants and expenses, including

statewide memberships and dues.

- Identifies one-time funding of \$2.22 million from the Capitol building fund for extraordinary repairs (\$1.9 million) and special assessments (\$320,000).
- Identifies one-time funding of \$170,000 from the risk management fund for an information technology project.
- Identifies one-time funding of \$4.5 million from the strategic investment and improvements fund for a litigation funding pool (\$2.5 million) and a state facility assessment (\$2 million).
- Authorizes OMB to provide a grant of up to \$200,000 to Prairie Public Broadcasting and requires dollar-for-dollar matching funds.
- Includes an exemption allowing 2017-19 biennium appropriation authority for the Fiscal Management Division of OMB to continue to be available in the 2019-21 biennium.
- Provides guidelines for salary increases averaging 2 percent with a minimum of \$80 per month to eligible state employees in the 1st year and averaging 3 percent in the 2nd year of the 2019-21 biennium.
- Increases performance bonus limits from \$1,000 to \$2,500 per employee per year and removes a provision limiting performance bonuses to 25 percent of the agency's staff.
- Creates a new shared services fund allowing state agencies to make payments to each other for shared services, including equipment, operating expenses, or salaries.
- Repeals the state employee suggestion incentive program at the end of the 2019-21 biennium.

#### **FIRST READING OF SENATE CONCURRENT RESOLUTION**

Sens. Oban, Davison, Hogan and Reps. Hanson, Meier, Richter introduced:

**SCR 4018:** A concurrent resolution requesting the Legislative Management to consider studying the feasibility and desirability of implementing a paid family leave program structured to be beneficial to both families and businesses, including an analysis of how to make the program financially sound while being affordable for families and businesses; and a review of the data on usage rates from other states that have programs, which state agency would be best suited to administer the program, and policies required to ensure program success.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

#### **FIRST READING OF HOUSE BILLS**

**HB 1002:** A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to amend and reenact sections 27-02-02, 27-02.1-01, 27-02.1-02, 27-02.1-03, 27-02.1-04, 27-02.1-05, 27-02.1-06, 27-02.1-07, 27-02.1-08, 27-02.1-09, and 27-05-03 of the North Dakota Century Code, relating to salaries of justices of the supreme court, the temporary court of appeals, and salaries of district judges; to provide for a report; and to provide for a transfer.

Was read the first time and referred to the **Appropriations Committee**.

**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 a new chapter to title 15 and three new subsection to section 15-10-63 of the North Dakota Century Code, relating to the midwestern higher education compact and capital project authorization; to amend and reenact sections 15-10-49, 15-18.2-02, 15-18.2-05, 15-62.4-03, and 54-44.1-11 of the North Dakota Century Code, relating to matching grants for institutions under the control of the state board of higher education, state aid to institutions, the student financial assistance grant program, and the cancellation of unexpended appropriations; to repeal section 15-10-61 of the North Dakota Century Code, relating to the dual-credit instructor assistance program; to authorize the state board of higher education to issue and sell bonds for capital projects; to provide for a transfer; to provide for report; and to declare an emergency.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1007:** A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home; and to provide for a report.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1012:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of transportation; to amend and reenact section 24-02-45.1 of the North Dakota Century Code, relating to cooperative agreements with private entities for the construction of certain items on the state highway system; to provide for transfers; to provide for the operation of maintenance section sites; to provide an exemption; to provide for a study; to provide for a report; and to declare an emergency.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1016:** A BILL for an Act to provide an appropriation for defraying the expenses of job service North Dakota.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1017:** A BILL for an Act to provide appropriation for defraying the expenses of the office of administrative hearings.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1025:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of veterans' affairs; and to provide for a report.

Was read the first time and referred to the **Appropriations Committee**.

**HB 1032:** A BILL for an Act to create and enact a new section to chapter 50-06.2 of the North Dakota Century Code, relating to a sliding fee schedule for the service payments for elderly and disabled program.

Was read the first time and referred to the **Human Services Committee**.

**HB 1053:** A BILL for an Act to create and enact a new subdivision to subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to an income tax deduction for retired military personnel benefits; and to provide an effective date.

Was read the first time and referred to the **Finance and Taxation Committee**.

**HB 1101:** A BILL for an Act to create and enact section 37-03-18 of the North Dakota Century Code, relating to the adjutant general's program supporting North Dakota national guard service members, veterans, families, and survivors, and the ability to accept funds for this purpose; to provide a continuing appropriation; and to provide for a report to the budget section.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

**HB 1124:** A BILL for an Act to create and enact a new subsection to section 50-24.4-15 of the North Dakota Century Code, relating to nursing home rate setting.

Was read the first time and referred to the **Human Services Committee**.

