

JOURNAL OF THE SENATE

Fifty-eighth Legislative Assembly

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Bismarck, February 19, 2003

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

The prayer was offered by Father Jeffrey L. Ward, Holy Spirit Catholic Church, Fargo.

The roll was called and all members were present except Senator O'Connell.

A quorum was declared by the President.

MOTION

SEN. CHRISTMANN MOVED that the rules be suspended and after action taken on the Sixth order, all bills on that order be placed on the Eleventh order, as amended, for immediate second reading and final passage, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SB 2013: SEN. HOLMBERG (Appropriations Committee) MOVED that the amendments on SJ pages 472-476 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

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 school for the deaf, North Dakota vision services - school for the blind, and the state library; to provide for the distribution of special education payments and contingent payments; and to provide a statement of legislative intent.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Christenson; Nelson

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2013 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2154, as engrossed: SEN. FREBORG (Appropriations Committee) MOVED that the amendments on SJ pages 477-478 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2154: A BILL for an Act to amend and reenact sections 15.1-27-04, 15.1-27-06, 15.1-27-07, 15.1-27-11, 15.1-27-37, and 15.1-27-39 of the North Dakota Century Code, relating to school district per student payments, weighting factors for per student payments, supplemental payments, and teacher compensation; and to provide an appropriation.

MOTION

SEN. CHRISTENSON MOVED that Reengrossed SB 2154 be amended as follows:

Page 1, line 10, replace "ninety-seven" with "thirty"

Page 1, line 12, replace "eighty-nine" with "twenty-eight"

Page 9, line 28, overstrike "Except as provided in subdivision" and remove "b, for each"

Page 9, line 29, remove "year of the biennium" and overstrike ", the reimbursement provided for in this section may not"

Page 9, overstrike line 30

Page 10, line 1, overstrike "teachers employed by the district as of September" and remove "fifteenth of each"

Page 10, line 2, remove "school year" and overstrike the period

Page 10, line 3, remove "b.", remove "The", and overstrike "reimbursement under this section for"

Page 10, line 4, overstrike "each individual employed as of September" and remove "fifteenth of each school"

Page 10, line 5, remove "year" and overstrike ", as a full-time equivalent teacher for the first school year since becoming"

Page 10, overstrike lines 6 and 7

Page 10, line 8, overstrike "thousand dollars" and insert immediately thereafter:

"Reimbursement to a school district for teacher compensation increases under this section for the 2003-04 school year may not exceed the following amounts multiplied by the number of full-time equivalent teachers within the categories employed by the district as of September 15, 2003:

- (1) Teachers in their first year of teaching since becoming licensed or approved to teach by the education standards and practices board, one thousand dollars.
- (2) Teachers in their second year of teaching, three thousand dollars.
- (3) Teachers in their third or any subsequent year of teaching, three thousand five hundred dollars.

b. Reimbursement to a school district for teacher compensation increases under this section for the 2004-05 school year may not exceed the following amounts multiplied by the number of full-time equivalent teachers within the categories employed by the district as of September 15, 2004:

- (1) Teachers in their first year of teaching since becoming licensed or approved to teach by the education standards and practices board, one thousand dollars.
- (2) Teachers in their second year of teaching, three thousand dollars.
- (3) Teachers in their third year of teaching, three thousand five hundred dollars.
- (4) Teachers in their fourth or any subsequent year of teaching, four thousand five hundred dollars"

Renumber accordingly

REQUEST

SEN. HEITKAMP REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Reengrossed SB 2154, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Reengrossed SB 2154, the roll was called and there were 15 YEAS, 31 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bercier; Christenson; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Nelson; Nichols; Polovitz; Robinson; Seymour; Tallackson; Taylor

NAYS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mutch; Nething; Schobinger; Stenehjem; Syverson; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

The proposed amendments to Reengrossed SB 2154 failed.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 8 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Thane; Tollefson; Traynor; Trenbeath; Wardner

NAYS: Bercier; Christenson; Fairfield; Heitkamp; Krauter; Nelson; Taylor; Urlacher

ABSENT AND NOT VOTING: O'Connell

Reengrossed SB 2154 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2282, as engrossed: SEN. KILZER (Appropriations Committee) MOVED that the amendments on SJ page 485 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2282: A BILL for an Act to amend and reenact sections 15-52-03, 15-52-04, 15-52-16, 15-52-17, 15-52-18, and 15-52-20 of the North Dakota Century Code, relating to the membership and duties of the medical center advisory council and medical center loans; and to repeal sections 15-52-19 and 15-52-24 of the North Dakota Century Code, relating to medical center loan payments and loan insurance.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Lee, J.

ABSENT AND NOT VOTING: O'Connell

Reengrossed SB 2282 passed and the title was agreed to.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 1:15 p.m., which motion prevailed.

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

CORRECTION AND REVISION OF THE JOURNAL

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

Page 490, line 61, after "**DO**" insert "**NOT**"

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

CONSIDERATION OF AMENDMENTS

SB 2311, as engrossed: SEN. WARDNER (Finance and Taxation Committee) MOVED that the amendments on SJ page 485 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2311: A BILL for an Act to create and enact a new chapter to title 54 and a new section to chapter 57-51.1 of the North Dakota Century Code, relating to creating and establishing an oil and gas research council and oil and gas research fund; and to provide a continuing appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 42 YEAS, 4 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Heitkamp; Mutch; Stenehjem; Syverson

ABSENT AND NOT VOTING: O'Connell

Reengrossed SB 2311 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2019: SEN. GRINDBERG (Appropriations Committee) MOVED that the amendments on SJ pages 427-428 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2019: A BILL for an Act to provide an appropriation for defraying the expenses of the game and fish department; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2019 passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

SB 2335: SEN. ESPEGARD (Industry, Business and Labor Committee) MOVED that the amendments on SJ page 436 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2335: A BILL for an Act to create and enact a new subdivision to subsection 4 of section 6-09-15, a new section to chapter 6-09, and a new subsection to section 10-30.5-04 of the North Dakota Century Code, relating to powers of the Bank of North Dakota and powers of the North Dakota development fund, incorporated; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 43 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Every; Fairfield; Seymour

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2335 passed and the title was agreed to.

MOTION

SEN. CHRISTMANN MOVED that the rules be suspended and SB 2222 and SB 2297 be placed on the Sixth order on the calendar, which motion prevailed.

REPORT OF STANDING COMMITTEE

SB 2222, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed SB 2222 was placed on the Sixth order on the calendar.

Page 3, line 9, replace "fifty" with "thirty-five"

Page 4, line 12, replace "fifty" with "thirty-five"

Renumber accordingly

CONSIDERATION OF AMENDMENTS

SB 2222, as engrossed: SEN. NICHOLS (Appropriations Committee) MOVED that the amendments be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2222: A BILL for an Act to create and enact four new sections to chapter 4-14.1 of the North Dakota Century Code, relating to ethanol production subsidies; to amend and reenact sections 4-14.1-07, 39-04-39, and 57-43.1-03.1 of the North Dakota Century Code, relating to the distribution of motor vehicle registration fees and the taxation of motor vehicle fuel for agricultural purposes; to repeal section 4-14.1-07 of the North Dakota Century Code, relating to the duration and limitation of ethanol plant production incentives; to provide for a continuing appropriation; and to provide an effective date.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Christmann

ABSENT AND NOT VOTING: O'Connell

Reengrossed SB 2222 passed and the title was agreed to.

REPORT OF STANDING COMMITTEE

SB 2297: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2297 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "sections 23-38-01 and" with "section"

Page 1, remove lines 5 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 9

Page 4, line 17, remove the overstrike over "~~The state health officer shall provide~~", after "~~reports~~" insert "a report", and remove the overstrike over "~~to the legislative~~"

Page 4, line 18, remove the overstrike over "~~council regarding the implementation of the program not later than~~"

Page 4, line 19, after "2002" insert "September 30, 2004" and remove the overstrike over "~~Upon request, the state health officer shall provide~~"

Page 4, remove the overstrike over lines 20 through 23

Renumber accordingly

CONSIDERATION OF AMENDMENTS

SB 2297: SEN. J. LEE (Human Services Committee) MOVED that the amendments be adopted, which motion prevailed.

MOTION

SEN. CHRISTMANN MOVED that that the rules be suspended and Engrossed SB 2297 not be rereferred to the **Appropriations Committee** but be placed on the Eleventh order for immediate second reading and final passage, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2297: A BILL for an Act to amend and reenact section 23-38-02 of the North Dakota Century Code, relating to the community health grant program; and to provide for an appropriation.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2297 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2008: SEN. MATHERN (Appropriations Committee) MOVED that the amendments on SJ pages 470-472 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2008: A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; to provide for repayment of funding; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2008 passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

SB 2026: SEN. BOWMAN (Appropriations Committee) MOVED that the amendments on SJ pages 476-477 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2026: A BILL for an Act providing an appropriation to the crop protection product harmonization and registration board.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 30 YEAS, 15 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Nething; Nichols; Schobinger; Stenehjem; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Bercier; Christenson; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Mutch; Polovitz; Robinson; Seymour; Syverson; Tallackson; Taylor

ABSENT AND NOT VOTING: Nelson; O'Connell

Engrossed SB 2026 passed and the title was agreed to.

VOTING INTENTION

SEN. NELSON REQUESTED that the record show she intended to vote NAY on Engrossed SB 2026, which request was granted.

