

## JOURNAL OF THE SENATE

## Sixty-fifth Legislative Assembly

\* \* \* \* \*

Bismarck, April 10, 2017

The Senate convened at 1:00 p.m., with President Sanford presiding.

The prayer was offered by Pastor Keith Ritchie, Cornerstone Community Church, Bismarck.

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

A quorum was declared by the President.

## MOTION

**SEN. KLEIN MOVED** that the Senate resolve itself into a Confirmation Session, which motion prevailed.

## REPORT OF SELECT COMMITTEE

**MR. PRESIDENT:** Your **Select Committee (Sen. Casper, Chairman)** appointed to consider the nomination to the North Dakota Gaming Commission, do advise and consent to the appointment of James Wang.

## MOTION

**SEN. CASPER MOVED** that the report be adopted.

## ROLL CALL

The question being, "will the Senate advise and consent to the appointment of James Wang to the North Dakota Gaming Commission," the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

The Senate advises and consents to the appointment of James Wang to the North Dakota Gaming Commission.

## REPORT OF SELECT COMMITTEE

**MR. PRESIDENT:** Your **Select Committee (Sen. Casper, Chairman)** appointed to consider the nomination to the North Dakota Gaming Commission, do advise and consent to the appointment of Charles Axtman.

## MOTION

**SEN. MYRDAL MOVED** that the report be adopted.

## ROLL CALL

The question being, "will the Senate advise and consent to the appointment of Charles Axtman to the North Dakota Gaming Commission," the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

The Senate advises and consents to the appointment of Charles Axtman to the North Dakota Gaming Commission.

**REPORT OF SELECT COMMITTEE**

**MR. PRESIDENT:** Your **Select Committee (Sen. Casper, Chairman)** appointed to consider the nomination to the North Dakota Gaming Commission, do advise and consent to the appointment of Sandi Frenzel.

**MOTION**

**SEN. CASPER MOVED** that the report be adopted.

**ROLL CALL**

The question being, "will the Senate advise and consent to the appointment of Sandi Frenzel to the North Dakota Gaming Commission," the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

The Senate advises and consents to the appointment of Sandi Frenzel to the North Dakota Gaming Commission.

**REPORT OF SELECT COMMITTEE**

**MR. PRESIDENT:** Your **Select Committee (Sen. Casper, Chairman)** appointed to consider the nomination to the North Dakota Gaming Commission, do advise and consent to the appointment of Blake Krabseth.

**MOTION**

**SEN. HOGUE MOVED** that the report be adopted.

**ROLL CALL**

The question being, "will the Senate advise and consent to the appointment of Blake Krabseth to the North Dakota Gaming Commission," the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

The Senate advises and consents to the appointment of Blake Krabseth to the North Dakota Gaming Commission.

**REPORT OF SELECT COMMITTEE**

**MR. PRESIDENT:** Your **Select Committee (Sen. Casper, Chairman)** appointed to consider the nomination to the North Dakota Gaming Commission, do advise and consent to the appointment of Lois Altenburg.

**MOTION**

**SEN. BEKKEDAHL MOVED** that the report be adopted.

**ROLL CALL**

The question being, "will the Senate advise and consent to the appointment of Lois

Altenburg to the North Dakota Gaming Commission," the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

The Senate advises and consents to the appointment of Lois Altenburg to the North Dakota Gaming Commission.

#### MOTION

**SEN. KLEIN MOVED** that the Confirmation Session be dissolved, which motion prevailed.

#### CONSIDERATION OF AMENDMENTS

**HB 1023, as engrossed and amended: SEN. KREBSBACH (Appropriations Committee) MOVED** that the amendments on SJ pages 1293-1296 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1023:** A BILL for an Act to provide an appropriation for defraying the expenses of the public employees retirement system; to provide for a transfer; to create and enact a new subsection to section 54-02-04 of the North Dakota Century Code, relating to public employees retirement system payments; to provide for a legislative management study; and to provide for legislative intent.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Engrossed HB 1023, as amended, passed.

\*\*\*\*\*

#### CONSIDERATION OF AMENDMENTS

**HB 1024, as engrossed: SEN. DEVER (Appropriations Committee) MOVED** that the amendments on SJ pages 1296-1306 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1024:** A BILL for an Act to provide an appropriation for defraying the expenses of various state departments and institutions; to provide a contingent appropriation; to provide for borrowing authority; to provide for transfers; to provide a statement of legislative intent; and to declare an emergency.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Clemens; Cook;

Davison; Dever; Dotzenrod; Erbele; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Casper; Grabinger; Mathern

**ABSENT AND NOT VOTING:** Marcellais

Engrossed HB 1024, as amended, passed and the emergency clause was declared carried.

\*\*\*\*\*

#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. ANDERSON MOVED** that the conference committee report on Engrossed SB 2033 as printed on SJ page 1307 be adopted, which motion prevailed on a voice vote.

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

**SB 2033:** A BILL for an Act to amend and reenact subsection 4 of section 43-41-04, sections 43-41-07 and 43-47-06, and subsection 7 of section 43-53-01 of the North Dakota Century Code, relating to licensure requirements for behavioral health professionals; and to provide for a report to the legislative management.

#### **ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed SB 2033 passed.

\*\*\*\*\*

#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. O. LARSEN MOVED** that the conference committee report on Engrossed SB 2264 as printed on SJ page 1308 be adopted, which motion prevailed on a voice vote.

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

**SB 2264:** A BILL for an Act to amend and reenact subsection 2 of section 23-01-05.5 of the North Dakota Century Code, relating to providing notification of the report of death to the next of kin or authorized representative of the deceased.

#### **ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed SB 2264 passed.

\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KANNIANEN MOVED** that the conference committee report on Engrossed SB 2253 as printed on SJ page 1306 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2253:** A BILL for an Act to create and enact a new section to chapter 47-09 of the North Dakota Century Code, relating to transfers of land between any federal, state, or local governmental entities; and to provide for retroactive application.

**ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed SB 2253 passed.

\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KREUN MOVED** that the conference committee report on SB 2270 as printed on SJ pages 1306-1307 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2270:** A BILL for an Act to amend and reenact subsection 5 of section 6-09.4-03, section 61-24-27, subsection 3 of section 61-24.8-01, and sections 61-24.8-13, 61-24.8-14, 61-24.8-16, and 61-24.8-17 of the North Dakota Century Code, relating to financing options for the Garrison Diversion Conservancy District and notice of assessments; and to declare an emergency.

**ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Engrossed SB 2270 passed and the emergency clause was declared carried.

\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. ANDERSON MOVED** that the conference committee report on SB 2041 as printed on SJ page 1306 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2041:** A BILL for an Act to amend and reenact subsection 1 of section 25-01.2-01 of the North Dakota Century Code, relating to the definition of developmental disability; and to provide for a report.

**ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Engrossed SB 2041 passed.

\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. RUST MOVED** that the conference committee report on SB 2247 as printed on SJ pages 1307-1308 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2247:** A BILL for an Act to amend and reenact section 39-01-09 of the North Dakota Century Code, relating to parking meters.

**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:** Armstrong; Bekkedahl; Burckhard; Campbell; Casper; Clemens; Cook; Erbele; Grabinger; Heckaman; Holmberg; Kannianen; Krebsbach; Kreun; Laffen; Lee, J.; Luick; Mathern; Meyer; Nelson; Oban; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Anderson; Bowman; Davison; Dever; Dotzenrod; Hogue; Kilzer; Klein; Larsen, O.; Larson, D.; Lee, G.; Myrdal; Oehlke

**ABSENT AND NOT VOTING:** Marcellais

Engrossed SB 2247 passed.

\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. J. LEE MOVED** that the conference committee report on Engrossed SB 2039 as printed on SJ page 1306 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2039:** A BILL for an Act to create and enact section 50-06-06.14 of the North Dakota Century Code, relating to the placement of children in the least restrictive environment; to amend and reenact sections 50-06-01, 50-06-01.4, 50-06-05.2, 50-06-05.3, 50-06-05.4, 50-06-06.2, and 50-06-06.5, and subsection 1 of section 50-06-20 of the North Dakota Century Code, relating to the structure and duties of the department of human services with respect to behavioral health; to repeal chapter 25-10 and sections 25-02-02, 50-06-01.2, and 50-06-23 of the North Dakota Century Code, relating to mental health services, the additional location for a hospital for the mentally ill, and the assumption of duties by the department of human services; to provide for transition; to provide a statement of legislative intent; 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 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Campbell; Myrdal

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed SB 2039 passed.

\*\*\*\*\*

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. ANDERSON MOVED** that the conference committee report on SB 2161 as printed on SJ page 1306 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2161:** A BILL for an Act to amend and reenact section 14-07.1-18 of the North Dakota Century Code, relating to domestic violence program records.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Engrossed SB 2161 passed.

\*\*\*\*\*

#### REPORT OF CONFERENCE COMMITTEE

**SB 2316, as engrossed:** Your conference committee (Sens. Burckhard, Kannianen, Dotzenrod and Reps. Rich S. Becker, Longmuir, Simons) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1081-1082 and place SB 2316 on the Seventh order.

Engrossed SB 2316 was placed on the Seventh order of business on the calendar.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. KANNIANEN MOVED** that the conference committee report on Engrossed SB 2316 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2316:** A BILL for an Act to amend and reenact sections 18-01-06, 18-01-33, 18-04-01, 18-12-03, 18-12-05, and 18-12-25 of the North Dakota Century Code, relating to powers and duties of the state fire marshal regarding explosives, participation in the fire insurance tax distribution fund, and the submission plans and specifications for school buildings; to repeal sections 18-01-34 and 18-10-16 of the North Dakota Century Code, relating to disclosure of information concerning toxic or hazardous substances and the duty of the state fire marshal to establish a rural routing system; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed SB 2316 passed.

\*\*\*\*\*

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. COOK MOVED** that the conference committee report on Reengrossed HB 1045 as printed on SJ pages 1309-1317 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1045:** A BILL for an Act to amend and reenact section 57-38-01.26 and subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to the angel fund investment tax credit; to provide a penalty; to provide an effective date; and to provide an expiration date.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Reengrossed HB 1045, as amended, passed.

\*\*\*\*\*

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. D. LARSON MOVED** that the conference committee report on Engrossed HB 1339 as printed on SJ pages 1317-1318 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1339:** A BILL for an Act to amend and reenact sections 61-16.1-22, 61-16.1-23, and 61-16.1-26 of the North Dakota Century Code, relating to notice, appeals, and refunds of special assessments.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 41 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Luick; Meyer; Myrdal; Nelson; Oban; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Anderson; Lee, G.; Lee, J.; Mathern; Oehlke

**ABSENT AND NOT VOTING:** Marcellais

Engrossed HB 1339, as amended, passed.



