

## JOURNAL OF THE SENATE

## Sixty-eighth Legislative Assembly

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Bismarck, April 10, 2023

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

The prayer was offered by Chaplain Bobby GreyEagle, Nations Movement-CRU, Bismarck.

The roll was called and all members were present except Senators Estenson and Vedaa.

A quorum was declared by the President.

## REPORT OF STANDING COMMITTEE

**HB 1012, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). Engrossed HB 1012 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 2, after "transportation" insert "; to create and enact sections 54-27-19.3 and 54-27-19.4 of the North Dakota Century Code, relating to the legacy earnings highway distribution fund and legacy earnings township highway aid fund"

Page 1, line 2, after "section" insert "24-02-37.3 as created by section 1 of Senate Bill No. 2113, as approved by the sixty-eighth legislative assembly, and section"

Page 1, line 3, after "to" insert "the flexible transportation fund,"

Page 1, line 6, after "report" insert "; to provide for a legislative management study"

Page 1, replace lines 15 through 23 with:

"Salaries and wages	\$204,109,585	\$13,636,811	\$217,746,396
Operating expenses	270,888,188	61,993,286	332,881,474
Capital assets	902,431,344	653,963,721	1,556,395,065
Grants	118,085,610	2,485,848	120,571,458
Contingent loan authorization	0	<u>78,500,000</u>	<u>78,500,000</u>
Total all funds	\$1,495,514,727	\$810,579,666	\$2,306,094,393
Less estimated income	<u>1,495,514,727</u>	<u>800,204,666</u>	<u>2,295,719,393</u>
Total general fund	\$0	\$10,375,000	\$10,375,000
Full-time equivalent positions	982.00	16.00	998.00"

Page 2, replace lines 13 and 14 with:

"State matching funds	0	114,000,000
Federal highway funds	0	290,000,000
State flexible transportation fund	0	51,000,000"

Page 2, replace lines 18 and 19 with:

"Short line railroad programs	0	6,500,000
United States highway 52 environmental study	0	5,000,000
Flood projects study	0	2,500,000"

Page 2, replace lines 21 and 22 with:

"Total all funds	\$889,019,357	\$557,875,000
Less estimated income	<u>889,019,357</u>	<u>547,500,000"</u>

Page 3, line 29, replace "\$328,000,000" with "\$179,000,000"

Page 3, line 31, replace "\$200,000,000" with "\$114,000,000"

Page 3, line 31, replace "discretionary grants" with "funding"

Page 4, line 1, replace "\$115,000,000" with "\$51,000,000"

Page 4, line 2, replace "\$8,000,000" with "\$6,500,000"

Page 4, line 3, remove "and"

Page 4, line 4, replace "\$5,000,000" with "\$2,500,000 to match funding from the state of Minnesota and other sources"

Page 4, line 5, after "flooding" insert "; and

5. The sum of \$5,000,000 for an environmental study of a portion of United States highway 52"

Page 4, after line 14, insert:

**"SECTION 9. AMENDMENT.** Section 24-02-37.3 of the North Dakota Century Code as created by section 1 of Senate Bill No. 2113, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

**24-02-37.3. Flexible transportation fund - Budget section approval - Report.**

There is created in the state treasury the flexible transportation fund. The fund consists of eligible federal or state funding and any contributed private funds.

1. The flexible transportation fund must be administered and expended by the director and may be used for the following:
  - a. Providing a match for federal funding obtained by the department of transportation.
  - b. State-funded road and bridge construction and maintenance, and transportation support costs including staffing, facilities, and operational expenditures on the state highway system.
  - c. State-funded road and bridge construction and maintenance activities within the state but off of the state highway system. The director shall establish the terms and provisions of the program.
2. All money derived from the investment of the flexible transportation fund or any portion of the fund, must be credited to the flexible transportation fund. The director shall monthly transmit all moneys collected and received under this chapter to the state treasurer to be transferred and credited to the flexible transportation fund.
3. The director must receive budget section approval for any project that utilizes more than fifteen million dollars from the fund except for projects that match federal or private funds and the amount utilized from the fund is less than fifty percent of total project costs. Any request considered by the budget section must comply with section 54-35-02.9.
4. The director shall allocate at least twenty-five percent of motor vehicle excise tax collections deposited in the flexible transportation fund pursuant to section 57-40.3-10 for non-oil-producing county and township road and bridge projects as follows:

- a. The funds must be allocated by the department to counties for projects or grants for the benefit of counties and organized and unorganized townships;
  - b. The department shall establish criteria to distribute the funds;
  - c. The funds must be used for the maintenance and improvement of county and township paved and unpaved roads and bridges;
  - d. Priority must be given to projects that match federal funds and to projects that improve roadways that serve as local corridors;
  - e. An organized township is not eligible to receive funding if the township does not maintain any roadways or does not levy at least eighteen mills for general purposes; and
  - f. For purposes of this subsection, "non-oil-producing county" means a county that received no allocation of funding or a total allocation of less than five million dollars under subsection 2 of section 57-51-15 in the most recently completed even-numbered fiscal year before the start of each biennium.
5. The director shall provide periodic reports to the budget section regarding the status of the fund and projects receiving allocations from the fund.