CONSIDERATION OF AMENDMENTS

SB 2022: SEN. GRINDBERG (Appropriations Committee) MOVED that the amendments on SJ pages 428-430 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2022: A BILL for an Act to provide an appropriation for defraying the expenses of the state water commission; to provide a line of credit and an appropriation for repayment; to authorize the state water commission to issue and sell evidences of indebtedness for the construction of water-related projects; to amend and reenact section 54-27-25 of the North Dakota Century Code, relating to allocation of the tobacco settlement trust fund; and to repeal chapter 61-38 of the North Dakota Century Code, relating to assumption of the section 404 program.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern;

Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2022 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2052: SEN. J. LEE (Political Subdivisions Committee) MOVED that the amendments on SJ page 477 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2052: A BILL for an Act to amend and reenact section 40-23-22.1 of the North Dakota Century Code, relating to city flood control special assessments on privately owned structures, fixtures, and improvements, used for private commercial purposes, which are located on state-owned land; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 34 YEAS, 12 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Brown; Christenson; Espeguard; Every; Fischer; Flakoll; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Mathern; Nelson; Nething; Polovitz; Robinson; Schobinger; Seymour; Syverson; Tallackson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Bowman; Christmann; Cook; Dever; Erbele; Fairfield; Freborg; Lyson; Mutch; Nichols; Stenehjem; Tollefson

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2052 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2074: SEN. MATHERN (Appropriations Committee) MOVED that the amendments on SJ page 477 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2074: A BILL for an Act to amend and reenact section 50-24.1-02.6 of the North Dakota Century Code, relating to eligibility criteria for medical assistance benefits; to repeal section 5 of chapter 425 of the 2001 Session Laws; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espeguard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2074 passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

SB 2249: SEN. WARDNER (Government and Veterans Affairs Committee) MOVED that the amendments on SJ page 480 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2249: A BILL for an Act to create and enact a new section to chapter 55-02 of the North Dakota Century Code, relating to protection of historical sites; to amend and reenact section 55-02-07 and subsection 2 of section 55-10-08 of the North Dakota Century Code, relating to the powers of the state historical board; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 37 YEAS, 9 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Every; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mutch; Nichols; Polovitz; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Bercier; Christenson; Fairfield; Holmberg; Mathern; Nelson; Nething; Robinson; Taylor

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2249 passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

SEN. CHRISTMANN MOVED that SB 2248, which is on the Sixth order, be rereferred to the **Government and Veterans Affairs Committee**, which motion prevailed. Pursuant to Sen. Christmann's motion, SB 2248 was rereferred.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 3:05 p.m., which motion prevailed.

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

MOTION

SEN. CHRISTMANN MOVED that SB 2252, SB 2258, SB 2259, SB 2272, SB 2331, SB 2346, SB 2354, SB 2244, SB 2358, SB 2348, and SB 2368 be moved to the bottom of the Sixth order, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SB 2374: SEN. WARDNER (Finance and Taxation Committee) MOVED that the amendments on SJ page 492 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2374: A BILL for an Act to amend and reenact subsection 2 of section 57-35.3-01, subsections 1 and 2 of section 57-35.3-02, sections 57-35.3-03, 57-35.3-05, 57-35.3-08, 57-35.3-12, subsection 1 of section 57-38-01.3, and section 57-38-30 of the North Dakota Century Code, relating to the definition of financial institutions for financial institutions tax purposes, the financial institutions tax and corporate income tax deduction for federal income taxes paid, and to change financial institutions tax and corporate income tax rates; to repeal sections 57-35.3-07, 57-35.3-09, 57-35.3-10, and 57-35.3-11, and chapter 57-38.4 of the North Dakota Century Code, relating to payment and distribution of the financial institution tax, and the water's edge method of reporting income for corporate income tax purposes; to provide a continuing appropriation; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 4 YEAS, 42 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Flakoll; Tollefson; Urlacher; Wardner

NAYS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Traynor; Trenbeath

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2374 lost.

CONSIDERATION OF AMENDMENTS

SB 2380: SEN. ANDRIST (Appropriations Committee) MOVED that the amendments on SJ pages 492-493 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2380: A BILL for an Act to amend and reenact section 54-34.3-12 of the North Dakota Century Code, relating to the value-added agriculture promotion program.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2380 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2408: SEN. FLAKOLL (Agriculture Committee) MOVED that the amendments on SJ pages 501-502 be adopted and then be placed on the Eleventh order with **DO PASS**.

REQUEST

SEN. FAIRFIELD REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to SB 2408, which request was granted.

ROLL CALL

The question being on the motion to adopt the amendments to SB 2408, the roll was called and there were 28 YEAS, 18 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Brown; Christmann; Cook; Dever; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mutch; Nething; Schobinger; Stenehjem; Syverson; Thane; Tollefson; Traynor; Trenbeath; Urlacher

NAYS: Bercier; Bowman; Christenson; Erbele; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Nelson; Nichols; Polovitz; Robinson; Seymour; Tallackson; Taylor; Wardner

ABSENT AND NOT VOTING: O'Connell

The motion to adopt the amendments to SB 2408 passed.

SECOND READING OF SENATE BILL

SB 2408: A BILL bill for an Act relating to North Dakota state university conducting activities pertaining to transgenic wheat.

ROLL CALL

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

YEAS: Flakoll

NAYS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espgaard; Every; Fairfield; Fischer; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch;

Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2408 lost.

CONSIDERATION OF AMENDMENTS

SB 2409: SEN. NELSON (Government and Veterans Affairs Committee) MOVED that the amendments on SJ page 502 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2409: A BILL for an Act to create and enact two new sections to chapter 16.1-01 and a new section to chapter 16.1-06 of the North Dakota Century Code, relating to the secretary of state establishing an election fund and adopting rules to establish a state-based voting grievance procedure and to certify and decertify electronic voting systems; to amend and reenact sections 16.1-01-01, 16.1-01-07, 16.1-05-04, 16.1-06-03, 16.1-06-04, 16.1-06-05, 16.1-06-08, 16.1-06-10.1, 16.1-06-11, 16.1-06-12, 16.1-06-14, 16.1-06-15, 16.1-06-17, 16.1-07-13, 16.1-13-22, 16.1-13-24, 16.1-13-25, 16.1-13-26, 16.1-13-29, 16.1-13-32, 16.1-13-33, 16.1-15-01, 16.1-15-09, 16.1-15-10, subsection 5 of section 16.1-16-01, and sections 16.1-16-07 and 40-21-09 of the North Dakota Century Code, relating to the duties of the secretary of state concerning administration of elections authorizing direct-recording electronic voting systems and prohibiting voting machines, electronic voting systems, and counting machines employing punch cards; to repeal sections 16.1-06-10, 16.1-06-13, 16.1-06-24, and 16.1-15-11 of the North Dakota Century Code, relating to voting machines, requirements for voting machines, violations for tampering with voting machines, preparation of punch card ballots, and locking and securing voting machines; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espeguard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2409 passed, the title was agreed to, and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

SB 2394: SEN. KREBSBACH (Government and Veterans Affairs Committee) MOVED that the amendments on SJ pages 493-501 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2394: A BILL for an Act to create and enact chapter 16.1-02 and two new sections to chapter 16.1-05 of the North Dakota Century Code, relating to providing a central voter file, verifying voter eligibility, and creating precinct maps and precinct locators; to amend and reenact sections 16.1-01-04, 16.1-05-06, and 54-09-08 of the North Dakota Century Code, relating to qualifications of voters, challenging voters, and fees received by the secretary of state; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 43 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Cook; Dever; Erbele; Espeguard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mathern; Mutch; Nelson; Nething;

Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Christmann; Holmberg; Lindaas

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2394 passed and the title was agreed to.

CONSIDERATION OF AMENDMENTS

SB 2405: SEN. WARDNER (Government and Veterans Affairs Committee) MOVED that the amendments on SJ page 501 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2405: A BILL for an Act to amend and reenact sections 16.1-11-18 and 16.1-13-10 of the North Dakota Century Code, relating to filling vacancies occurring in nominations for party office and filling legislative vacancies.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 33 YEAS, 13 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mutch; Nething; Schobinger; Stenehjem; Syverson; Tallackson; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Bercier; Christenson; Every; Fairfield; Krauter; Lindaas; Mathern; Nelson; Nichols; Polovitz; Robinson; Seymour; Taylor

ABSENT AND NOT VOTING: O'Connell

Engrossed SB 2405 passed and the title was agreed to.

MOTION

SEN. CHRISTMANN MOVED that the Senate proceed to the Eleventh order, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2295: A BILL for an Act to amend and reenact sections 16.1-13-10 and 44-02-02 of the North Dakota Century Code, relating to filling a vacancy in a legislative office and resignation of a member of the legislative assembly.

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 13 YEAS, 32 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Bercier; Christenson; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Nelson; Polovitz; Robinson; Schobinger; Taylor

NAYS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mutch; Nething; Seymour; Stenehjem; Syverson; Tallackson; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: Nichols; O'Connell

SB 2295 lost.

SECOND READING OF SENATE BILL

SB 2065: A BILL for an Act to amend and reenact section 15.1-21-08 of the North Dakota Century Code, relating to state assessment of public school students in reading, mathematics, and science.

MOTION

SEN. COOK MOVED that Engrossed SB 2065 be amended as follows, which motion prevailed on a voice vote.

Page 1, replace lines 23 and 24 with:

- "3. Before any test required by this section may be administered, the investigative committee created by Senate Bill No. 2418, as approved by the fifty-eighth legislative assembly, shall hold a public hearing and review the test.
- 4. The superintendent of public instruction shall segregate the results of tests administered under this section into the categories known as advanced, proficient, and novice."

Page 2, remove lines 1 through 16

Renumber accordingly

ROLL CALL

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

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

Reengrossed SB 2065 passed and the title was agreed to.