\*\*\*\*\*

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. UNRUH MOVED** that the conference committee report on Engrossed HB 1204 as printed on SJ page 1309 be adopted, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**SEN. KLEIN MOVED** that the Senate Conference Committee on SB 2090 be dissolved, which motion prevailed.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. ARMSTRONG MOVED** that the Senate do concur in the House amendments to SB 2090 as printed on SJ pages 951-952, which motion prevailed on a voice vote.

SB 2090, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2090:** A BILL for an Act create and enact a new subsection to section 50-11.1-06.2 of the North Dakota Century Code, relating to criminal history record checks; to amend and reenact section 50-06-01.9, subsection 25 of section 50-11.1-02, sections 50-11.1-03, 50-11.1-04, and 50-11.1-06, subsection 1 of section 50-11.1-06.2, subsection 1 of section 50-11.1-07.2, and sections 50-11.1-12, 50-11.1-16, and 50-11.1-17 of the North Dakota Century Code, relating to early childhood services criminal record checks, licensing, definitions, registration, applications, and fees; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**ABSENT AND NOT VOTING:** Marcellais

Engrossed SB 2090 passed.

\*\*\*\*\*

**CONSIDERATION OF MESSAGES FROM THE HOUSE**

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2004, in the House amendments to Engrossed SB 2021, and in the House amendments to Engrossed SB 2134 and that a conference committee be appointed to meet with a like committee from the House on each of these measures, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEES**

**THE PRESIDENT APPOINTED** as a Conference Committee on:

**Engrossed SB 2004:** Sens. Kilzer, G. Lee, Mathern.

**Engrossed SB 2021:** Sens. Wanzek, Hogue, Robinson.

**Engrossed SB 2134:** Sens. Unruh, Armstrong, Oban.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**SEN. KLEIN MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1001, Engrossed HB 1002, Engrossed HB 1003, Engrossed HB 1004, Engrossed HB 1006, Engrossed HB 1007, Engrossed HB 1008, Engrossed HB 1010, Engrossed HB 1013, Engrossed HB 1014, Engrossed HB 1016, Engrossed HB 1018, Engrossed HB 1019, Engrossed HB 1020, Engrossed HB 1022, Engrossed HB 1155, HB 1300, and Reengrossed HB 1324, which motion prevailed.

**THE PRESIDENT APPOINTED** as a Conference Committee on:

**Engrossed HB 1001:** Sens. Hogue, Dever, Mathern  
**Engrossed HB 1002:** Sens. Hogue, Erbele, Grabinger  
**Engrossed HB 1003:** Sens. Sorvaag, Kilzer, Mathern  
**Engrossed HB 1004:** Sens. Oehlke, Dever, Mathern  
**Engrossed HB 1006:** Sens. Wanzek, Sorvaag, Mathern  
**Engrossed HB 1007:** Sens. Hogue, Sorvaag, Mathern  
**Engrossed HB 1008:** Sens. G. Lee, Wanzek, Grabinger  
**Engrossed HB 1010:** Sens. Oehlke, Erbele, Grabinger  
**Engrossed HB 1013:** Sens. Holmberg, Krebsbach, Robinson  
**Engrossed HB 1014:** Sens. Dever, Sorvaag, Grabinger  
**Engrossed HB 1016:** Sens. Bowman, Hogue, Robinson  
**Engrossed HB 1018:** Sens. Krebsbach, Erbele, Mathern  
**Engrossed HB 1019:** Sens. Sorvaag, Krebsbach, Mathern  
**Engrossed HB 1020:** Sens. G. Lee, Sorvaag, Robinson  
**Engrossed HB 1022:** Sens. Krebsbach, Dever, Bowman  
**Engrossed HB 1155:** Sens. Holmberg, Wanzek, Grabinger  
**HB 1300:** Sens. Unruh, Cook, Armstrong  
**Reengrossed HB 1324:** Sens. Schaible, Rust, Oban

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1023.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1024.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2013.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2013

Page 1, line 3, replace "and to provide an exemption" with "to amend and reenact section 15-01-01, subsection 5 of section 57-51-01, and section 57-51-15 of the North Dakota Century Code, relating to oil and gas gross production tax definitions and allocations; to provide for funding repayments; to provide exemptions; to provide for reports; to provide statements of legislative intent; to provide for a legislative management study; and to provide an effective date"

Page 1, line 7, after the first comma insert "the strategic investment and improvements fund,"

Page 1, replace lines 13 through 20 with:

"Salaries and wages	\$6,123,516	(\$295,046)	\$5,828,470
Operating expenses	2,019,637	(266,939)	1,752,698
Grants	99,300,000	(59,300,000)	40,000,000
Contingencies	100,000	0	100,000
Energy infrastructure and impact office	<u>700,000</u>	<u>(479,283)</u>	<u>220,717</u>
Total special funds	\$108,243,153	(\$60,341,268)	\$47,901,885
Full-time equivalent positions	33.00	(3.00)	30.00

**SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act includes \$89,948 from special funds for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 2 and 3 with:

"Oil and gas impact grants - airports	\$0	\$25,000,000
Other grants - airports	<u>0</u>	<u>15,000,000</u>
Total special funds	\$0	\$40,000,000"

Page 3, after line 23, insert:

**"SECTION 8. EXEMPTION - FLOOD-IMPACTED POLITICAL SUBDIVISION INFRASTRUCTURE DEVELOPMENT GRANTS.** Up to \$1,325,500 appropriated from the general fund in section 10 of chapter 579 of the 2011 Session Laws for flood-impacted political subdivision infrastructure development grants, which was awarded but not yet reimbursed to the city of Minot for a landfill expansion project, is not subject to section 54-44.1-11, and any unexpended funds are available to reimburse the city of Minot during the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 9. OIL AND GAS IMPACT GRANT FUND - AIRPORT GRANTS.** The grants line item and the total special funds line item in section 1 of this Act include the sum of \$25,000,000 from the oil and gas impact grant fund for grants to airports, for the biennium beginning July 1, 2017, and ending June 30, 2019. Of the \$25,000,000, the board of university and school lands shall award a grant of \$20,000,000 to the Williston airport and a grant of \$5,000,000 to the Dickinson airport. A grant may be awarded to the Williston airport only when any related federal funding is committed and available to be spent on the new airport construction project. Grants awarded but not yet paid under this section are not subject to section 54-44.1-11.

**SECTION 10. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - WILLISTON AIRPORT GRANT.** The grants line item and the total special funds line item in section 1 of this Act include the sum of \$15,000,000 from the strategic investment and improvements fund for a grant to the Williston airport, for the biennium beginning July 1, 2017, and ending June 30, 2019. A grant may be awarded to the Williston airport only when any related federal funding is committed and available to be spent on the new airport construction project. Grants awarded but not yet paid under this section are not subject to section 54-44.1-11.

**SECTION 11. AMENDMENT.** Section 15-01-01 of the North Dakota Century Code is amended and reenacted as follows:

**15-01-01. Board - Membership - Officers.**

The governor, secretary of state, state treasurer, attorney general, and superintendent of public instruction shall constitute the "board of university and school lands". The governor must be the chairman, the secretary of state must be the vice chairman, and the commissioner of university and school lands must be the secretary of the board. In the absence of the commissioner at any meeting of the board, the deputy commissioner of university and school lands shall act as secretary. When acting as the board of university and school lands, the members of the board shall act in person and may not be represented by any assistant, clerk, or deputy. The speaker of the house and the president pro tempore of the senate each shall appoint one individual to advise the board. The individual appointed to advise the board may attend and participate in all meetings of the board, but may not vote.

**SECTION 12. AMENDMENT.** Subsection 5 of section 57-51-01 of the North Dakota Century Code is amended and reenacted as follows:

5. ~~"Hub city" means, for the period beginning September 1, 2015, and ending August 31, 2017, a city with a population of twelve thousand five hundred or more, according to the last official decennial federal census, which has more than one percent of its private covered employment engaged in oil and gas related employment, according to annual data compiled by job service North Dakota. "Hub city" means, after August 31, 2017, a city with a population of twelve thousand five hundred or more, according to the last official decennial federal census, which has more than one percent of its private covered employment engaged in the mining industry, according to annual data compiled by job service North Dakota.~~

**SECTION 13. AMENDMENT.** Section 57-51-15 of the North Dakota Century Code is amended and reenacted as follows:

**57-51-15. Gross production tax allocation.**

The gross production tax must be allocated monthly as follows:

1. ~~First the~~The tax revenue collected under this chapter equal to one percent of the gross value at the well of the oil and one-fifth of the tax on gas must be deposited with the state treasurer ~~who shall~~. The state treasurer shall allocate the funding in the following order:
  - a. ~~Allocate, for the period beginning September 1, 2015, and ending August 31, 2017, to each hub city, which is located in a county that received an allocation under subsection 2, a monthly amount that will provide a total allocation of three hundred seventy-five thousand dollars per fiscal year for each full or partial percentage point of its private covered employment engaged in oil and gas-related employment, according to annual data compiled by job service North Dakota and after August 31, 2017, allocate to~~To each hub city, which is located in a county that received an allocation under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of three hundred seventy-five thousand dollars per fiscal year for each full or partial percentage point, excluding the first two percentage points, of its private covered employment engaged in the mining industry, according to annual data compiled by job service North Dakota;
  - b. ~~Allocate, for the period beginning September 1, 2015, and ending August 31, 2017, to each hub city, which is located in a county that did not receive an allocation under subsection 2, a monthly amount that will provide a total allocation of two hundred fifty thousand dollars per fiscal year for each full or partial percentage point of its private covered employment engaged in oil and gas-related employment, according to annual data compiled by job service North Dakota and after August 31, 2017, allocate to~~To each hub city, which is located in a county that did not receive an allocation under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of two hundred fifty thousand dollars per fiscal year for each full or partial percentage point, excluding the first two percentage points, of its private covered employment engaged in the mining industry, according to annual data compiled by job service North Dakota;
  - c. ~~Allocate, for the period beginning September 1, 2015, and ending August 31, 2017, to each hub city school district, which is located in a county that received an allocation under subsection 2, a monthly amount that will provide a total allocation of one hundred twenty-five thousand dollars per fiscal year for each full or partial percentage point of the hub city's private covered employment engaged in oil and gas-related employment, according to annual data compiled by job service North Dakota and after August 31, 2017, allocate to~~To each hub city school district, which is located in a county that received an allocation under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of one hundred twenty-five thousand dollars per fiscal year for each full or partial percentage point, excluding the first two percentage points, of the hub city's private covered employment engaged in the mining industry, according to annual data compiled by job service North Dakota, ~~provided that hub~~ Hub city school districts, which are located in a county that did not receive an allocation under subsection 2 in the most recently completed even-numbered fiscal year, must be excluded from the allocations under this subdivision;