**SECTION 10.** Section 54-27-19.3 of the North Dakota Century Code is created and enacted as follows:

**54-27-19.3. Legacy earnings highway distribution fund.**

A legacy earnings highway distribution fund is created as a special fund in the state treasury into which must be deposited any allocations of legacy fund earnings made under section 21-10-13. Any moneys in the legacy earnings highway distribution fund must be allocated and transferred by the state treasurer, as follows:

1. Sixty percent must be transferred to the department of transportation for deposit in the state highway fund;
2. Ten percent must be transferred to the legacy earnings township highway aid fund;
3. One and five-tenths percent must be transferred to the public transportation fund; and
4. Twenty-eight and five-tenths percent must be allocated to cities and counties using the formula established in subsection 4 of section 54-27-19. Moneys received by counties and cities must be used for roadway purposes in accordance with section 11 of article X of the Constitution of North Dakota.

**SECTION 11.** Section 54-27-19.4 of the North Dakota Century Code is created and enacted as follows:

**54-27-19.4. Legacy earnings township highway aid fund.**

A legacy earnings township highway aid fund is created as a special fund in the state treasury into which must be deposited any allocations of legacy fund earnings made under section 54-27-19.3 which must be allocated by the state treasurer, as follows:

1. The state treasurer shall allocate and distribute all money in the legacy earnings township highway aid fund to non-oil-producing counties of the state based on the length of township roads in each county compared to the length of all township roads in the state;

2. The county treasurer shall allocate the funds received to the organized townships in the county based on the length of township roads in each of those organized townships compared to the length of all township roads in the county. The funds received must be deposited in the township road and bridge fund and used for road and bridge purposes;
3. If a county does not have organized townships, or has some organized and some unorganized townships, the county shall retain a pro rata portion of the funds received based on the length of roads in unorganized townships compared to the length of township roads in organized townships in the county. Moneys retained by a county for the benefit of unorganized townships under this section must be deposited in the county road and bridge fund; and
4. For purposes of this section, "non-oil-producing county" means a county that received no allocation of funding or a total allocation of less than five million dollars under subsection 2 of section 57-51-15 in the most recently completed even-numbered fiscal year before the start of each biennium."

Page 4, overstrike lines 18 and 19

Page 4, line 20, overstrike "to the general fund"

Page 4, line 20, remove "who shall deposit fifty percent of collections in the state highway fund and"

Page 4, line 21, remove "fifty percent of collections in the general fund"

Page 4, line 21, overstrike the period and insert immediately thereafter "After the deposits under sections 57-39.2-26.1, 57-39.2-26.2, and 57-39.2-26.3, moneys collected and received under this chapter must be deposited monthly in the state treasury and allocated as follows:

1. Fifty percent to the general fund; and
2. The remaining fifty percent to the flexible transportation fund."

Page 6, after line 20, insert:

**"SECTION 15. LEGISLATIVE MANAGEMENT STUDY - ELECTRIC VEHICLES.** During the 2023-24 interim, the legislative management shall consider studying the effect of electric vehicles in the state. As part of the study, the legislative management shall consider the assessment of fees to offset reductions in motor fuel tax revenues, the impact of electric vehicles on electric demand and the electrical grid, the installation of electric vehicle charging infrastructure by private and public entities, including potential funding sources, the impact to public services and public transportation providers, and the effect on employment opportunities and other economic impacts, including tourism, automobile dealers, the energy industry, and the critical minerals industry. The study must include input from key stakeholders, including electric vehicle manufacturers, electric vehicle dealers, electric utilities, electric vehicle charging station manufacturers, and other transportation entities. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

**SECTION 16. DEPARTMENT OF TRANSPORTATION - UNITED STATES HIGHWAY 85 PROJECT - REPORT.** The department of transportation shall develop a plan to complete the United States highway 85 four-lane project in its entirety as approved in the final environmental impact statement document for project number 9-085(085)075, PCN20046. The plan must include a review of federal approvals received for the project and options to complete the project before the approvals expire. As part of the plan, the department shall identify potential funding sources, including the issuance of revenue anticipation bonds, to complete the project. The

department shall present its plan to the legislative management before August 1, 2024."

Page 7, line 8, replace "9" with "12"

Page 7, line 10, replace "10 and 11" with "14 and 15"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1012 - Department of Transportation - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$204,109,585	\$232,422,836	(\$14,676,440)	\$217,746,396
Operating expenses	270,888,188	330,381,474	2,500,000	332,881,474
Capital assets	902,431,344	1,644,145,065	(87,750,000)	1,556,395,065
Grants	118,085,610	122,071,458	(1,500,000)	120,571,458
Contingent loan authorization		78,500,000		78,500,000
Total all funds	\$1,495,514,727	\$2,407,520,833	(\$101,426,440)	\$2,306,094,393
Less estimated income	1,495,514,727	2,397,145,833	(101,426,440)	2,295,719,393
General fund	\$0	\$10,375,000	\$0	\$10,375,000
FTE	982.00	998.00	0.00	998.00