SECOND READING OF SENATE BILL

SB 2336: A BILL for an Act to amend and reenact subsection 1 of section 57-40.3-02.1 of the North Dakota Century Code, relating to motor vehicle excise taxes on leased vehicles; 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 NOT PASS, the roll was called and there were 10 YEAS, 36 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; Espegard; Fischer; Flakoll; Grindberg; Holmberg; Lee, J.; Mathern; Traynor

NAYS: Bercier; Brown; Christenson; Christmann; Cook; Dever; Erbele; Every; Fairfield; Freborg; Heitkamp; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lindaas; Lyson; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

SB 2336 lost.

SECOND READING OF SENATE BILL

SB 2357: A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota Century Code, relating to a sales and use tax exemption for construction materials and equipment for new production livestock facilities; to provide an effective date; and to provide an expiration date.

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 22 YEAS, 24 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bercier; Christenson; Erbele; Espegard; Every; Fairfield; Heitkamp; Klein; Krauter; Kringstad; Lindaas; Lyson; Mathern; Nelson; Polovitz; Robinson; Seymour; Syverson; Tallackson; Taylor; Trenbeath

NAYS: Andrist; Bowman; Brown; Christmann; Cook; Dever; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Krebsbach; Lee, G.; Lee, J.; Mutch; Nething; Schobinger; Stenehjem; Thane; Tollefson; Traynor; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

SB 2357 lost.

SECOND READING OF SENATE BILL

SB 2344: A BILL for an Act to create and enact a new section to chapter 37-14 of the North Dakota Century Code, relating to the definition of veteran; and to amend and reenact sections 37-14-03.3, 37-14-04, 37-14-06, and 37-14-14 of the North Dakota Century Code, relating to references to veterans.

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 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

NAYS: Mutch; Thane

ABSENT AND NOT VOTING: O'Connell

SB 2344 passed and the title was agreed to.

SECOND READING OF SENATE BILL

SB 2398: A BILL for an Act to provide for a transfer from the environment and rangeland protection fund to the minor use pesticide fund.

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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

SB 2398 passed and the title was agreed to.

SECOND READING OF SENATE BILL

SB 2399: A BILL for an Act to provide for privacy of health information; and to create and enact a new section to chapter 43-15 of the North Dakota Century Code, relating to privacy of information received by pharmacists.

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

YEAS: Christenson; Every; Fairfield; Heitkamp; Krauter; Mathern; Nichols; Robinson; Seymour; Tallackson

NAYS: Andrist; Bercier; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mutch; Nelson; Nething; Polovitz; Schobinger; Stenehjem; Syverson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

SB 2399 lost.

SECOND READING OF SENATE BILL

SB 2410: A BILL for an Act to create and enact a new section to chapter 1-03 of the North Dakota Century Code, relating to First Nations Day.

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 43 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Urlacher; Wardner

NAYS: Espegard; Mutch; Trenbeath

ABSENT AND NOT VOTING: O'Connell

SB 2410 passed and the title was agreed to.

SECOND READING OF SENATE BILL

SB 2413: A BILL for an Act to amend and reenact subsection 6 of section 43-12.1-08 of the North Dakota Century Code, relating to powers and duties of the board of nursing.

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 0 YEAS, 46 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

NAYS: Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Tallackson; Taylor; Thane; Tollefson; Traynor; Trenbeath; Urlacher; Wardner

ABSENT AND NOT VOTING: O'Connell

SB 2413 lost.

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

MR. SPEAKER: The Senate has passed and your favorable consideration is requested on: SB 2009, SB 2048, SB 2077, SB 2112, SB 2149, SB 2215, SB 2240, SB 2296, SB 2310, SB 2315, SB 2322, SB 2324, SB 2329, SB 2334, SB 2341, SB 2343, SB 2347, SB 2362, SB 2390, SB 2401, SCR 4016, SCR 4018, SCR 4022, SCR 4030.

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

MR. SPEAKER: The Senate has passed, the emergency clause carried, and your favorable consideration is requested on: SB 2326.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HB 1043, HB 1050, HB 1180, HB 1197, HB 1205, HB 1219, HB 1274, HB 1352, HB 1361, HB 1388, HB 1423, HB 1426, HB 1461, HB 1469, HB 1477, HB 1478, HB 1503.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed, the emergency clause carried, and your favorable consideration is requested on: HB 1200.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HCR 3001, HCR 3004, HCR 3005, HCR 3010, HCR 3015, HCR 3019, HCR 3021, HCR 3023, HCR 3024, HCR 3025, HCR 3026, HCR 3027, HCR 3028, HCR 3031, HCR 3032, HCR 3033, HCR 3034, HCR 3035, HCR 3036, HCR 3039, HCR 3040, HCR 3042, HCR 3047, HCR 3048, HCR 3050.

MOTION

SEN. CHRISTMANN MOVED that the absent member be excused, which motion prevailed.

MOTION

SEN. CHRISTMANN MOVED that the Senate be on the Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Thursday, February 20, 2003, which motion prevailed.

REPORT OF STANDING COMMITTEE

SB 2012: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 3, after "institutions" insert "; to provide a statement of legislative intent"

Page 1, line 13, replace "11,147,734" with "11,027,431"

Page 1, line 14, replace "34,550,483" with "34,066,362"

Page 1, line 17, replace "47,962,467" with "47,358,043"

Page 1, line 18, replace "31,912,324" with "33,134,565"

Page 1, line 19, replace "16,050,143" with "14,223,478"

Page 1, line 22, replace "22,311,231" with "22,077,620"

Page 1, line 23, replace "38,397,710" with "38,456,409"

Page 2, line 1, replace "288,491,078" with "288,492,803"

Page 2, line 2, replace "897,921,533" with "890,942,979"

Page 2, line 3, replace "1,247,161,224" with "1,240,009,483"

Page 2, line 4, replace "974,986,069" with "978,141,758"

Page 2, line 5, replace "272,175,155" with "261,867,725"

Page 2, line 9, replace "7,331,947" with "7,280,942"

Page 2, line 10, replace "14,684,062" with "14,576,944"

Page 2, line 11, replace "8,490,227" with "8,427,435"

Page 2, line 12, replace "17,628,299" with "17,508,856"

Page 2, line 13, replace "20,924,037" with "20,743,221"

Page 2, line 14, replace "11,454,381" with "11,367,850"

Page 2, line 15, replace "17,713,897" with "17,596,609"

Page 2, line 16, replace "9,004,972" with "8,932,780"

Page 2, line 17, replace "44,312,699" with "41,931,048"

Page 2, line 18, replace "42,148,253" with "40,808,116"

Page 2, line 19, replace "193,942,774" with "189,423,801"

Page 2, line 20, replace "103,596,026" with "103,228,028"

Page 2, line 21, replace "90,346,748" with "86,195,773"

Page 2, line 22, replace "378,572,046" with "362,336,976"

Page 2, line 23, replace "1,110,494,419" with "1,114,504,351"

Page 2, line 24, replace "1,489,066,465" with "1,476,841,327"

Page 2, after line 24, insert:

"SECTION 2. APPROPRIATION - HEALTH CENTER GRANTS. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of human services for the purpose of providing grants to community health centers to support community development and grant writing services, for the biennium beginning July 1, 2003, and ending June 30, 2005. The department may not award an individual grant of more than \$10,000.

SECTION 3. LEGISLATIVE INTENT - DEVILS LAKE CHILD SUPPORT ENFORCEMENT UNIT. It is the intent of the legislative assembly that the fifty-ninth legislative assembly consider removing general fund support for the Devils Lake child support enforcement unit reservation project if the project's performance results do not improve during the biennium beginning July 1, 2003, and ending June 30, 2005."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
DHS - Management			
Total all funds	\$47,962,467	(\$604,424)	\$47,358,043
Less estimated income	31,912,324	1,222,241	33,134,565
General fund	\$16,050,143	(\$1,826,665)	\$14,223,478
DHS - Program/Policy			
Total all funds	\$1,247,161,224	(\$7,101,741)	\$1,240,059,483
Less estimated income	974,986,069	3,155,689	978,141,758
General fund	\$272,175,155	(\$10,257,430)	\$261,917,725
DHS - State Hospital			
Total all funds	\$44,312,699	(\$2,381,651)	\$41,931,048
Less estimated income	16,405,360		16,405,360
General fund	\$27,907,339	(\$2,381,651)	\$25,525,688
DHS - Developmental Center			
Total all funds	\$42,148,253	(\$1,340,137)	\$40,808,116
Less estimated income	32,234,460	(249,828)	31,984,652
General fund	\$9,913,773	(\$1,090,309)	\$8,823,464
DHS - Mental health contingency			
Total all funds	\$250,000	\$0	\$250,000
Less estimated income			
General fund	\$250,000	\$0	\$250,000
DHS - Northwest HSC			
Total all funds	\$7,331,947	(\$51,005)	\$7,280,942
Less estimated income	3,647,636	(1,838)	3,645,798
General fund	\$3,684,311	(\$49,167)	\$3,635,144
DHS - North Central HSC			
Total all funds	\$14,684,062	(\$107,118)	\$14,576,944
Less estimated income	6,735,850	(10,848)	6,725,002