- d. ~~Allocate to~~ To each county that received more than five million dollars but less than thirty million dollars of total allocations under subsection 2 in ~~state~~ the most recently completed even-numbered fiscal year 2014, the state treasurer shall allocate a monthly amount that will provide a total allocation of one million five hundred thousand dollars per fiscal year ~~to be added by the state treasurer~~ be added to the allocations to school districts under subdivision b of subsection 5;
- e. ~~Credit revenues to the oil and gas impact grant fund, but not in an amount exceeding one hundred forty million dollars per biennium for the 2015-17 biennium, and not in an amount exceeding one hundred million dollars per biennium thereafter;~~
- f. ~~Credit eight percent of the amount available under this subsection to the North Dakota outdoor heritage fund, but not in an amount exceeding twenty million dollars in a state fiscal year and not in an amount exceeding forty million dollars per biennium;~~
- g. ~~Credit four percent of the amount available under this subsection to the abandoned oil and gas well plugging and site reclamation fund, but not in an amount exceeding seven million five hundred thousand dollars in a state fiscal year and not in an amount that would bring the balance in the fund to more than one hundred million dollars; and~~
- h. ~~Allocate the remaining revenues under subsection 3 as follows:~~
  - (1) To each county that received more than five million dollars but not exceeding ten million dollars of total allocations under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of one million five hundred thousand dollars per fiscal year. The allocation must be distributed to school districts within the county pursuant to subdivision b of subsection 5.
  - (2) To each county that received more than ten million dollars but not exceeding fifteen million dollars of total allocations under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of one million two hundred fifty thousand dollars per fiscal year. The allocation must be distributed to school districts within the county pursuant to subdivision b of subsection 5.
  - (3) To each county that received more than fifteen million dollars but not exceeding twenty million dollars of total allocations under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of one million dollars per fiscal year. The allocation must be distributed to school districts within the county pursuant to subdivision b of subsection 5.
  - (4) To each county that received more than twenty million dollars but not exceeding twenty-five million dollars of total allocations under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of seven hundred fifty thousand dollars per fiscal year. The allocation must be distributed to school districts within the county pursuant to subdivision b of subsection 5.

- (5) To each county that received more than twenty-five million dollars but not exceeding thirty million dollars of total allocations under subsection 2 in the most recently completed even-numbered fiscal year, the state treasurer shall allocate a monthly amount that will provide a total allocation of five hundred thousand dollars per fiscal year. The allocation must be distributed to school districts within the county pursuant to subdivision b of subsection 5.
- e. (1) For the period beginning September 1, 2017, and ending August 31, 2019, the state treasurer shall allocate eight percent of the amount available under this subsection to the North Dakota outdoor heritage fund, but not in an amount exceeding ten million dollars per biennium. For purposes of this paragraph, "biennium" means the period beginning September first of each odd-numbered calendar year and ending August thirty-first of the following odd-numbered calendar year.
- (2) After August 31, 2019, the state treasurer shall allocate eight percent of the amount available under this subsection to the North Dakota outdoor heritage fund, but not in an amount exceeding twenty million dollars per fiscal year.
- f. (1) For the period beginning September 1, 2017, and ending August 31, 2019, the state treasurer shall allocate four percent of the amount available under this subsection to the abandoned oil and gas well plugging and site reclamation fund, but not in an amount exceeding four million dollars per fiscal year and not in an amount that would bring the balance in the fund to more than one hundred million dollars.
- (2) After August 31, 2019, the state treasurer shall allocate four percent of the amount available under this subsection to the abandoned oil and gas well plugging and site reclamation fund, but not in an amount exceeding seven million five hundred thousand dollars per fiscal year and not in an amount that would bring the balance in the fund to more than one hundred million dollars.
- g. For the period beginning September 1, 2017, and ending August 31, 2019, the state treasurer shall allocate the remaining revenues in the following order:
- (1) Up to twenty-five million dollars to the oil and gas impact grant fund.
- (2) Any remaining revenues under subsection 3.
- h. After August 31, 2019, the state treasurer shall allocate the remaining revenues in the following order:
- (1) Up to five million dollars per biennium to the oil and gas impact grant fund. For purposes of this paragraph, "biennium" means the period beginning September first of each odd-numbered calendar year and ending August thirty-first of the following odd-numbered calendar year.
- (2) Any remaining revenues under subsection 3.
- i. For purposes of this subsection, "fiscal year" means the period beginning September first and ending August thirty-first of the following calendar year.

2. After deduction of the amount provided in subsection 1, annual revenue collected under this chapter from oil and gas produced in each county must be allocated as follows:
  - a. The first five million dollars is allocated to the county.
  - b. Of all annual revenue exceeding five million dollars, thirty percent is allocated to the county.
3. After the allocations under subsections 1 and 2, the amount remaining is allocated first to provide for deposit of thirty percent of all revenue collected under this chapter in the legacy fund as provided in section 26 of article X of the Constitution of North Dakota and the remainder must be allocated to the state general fund. If the amount available for a monthly allocation under this subsection is insufficient to deposit thirty percent of all revenue collected under this chapter in the legacy fund, the state treasurer shall transfer the amount of the shortfall from the state general fund share of oil extraction tax collections and deposit that amount in the legacy fund.
4. For a county that received less than five million dollars of allocations under subsection 2 in ~~state~~the most recently completed even-numbered fiscal year 2014, revenues allocated to that county must be distributed at least quarterly by the state treasurer as follows:
  - a. Forty-five percent must be distributed to the county treasurer and credited to the county general fund. However, the distribution to a county under this subdivision must be credited to the state general fund if in a taxable year after 2012 the county is not levying a total of at least ten mills for combined levies for county road and bridge, farm-to-market and federal aid road, and county road purposes.
  - b. Thirty-five percent must be distributed to school districts within the county on the average daily attendance distribution basis for kindergarten through grade twelve students residing within the county, as certified to the state treasurer by the county superintendent of schools. However, a hub city school district must be omitted from distributions under this subdivision.
  - c. Twenty percent must be distributed to the incorporated cities of the county. A hub city must be omitted from distributions under this subdivision. Distributions among cities under this subsection must be based upon the population of each incorporated city according to the last official decennial federal census. In determining the population of any city in which total employment increases by more than two hundred percent seasonally due to tourism, the population of that city for purposes of this subdivision must be increased by eight hundred percent.
  - d. For purposes of this subsection, "fiscal year" means the period beginning September first and ending August thirty-first of the following calendar year.
5. For a county that received five million dollars or more of allocations under subsection 2 in ~~state~~the most recently completed even-numbered fiscal year 2014, revenues allocated to that county must be distributed at least quarterly by the state treasurer as follows:
  - a. Sixty percent must be distributed to the county treasurer and credited to the county general fund. However, the distribution to a county under this subdivision must be credited to the state general fund if in a taxable year after 2012 the county is not levying a total of at least ten mills for combined levies for county road and bridge, farm-to-market and federal aid road, and county road purposes.

- b. Five percent must be distributed to school districts within the county on the average daily attendance distribution basis for kindergarten through grade twelve students residing within the county, as certified to the state treasurer by the county superintendent of schools. However, a hub city school district must be omitted from distributions under this subdivision.
- c. Twenty percent must be distributed to the incorporated cities of the county. A hub city must be omitted from distributions under this subdivision. Distributions among cities under this subsection must be based upon the population of each incorporated city according to the last official decennial federal census. In determining the population of any city in which total employment increases by more than two hundred percent seasonally due to tourism, the population of that city for purposes of this subdivision must be increased by eight hundred percent.
- d. ~~Three~~One percent must be allocated among the organized and unorganized townships of the county. The state treasurer shall allocate the funds available under this subdivision among townships in proportion to each township's road miles relative to the total township road miles in the county. The amount allocated to unorganized townships under this subdivision must be distributed to the county treasurer and credited to a special fund for unorganized township roads, which the board of county commissioners shall use for the maintenance and improvement of roads in unorganized townships.
- e. ~~Three~~One percent must be allocated among the organized and unorganized townships in all the counties that received five million dollars or more of allocations under subsection 2 in the most recently completed ~~state~~even-numbered fiscal year. The amount available under this subdivision must be allocated by the state treasurer in an equal amount to each eligible organized and unorganized township. The amount allocated to unorganized townships under this subdivision must be distributed to the county treasurer and credited to a special fund for unorganized township roads, which the board of county commissioners shall use for the maintenance and improvement of roads in unorganized townships.
- f. Four percent must be allocated among the organized and unorganized townships in all the non-oil-producing counties. The amount available under this subdivision must be allocated by the state treasurer in an equal amount to each eligible organized and unorganized township. The amount allocated to unorganized townships under this subdivision must be distributed to the county treasurer and credited to a special fund for unorganized township roads which the board of county commissioners shall use for the maintenance and improvement of roads in unorganized townships. For purposes of this subdivision, "non-oil-producing counties" means the counties that received no allocation or a total allocation of less than five million dollars under subsection 2 in the most recently completed even-numbered fiscal year.
- g. Nine percent must be distributed among hub cities. Sixty percent of funds available under this subdivision must be distributed to the hub city receiving the highest percentage of allocations to hub cities under subdivision a of subsection 1 for the quarterly period, thirty percent of funds available under this subdivision must be distributed to the hub city receiving the second highest percentage of such allocations, and ten percent of funds available under this subdivision must be distributed to the hub city receiving the third highest percentage of such allocations. Hub cities, which are located in a county that did not receive an allocation under subsection 2 in the most recently completed even-numbered fiscal year, must be



excluded from the allocations under this subsection. If fewer than three hub cities are eligible for the allocations under this subdivision, the state treasurer shall allocate the available funds in proportion to the amounts the eligible hub cities received under subdivision a of subsection 1.

- h. For purposes of this subsection, "fiscal year" means the period beginning September first and ending August thirty-first of the following calendar year.
6. Within thirty days after the end of each calendar year, the board of county commissioners of each county that has received an allocation under this section shall file a report for the calendar year with the commissioner, in a format prescribed by the commissioner, including:
- a. The county's statement of revenues and expenditures;
  - b. The county's ending fund balances;
  - c. The amounts allocated under this section to the county's general fund, the amounts expended from these allocations, and the purposes of the expenditures; and
  - d. The amounts allocated under this section to or for the benefit of townships within the county, the amounts expended from these allocations, and the purposes of the expenditures.