**HB 1164:** A BILL for an Act to create and enact two new subsections to section 19-03.1-23 of the North Dakota Century Code, relating to drug court participation; to amend and reenact subsection 9 of section 12.1-32-02 and section 39-08-01.5 of the North Dakota Century Code, relating to drug court participation; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1183:** A BILL for an Act to amend and reenact subsection 1 of section 12.1-32-02.1, sections 19-03.1-23 and 19-03.1-23.4, paragraph 3 of subdivision e of subsection 1 of section 19-03.1-36, subdivision e of subsection 5 of section 19-03.1-36, subsection 1 of section 19-03.1-45, subsection 2 of section 29-29.5-08, and subsection 29 of section 40-05-02 of the North Dakota Century Code, relating to mandatory sentences for offenses relating to controlled substances; and to repeal section 19-03.1-23.2 of the North Dakota Century Code, relating to deferred imposition of sentence and suspension of sentence.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1191:** A BILL for an Act to create and enact a new section to chapter 54-10 and a new section to chapter 54-44.1 of the North Dakota Century Code, relating to the duty of the state auditor to report consecutive audit findings and the reduction of agency appropriations by the office of management and budget; and to amend and reenact section 54-35-02.2 of the North Dakota Century Code, relating to the powers and duties of the legislative audit and fiscal review committee.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

**HB 1219:** A BILL for an Act to create and enact chapter 26.1-26.8 and chapter 26.1-39.2 of the North Dakota Century Code, relating to public adjuster licensing and to contracts between insured homeowners and residential contractors; to amend and reenact subdivision mm of subsection 2 of section 12-60-24 of the North Dakota Century Code, relating to criminal history record checks; and to provide a penalty.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

**HB 1234:** A BILL for an Act to amend and reenact sections 29-06-05.2 and 29-06-15 of the North Dakota Century Code, relating to the authority of federal agents.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1237:** A BILL to provide for a task force on prevention of sexual abuse of children; and to provide for a report to the legislative management and the governor.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1259:** A BILL for an Act to create and enact a new section to chapter 25-13 of the North Dakota Century Code, relating to the misrepresentation of a pet as a service animal; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1268:** A BILL for an Act to amend and reenact subsection 10 of section 57-15-06.7 of the North Dakota Century Code, relating to property tax levies for emergency medical service; to provide for the distribution of state financial assistance for emergency medical services; to provide an effective date; and to declare an emergency.

Was read the first time and referred to the **Finance and Taxation Committee**.

**HB 1283:** A BILL for an Act to amend and reenact section 19-24.1-01, subsection 2 of section 19-24.1-03, and subsection 3 of section 19-24.1-11 of the North Dakota Century Code, relating to access to medical marijuana; and to declare an emergency.

Was read the first time and referred to the **Human Services Committee**.

**HB 1302:** A BILL for an Act to create and enact a new section to chapter 32-15 of the North Dakota Century Code, relating to the sale of property acquired by eminent domain or acquired when the property was eligible for taking by eminent domain, but no longer needed for a public purpose.

Was read the first time and referred to the **Political Subdivisions Committee**.

**HB 1308:** A BILL for an Act to amend and reenact subsection 8 of section 62.1-01-01 relating to the definition of machine gun, submachine gun, or fully automatic rifle.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

**HB 1313:** A BILL for an Act to amend and reenact section 54-12-34 of the North Dakota Century Code, relating to the collection of data on missing persons.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1318:** A BILL for an Act to amend and reenact sections 43-10.1-03.1 and 50-24.1-02.3 of the North Dakota Century Code, relating to Medicaid assets exempt for funeral expenses.

Was read the first time and referred to the **Human Services Committee**.

**HB 1347:** A BILL for an Act to amend and reenact section 15.1-15-02 of the North Dakota Century Code, relating to probationary teacher contracts.

Was read the first time and referred to the **Education Committee**.

**HB 1355:** A BILL for an Act to amend and reenact sections 23-09.3-01.1 and 23-16-01.1 of the North Dakota Century Code, relating to the moratorium on basic care and nursing facility bed capacity.

Was read the first time and referred to the **Human Services Committee**.

**HB 1363:** A BILL for an Act to create and enact sections 24-02-49 and 39-03-20 of the North Dakota Century Code, relating to maintaining and providing records; and to provide for application.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

**HB 1364:** A BILL for an Act to create and enact a new subsection to section 19-24.1-36 of the North Dakota Century Code, relating to health council rules regulating edible medical marijuana products; to amend and reenact section 19-24.1-01 of the North Dakota Century Code, relating to edible medical marijuana products; and to declare an emergency.

Was read the first time and referred to the **Human Services Committee**.