General fund	\$7,948,212	(\$96,270)	\$7,851,942
DHS - Lake Region HSC			
Total all funds	\$8,490,227	(\$62,792)	\$8,427,435
Less estimated income	<u>3,790,662</u>	<u>(6,909)</u>	<u>3,783,753</u>
General fund	\$4,699,565	(\$55,883)	\$4,643,682
DHS - Northeast HSC			
Total all funds	\$17,628,299	(\$119,443)	\$17,508,856
Less estimated income	<u>10,099,083</u>	<u>(48,782)</u>	<u>10,050,301</u>
General fund	\$7,529,216	(\$70,661)	\$7,458,555
DHS - Southeast HSC			
Total all funds	\$20,924,037	(\$180,816)	\$20,743,221
Less estimated income	<u>11,233,890</u>	<u>(16,800)</u>	<u>11,217,090</u>
General fund	\$9,690,147	(\$164,016)	\$9,526,131
DHS - South Central HSC			
Total all funds	\$11,454,381	(\$86,531)	\$11,367,850
Less estimated income	<u>5,741,308</u>	<u>(8,464)</u>	<u>5,732,844</u>
General fund	\$5,713,073	(\$78,067)	\$5,635,006
DHS - West Central HSC			
Total all funds	\$17,713,897	(\$117,288)	\$17,596,609
Less estimated income	<u>9,137,950</u>	<u>(14,668)</u>	<u>9,123,282</u>
General fund	\$8,575,947	(\$102,620)	\$8,473,327
DHS - Badlands HSC			
Total all funds	\$9,004,972	(\$72,192)	\$8,932,780
Less estimated income	<u>4,569,807</u>	<u>(9,861)</u>	<u>4,559,946</u>
General fund	\$4,435,165	(\$62,331)	\$4,372,834
Bill Total			
Total all funds	\$1,489,066,465	(\$12,225,138)	\$1,476,841,327
Less estimated income	<u>1,110,494,419</u>	<u>4,009,932</u>	<u>1,114,504,351</u>
General fund	\$378,572,046	(\$16,235,070)	\$362,336,976

Senate Bill No. 2012 - Department of Human Services - Management - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
Salaries and wages	\$11,147,734	(\$120,303)	\$11,027,431
Operating expenses	34,550,483	(484,121)	34,066,362
Capital assets	2,694		2,694
Developmentally disabled facility loan	<u>2,261,556</u>		<u>2,261,556</u>
Total all funds	\$47,962,467	(\$604,424)	\$47,358,043
Less estimated income	<u>31,912,324</u>	<u>1,222,241</u>	<u>33,134,565</u>
General fund	\$16,050,143	(\$1,826,665)	\$14,223,478
FTE	113.80	0.00	113.80

1

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Administration Support - Senate Changes:				
Removes the Governor's recommendation for state employee salary increases			(\$45,521)	(\$120,303)
Replaces general fund support with special or federal funds, if available		(1,500,000)	1,500,000	
Administration Support Program				
Reduces funding for postage to \$1,208,184		(160,709)	(241,064)	(401,773)
Information Technology Division Program				
Reduces funding for information technology contractual services		(100,000)		(100,000)
Removes funding for the computer system changes relating to the prescription drug assistance program for senior citizens		(116,174)	(116,174)	(232,348)
Adds funding for computer system changes relating to the medical assistance buyin program authorized in Senate Bill No. 2194		125,000	125,000	250,000
Total Senate Changes - Administration Support	0.00	(\$1,826,665)	\$1,222,241	(\$604,424)

Senate Bill No. 2012 - Department of Human Services - Program/Policy - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
Salaries and wages	\$22,311,231	(\$233,611)	\$22,077,620
Operating expenses	38,397,710	58,699	38,456,409
Capital assets	39,672		39,672
Grants	288,491,078	1,725	288,492,803
Grants - Medical assistance	897,921,533	(6,978,554)	890,942,979
Health center grants	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total all funds	\$1,247,161,224	(\$7,101,741)	\$1,240,059,483
Less estimated income	<u>974,986,069</u>	<u>3,155,689</u>	<u>978,141,758</u>
General fund	\$272,175,155	(\$10,257,430)	\$261,917,725
FTE	234.80	0.00	234.80

1

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Program/Policy - Senate Changes:				
Removes the Governor's recommendation for state employee salary increases		(\$68,008)	(\$165,603)	(\$233,611)
Replaces general fund support with special or federal funds, if available		(4,000,000)	4,000,000	
Economic Assistance Policy Program				
No changes				
Child Support Program				
Restores funding for the Devils Lake child support enforcement unit reservation project		215,016		215,016
Medical Services Program				
Removes funding for a prescription drug assistance program for senior citizens		(3,099,061)	(6,637,060)	(9,736,121)
Adds funding for the medical assistance buyin program authorized in Senate Bill No. 2194		(767,229)	2,720,524	1,953,295
Restores funding for the following optional medical assistance services:				
Chiropractic		84,905	182,702	267,607
Dental		2,317,751	4,987,568	7,305,319
Hospice		409,784	881,816	1,291,600
Private duty nursing		465	994	1,459
Removes funding for the following optional medical assistance services for adults:				
Durable medical equipment		(984,480)	(2,088,880)	(3,073,360)
Optometric		(397,067)	(842,509)	(1,239,576)
Psychological		(149,381)	(316,955)	(466,336)
Reduces funding for prescription drugs in the medical assistance program		(2,880,000)	(6,120,000)	(9,000,000)
Adds funding to provide a 50-cent per hour salary increase to employees of developmental disabilities services providers		2,613,822	5,132,296	7,746,118
Long-Term Care Program				
Reduces funding as a result of the department's December 2002 reprojected of anticipated nursing facility costs for the 2003-05 biennium		(1,600,000)	(3,400,000)	(5,000,000)
Restores funding for the 3 percent nursing facility operating margin		1,932,211	4,156,667	6,088,878
Restores funding for nursing facility incentives		432,302	931,245	1,363,547
Reduces funding for service payments for the elderly and disabled (SPED) relating to the reduction in allowable assets from \$25,000 to \$20,000 as provided for in Senate Bill No. 2083		(1,674,549)	(88,135)	(1,762,684)
Reduces funding for SPED relating to the inclusion of all assets, except the individual's primary home, rather than only liquid assets when determining SPED eligibility as provided for in Senate Bill No. 2083		(2,707,500)	(142,500)	(2,850,000)
Reduces funding for the expanded SPED program		(300,000)		(300,000)
Aging Services Program				
No changes				
Children and Family Services Program				
Removes funding for eligibility determination costs relating to a prescription drug assistance program for senior citizens		(158,500)	(158,500)	(317,000)
Restores funding for special needs adoption contract workers		200,000	118,725	318,725
Mental Health and Substance Abuse Program				
No changes				
Developmental Disabilities Council				
Changes the source of funding for operating costs from the general fund to federal funds		(3,294)	3,294	
Disabilities Program				
Adds funding for corporate guardianship services relating to an anticipated increase in caseload and to increase the rate paid from \$3.20 per day to \$3.92 per day		275,383		275,383
Total Senate Changes - Program/Policy	0.00	(\$10,307,430)	\$3,155,689	(\$7,151,741)

Other changes affecting Program/Policy programs:

A section is added appropriating \$50,000 from the general fund for health center grants to support community development and grant writing services.

A section of legislative intent is added providing that the 2005 Legislative Assembly consider removing general fund support from the Devils Lake child support enforcement unit reservation project if performance results do not improve.

Senate Bill No. 2012 - Department of Human Services - State Hospital - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
Salaries and wages			
Operating expenses			
Grants			
Human service centers/ institutions	\$44,312,699	(\$2,381,651)	\$41,931,048
Total all funds	\$44,312,699	(\$2,381,651)	\$41,931,048
Less estimated income	<u>16,405,360</u>		<u>16,405,360</u>
General fund	\$27,907,339	(\$2,381,651)	\$25,525,688
FTE	416.90	0.00	416.90

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	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
State Hospital - Senate Changes:				
Removes the Governor's recommendation for state employee salary increases		(\$381,651)		(\$381,651)
Reduces funding from the general fund. The department may determine the specific areas to reduce.		(2,000,000)		(2,000,000)
Total Senate Changes - State Hospital	0.00	(\$2,381,651)	\$0	(\$2,381,651)

Senate Bill No. 2012 - Department of Human Services - Developmental Center - Senate Action

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
Human service centers/ institutions	\$42,148,253	(\$1,340,137)	\$40,808,116
Total all funds	\$42,148,253	(\$1,340,137)	\$40,808,116
Less estimated income	<u>32,234,480</u>	<u>(249,828)</u>	<u>31,984,652</u>
General fund	\$9,913,773	(\$1,090,309)	\$8,823,464
FTE	458.04	0.00	458.04

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	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Developmental Center - Senate Changes:				
Removes the Governor's recommendation for state employee salary increases		(\$90,309)	(\$249,828)	(\$340,137)
Reduces funding from the general fund. The department may determine the specific areas to reduce.		(1,000,000)		(1,000,000)
Total Senate Changes - Developmental Center	0.00	(\$1,090,309)	(\$249,828)	(\$1,340,137)

Senate Bill No. 2012 - Human Service Centers - General Fund Summary

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
DHS - Mental health contingency	\$250,000		\$250,000
DHS - Northwest HSC	3,684,311	(\$49,167)	3,635,144
DHS - North Central HSC	7,948,212	(96,270)	7,851,942
DHS - Lake Region HSC	4,699,565	(55,883)	4,643,682
DHS - Northeast HSC	7,529,216	(70,661)	7,458,555
DHS - Southeast HSC	9,690,147	(164,016)	9,526,131
DHS - South Central HSC	5,713,073	(78,067)	5,635,006
DHS - West Central HSC	8,575,947	(102,620)	8,473,327
DHS - Badlands HSC	<u>4,435,165</u>	<u>(62,331)</u>	<u>4,372,834</u>
Total general fund	\$52,525,636	(\$679,015)	\$51,846,621