Within fifteen days after the time when reports under this subsection are due, the commissioner shall provide the reports to the legislative council compiling the information from reports received under this subsection.

7. Within thirty days after the end of each fiscal year ended June thirtieth, each school district that has received an allocation under this section shall file a report for the fiscal year ended June thirtieth with the commissioner, in a format prescribed by the commissioner, including:
- a. The school district's statement of revenue and expenditures;
  - b. The school district's ending fund balances; and
  - c. The amounts allocated under this section to the school district, the amounts expended from these allocations, and the purposes of the expenditures.

Within fifteen days after the time when reports under this subsection are due, the commissioner shall provide the reports to the legislative council compiling the information from reports received under this subsection.

**SECTION 14. DEPARTMENT OF TRUST LANDS - WILLISTON AIRPORT FUNDING REPAYMENTS - DEPOSIT.** The city of Williston shall use the proceeds from the sale of the existing Williston airport, excluding any proceeds used to repay the Bank of North Dakota for outstanding loans related to the new airport, for repaying the department of trust lands up to \$27,500,000 for a portion of the state's financial assistance provided for the new Williston airport. The department of trust lands shall deposit any funds received under this section in the strategic investment and improvements fund.

**SECTION 15. LEGISLATIVE INTENT - HUB CITY BONDING.** It is the intent of the sixty-fifth legislative assembly that during the period beginning July 1, 2017, and ending June 30, 2019, hub cities, as defined in section 57-51-01, not issue any new bonds based on anticipated future hub city oil tax revenue allocations under section 57-51-01.

**SECTION 16. LEGISLATIVE INTENT - AGENCY EFFICIENCIES.** It is the intent of the sixty-fifth legislative assembly that during the 2017-18 interim, the

governor and the commissioner of university and school lands achieve efficiencies and budgetary savings within the department of trust lands through the use of innovative ideas and through alternative solutions relating to information technology.

**SECTION 17. LEGISLATIVE INTENT - ENCOURAGEMENT OF ENERGY INFRASTRUCTURE INVESTMENT - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - USE OF TERMS.** It is the intent of the sixty-fifth legislative assembly that the state of North Dakota encourage the continued development of energy infrastructure that will help reduce instances of natural gas flaring and increase the market value received for oil and gas produced within the state generally and from state-owned lands specifically which will increase the value of royalties paid to the funds under the control of the board of university and school lands. Consistent with this intent, the commissioner of university and school lands shall continue to interpret the terms "gross production," "market value," and "gross proceeds of sale" in its lease form to mean a value determined at the producing well or associated production facility, or in the surrounding field or area, where the oil and gas was produced, before any post-production activities undertaken by the lessee, operator, or purchaser after the oil and gas has been transported from the producing well and associated production facility. These values must be determined by the amount received by the lessee in an arm's length contract, or in the absence of an arm's length contract, either a comparable sales method or a work-back calculation methodology consistent with state law.

**SECTION 18. LEGISLATIVE MANAGEMENT STUDY - OIL AND GAS TAX REVENUE ALLOCATIONS TO HUB CITIES AND HUB CITY SCHOOL DISTRICTS.**

1. During the 2017-18 interim, the legislative management shall consider studying oil and gas tax revenue allocations to hub cities and hub city school districts. The study must include consideration of the following:
  - a. The current and historical oil and gas tax revenue allocations to hub cities and hub city school districts.
  - b. Other state funding provided to hub cities and hub city school districts, including grants from the oil and gas impact grant fund, distributions from the strategic investment and improvements fund, state school aid payments, and payments from the state aid distribution fund and highway tax distribution fund.
  - c. Local taxing and revenue levels in hub cities compared to cities in non-oil-producing counties, including mill levies, property tax values, local sales and use taxes, and other revenue sources.
  - d. The appropriate level of oil and gas tax revenue allocations to hub cities and hub city school districts based on infrastructure and other needs.
  - e. The estimated fiscal impact to hub cities, hub city school districts, other political subdivisions, and the state if the oil and gas tax revenue allocation formula would be changed to transition hub cities and hub city school districts from allocations under subsection 1 of section 57-51-15 to allocations under subsections 4 and 5 of section 57-51-15.
  - f. The estimated fiscal impact to hub cities, hub city school districts, other political subdivisions, and the state if the oil and gas tax revenue allocation formula would be changed to discontinue the allocations to hub cities and hub city school districts under subsection 1 of section 57-51-15.
2. The membership of the committee assigned the responsibility of the study must proportionately reflect the state's population distribution between oil-producing counties and non-oil-producing counties and must include members from the finance and taxation committees and the appropriations committees.

3. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 19. EFFECTIVE DATE.** Sections 12 and 13 of this Act are effective for taxable events occurring after June 30, 2017."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2013 - Department of Trust Lands - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,123,516	\$6,218,736	(\$390,266)	\$5,828,470
Operating expenses	2,019,637	1,775,723	(23,025)	1,752,698
Capital assets		5,250,000	(5,250,000)	
Grants	99,300,000		40,000,000	40,000,000
Energy Infrastructure and Impact Office	700,000	220,717		220,717
Contingencies	100,000	100,000		100,000
Total all funds	\$108,243,153	\$13,565,176	\$34,336,709	\$47,901,885
Less estimated income	108,243,153	13,565,176	34,336,709	47,901,885
General fund	\$0	\$0	\$0	\$0
FTE	33.00	32.00	(2.00)	30.00

**Department No. 226 - Department of Trust Lands - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for FTE Positions <sup>2</sup>	Removes Funding for an Information Technology Project <sup>3</sup>	Adds Funding for Grants <sup>4</sup>	Total House Changes
Salaries and wages	(\$6,636)	(\$383,630)			(\$390,266)
Operating expenses		(23,025)			(23,025)
Capital assets			(5,250,000)		(5,250,000)
Grants				40,000,000	40,000,000
Energy Infrastructure and Impact Office					
Contingencies					
Total all funds	(\$6,636)	(\$406,655)	(\$5,250,000)	\$40,000,000	\$34,336,709
Less estimated income	(6,636)	(406,655)	(5,250,000)	40,000,000	34,336,709
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	(2.00)	0.00	0.00	(2.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding is removed as follows:

- \$200,105 is removed for a geographic information system position, which was added by the Senate. Of the \$200,105, \$177,080 relates to salaries and wages, and \$23,025 relates to operating expenses.
- \$206,550 is removed for a project manager position.

<sup>3</sup> One-time funding of \$5.25 million is removed for an information technology project. The Senate added this funding.

<sup>4</sup> One-time funding of \$25 million is added from the oil and gas impact grant fund for grants to the Williston airport (\$20 million) and the Dickinson airport (\$5 million). One-time funding of \$15 million is added from the strategic investment and improvements fund for a grant to the Williston airport.

This amendment also:

- Identifies the health insurance increase.
- Provides an exemption to allow an unspent grant to a flood-impacted political subdivision to be available in the 2017-19 biennium.
- Identifies \$25 million from the oil and gas impact grant fund for an oil impact grant of \$20 million to the Williston airport and a grant of \$5 million to the Dickinson airport. This funding is available to the Williston airport only when any related federal funding is committed and available to be spent on the new airport construction project.
- Identifies \$15 million from the strategic investment and improvements fund for a grant to the Williston airport. This funding is available to the Williston airport only when any related federal funding is committed and available to be spent on the new airport construction project.
- Adds two advisory members that are appointed by the Speaker of the House and the President Pro Tempore to the board of university and school lands.
- Amends the oil and gas tax revenue allocation formulas (see the table below) and provides an effective date related to the formula changes.
- Provides that the city of Williston use the proceeds from the sale of the existing airport, up to \$27.5 million, to repay the Department of Trust Lands for the state's financial assistance provided for the new airport.
- Provides a statement of legislative intent that hub cities not issue new bonds during the 2017-19 biennium based on anticipated future hub city oil tax revenue allocations.
- Provides a statement of legislative intent regarding efficiencies within the Department of Trust Lands.
- Provides a statement of legislative intent regarding the calculation of mineral royalties.
- Provides for a Legislative Management study by a committee with proportional geographic representation and members of the Finance and Taxation and Appropriations Committees regarding the oil and gas tax revenue allocations to hub cities and hub city school districts.

**Senate Bill No. 2013 - Other Changes - House Action**

Current Law	Proposed Changes
<p><b>Hub city definition</b></p> <ul style="list-style-type: none"> <li>• After August 31, 2017, a hub city is based on mining employment.</li> </ul> <p><b>Hub city and hub city school district allocations</b></p> <ul style="list-style-type: none"> <li>• Hub cities located in oil-producing counties receive an annual allocation of \$375,000 per full or partial percentage point of mining employment.</li> <li>• Hub cities located in non-oil-producing counties receive an annual allocation of \$250,000 per full or partial percentage point of mining employment.</li> <li>• Hub city school districts receive an annual allocation of \$125,000 per full or partial percentage point of mining employment, excluding hub city school districts located in non-oil-producing counties.</li> </ul> <p><b>Supplemental school district allocation</b></p> <ul style="list-style-type: none"> <li>• Eligible counties receive an annual allocation of \$1.5 million for distributions to school districts in the county.</li> </ul> <p><b>North Dakota outdoor heritage fund allocations</b></p> <ul style="list-style-type: none"> <li>• From the 1 percent of the 5 percent oil and gas gross production tax, 8 percent is allocated to the North Dakota outdoor heritage fund, up to \$20 million per fiscal year.</li> </ul> <p><b>Abandoned oil and gas well plugging and site reclamation fund allocations</b></p> <ul style="list-style-type: none"> <li>• From the 1 percent of the 5 percent oil and gas gross production tax, 4 percent is allocated to the abandoned oil and gas well plugging and site reclamation fund, up to \$7.5 million per fiscal year.</li> </ul> <p><b>Oil and gas impact grant fund allocations</b></p>	<p><b>Hub city definition</b></p> <ul style="list-style-type: none"> <li>• No change to current law.</li> </ul> <p><b>Hub city and hub city school district allocations</b></p> <ul style="list-style-type: none"> <li>• Hub cities located in oil-producing counties receive an annual allocation of \$375,000 per full or partial percentage point of mining employment exceeding 2 percent.</li> <li>• Hub cities located in non-oil-producing counties receive an annual allocation of \$250,000 per full or partial percentage point of mining employment exceeding 2 percent.</li> <li>• Hub city school districts in oil-producing counties receive an annual allocation of \$125,000 per full or partial percentage point of mining employment exceeding 2 percent.</li> </ul> <p><b>Supplemental school district allocation</b></p> <ul style="list-style-type: none"> <li>• Changes the annual allocation to provide a specific amount based on the oil and gas tax allocations received by the county in the most recently completed even-numbered fiscal year. The specific amounts range from \$500,000 to \$1.5 million per year.</li> </ul> <p><b>North Dakota outdoor heritage fund allocations</b></p> <ul style="list-style-type: none"> <li>• Decreases the amount allocated to the North Dakota outdoor heritage fund by changing the limit from \$20 million per fiscal year to \$10 million for the 2017-19 biennium.</li> </ul> <p><b>Abandoned oil and gas well plugging and site reclamation fund allocations</b></p> <ul style="list-style-type: none"> <li>• Decreases the amount allocated to the abandoned oil and gas well plugging and site reclamation fund by changing the limit from \$7.5 million per fiscal year to \$4 million per fiscal year for the 2017-19 biennium.</li> </ul> <p><b>Oil and gas impact grant fund allocations</b></p>