**HB 1393:** A BILL for an Act to create and enact section 12.1-17-01.2 of the North Dakota Century Code, relating to domestic violence; to amend and reenact subsection 4 of section 12-60-16.4, section 12.1-17-01, subsection 6 of section 12.1-17-07.1, sections 12.1-17-13 and 12.1-32-07, and subsection 3 of section 12.1-38-01 of the North Dakota Century Code, relating to simple assault; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1394:** A BILL for an Act to amend and reenact subsection 5 of section 53-06.1-11 of the North Dakota Century Code, relating to rent limits for electronic pull tab devices.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1395:** A BILL for an Act to amend and reenact section 14-09-22 of the North Dakota Century Code, relating to requiring evaluations for individuals convicted of child abuse; and to provide a penalty.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1417:** A BILL for an Act to amend and reenact subsections 2 and 40 of section 19-24.1-01, and subsection 2 of section 19-24.1-03 of the North Dakota Century Code, relating to access to medical marijuana.

Was read the first time and referred to the **Human Services Committee**.

**HB 1418:** A BILL for an Act to create and enact chapter 8-12 and section 39-01-01.2 of the North Dakota Century Code, relating to automated vehicle network companies and autonomous vehicle operations; and to amend and reenact subsection 1 of section 39-06.1-08 of the North Dakota Century Code, relating to nonmoving violations.

Was read the first time and referred to the **Transportation Committee**.

**HB 1461:** A BILL for an Act to create and enact new sections to chapters 15.1-32 and 15.1-34 of the North Dakota Century Code, relating to dyslexia screenings and training for teachers and other staff; to amend and reenact section 15.1-02-16 of the North Dakota Century Code, relating to credentials for dyslexia specialists; and to provide for a report to the legislative management.

Was read the first time and referred to the **Education Committee**.

**HB 1480:** A BILL for an Act to provide for a legislative management study on the capturing of gas and the long-term benefits of capturing gas on the state's revenue stream.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

**HB 1503:** A BILL for an Act to amend and reenact section 12.1-31-14 of the North Dakota Century Code, relating to prohibiting use of a device to observe, record, or photograph wildlife on private property without permission and a permanently affixed identifier; and to provide a penalty.

Was read the first time and referred to the **Energy and Natural Resources Committee**.

**HB 1507:** A BILL for an Act to create and enact section 54-12-33.1 of the North Dakota Century Code, relating to human trafficking prevention training; and to provide a continuing appropriation.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1516:** A BILL for an Act to amend and reenact subsection 1 of section 27-05.2-03 of the North Dakota Century Code, relating to fees in civil cases.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1517:** A BILL for an Act to create and enact a new section to chapter 25-04 and a new section to chapter 50-06 of the North Dakota Century Code, relating to program management for residents of the life skills and transition center and regional crisis support services for individuals with an intellectual or developmental disability; to amend and reenact section 25-04-02.1 and subsection 4 of section 50-06-37 of the

North Dakota Century Code, relating to accreditation of life skills and transition center and assessment of intellectual or developmental disabilities; and to provide for a report to the legislative management.

Was read the first time and referred to the **Human Services Committee**.

**HB 1519:** A BILL for an Act to amend and reenact subsection 15 of section 19-24.1-01 of the North Dakota Century Code, relating to debilitating medical conditions under the medical marijuana program; to provide for a legislative management study; and to declare an emergency.

Was read the first time and referred to the **Human Services Committee**.

**HB 1530:** A BILL for an Act to create and enact a new section to chapter 54-11 and a new section to chapter 54-27 of the North Dakota Century Code, relating to an income tax rate reduction fund and the transfer of legacy fund earnings; to repeal chapter 57-38 of the North Dakota Century Code, relating to the income tax; to provide a continuing appropriation; to provide an exemption; and to provide an effective date.

Was read the first time and referred to the **Finance and Taxation Committee**.

**HB 1531:** A BILL for an Act to amend and reenact section 15.1-18-10 of the North Dakota Century Code, relating to allowing individuals who do not have a teaching license to teach noncore subjects upon meeting certain criteria.

Was read the first time and referred to the **Education Committee**.

**HB 1532:** A BILL for an Act to amend and reenact subsection 7 of section 53-06.1-01, subsection 4 of section 53-06.1-01.1, and sections 53-06.1-08 and 53-06.1-08.2 of the North Dakota Century Code, relating to pull tabs and electronic pull tab devices.

Was read the first time and referred to the **Judiciary Committee**.

**HB 1541:** A BILL for an Act to amend and reenact section 54-12-33 of the North Dakota Century Code, relating to presentations by the human trafficking commission.

Was read the first time and referred to the **Judiciary Committee**.

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

**Shanda Morgan, Secretary**