Senate Bill No. 2012 - Human Service Centers - Other Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
DHS - Mental health			

contingency			
DHS - Northwest HSC	\$3,647,636	(\$1,838)	\$3,645,798
DHS - North Central HSC	6,735,850	(10,848)	6,725,002
DHS - Lake Region HSC	3,790,662	(6,909)	3,783,753
DHS - Northeast HSC	10,099,083	(48,782)	10,050,301
DHS - Southeast HSC	11,233,890	(16,800)	11,217,090
DHS - South Central HSC	5,741,308	(8,464)	5,732,844
DHS - West Central HSC	9,137,950	(14,668)	9,123,282
DHS - Badlands HSC	<u>4,569,807</u>	<u>(9,861)</u>	<u>4,559,946</u>
Total other funds	\$54,956,186	(\$118,170)	\$54,838,016

Senate Bill No. 2012 - Human Service Centers - All Funds Summary

	EXECUTIVE BUDGET	SENATE CHANGES ¹	SENATE VERSION
DHS - Mental health contingency	\$250,000		\$250,000
DHS - Northwest HSC	7,331,947	(\$51,005)	7,280,942
DHS - North Central HSC	14,684,062	(107,118)	14,576,944
DHS - Lake Region HSC	8,490,227	(62,792)	8,427,435
DHS - Northeast HSC	17,628,299	(119,443)	17,508,856
DHS - Southeast HSC	20,924,037	(180,816)	20,743,221
DHS - South Central HSC	11,454,381	(86,531)	11,367,850
DHS - West Central HSC	17,713,897	(117,288)	17,596,609
DHS - Badlands HSC	<u>9,004,972</u>	<u>(72,192)</u>	<u>8,932,780</u>
Total all funds	\$107,481,822	(\$797,185)	\$106,684,637
FTE	817.58	0.00	817.58

¹ Human service centers - Senate changes:

	FTE	GENERAL FUND	ESTIMATED INCOME	TOTAL
Mental health community services contingency No changes				
Northwest Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$49,167)	(\$1,838)	(\$51,005)
North Central Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$96,270)	(\$10,848)	(\$107,118)
Lake Region Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$55,883)	(\$6,909)	(\$62,792)
Northeast Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$70,661)	(\$48,782)	(\$119,443)
Southeast Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$164,016)	(\$16,800)	(\$180,816)
South Central Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$78,067)	(\$8,464)	(\$86,531)
West Central Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$102,620)	(\$14,668)	(\$117,288)
Badlands Human Service Center Removes the Governor's recommendation for state employee salary increases		(\$62,331)	(\$9,861)	(\$72,192)

REPORT OF STANDING COMMITTEE

SB 2015: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2015 was placed on the Sixth order on the calendar.

Page 1, line 6, after "fund" insert "; to prohibit the payment of bonuses or temporary salary adjustments for extra working hours because of the legislative session; to provide a statement of legislative intent"

Page 1, line 14, replace "15,549,754" with "15,404,949"

Page 1, line 15, replace "11,364,985" with "11,461,745"

Page 1, line 18, replace "27,826,739" with "27,778,694"

Page 1, line 19, replace "7,918,764" with "7,891,748"

Page 1, line 20, replace "19,907,975" with "19,886,946"

Page 2, remove lines 7 through 19

Page 2, line 24, replace "353,200" with "449,960"

Page 3, after line 8, insert:

"SECTION 8. BONDING FUND TRANSFER TO STATE GENERAL FUND.

The insurance commissioner shall transfer to the general fund in the state treasury the sum of \$2,000,000 from the state bonding fund. The moneys must be transferred in such amounts and at such times as requested by the director of the office of management and budget during the biennium beginning July 1, 2003, and ending June 30, 2005."

Page 5, after line 6, insert:

"SECTION 14. BONUSES OR TEMPORARY SALARY ADJUSTMENTS - PROHIBITED. No state official, agency, department, or institution may pay any employee bonuses or temporary salary adjustments for extra working hours incurred as a result of the legislative session.

SECTION 15. LEGISLATIVE INTENT - SUPPORT OF TELECOMMUTING.

The fifty-seventh legislative assembly enacted North Dakota Century Code section 54-06-24.1 to encourage state agencies to implement telecommuting by locating state employees away from central office settings. In furtherance of this action, it is the intent of the fifty-eighth legislative assembly that the central personnel division incorporate language within every advertisement the division publishes for a position within state government that the position may be filled through telecommuting and any offer of filling the position by telecommuting will be considered. It is also the intent of the fifty-eighth legislative assembly that the central personnel division include in every employment advertisement a web site address that has complete details on telecommuting."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

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

	EXECUTIVE BUDGET	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$15,549,754	(\$144,805)	\$15,404,949
Operating expenses	11,364,985	96,760	11,461,745
Capital assets	733,000		733,000
Grants	179,000		179,000
Total all funds	\$27,826,739	(\$48,045)	\$27,778,694
Less estimated income	7,918,764	(27,016)	7,891,748
General fund	\$19,907,975	(\$21,029)	\$19,886,946
FTE	162.00	0.00	162.00

Dept. 110 - Office of Management and Budget - Detail of Senate Changes

	REMOVES RECOMMENDED SALARY INCREASE 1	INCREASES FUNDING FOR STATE DUES 2	TOTAL SENATE CHANGES
Salaries and wages	(\$144,805)		(\$144,805)
Operating expenses		\$96,760	96,760
Capital assets			
Grants			
Total all funds	(\$144,805)	\$96,760	(\$48,045)
Less estimated income	(27,016)		(27,016)
General fund	(\$117,789)	\$96,760	(\$21,029)
FTE	0.00	0.00	0.00

¹ This amendment removes the Governor's recommendation for state employee salary increases and retains the recommended state payment for health insurance premiums.

² Increases funding for the operating line item for the state's membership in the Education Commission of the States.

A section is added prohibiting bonuses or temporary salary adjustments to state employees for extra working hours because of the legislative session.

A section is added to provide language for a transfer from the bonding fund to the general fund.

REPORT OF STANDING COMMITTEE

SB 2025: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (10 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). SB 2025 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2028: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2028 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2083: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). SB 2083 was placed on the Sixth order on the calendar.

Page 1, line 2, after "of" insert "the", replace "to the" with "for", and remove "program"

Page 2, line 24, replace "twenty-five" with "ten"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2086, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2086 was placed on the Sixth order on the calendar.

Page 4, line 24, replace "\$200,000" with "\$21,000"

Page 4, line 25, after the comma insert "and \$21,000 of special funds derived from federal funds"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment changes the appropriation included in the bill from a \$200,000 general fund appropriation to a \$21,000 general fund appropriation and \$21,000 special funds appropriation to the Department of Human Services for hiring a facilitator and a consultant relating to a new fee-for-service payment system for treatment or care centers.

REPORT OF STANDING COMMITTEE

SB 2153, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (9 YEAS, 5 NAYS, ABSENT AND NOT VOTING). Engrossed SB 2153 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2241: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends **DO NOT PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2241 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2248: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2248 was placed on the Sixth order on the calendar.

In lieu of the amendments to Senate Bill No. 2248 as printed on pages 478-480 of the Senate Journal, Senate Bill No. 2248 is amended as follows:

Page 1, line 1, replace "a" with "three" and replace "section" with "sections"

Page 1, line 2, after the first "to" insert "providing absentee voting information to military and overseas voters, rejecting absentee ballots cast by military and overseas voters, and creating", after the semicolon insert "and", and after "reenact" insert "subsection 2 of section 16.1-07-01 and"

Page 1, line 3, after "to" insert "absentee voting for federal offices by citizens who have never lived in the United States,"

Page 1, line 4, after "ballots" insert a comma

Page 1, after line 5, insert:

"SECTION 1. AMENDMENT. Subsection 2 of section 16.1-07-01 of the North Dakota Century Code is amended and reenacted as follows:

2. A qualified elector who is a citizen of the United States and lives outside the United States or a citizen of the United States who is eighteen years of age or older and has never lived in the United States and whose parent is a qualified elector of the state may vote absentee in this state pursuant to this chapter if the individual:
 - a. Does not maintain a domicile;
 - b. Is not registered to vote;
 - c. Is not voting in any other state, territory, or possession of the United States; and
 - d. Possesses a valid passport or card of identity and registration issued under the authority of the secretary of state of the United States.

Such an elector may vote only in federal elections, which means any election held solely or in part for the purpose of electing or nominating any candidate for the office of president, vice president, presidential elector, member of the United States senate, or member of the United States house of representatives."

Page 1, line 9, remove "directly"

Page 2, replace lines 4 through 9 with:

"Any individual, other than an election official identified in section 16.1-07-05, who is collecting completed absent voter's ballot applications shall submit all completed applications received from applicants to the appropriate election official in a timely manner so as to allow each applicant to receive, complete, and mail the absent voter's ballot before the day of the election."

Page 2, line 15, overstrike "or" and insert immediately thereafter an underscored comma

Page 2, line 16, after the underscored comma insert "or any blank"

Page 2, remove lines 28 through 31

Page 4, line 2, remove "the applicant's employer, officer, or"

Page 4, line 3, remove "agent of the applicant's union, or" and remove ", or a relative of a"

Page 4, line 4, remove "candidate for any office as described in subsection 2 of section 16.1-05-02,"

Page 5, after line 19, insert:

- "5. Each individual requesting an absent voter's ballot under this chapter who cannot read the English language or who because of blindness or other disability is unable to mark the voter's ballot, upon request, may receive the assistance of any person of the voter's choice, other than the voter's employer, an officer or agent of the voter's union, a candidate running in that election, or a relative of a candidate as described in subsection 2 of section 16.1-05-02, in marking the voter's ballot."