<ul style="list-style-type: none"> <li>Up to \$100 million per biennium is allocated to the oil and gas impact grant fund.</li> </ul> <p><b>Distributions to political subdivisions</b></p> <ul style="list-style-type: none"> <li>The distributions to political subdivisions in North Dakota Century Code Sections 57-51-15(4) and 57-51-15(5) are based on the oil and gas tax allocations received by a county in fiscal year 2014.</li> <li>From the 4 percent of the 5 percent oil and gas gross production tax, 30 percent of all revenue above \$5 million is allocated to the county with the remaining 70 percent allocated to the state.</li> <li>The distributions to political subdivisions are as follows:</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>Counties - Less Than \$5 Million</th> <th>Counties - \$5 Million Or More</th> </tr> </thead> <tbody> <tr> <td>County general fund</td> <td>45%</td> <td>60%</td> </tr> <tr> <td>Cities</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Schools</td> <td>35%</td> <td>5%</td> </tr> <tr> <td>Townships (equal)</td> <td></td> <td>3%</td> </tr> <tr> <td>Townships (road miles)</td> <td></td> <td>3%</td> </tr> <tr> <td>Hub cities</td> <td></td> <td>9%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>From the counties' share in counties that received \$5 million or more of oil and gas tax allocations, 9 percent is distributed to the three hub cities with the highest percentage of mining employment.</li> </ul>		Counties - Less Than \$5 Million	Counties - \$5 Million Or More	County general fund	45%	60%	Cities	20%	20%	Schools	35%	5%	Townships (equal)		3%	Townships (road miles)		3%	Hub cities		9%	<ul style="list-style-type: none"> <li>Decreases the allocation to the oil and gas impact grant fund from \$100 million per biennium to \$25 million per biennium for the 2017-19 biennium and provides an allocation of \$5 million per biennium to the oil and gas impact grant fund after the 2017-19 biennium.</li> </ul> <p><b>Distributions to political subdivisions</b></p> <ul style="list-style-type: none"> <li>Changes the basis for the distributions to political subdivisions in Sections 57-51-15(4) and 57-51-15(5) to reflect the oil and gas tax allocations received by a county in the most recently completed even-numbered fiscal year rather than fiscal year 2014.</li> <li>No change to current law.</li> </ul> <ul style="list-style-type: none"> <li>The proposed changes to the distributions to political subdivisions are as follows:</li> </ul> <table border="1"> <thead> <tr> <th></th> <th>Counties - Less Than \$5 Million</th> <th>Counties - \$5 Million Or More</th> </tr> </thead> <tbody> <tr> <td>County general fund</td> <td>45%</td> <td>60%</td> </tr> <tr> <td>Cities</td> <td>20%</td> <td>20%</td> </tr> <tr> <td>Schools</td> <td>35%</td> <td>5%</td> </tr> <tr> <td>Townships (equal)</td> <td></td> <td>1%</td> </tr> <tr> <td>Townships (road miles)</td> <td></td> <td>1%</td> </tr> <tr> <td>Townships (non-oil)</td> <td></td> <td>4%</td> </tr> <tr> <td>Hub cities</td> <td></td> <td>9%</td> </tr> </tbody> </table> <ul style="list-style-type: none"> <li>Clarifies the distribution to hub cities to exclude hub cities that are located in non-oil-producing counties and to provide proportional allocations if less than three hub cities qualify for the distributions.</li> </ul>		Counties - Less Than \$5 Million	Counties - \$5 Million Or More	County general fund	45%	60%	Cities	20%	20%	Schools	35%	5%	Townships (equal)		1%	Townships (road miles)		1%	Townships (non-oil)		4%	Hub cities		9%
	Counties - Less Than \$5 Million	Counties - \$5 Million Or More																																												
County general fund	45%	60%																																												
Cities	20%	20%																																												
Schools	35%	5%																																												
Townships (equal)		3%																																												
Townships (road miles)		3%																																												
Hub cities		9%																																												
	Counties - Less Than \$5 Million	Counties - \$5 Million Or More																																												
County general fund	45%	60%																																												
Cities	20%	20%																																												
Schools	35%	5%																																												
Townships (equal)		1%																																												
Townships (road miles)		1%																																												
Townships (non-oil)		4%																																												
Hub cities		9%																																												

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2021.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021**

Page 1, line 2, replace "and" with "to provide appropriations to certain agencies for an electronic payment processing system; to authorize borrowing authority;"

Page 1, line 2, after "transfers" insert "; to provide for a report; to create and enact sections 15-19-01.1, 15-19-01.2, and 15-19-02.1 of the North Dakota Century Code, relating to the centers for distance education; to amend and reenact subsection 1 of section 37-17.3-02.2, section 54-59-31, and subsection 1 of section 54-59-34 of the North Dakota Century Code, relating to the statewide interoperability executive committee, certified electronic health information systems, and the statewide longitudinal data system; and to provide a statement of legislative intent"

Page 1, remove lines 12 through 23

Page 2, replace line 1 with:

"Salaries and wages	\$58,113,215	\$1,246,557	\$59,359,772
Operating expenses	70,927,060	(999,062)	69,927,998
Capital assets	8,850,000	(555,000)	8,295,000
Center for distance education	9,091,690	(12,574)	9,079,116
Statewide longitudinal data system	5,500,661	(1,190,100)	4,310,561
Educational technology council	1,655,947	(534,475)	1,121,472
Edutech	9,052,048	700,719	9,752,767
K-12 wide area network	4,880,862	(346,584)	4,534,278
Geographic information system	1,192,978	(45,262)	1,147,716
Health information technology office	5,354,633	43,516,009	48,870,642
Statewide interoperability radio network	0	13,700,000	13,700,000
Total all funds	\$174,619,094	\$55,480,228	\$230,099,322
Less estimated income	<u>151,213,039</u>	<u>58,353,949</u>	<u>209,566,988</u>
Total general fund	\$23,406,055	(\$2,873,721)	\$20,532,334"

Page 2, after line 2, insert:

**"SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$926,470, of which \$173,819 is

from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, after line 11, insert:

"Electronic payment processing system	0	375,000"
---------------------------------------	---	----------

Page 2, replace lines 13 and 14 with:

"Total all funds	\$3,172,090	\$43,930,133
Less estimated income	<u>500,000</u>	<u>43,930,133"</u>

Page 2, after line 24, insert:

**"SECTION 5.** Section 15-19-01.1 of the North Dakota Century Code is created and enacted as follows:

**15-19-01.1. Distance education courses - Course lists to school districts - Notification.**

The center for distance education shall provide, by December thirty-first of each year, a complete list of courses offered by the center to all school districts. Each school district shall notify its students and their parents or guardians of the complete list of courses offered and the school district's policies for course selection and related fees.

**SECTION 6.** Section 15-19-01.2 of the North Dakota Century Code is created and enacted as follows:

**15-19-01.2. Distance education courses - Online courses.**

1. The director of the center for distance education may provide new, online, elective courses for credit meeting the following criteria:
  - a. The course is delivered and controlled by the center for distance education.
  - b. The course code limits the delivery and instruction to the center for distance education.
  - c. The course code assignment reflects current department of public instruction code assignment and teacher licensure.
  - d. The course meets or exceeds all applicable course standards.
  - e. The course represents a new and emerging field of study or career.
2. Courses provided under this section are subject to yearly reviews by the superintendent of public instruction.

**SECTION 7.** Section 15-19-02.1 of the North Dakota Century Code is created and enacted as follows:

**15-19-02.1. Distance education clearinghouse.**

The director of the center for distance education shall establish a clearinghouse for online courses delivered to North Dakota schools for the purpose of providing:

1. A list of the online courses and providers for all North Dakota schools to access.
2. Awareness of online courses available in new and emerging careers.
3. A list of comparative prices for online courses and other online services.

4. Awareness of the differences between technological innovation and learning innovation.

**SECTION 8. AMENDMENT.** Subsection 1 of section 37-17.3-02.2 of the North Dakota Century Code is amended and reenacted as follows:

1. The statewide interoperability executive committee consists of:
  - a. The director of state radio or a designee;
  - b. The director of the division of homeland security or a designee;
  - c. The superintendent of the highway patrol or a designee;
  - d. The adjutant general or a designee;
  - e. The director of the department of transportation or a designee;
  - f. A representative of the North Dakota sheriff's and deputies association;
  - g. A representative of the North Dakota emergency managers association;
  - h. A representative of the North Dakota fire chiefs association;
  - i. A representative of the North Dakota emergency medical services association;
  - j. A representative of the North Dakota police chiefs association;
  - k. A representative of the North Dakota peace officers association;
  - l. A representative of the North Dakota 911 association; and
  - m. The North Dakota chief information officer or a designee;
  - n. The North Dakota Indian affairs commission executive director or a designee; and
  - o. One member of the North Dakota house of representatives and one member of the North Dakota senate appointed by the legislative management.

**SECTION 9. AMENDMENT.** Section 54-59-31 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-31. Certified electronic health records systems.**

1. An executive branch state agency, an institution of higher education, and any health care provider or other person participating in the health information exchange may use only an electronic health record system for use in the exchange which is certified under rules adopted by the office of the national coordinator for health information technology.
2. Subsection 1 does not apply if:
  - a. The office of the national coordinator for health information technology does not require certification of the electronic health record system for that type of provider; or
  - b. The North Dakota health information technology director waives the certification requirement.

**SECTION 10. AMENDMENT.** Subsection 1 of section 54-59-34 of the North Dakota Century Code is amended and reenacted as follows:

1. The statewide longitudinal data system committee shall manage a statewide longitudinal data system that:
  - a. Provides for the dissemination of management information to stakeholders and partners of state education, training, and employment systems; ~~and~~
  - b. Is required to provide on an annual basis to education and workforce development programs, to the extent permitted by federal law, the wage record interchange system 2 data sharing agreement, and the state wage interchange system data sharing agreement, state performance reports that measure the aggregate outcomes of participants in the workforce and continuing education programs, including private workforce and education programs that request the reports; and
  - c. Uses data from educational and workforce systems as central sources of statewide longitudinal data.

**SECTION 11. LOAN AUTHORIZATION - APPROPRIATION - ELECTRONIC PAYMENT PROCESSING SYSTEM.** The state agencies named in this section shall borrow from the Bank of North Dakota, the amounts listed below, or so much of the amounts as may be necessary, which are appropriated to the respective agency for the purpose of defraying the expenses of implementing a new electronic payment system for the biennium beginning July 1, 2017, and ending June 30, 2019.

<u>Agency</u>	<u>Amount</u>
Department of transportation	\$147,000
Secretary of state's office	93,000
Parks and recreation department	42,000
Game and fish department	36,000
Workforce safety and insurance	36,000
Highway patrol	<u>21,000</u>
Total	\$375,000

**SECTION 12. LOAN REPAYMENT - APPROPRIATION - ELECTRONIC PAYMENT PROCESSING SYSTEM.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from additional revenue received as a result of the implementation of a new electronic payment processing system to the agencies named below for the purpose of repaying the Bank of North Dakota loans authorized in section 11 of this Act, plus interest for the biennium beginning July 1, 2017, and ending June 30, 2019.

<u>Agency</u>	<u>Amount</u>
Department of transportation	\$159,000
Secretary of state's office	101,000
Parks and recreation department	46,000
Game and fish department	39,000
Workforce safety and insurance	39,000
Highway patrol	<u>23,000</u>
Total	\$407,000

**SECTION 13. LEGISLATIVE INTENT - STATE GOVERNMENT EFFICIENCIES.** It is the intent of the sixty-fifth legislative assembly that during the 2017-18 interim, the governor achieve efficiencies and budgetary savings within the information technology department and other state agencies through the use of innovative ideas and solutions relating to information technology and related services. It is also the intent of the sixty-fifth legislative assembly that the governor submit proposed legislation necessary to implement any ideas and solutions for state government efficiencies and budgetary savings which cannot be implemented during the 2017-18 interim to the sixty-sixth legislative assembly."



Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2021 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
<b>Secretary of State</b>				
Total all funds	\$0	\$0	\$194,000	\$194,000
Less estimated income	0	0	194,000	194,000
General fund	\$0	\$0	\$0	\$0
<b>Information Technology Department</b>				
Total all funds	\$174,619,094	\$216,155,754	\$13,943,568	\$230,099,322
Less estimated income	151,213,039	195,609,843	13,957,145	209,566,988
General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334
<b>Workforce Safety and Insurance</b>				
Total all funds	\$0	\$0	\$75,000	\$75,000
Less estimated income	0	0	75,000	75,000
General fund	\$0	\$0	\$0	\$0
<b>Highway Patrol</b>				
Total all funds	\$0	\$0	\$44,000	\$44,000
Less estimated income	0	0	44,000	44,000
General fund	\$0	\$0	\$0	\$0
<b>Game and Fish Department</b>				
Total all funds	\$0	\$0	\$75,000	\$75,000
Less estimated income	0	0	75,000	75,000
General fund	\$0	\$0	\$0	\$0
<b>Parks and Recreation Department</b>				
Total all funds	\$0	\$0	\$88,000	\$88,000
Less estimated income	0	0	88,000	88,000
General fund	\$0	\$0	\$0	\$0
<b>Department of Transportation</b>				
Total all funds	\$0	\$0	\$306,000	\$306,000
Less estimated income	0	0	306,000	306,000
General fund	\$0	\$0	\$0	\$0
<b>Bill total</b>				
Total all funds	\$174,619,094	\$216,155,754	\$14,725,568	\$230,881,322
Less estimated income	151,213,039	195,609,843	14,739,145	210,348,988
General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334

**Senate Bill No. 2021 - Secretary of State - House Action**

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			\$194,000	\$194,000
Total all funds	\$0	\$0	\$194,000	\$194,000
Less estimated income	0	0	194,000	194,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 108 - Secretary of State - Detail of House Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total House Changes
Operating expenses	\$93,000	\$101,000	\$194,000
Total all funds	\$93,000	\$101,000	\$194,000
Less estimated income	93,000	101,000	194,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

### Senate Bill No. 2021 - Information Technology Department - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$58,113,215	\$59,474,408	(\$114,636)	\$59,359,772
Operating expenses	70,927,060	69,552,998	375,000	69,927,998
Capital assets	8,850,000	8,295,000		8,295,000
Center for Distance Education	9,091,690	9,085,544	(6,428)	9,079,116
Statewide longitudinal data system	5,500,661	4,312,013	(1,452)	4,310,561
Educational Technology Council	1,655,947	1,121,887	(415)	1,121,472
EduTech	9,052,048	9,759,403	(6,636)	9,752,767
K-12 wide area network	4,880,862	4,535,107	(829)	4,534,278
Geographic information system	1,192,978	1,147,923	(207)	1,147,716
Health information technology office	5,354,633	48,871,471	(829)	48,870,642
Statewide Interoperability Radio Network			13,700,000	13,700,000
Total all funds	\$174,619,094	\$216,155,754	\$13,943,568	\$230,099,322
Less estimated income	151,213,039	195,609,843	13,957,145	209,566,988
General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334
FTE	350.30	344.30	0.00	344.30

### Department No. 112 - Information Technology Department - Detail of House Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces Funding for Salaries <sup>2</sup>	Adds One-Time Funding for Electronic Payment Processing System <sup>3</sup>	Adds Funding for Statewide Interoperability Radio Network <sup>4</sup>	Total House Changes
Salaries and wages	(\$55,572)	(\$59,064)			(\$114,636)
Operating expenses			375,000		375,000
Capital assets					
Center for Distance Education	(6,428)				(6,428)
Statewide longitudinal data system	(1,452)				(1,452)
Educational Technology Council	(415)				(415)
EduTech	(6,636)				(6,636)
K-12 wide area network	(829)				(829)
Geographic information system	(207)				(207)
Health information technology office	(829)				(829)
Statewide Interoperability Radio Network				13,700,000	13,700,000
Total all funds	(\$72,368)	(\$59,064)	\$375,000	\$13,700,000	\$13,943,568
Less estimated income	(58,791)	(59,064)	375,000	13,700,000	13,957,145
General fund	(\$13,577)	\$0	\$0	\$0	(\$13,577)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding is further reduced for salaries related to 5 FTE positions removed by the Senate.

<sup>3</sup> One-time funding of \$375,000 is added for developing an electronic payment processing system related to credit card fees for the following state agencies:

- Department of Transportation - \$147,000
- Secretary of State's office - \$93,000

- Parks and Recreation Department - \$42,000
- Game and Fish Department - \$36,000
- Workforce Safety and Insurance - \$36,000
- Highway Patrol - \$21,000

<sup>4</sup> Funding of \$13.7 million of special funds is added for the statewide interoperability radio network (SIRN). This is the estimated amount to be collected by political subdivisions during the 2017-19 biennium due to increased fees on assessed communications services pursuant to House Bill No. 1178. Amounts received by political subdivisions will be remitted to the State Treasurer to be deposited in the SIRN fund to be used by the Information Technology Department for costs of developing the network.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Amends North Dakota Century Code Chapter 15-19 to require the Director of the Centers for Distance Education (CDE) to provide all public schools and districts a list of courses offered by CDE, to provide new online elective courses, and to establish a clearinghouse for online courses offered by CDE.
- Amends Section 37-17.3-02.2(1) to expand membership of the statewide interoperable executive committee to include the North Dakota Indian Affairs Commission executive director and, as appointed by Legislative Management, one member of the House and one member of the Senate.
- Amends Section 54-59-31 to allow certain health care providers participating in the health information exchange to use an electronic health records system that is not certified by the office of the National Coordinator for Health Information Technology if that type of provider is not required to be certified.
- Amends Subsection 1 of Section 54-59-34 to require the Statewide Longitudinal Data System Committee to provide annual reports to education and workforce development programs.
- Adds a section authorizing the Department of Transportation, Parks and Recreation Department, Game and Fish Department, Workforce Safety and Insurance, the Secretary of State's office, and Highway Patrol to obtain loans from the Bank of North Dakota for an electronic payment processing system.
- Adds a section providing an appropriation to each agency receiving loans from the Bank of North Dakota for an electronic payment processing system, to provide for repayment of the loans.
- Adds a section providing legislative intent regarding the Governor achieving efficiencies and budgetary savings within the Information Technology Department and other agencies.

**Senate Bill No. 2021 - Workforce Safety and Insurance - House Action**

	Base Budget	Senate Version	House Changes	House Version
Workforce safety and insurance operation			\$75,000	\$75,000
Total all funds	\$0	\$0	\$75,000	\$75,000
Less estimated income	0	0	75,000	75,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 485 - Workforce Safety and Insurance - Detail of House Changes**

Adds Funding for Electronic Payment Processing	Adds Funding for Electronic Payment Processing	Total House Changes

	System Loan <sup>1</sup>	System Loan Repayment <sup>2</sup>	
Workforce safety and insurance operation	\$36,000	\$39,000	\$75,000
Total all funds	\$36,000	\$39,000	\$75,000
Less estimated income	36,000	39,000	75,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**Senate Bill No. 2021 - Highway Patrol - House Action**

	Base Budget	Senate Version	House Changes	House Version
Field operations			\$44,000	\$44,000
Total all funds	\$0	\$0	\$44,000	\$44,000
Less estimated income	0	0	44,000	44,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 504 - Highway Patrol - Detail of House Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total House Changes
Field operations	\$21,000	\$23,000	\$44,000
Total all funds	\$21,000	\$23,000	\$44,000
Less estimated income	21,000	23,000	44,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**Senate Bill No. 2021 - Game and Fish Department - House Action**

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			\$75,000	\$75,000
Total all funds	\$0	\$0	\$75,000	\$75,000
Less estimated income	0	0	75,000	75,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 720 - Game and Fish Department - Detail of House Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total House Changes
Operating expenses	\$36,000	\$39,000	\$75,000
Total all funds	\$36,000	\$39,000	\$75,000
Less estimated income	36,000	39,000	75,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

---

### Senate Bill No. 2021 - Parks and Recreation Department - House Action

	Base Budget	Senate Version	House Changes	House Version
Administration			\$88,000	\$88,000
Total all funds	\$0	\$0	\$88,000	\$88,000
Less estimated income	0	0	88,000	88,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