Page 5, line 26, replace "16.10-13" with "16.1-13"

Page 6, line 12, after "space" insert "in a government-controlled facility"

Page 6, line 29, after "counting" insert an underscored comma

Page 7, after line 2, insert:

"SECTION 7. A new section to chapter 16.1-07 of the North Dakota Century Code is created and enacted as follows:

Secretary of state to provide information regarding absentee voting for military and overseas voters. The secretary of state is designated as the official responsible for providing information regarding absentee voting by military and overseas citizens eligible to vote in the state according to section 702 of the Help America Vote Act of 2002 [Pub. L. 107-252; 116 Stat. 1666; 42 U.S.C. 1973ff-1]. The secretary of state shall develop and provide uniform procedures for county auditors to follow when transmitting and receiving applications for absentee ballots to and from military and overseas voters.

SECTION 8. A new section to chapter 16.1-07 of the North Dakota Century Code is created and enacted as follows:

Notification of rejected absentee ballots cast by military and overseas voters. The secretary of state shall establish a uniform procedure for county auditors to follow when notifying a military or overseas voter that the voter's absentee ballot was rejected. The procedure must provide that the notice include the reason why the voter's absentee ballot was rejected as provided by section 707 of the Help America Vote Act of 2002 [Pub. L. 107-252; 116 Stat. 1666; 42 U.S.C. 1973ff-1]."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2285: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). SB 2285 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 53-06.2-10.1 and 53-06.2-11 of the North Dakota Century Code, relating to the simulcast wagering and the parimutuel tax levied upon wagers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 53-06.2-10.1 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-10.1. Simulcast wagering. In addition to racing under the certificate system, as authorized by this chapter, and conducted upon the premises of a racetrack, simulcast parimutuel wagering may be conducted in accordance with this chapter and interim standards that need not comply with chapter 28-32, or rules adopted by the commission under this chapter. Any organization qualified under section 53-06.2-06 to conduct racing may make written application to the commission for the conduct of simulcast parimutuel wagering or simulcast betting exchange wagering on races held at licensed racetracks inside the state or racetracks outside the state, or both. As used in this section, "simulcast betting exchange wagering" means a form of wagering in which an individual participates in a pool of horse bettors in which the individual has the opportunity to bet on a wager for or against a horse at a price the individual accepts or offers, one on one, against another individual. Notwithstanding any other provision of this chapter, the commission may authorize any licensee to participate in interstate or international combined wagering pools with one or more other racing jurisdictions. Any time that a licensee participates in an interstate or international combined pool, the licensee, as prescribed by the commission, may adopt the take-out of the host jurisdiction or facility. If a licensee conducts interstate or international simulcast betting exchange wagering, the licensee, as prescribed by the commission, shall retain from all winning wagers the percentage of net winnings in accordance with this chapter. The commission may permit a licensee to use one or more of its races or simulcast programs for an interstate or international combined wagering pool at locations outside its jurisdiction and may allow parimutuel pools in other states to be combined with

parimutuel pools in its jurisdiction for the purpose of establishing an interstate or international combined wagering pool. The participation by a licensee in a combined interstate or international wagering pool does not cause that licensee to be considered to be doing business in any jurisdiction other than the jurisdiction in which the licensee is physically located. Parimutuel taxes or commissions, or the commissions or taxes imposed on the percent of net winnings as applied to simulcast betting exchange wagering, may not be imposed on any amounts wagered in an interstate or international combined wagering pool other than amounts wagered within this jurisdiction. The certificate system also permits parimutuel and simulcast betting exchange wagering to be conducted through account wagering. As used in this section, "account wagering" means a form of parimutuel wagering in which an individual deposits money in an account and uses the account balance to pay for parimutuel wagers. An account wager made on an account established in this state may only be made through the licensed simulcast service provider authorized by the commission to operate the simulcast parimutuel wagering system under the certificate system. An account wager may be made in person, by direct telephone communication, or through other electronic communication in accordance with rules adopted by the commission. Breakage for interstate or international combined wagering pools must be calculated in accordance with the statutes or rules of the host jurisdiction and must be distributed among the participating jurisdictions in a manner agreed to among the jurisdictions.

SECTION 2. AMENDMENT. Section 53-06.2-11 of the North Dakota Century Code is amended and reenacted as follows:

53-06.2-11. Bet payoff formulas - Uses by licensee of funds in excess of expenses - Payment to general fund.

1. For each day of a live race meet or a simulcast day in this state on win, place, and show parimutuel pools, the licensee shall deduct up to twenty percent of the total win, place, and show pool. ~~The licensee may retain seventeen percent for expenses.~~ One-half of one percent must be paid to the North Dakota racing commission to be used for the North Dakota purse fund. One-half of one percent must be paid to the North Dakota racing commission to be used for the North Dakota breeders' fund for the respective breed of horses racing at that meet. ~~The remaining~~ On the first five million dollars of total wagering handle in each calendar year, two percent must be paid to the state treasurer to be deposited in the general fund. On the next ninety-five million dollars of total wagering handle in each calendar year, two percent must be paid to the state treasurer to be deposited in the general fund. On the total wager handle in excess of one hundred million dollars in each calendar year, one and one-half percent must be paid to the state treasurer to be deposited in the general fund.
2. For each day of a live race meet or a simulcast day in this state for each daily double, quinella, exacta, trifecta, or other wager combining two or more horses for winning payoffs, the licensee shall deduct up to twenty-five percent of each wagering pool. ~~Of this amount, the licensee may retain twenty-one percent for expenses. One-half~~ Of each wagering dollar, the amounts to be deposited in the general fund and other funds are as follows:
 - a. ~~On the first five million dollars of wagering handle in each calendar year, one-half of one percent must be paid to the commission to be deposited in the purse fund. One-half; one-half of one percent must be paid to the commission to be deposited in the promotion fund. One-half; one-half of one percent must be paid to the commission to be deposited in the breeders' fund. The remaining; and two and one-half percent must be paid to the state treasurer to be deposited in the general fund.~~
 - b. On the next ninety-five million dollars of wagering handle in each calendar year, one-half of one percent must be paid to the commission to be deposited in the purse fund; one-half of one percent must be paid to the commission to be deposited in the promotion fund; one-half of one percent must be paid to the commission to be deposited in the breeders' fund; and one percent must be paid to the state treasurer to be deposited in the general fund.
 - c. On wagering handle in excess of one hundred million dollars in each calendar year, one-third of one percent must be paid to the

commission to be deposited in the purse fund; one-third of one percent must be paid to the commission to be deposited in the promotion fund; one-third of one percent must be paid to the commission to be deposited in the breeders' fund; and one percent must be paid to the state treasurer to be deposited in the general fund.

3. Unclaimed tickets and breakage from each live race meet and simulcast program as defined by the commission and the percentage of the wagering pool to be paid to the racing promotion fund under subsections 1 and 2 must be retained by the commission in a special fund to assist in improving and upgrading racetracks in the state, for the promotion of horse racing within the state, and in developing new racetracks in the state as necessary and approved by the commission. Notwithstanding this section, the commission may, upon approval of the attorney general, receive no more than twenty-five percent of this fund for the purpose of payment of operating expenses of the commission.
4. The licensee conducting a live race meet or simulcast program shall retain all other money in the parimutuel pool and pay it to bettors holding winning tickets as provided by rules adopted by the commission.
5. A licensee may not use any of the portion deducted for expenses under subsections 1 and 2 for expenses not directly incurred by the licensee in conducting parimutuel racing under the certificate system. After paying qualifying expenses, the licensee shall use the remainder of the amount so withheld only for eligible uses allowed to charitable gambling organizations under subsection 2 of section 53-06.1-11.
6. The racing commission shall deposit the moneys received pursuant to subsections 1, 2, and 3 and from the North Dakota horse racing foundation pursuant to subsection 5 of section 53-06.2-05 in three special funds in the state treasury. These funds must be known as the breeders' fund, the purse fund, and the racing promotion fund. Moneys, and any earnings on the moneys, in the breeders' fund, purse fund, and racing promotion fund are appropriated to the commission on a continuing basis to carry out the purposes of those funds under this chapter and must be administered and disbursed in accordance with rules adopted by the commission.
7. For each day of a live race meet or a simulcast day in this state in which simulcast betting exchange wagering on races is held at licensed racetracks inside the state or at racetracks outside the state, or both, the licensee shall deduct up to five percent of the total net winnings on all winning wagers. Three percent of the gross deducted revenue from total net winnings must be paid to the commission to be deposited in the purse fund; three percent must be paid to the commission to be deposited in the breeders' fund; one percent must be paid to the commission to be deposited in the promotion fund; and three percent must be paid to the state treasurer to be deposited in the general fund."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2299: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2299 was placed on the Sixth order on the calendar.

Page 1, line 1, after "37-15-07" insert ", 37-15-10.1,"

Page 1, line 2, replace "commandant" with "administrator" and after "home" insert "and priorities for admission to the veterans' home"

Page 1, line 7, overstrike "**Commandant**" and insert immediate thereafter "Administrator" and overstrike "**- Term -**"

Page 1, line 8, overstrike "**Salary**" and remove "The governor shall appoint the commandant of the veterans' home after consultation"

Page 1, remove line 9

Page 1, line 10, remove "resident of this state. The commandant shall serve at the pleasure of the governor."