### Department No. 750 - Parks and Recreation Department - Detail of House Changes

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total House Changes
Administration	\$42,000	\$46,000	\$88,000
Total all funds	\$42,000	\$46,000	\$88,000
Less estimated income	42,000	46,000	88,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

---

### Senate Bill No. 2021 - Department of Transportation - House Action

	Base Budget	Senate Version	House Changes	House Version
Operating expenses			\$306,000	\$306,000
Total all funds	\$0	\$0	\$306,000	\$306,000
Less estimated income	0	0	306,000	306,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 801 - Department of Transportation - Detail of House Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total House Changes
Operating expenses	\$147,000	\$159,000	\$306,000
Total all funds	\$147,000	\$159,000	\$306,000
Less estimated income	147,000	159,000	306,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2004.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004**

Page 1, line 2, after "reenact" insert "sections 43-28.1-01 and 43-28.1-03 and"

Page 1, line 3, after the first "to" insert "the dentists loan repayment program, criteria to be used in selecting qualified dentists, and"

Page 1, line 4, after the semicolon insert "to provide a statement of legislative intent; to provide for a report to the legislative management;"

Page 1, line 14, remove lines 14 through 23

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$62,805,918	\$443,903	\$63,249,821
Operating expenses	40,598,335	(2,959,050)	37,639,285
Capital assets	2,895,232	551,508	3,446,740
Grants	57,096,760	2,787,181	59,883,941
Tobacco prevention	6,910,177	6,736,527	13,646,704
Women, infants, and children food payments	20,200,000	0	20,200,000
Medical marijuana	<u>0</u>	<u>1,560,770</u>	<u>1,560,770</u>
Total all funds	\$190,506,422	\$9,120,839	\$199,627,261
Less estimated income	<u>141,970,854</u>	<u>14,373,200</u>	<u>156,344,054</u>
Total general fund	\$48,535,568	(\$5,252,361)	\$43,283,207
Full-time equivalent positions	365.00	(3.00)	362.00

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item, tobacco prevention line item, and medical marijuana line item in section 1 of this Act include the sum of \$1,002,131, of which \$529,839 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, replace lines 11 through 14 with:

"Medical marijuana	<u>0</u>	<u>95,066</u>
Total all funds	\$2,536,110	\$1,834,286
Less estimated income	<u>2,200,110</u>	<u>1,834,286</u>
Total general fund	\$336,000	\$0"

Page 3, line 5, replace "\$11,078,195" with "\$12,878,195"

Page 3, after line 6, insert:

**"SECTION 9. STATEMENT OF LEGISLATIVE INTENT - MEDICAL MARIJUANA.** It is the intent of the sixty-fifth legislative assembly that chapter 19-24.1 of the North Dakota Century Code, as created in Senate Bill No. 2344, be treated as an amendment to initiated measure No. 5 as adopted at the general election in 2016, and therefore an amendment to or repeal of chapter 19-24.1 before December 8, 2023, is subject to the requirements of section 8 of article III of the Constitution of North Dakota.

**SECTION 10. AMENDMENT.** Section 43-28.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**43-28.1-01. Loan repayment program - Dentists - Defined need - Maximum amount of funds.**

~~Each year~~Annually, the state health council shall select, from a pool of applicants, dentists who ~~shall~~will provide dental services in cities or surrounding areas, or both, in this state which the state health council identifies as having a defined need for dental services. The dentists selected from this pool of applicants ~~may include dentists who will~~shall agree to accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. ~~The dentists are~~A selected dentist who agrees to the terms of this program is eligible to receive funds for the repayment of ~~their~~the dentist's education loans. The funds, which are payable over a five-year period, may not exceed one hundred thousand dollars per applicant. If the state health council accepts any gifts, grants, or donations under this chapter, the council may select additional dentists for participation in the loan repayment program under this chapter.

**SECTION 11. AMENDMENT.** Section 43-28.1-03 of the North Dakota Century Code is amended and reenacted as follows:

**43-28.1-03. Criteria.**

1. The health council shall establish criteria to be used in selecting qualified dentists and in identifying cities or surrounding areas, or both, that have a defined need for dental services. The criteria must include consideration of:
  - a. The number of dentists already providing dental services in the city or surrounding areas, or both;
  - b. Access to dental services in the city and the surrounding areas;
  - c. How the dentist will provide dental services to individuals on medical assistance or in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic; and
  - d. The dentist's training in general dentistry or in a dental specialty and the extent to which such services are needed in the identified city or surrounding areas, or both.
2. As a term of receipt of funds under this chapter, a dentist shall accept medical assistance patients and assignments or provide dental services in a public health clinic, a practice with a focus on an underserved population, or a nonprofit dental clinic. For purposes of a dentist selected for loan payment under this chapter who practices within fifteen miles [24.14 kilometers] of the city limits of one of the three largest cities in the state, to qualify to receive a yearly disbursement under this chapter during that year of obligated service, the dentist must have:

- a. Received dental medical payments of at least twenty thousand dollars in the form of medical assistance reimbursement; or
  - b. Practiced at least two full workdays per week at a public health clinic or at a nonprofit dental clinic that uses a sliding fee schedule to bill the nonprofit dental clinic's patients.
3. The health council may consult with public and private sector entities in establishing criteria and evaluating needs based on the criteria."

Page 4, after line 3, insert:

**"SECTION 14. COMPREHENSIVE TOBACCO CONTROL ADVISORY COMMITTEE RECORDS TRANSFER.** As of July 1, 2017, all business-related records belonging to the comprehensive tobacco control advisory committee must be transferred to the state department of health. The comprehensive tobacco control advisory committee shall allow the state department of health to have access to the business-related records of the committee before July 1, 2017, as necessary, for the purpose of transitioning operations to the state department of health.

**SECTION 15. STATEWIDE TOBACCO PREVENTION AND CONTROL PLAN - IMPLEMENTATION - EVALUATION - REPORT TO LEGISLATIVE MANAGEMENT.** By July 31, 2017, the state department of health shall develop a statewide tobacco prevention and control plan that is consistent with the five components of the centers for disease control and prevention best practices for comprehensive tobacco control programs. At least once during the 2017-19 biennium, the state department of health shall provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are provided in the tobacco prevention line item in section 1 of this Act and may be paid from the tobacco prevention and control trust fund. The department shall report the results of the independent review to the legislative management."

Page 4, line 5, after "1" insert "and section 14"

Page 4, line 5, replace "is" with "are"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2004 - State Department of Health - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$62,805,918	\$64,416,107	(\$1,166,286)	\$63,249,821
Operating expenses	40,598,335	38,394,458	(755,173)	37,639,285
Capital assets	2,895,232	3,446,740		3,446,740
Grants	57,096,760	56,135,670	3,748,271	59,883,941
Tobacco prevention	6,910,177	12,147,741	1,498,963	13,646,704
WIC food payments	20,200,000	20,200,000		20,200,000
Medical marijuana		6,236,376	(4,675,606)	1,560,770
Total all funds	\$190,506,422	\$200,977,092	(\$1,349,831)	\$199,627,261
Less estimated income	141,970,854	155,888,204	455,850	156,344,054
General fund	\$48,535,568	\$45,088,888	(\$1,805,681)	\$43,283,207
FTE	365.00	377.00	(15.00)	362.00

**Department No. 301 - State Department of Health - Detail of House Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 8 FTE Positions Agencywide <sup>2</sup>	Reduces Funding for Operating Expenses Agencywide <sup>3</sup>	Removes 7 FTE Medical Marijuana Positions and Adjusts Funding <sup>4</sup>	Adds Funding for Federal Ebola Grant <sup>5</sup>	Adds Funding for Volkswagon Corporation Settlement Proceeds <sup>6</sup>
Salaries and wages	(\$98,894)	(\$1,067,392)				
Operating expenses			(850,000)		94,827	



Capital assets						
Grants				948,271		2,500,000
Tobacco prevention	(1,037)					
WIC food payments						
Medical marijuana	(21,278)			(4,654,328)		
Total all funds	(\$121,209)	(\$1,067,392)	(\$850,000)	(\$4,654,328)	\$1,043,098	\$2,500,000
Less estimated income	(66,608)	(433,077)	(680,000)	(3,707,563)	1,043,098	2,500,000
General fund	(\$54,601)	(\$634,315)	(\$170,000)	(\$946,765)	\$0	\$0
FTE	0.00	(8.00)	0.00	(7.00)	0.00	0.00

	Adds Funding for Domestic Violence Offender Treatment Grants <sup>7</sup>	Adds Funding for Tobacco Cessation Products <sup>8</sup>	Adds Funding for Local Public Health Unit Tobacco Prevention and Control Grants <sup>9</sup>	Total House Changes
Salaries and wages				(\$1,166,286)
Operating expenses				(755,173)
Capital assets				
Grants	300,000			3,748,271
Tobacco prevention		500,000	1,000,000	1,498,963
WIC food payments				
Medical marijuana				(4,675,606)
Total all funds	\$300,000	\$500,000	\$1,000,000	(\$1,349,831)
Less estimated income	300,000	500,000	1,000,000	455,850
General fund	\$0	\$0	\$0	(\$1,805,681)
FTE	0.00	0.00	0.00	(15.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Eight FTE positions are removed, including related funding for salaries and wages.

<sup>3</sup> Funding for operating expenses is reduced agencywide.

<sup>4</sup> Seven FTE medical marijuana positions are removed and funding is adjusted based on the fiscal note for Senate Bill No. 2344, as approved by the House, to provide a total of 6 FTE positions and total funding of \$1,560,770, of which \$723,270 is from the general fund and \$837,500 is from the compassionate care fund.

<sup>5</sup> Funding is added for a federal Ebola grant anticipated to be received by the department.

<sup>6</sup> Funding is added for grants from special funds resulting from a settlement agreement between the United States Department of Justice and the Volkswagen Corporation related to emissions. The State Department of Health has been designated to receive the funds by the Governor's office.

<sup>7</sup> Funding is provided from the tobacco prevention and control trust fund for domestic violence offender treatment grants.

<sup>8</sup> Funding is provided from the tobacco prevention and control trust fund for tobacco cessation products.

<sup>9</sup> Funding is provided from the tobacco prevention and control trust fund for grants to local public health units for tobacco prevention and control programs to provide a total of \$6.5 million for tobacco prevention grants to local public health units.

This amendment also:

- Adds a section to identify additional funding provided for health insurance increases.
- Amends the section related to funding from the tobacco prevention and control trust fund to provide \$12,878,195 from the tobacco prevention and control trust fund to

- the State Department of Health for tobacco prevention and related health programs.
- Adds a section of legislative intent that Chapter 19-24.1 related to medical marijuana, as created by Senate Bill No. 2344, be subject to the requirements of Section 8 of Article III of the Constitution of North Dakota until December 8, 2023.
  - Adds a section to require, as of July 1, 2017, all business-related records belonging to the Comprehensive Tobacco Control Advisory Committee shall be transferred to the State Department of Health. The State Department of Health to have access to the business-related records of the Comprehensive Tobacco Control Advisory Committee prior to July 1, 2017, for the purposes of transitioning the operations to the State Department of Health.
  - Adds a section to provide that by July 31, 2017, the State Department of Health develop a statewide tobacco prevention and control plan that is consistent with the five components of the Centers for Disease Control and Prevention Best Practices for Comprehensive Tobacco Control Programs. At least once during the 2017-19 biennium, the State Department of Health must provide for an independent review of the tobacco prevention and control plan to evaluate the effectiveness of the plan and its implementation. Any costs related to the independent review are included in the tobacco prevention control line item and may be paid from the tobacco prevention and control trust fund. The department must report the results of the review to the Legislative Management.
  - Adds sections to amend North Dakota Century Code Sections 43-28.1-01 and 43-28.1-03 related to the dentists loan repayment program and criteria to be used in selecting qualified dentists.
  - Provides the section related to the transfer of records from the Comprehensive Tobacco Control Advisory Committee to the State Department of Health is an emergency measure.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2090.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2004, SB 2021, and SB 2134, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2004:** Sens. Kilzer; G. Lee; Mathern

**SB 2021:** Sens. Wanzek; Hogue; Robinson

**SB 2134:** Sens. Unruh; Armstrong; Oban

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

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

**SB 2016:** Reps. Streytle; Martinson; Boe

**SB 2018:** Reps. Streytle; Martinson; Schatz

**SB 2019:** Reps. Monson; Sanford; Schatz

**SB 2020:** Reps. Monson; Schmidt; Boe

**SB 2119:** Reps. Streytle; Martinson; Boe

**SB 2144:** Reps. Keiser; D. Ruby; Boe

**SB 2203:** Reps. Kading; Schatz; Meier

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

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

**SB 2243:** Reps. Owens; M. Ruby; Mock

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

**MR. PRESIDENT:** The House has concurred in the Senate amendments and subsequently

passed: HB 1216 and HB 1390.

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

**MR. PRESIDENT:** The House has concurred in the Senate amendments and subsequently passed: HB 1334.

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1006, HB 1155, and HB 1324, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1006:** Reps. Vigesaa; Nathe; Delmore

**HB 1155:** Reps. Delzer; Vigesaa; Holman

**HB 1324:** Reps. Owens; Schreiber-Beck; Monson

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1221, HB 1275, HB 1369, and HB 1392, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1221:** Reps. Jones; Johnston; Magrum

**HB 1275:** Reps. Karls; K. Koppelman; Simons

**HB 1369:** Reps. Kasper; Louser; P. Anderson

**HB 1392:** Reps. Roers Jones; Vetter; Hanson

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

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

**HB 1001:** Sens. Hogue; Dever; Mathern

**HB 1002:** Sens. Hogue; Erbele; Grabinger

**HB 1003:** Sens. Sorvaag; Kilzer; Mathern

**HB 1004:** Sens. Oehlke; Dever; Mathern

**HB 1006:** Sens. Wanzek; Sorvaag; Mathern

**HB 1007:** Sens. Hogue; Sorvaag; Mathern

**HB 1008:** Sens. G. Lee; Wanzek; Grabinger

**HB 1010:** Sens. Oehlke; Erbele; Grabinger

**HB 1013:** Sens. Holmberg; Krebsbach; Robinson

**HB 1014:** Sens. Dever; Sorvaag; Grabinger

**HB 1016:** Sens. Bowman; Hogue; Robinson

**HB 1018:** Sens. Krebsbach; Erbele; Mathern

**HB 1019:** Sens. Sorvaag; Krebsbach; Mathern

**HB 1020:** Sens. G. Lee; Sorvaag; Robinson

**HB 1022:** Sens. Krebsbach; Dever; Bowman

**HB 1155:** Sens. Holmberg; Wanzek; Grabinger

**HB 1300:** Sens. Unruh; Cook; Armstrong

**HB 1324:** Sens. Schaible; Rust; Oban

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Damschen to replace Rep. Kiefert on the Conference Committee on SB 2090.

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Weisz to replace Rep. Kiefert on the Conference Committee on SB 2052.

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Johnston to replace Rep. P. Anderson on the Conference Committee on SB 2135.

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Nathe to replace Rep. Kempenich on

the Conference Committee on HB 1016.

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Kasper to replace Rep. Louser on the Conference Committee on HB 1403.

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

**MR. PRESIDENT:** The House has not adopted the conference committee report on: SB 2216.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report on: HB 1204.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2033, SB 2039, SB 2041, SB 2161, SB 2247, SB 2253, SB 2264, SB 2316.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1045, HB 1339.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2270.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1085.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2223, SB 2303.

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

**MR. PRESIDENT:** The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1365.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2002, SB 2005, SB 2007, SB 2008, SB 2017, SB 2022, SB 2023, SB 2188, SB 2239, SB 2311.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1009, HB 1011, HB 1017, HB 1021, HB 1037, HB 1043, HB 1060, HB 1096, HB 1183, HB 1194, HB 1195, HB 1318, HB 1387, HB 1418, HB 1433, HCR 3035.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2002, SB 2005, SB 2007, SB 2008, SB 2017, SB 2022, SB 2023, SB 2188, SB 2239, SB 2311.

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

**MR. SPEAKER:** The President has signed: SB 2002, SB 2005, SB 2007, SB 2008, SB 2017, SB 2022, SB 2023, SB 2188, SB 2239, SB 2311.

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

**MR. SPEAKER:** The President has signed: HB 1009, HB 1011, HB 1017, HB 1021, HB 1037, HB 1043, HB 1060, HB 1096, HB 1183, HB 1194, HB 1195, HB 1318, HB 1387, HB 1418, HB 1433, HCR 3035.

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

**MR. PRESIDENT:** The Speaker has signed: HB 1038, HB 1058, HB 1090, HB 1098, HB 1126, HB 1137, HB 1181, HB 1189, HB 1197, HB 1202, HB 1222, HB 1236, HB 1247, HB 1272, HB 1283, HB 1294, HB 1299, HB 1320, HB 1374, HB 1419.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 10, 2017: SB 2002, SB 2005, SB 2007, SB 2008, SB 2017, SB 2022, SB 2023, SB 2188, SB 2239, SB 2311.

**COMMUNICATION FROM GOVERNOR DOUG BURGUM**

This is to inform you that on April 7, 2017, I have signed the following: SB 2038, SB 2088, SB 2099, SB 2196, SB 2202, SB 2262, SB 2271, SB 2322, SB 2327, SB 2329, and SB 2342.

Also, on April 10, 2017, I have signed the following: SB 2029, SB 2141, SB 2163, SB 2191, SB 2231, SB 2250, SB 2261, SB 2272, SB 2276, SB 2286, SB 2298, SB 2335, and SB 2340.

**MOTION**

**SEN. KLEIN MOVED** that the absent members be excused, which motion prevailed.

**MOTION**

**SEN. KLEIN MOVED** that the Senate be on the Fourth, Fifth, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Wednesday, April 12, 2017, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2037, as engrossed:** Your conference committee (Sens. Rust, Vedaa, Davison and Reps. Schreiber-Beck, Pyle, Guggisberg) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1053-1054 and place SB 2037 on the Seventh order.

Engrossed SB 2037 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2052:** Your conference committee (Sens. J. Lee, Anderson, Heckaman and Reps. B. Anderson, Weisz, Schneider) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 770 and place SB 2052 on the Seventh order.

SB 2052 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2116:** Your conference committee (Sens. O. Larsen, Kreun, Piepkorn and Reps. Seibel, Westlind, Skroch) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 743 and place SB 2116 on the Seventh order.

SB 2116 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2183, as engrossed:** Your conference committee (Sens. Bekkedahl, Vedaa, Marcellais and Reps. Laning, Olson, P. Anderson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 870-871, adopt amendments as follows, and place SB 2183 on the Seventh order:

That the House recede from its amendments as printed on pages 870 and 871 of the Senate Journal and pages 1032 and 1033 of the House Journal and that Engrossed Senate Bill No. 2183 be amended as follows:

Page 1, line 3, replace "an appropriation to the department of veterans' affairs" with "a statement of legislative intent"

Page 1, line 10, after "deceased" insert "North Dakota"

Page 2, line 1, after "deceased" insert "North Dakota"

Page 2, after line 4, insert:

- "4. Under section 37-18-12, the department may expend any gifts, grants, or donations received for the creation and conferment of commemorative memorial coins."

Page 2, replace lines 5 through 11 with:

**"SECTION 2. LEGISLATIVE INTENT - COMMEMORATIVE MEMORIAL COINS.** It is the intent of the sixty-fifth legislative assembly that the administrative committee on veterans' affairs consider providing funding from the veterans' postwar trust fund to the department of veterans' affairs for the purpose of funding at least four thousand commemorative memorial coins for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, line 13, after "deceased" insert "North Dakota"

Renumber accordingly

Engrossed SB 2183 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2189, as engrossed:** Your conference committee (Sens. O. Larsen, Kreun, Piepkorn and Reps. Porter, D. Anderson, P. Anderson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1024, adopt amendments as follows, and place SB 2189 on the Seventh order:

That the House recede from its amendments as printed on page 1024 of the Senate Journal and page 1178 of the House Journal and that Engrossed Senate Bill No. 2189 be amended as follows:

Page 2, line 28, replace the first "or" with an underscored comma

Page 2, line 29, after "agent" insert ". or a medical or mental health professional when the child comes before the medical or mental health professional in that person's professional capacity."

Renumber accordingly

Engrossed SB 2189 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1365, as engrossed:** Your conference committee (Sens. J. Lee, Anderson, Kreun and Reps. Rohr, Skroch, P. Anderson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1104-1105 and place HB 1365 on the Seventh order.

Engrossed HB 1365 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1085, as reengrossed:** Your conference committee (Sens. O. Larsen, Kreun, Anderson and Reps. D. Anderson, B. Anderson, Schneider) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 960 and place HB 1085 on the Seventh order.

Reengrossed HB 1085 was placed on the Seventh order of business on the calendar.

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

**Shanda Morgan, Secretary**