Page 1, line 11, remove the overstrike over "~~appointment, qualifications, term of office, and~~" and remove "administrative committee on veterans' affairs"

Page 1, line 12, remove "shall determine the", overstrike "commandant" and insert immediately thereafter "administrator", and remove the overstrike over "~~of the veterans' home must be~~"

Page 1, after line 13, insert:

"SECTION 2. AMENDMENT. Section 37-15-10.1 of the North Dakota Century Code is amended and reenacted as follows:

37-15-10.1. Priorities for admission to veterans' home. If the veterans' home is full and a waiting list for admission is necessary, further admission to the veterans' home must be according to ~~the following listing of priorities, so long as the individual meets the admission requirements of sections 37-15-02 and 37-15-10:~~

1. ~~Veterans with service-connected disability.~~
2. ~~American ex-prisoners of war.~~
3. ~~Wartime veterans with nonservice-connected disability.~~
4. ~~Wartime veterans.~~
5. ~~Discharged North Dakota national guard members who became disabled in the line and discharge of duty.~~
6. ~~Veterans with nonservice-connected disability.~~
7. ~~Veterans.~~
8. ~~Spouses.~~
9. ~~Surviving spouses.~~

~~An individual whose priority is higher than another individual's must be admitted before that other individual's priorities for admission to the facility appropriate to the different levels of care that are provided by the veterans' home. The priorities for admission must be established by rule as provided under chapter 28-32.~~

Page 1, line 16, overstrike "**subcommittees**" and insert immediately thereafter "subcommittee and governing board"

Page 1, line 19, overstrike "from the"

Page 1, overstrike lines 20 through 24

Page 2, overstrike lines 1 through 9

Page 2, line 10, overstrike "thereof is required for any action" and insert immediately thereafter "a seven-member governing board for administration of the veterans' home, from within or outside the committee, subject to ratification of a majority vote of the committee, and shall establish term lengths for service on the governing board. The governing board has all ordinary powers required of a governing board, including the power to establish qualifications for and selection of an administrator and to establish an appropriate salary structure, subject to limitations of legislative appropriation. The administrator serves at the pleasure of the governing board"

Page 2, line 11, overstrike "The committee shall detail the specific powers and duties of each subcommittee"

Page 2, overstrike line 12

Page 2, line 13, overstrike "provided by the veterans' home and the department of veterans' affairs" and insert immediately thereafter "The chairman and secretary of the committee"

jointly shall appoint a subcommittee to be responsible for supervision and government of the department of veterans' affairs. Once appointed, a subcommittee member may continue to serve as long as the member remains a voting member of the committee, unless removed from the subcommittee by joint action of the committee chairman and secretary. A member of the subcommittee may not serve on the governing board of the veterans' home. Each nominating organization listed in section 37-18.1-01 must have at least one voting member nominated by the organization serving on the subcommittee. The subcommittee shall select by majority vote of the members a chairman to preside for the term of one year"

Page 2, line 17, remove "The"

Page 2, line 18, remove "term", overstrike "of office", remove "is", and overstrike "two years, commencing on July"

Page 2, line 19, replace "first of an odd-numbered year" with "The commissioner serves at the pleasure of the committee"

Page 2, line 20, overstrike "salaries" and insert immediately thereafter "salary" and overstrike "the commandant of the veterans' home and"

Page 2, line 22, overstrike "commandant of the veterans' home and the"

Page 2, line 23, overstrike "their respective"

Page 2, line 24, overstrike "subcommittees" and insert immediately thereafter "the subcommittee", overstrike "commandant and the", and overstrike "have" and insert immediately thereafter "has"

Page 2, line 25, overstrike "subcommittees" and insert immediately thereafter "subcommittee"

Page 2, line 26, overstrike "each of its subcommittees" and insert immediately thereafter "the board or the subcommittee"

Page 3, line 4, after the period insert "The board governing the veterans' home and the subcommittee governing the department of veterans' affairs shall conduct an annual performance evaluation of the administrator and commissioner, respectively, with the evaluation presented to the committee. The board and subcommittee shall create and implement a strategic plan for the veterans' home and the department of veterans' affairs, respectively. The board and the committee annually shall report as to the status of the respective strategic plan to the committee. After receiving a report, the committee shall submit the report to the governor."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2307, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (8 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2307 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2314: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2314 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 57-38-30, 57-39.2-02.1, 57-39.2-08.2, 57-40.2-02.1, and 57-40.3-02 of the North Dakota Century Code, relating to corporate income tax rates and sales, use, and motor vehicle excise tax rates; to repeal sections 57-39.2-12.1 and 57-40.2-07.1 of the North Dakota Century Code, relating to a deduction to reimburse retailers for administrative expenses of sales and use tax collection; to provide for a legislative council study; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 57-38-30 of the North Dakota Century Code is amended and reenacted as follows:

57-38-30. Imposition and rate of tax on corporations. A tax is hereby imposed upon the taxable income of every domestic and foreign corporation received from the sources described in sections 57-38-12, 57-38-13, and 57-38-14, which must be levied, collected, and paid annually as in this chapter provided:

1.
 - a. For the first three thousand dollars of taxable income, at the rate of three percent.
 - b. On all taxable income above three thousand dollars and not in excess of eight thousand dollars, at the rate of four and one-half percent.
 - c. On all taxable income above eight thousand dollars and not in excess of twenty thousand dollars, at the rate of six percent.
 - d. On all taxable income above twenty thousand dollars, and not in excess of thirty thousand dollars, at the rate of seven and one-half percent.
 - e. On all taxable income above thirty thousand dollars, and not in excess of fifty thousand dollars, at the rate of nine percent.
 - f. On all taxable income above fifty thousand dollars, at the rate of ten and one-half percent.
2. A corporation that has paid North Dakota alternative minimum tax in years beginning before January 1, 1991, may carry over any alternative minimum tax credit remaining to the extent of the regular income tax liability of the corporation for a period not to exceed four taxable years.
3. Each of the tax rates in subsection 1 is reduced:
 - a. By twenty percent for the first taxable year beginning after December 31, 2003;
 - b. By forty percent for the second taxable year beginning after December 31, 2003;
 - c. By sixty percent for the third taxable year beginning after December 31, 2003;
 - d. By eighty percent for the fourth taxable year beginning after December 31, 2003; and
 - e. To zero percent for taxable years beginning after December 31, 2007.

SECTION 2. AMENDMENT. Section 57-39.2-02.1 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-02.1. Sales tax imposed.

1. Except as otherwise expressly provided in subsection 2 for sales of mobile homes used for residential or business purposes, and except as otherwise expressly provided in this chapter, there is imposed a tax of five and one-fourth percent upon the gross receipts of retailers from all sales at retail including the leasing or renting of tangible personal property as provided in this section, within this state of the following to consumers or users:
 - a. Tangible personal property, consisting of goods, wares, or merchandise, except mobile homes used for residential or business purposes and new farm machinery and new irrigation equipment used exclusively for agricultural purposes.
 - b. The furnishing or service of communication services or steam other than steam used for processing agricultural products.
 - c. Tickets or admissions to places of amusement or entertainment or athletic events, including amounts charged for participation in an amusement, entertainment, or athletic activity, and including the

furnishing of bingo cards and the playing of any machine for amusement or entertainment in response to the use of a coin. The tax imposed by this section applies only to eighty percent of the gross receipts collected from coin-operated amusement devices.

- d. Magazines and other periodicals.
 - e. The leasing or renting of a hotel or motel room or tourist court accommodations.
 - f. The leasing or renting of tangible personal property the transfer of title to which has not been subjected to a retail sales tax under this chapter or a use tax under chapter 57-40.2.
 - g. Coal mined in this state and used for heating buildings, except for coal used in agricultural processing or sugar beet refining plants.
2. There is imposed a tax of three and one-fourth percent upon the gross receipts of retailers from all sales at retail of mobile homes used for residential or business purposes, except as provided in subsection 35 of section 57-39.2-04, and of new farm machinery and new irrigation equipment used exclusively for agricultural purposes, including the leasing or renting of new farm machinery and new irrigation equipment used exclusively for agricultural purposes within this state to consumers or users.
 3. In the case of a contract for the construction of highways, roads, streets, bridges, and buildings for which the bid was submitted prior to December 9, 1986, the contractor receiving the award is liable only for the sales or use tax at the rate of tax in effect on the date the bid was submitted.

SECTION 3. AMENDMENT. Section 57-39.2-08.2 of the North Dakota Century Code is amended and reenacted as follows:

57-39.2-08.2. Sales tax to be added to purchase price and be a debt.

1. ~~Except as otherwise provided in subsection 2, retailers~~ A retailer shall add the tax imposed under this chapter, or the average equivalent thereof, to the sales price or charge, and when added, ~~such the tax~~ constitutes is a part of ~~such the~~ price or charge, is a debt from the consumer or user to the retailer until paid, and is recoverable at law in the same manner as other debts. In adding such tax to the price or charge, retailers shall adopt the following bracket system for the application of the tax:

\$0.01 through \$0.15	no tax
\$0.16 through \$0.20	1¢ tax
\$0.21 through \$0.40	2¢ tax
\$0.41 through \$0.60	3¢ tax
\$0.61 through \$0.80	4¢ tax
\$0.81 through \$1.00	5¢ tax

~~Each additional \$1.00 — 5¢ additional tax, or each additional 20¢ or fraction thereof over \$1.00 — 1¢ additional tax~~ adopted by the commissioner by rule.

2. ~~On retail sales of mobile homes used for residential or business purposes, except as provided in subsection 35 of section 57-39.2-04, and of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes, retailers shall add the tax imposed under this chapter, or the average equivalent thereof, to the sales price or charge, and when added, such tax constitutes a part of such price or charge, is a debt from the consumer or user to the retailer until paid, and is recoverable at law in the same manner as other debts. In adding such tax to the price or charge, retailers shall add to it three percent of such price or charge.~~

SECTION 4. AMENDMENT. Section 57-40.2-02.1 of the North Dakota Century Code is amended and reenacted as follows:

57-40.2-02.1. Use tax imposed.

1. Except as otherwise expressly provided in subsection 2 for purchases of mobile homes used for residential or business purposes, an excise tax is imposed on the storage, use, or consumption in this state of tangible personal property purchased at retail for storage, use, or consumption in this state, at the rate of five and one-fourth percent of the purchase price of the property. Except as limited by section 57-40.2-11, an excise tax is imposed on the storage, use, or consumption in this state of tangible personal property not originally purchased for storage, use, or consumption in this state at the rate of five and one-fourth percent of the fair market value of the property at the time it was brought into this state.
2. An excise tax is imposed on the storage, use, or consumption in this state of mobile homes used for residential or business purposes, except as provided in subsection 19 of section 57-40.2-04, and of new farm machinery and new irrigation equipment used exclusively for agricultural purposes purchased at retail for storage, use, or consumption in this state at the rate of three and one-fourth percent of the purchase price thereof. Except as limited by section 57-40.2-11, and except as provided in subsection 35 of section 57-39.2-04, an excise tax is imposed on the storage, use, or consumption in this state of mobile homes used for residential or business purposes and of new farm machinery and new irrigation equipment used exclusively for agricultural purposes not originally purchased for storage, use, or consumption in this state at the rate of three and one-fourth percent of the fair market value of mobile homes used for residential or business purposes and of new farm machinery and new irrigation equipment used exclusively for agricultural purposes at the time it was brought into this state.
3. An excise tax is imposed on the storage, use, or consumption in this state of natural gas consumed by a final user at the rate of four percent from January 1, 1993, through December 31, 1993; three percent from January 1, 1994, through December 31, 1994; and two percent after December 31, 1994, if sales tax has not been applied as provided by section 57-39.2-03.6.
4. In the case of a contract awarded for the construction of highways, roads, streets, bridges, and buildings prior to December 1, 1986, the contractor receiving the award shall be liable only for the sales or use tax at the rate of tax in effect on the date of contract.

SECTION 5. AMENDMENT. Section 57-40.3-02 of the North Dakota Century Code is amended and reenacted as follows:

57-40.3-02. Tax imposed. There is hereby imposed an excise tax at the rate of five and one-fourth percent on the purchase price of any motor vehicle purchased or acquired either in or outside of the state of North Dakota for use on the streets and highways of this state and required to be registered under the laws of this state.

SECTION 6. REPEAL. Sections 57-39.2-12.1 and 57-40.2-07.1 of the North Dakota Century Code are repealed.

SECTION 7. LEGISLATIVE COUNCIL STUDY. The legislative council shall study state income and sales, use, and motor vehicle excise taxes to determine the feasibility and desirability of eliminating state individual and corporate income taxes and providing replacement revenues by expansion of state sales, use, and motor vehicle excise taxes. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly.

SECTION 8. EFFECTIVE DATE - EXPIRATION DATE. Section 1 of this Act is effective for taxable years beginning after December 31, 2003. Sections 2 through 5 of this Act are effective for taxable events occurring after December 31, 2004, and before July 1, 2005, and are thereafter ineffective. Section 6 of this Act is effective for taxable events occurring after June 30, 2003."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2320: Political Subdivisions Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2320 was placed on the Sixth order on the calendar.

Page 1, line 6, after "To" insert ", consistent with section 54-54-01,"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2360: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). SB 2360 was placed on the Sixth order on the calendar.

Page 1, line 2, after "programs" insert "; and to provide an appropriation"

Page 1, line 6, after "**Loans**" insert "**and grants**"

Page 1, line 9, replace "loans may be used to assist" with "Bank may issue up to one hundred fifty loans during the biennium. The maximum amount allowable per loan is four thousand dollars.

2. The Bank of North Dakota shall provide a schedule for repayment of any loan provided under subsection 1. The schedule must require that the student begin repayment no later than sixty days after completion of the truckdriver training program and that the loan be repaid in full within thirty-six months of the first payment.
3. The North Dakota state college of science may award an eligible student a grant in the amount of one thousand dollars. An eligible student for a grant under this subsection must:
 - a. Be enrolled in a truckdriver training program offered by the North Dakota state college of science; and
 - b. Have incurred an obligation to repay to the Bank of North Dakota a loan provided under subsection 1.
4. The North Dakota state college of science shall forward each grant awarded under this section directly to the Bank of North Dakota for the purpose of reducing the amount repayable by the student under section 1.

SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the highway trust fund, not otherwise appropriated, the sum of \$165,000, or so much of the sum as may be necessary, to the North Dakota state college of science for the purpose of providing loan repayment grants to eligible students enrolled in a truckdriver training program, for the biennium beginning July 1, 2003, and ending June 30, 2005. The North Dakota state college of science may retain up to \$15,000 of the amount appropriated under this section as reimbursement for expenses incurred in administering the loan repayment grant program."

Page 1, remove lines 10 through 21

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2403: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2403 was placed on the Sixth order on the calendar.

Page 5, line 23, remove ", and"

Page 5, line 24, remove "expenditures made for political purposes,"

Page 5, line 29, replace "made and" with an underscored comma

Page 5, line 30, after "expenditure" insert an underscored comma and replace "it" with "the expenditure"

Page 6, line 17, remove "state"

Page 7, line 2, after the period insert "The statement must include the name and mailing address of each recipient of an expenditure exceeding one hundred dollars in the aggregate, the amount of each reportable expenditure, and the date the expenditure was made."

Page 7, line 30, after "received" insert "and expenditures made"

Page 8, line 1, after "received" insert "and expenditures made"

Page 12, line 19, after "party" insert "or nonprofit entity affiliated with or under the control of a state political party"

Page 12, line 20, after "party" insert "or nonprofit entity affiliated with or under the control of a state political party"

Page 12, line 21, remove ", furnishings."

Page 12, line 22, remove "and equipment" and after "party" insert "or nonprofit entity affiliated with or under the control of a state political party"

Page 17, line 18, after "candidates" insert "or candidate committees"

Page 17, line 20, after the second "candidate" insert "committee" and after "for" insert "a"

Page 17, line 21, replace the first underscored comma with "candidate and a candidate for a" and remove the second underscored comma

Page 17, line 23, after "candidate" insert "or candidate committee"

Page 17, line 30, replace "The" with "A" and after "candidate" insert "committee for a judicial district candidate shall file a statement with the secretary of state no later than the thirtieth day following the date of the election in which the candidate's name appeared on the ballot or in which the candidate sought election through write-in votes. Any other candidate required to file a statement under this section"

Page 18, line 1, replace "appears" with "appeared"

Page 18, line 2, replace "seeks" with "sought" and after the second "candidate" insert "or candidate committee"

Page 18, line 4, replace "must" with "or candidate committee shall"

Page 18, line 5, replace "county auditor" with "appropriate filing officer"

Page 18, line 6, replace "county auditor" with "appropriate filing officer"

Page 18, line 8, replace "county auditor" with "appropriate filing officer"

Page 18, line 9, replace "county auditor" with "filing officer"

Page 18, line 10, replace "county auditor" with "filing officer"

Page 18, line 12, replace "county auditor" with "filing officer"

Page 18, line 14, replace "county auditor's office" with "filing officer"

Page 18, line 20, after the first underscored comma insert "which"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2416: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS**

(12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2416 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "to provide a statement of legislative intent;"

Page 1, line 8, after the first comma insert "in an amount not to exceed \$5,000,000"

Page 1, line 9, after the period insert "The limitation provided in section 54-17.2-23 does not apply to repayments allocable to evidences of indebtedness issued pursuant to this section."

Page 1, line 22, replace "Of the total amount" with "Debt service on the"

Page 1, line 23, remove the first "of" and remove ", a total of"

Page 1, line 24, remove "\$1,500,000", replace "available" with "paid", and replace "to assist in the retirement of" with "collected by the state historical society."

Page 2, remove lines 1 through 8

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment reduces the bonding authorization for capital projects of the State Historical Society from \$8 million to \$5 million, exempts the repayment of bonds from North Dakota Century Code Section 54-17.2-23, and provides that the State Historical Society is responsible for collecting the remaining necessary funding for total capital project costs and is responsible for bond repayment.

REPORT OF STANDING COMMITTEE

SB 2418: Education Committee (Sen. Freborg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2418 was placed on the Sixth order on the calendar.

Page 2, line 1, remove "The committee shall hold public hearings on any pending rule or guideline prior to"

Page 2, remove line 2

Page 2, line 3, remove "6."

Page 2, line 4, remove "approved by" and after "committee" insert "holds a public hearing regarding the rule or guideline"

Page 2, line 5, replace "7." with "6."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SCR 4012: Finance and Taxation Committee (Sen. Urlacher, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4012 was placed on the Sixth order on the calendar.

Page 2, line 23, replace the first comma with "and" and replace ", and each state board and" with a period

Page 2, remove line 24

Renumber accordingly

FIRST READING OF HOUSE BILL

HB 1175: A BILL for an Act to amend and reenact subdivision b of subsection 1 of section 23-07-07.5 and section 23-07.7-01 of the North Dakota Century Code, relating to sexual offenses; and to repeal section 12.1-20-10 of the North Dakota Century Code, relating to unlawful cohabitation.

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

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

WILLIAM R. HORTON, Secretary