**Department 801 - Department of Transportation - Detail of Senate Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Reclassifies 4 FTE Positions <sup>3</sup>	Adjusts Funding for Federal Highway Funds Match <sup>4</sup>	Adjusts Discretionary and Flexible Transportation Funding <sup>5</sup>	Reduces Funding for Short Line Railroad Loan Program <sup>6</sup>
Salaries and wages	\$3,181,552	(\$17,857,992)				
Operating expenses						
Capital assets				\$4,750,000	(\$92,500,000)	
Grants						(\$1,500,000)
Contingent loan authorization						
Total all funds	\$3,181,552	(\$17,857,992)	\$0	\$4,750,000	(\$92,500,000)	(\$1,500,000)
Less estimated income	3,181,552	(17,857,992)	0	4,750,000	(92,500,000)	(1,500,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Reduces Funding for Flood Study <sup>7</sup>	Adds Funding for Environmental Study <sup>8</sup>	Total Senate Changes
Salaries and wages			(\$14,676,440)
Operating expenses	(\$2,500,000)	\$5,000,000	2,500,000
Capital assets			(87,750,000)
Grants			(1,500,000)
Contingent loan authorization			
Total all funds	(\$2,500,000)	\$5,000,000	(\$101,426,440)
Less estimated income	(2,500,000)	5,000,000	(101,426,440)
General fund	\$0	\$0	\$0
FTE		0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	Other Funds
Salary increase	\$3,297,276
Health insurance adjustment	(115,724)
Total	\$3,181,552

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new

and vacant FTE funding pool.

	<b>Other Funds</b>
New FTE positions	(\$2,994,974)
Vacant FTE positions	(14,863,018)
Total	(\$17,857,992)

<sup>3</sup> Four vacant FTE positions are reclassified to 2 FTE driver's license examiner positions and 2 FTE positions to administer the county and township roadway program.

<sup>4</sup> Funding of \$169,250,000 derived from 50 percent of motor vehicle excise tax collections deposited in the highway fund to match regular federal highway funding is removed and replaced with \$60 million from legacy fund earnings and one-time funding of \$114 million from the strategic investment and improvements fund.

<sup>5</sup> Funding for federal discretionary funds match and the flexible transportation fund is adjusted as follows:

House:

Flexible transportation fund - \$115 million from the strategic investment and improvements fund

Discretionary match - \$200 million from the strategic investment and improvements fund

Senate:

Flexible transportation fund, including discretionary match - \$171.5 million from motor vehicle excise tax collections, \$51 million from the strategic investment and improvements fund

<sup>6</sup> Funding added by the House from the strategic investment and improvements fund to enhance the short line railroad loan program is reduced from \$8 million to \$6.5 million.

<sup>7</sup> One-time funding from the strategic investment and improvements fund added by the House for studies, preliminary engineering, and environmental studies to address northern Red River Valley infrastructure affected by flooding is reduced from \$5 million to \$2.5 million.

<sup>8</sup> One-time funding from the strategic investment and improvements fund is added for an environmental study of US Highway 52 from Minot to Voltaire.

This amendment also:

- Adjusts statutory language to provide that 50 percent of motor vehicle excise taxes be deposited in the general fund and the remaining 50 percent be deposited in the flexible transportation fund. The House provided for 50 percent of motor vehicle excise taxes to be deposited in the highway fund and 50 percent to be deposited in the general fund.
- Amends statutory language regarding the flexible transportation fund to provide that at least 25 percent of motor vehicle excise taxes deposited in the fund be used for county and township road and bridge projects, to require Budget Section approval for certain projects, and to require Budget Section reports.
- Adds a section to create a legacy earnings highway distribution fund to distribute transportation funding to the highway fund and political subdivisions that is received from legacy fund earnings.
- Adds a section to create a legacy earnings township highway aid fund to distribute transportation funding to non-oil producing counties that is received from legacy fund earnings.
- Adds a Legislative Management study of the effect of electric vehicles in the state.
- Provides for the Department of Transportation to develop a plan to finish the US Highway 85 four-lane project.

#### REPORT OF STANDING COMMITTEE

**HB 1015, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman)**

recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed HB 1015 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 2, replace "provide for a report" with "authorize the issuance of bonds; to provide a statement of legislative intent"

Page 1, replace lines 12 through 17 with:

"Adult services	\$258,140,591	\$170,778,154	\$428,918,745
Youth services	<u>24,584,845</u>	<u>1,555,722</u>	<u>26,140,567</u>
Total all funds	\$282,725,436	\$172,333,876	\$455,059,312
Less estimated income	<u>64,865,627</u>	<u>125,451,497</u>	<u>190,317,124</u>
Total general fund	\$217,859,809	\$46,882,379	\$264,742,188
Full-time equivalent positions	907.79	16.00	923.79"

Page 1, replace line 23 with:

"Equipment	\$191,000	\$1,022,800"
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Page 2, replace line 7 with:

"Heart River correctional center facility	0	131,200,000"
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Page 2, replace lines 14 through 16 with:

"Offender management system review	0	500,000
Maintenance and extraordinary repairs	0	1,000,000
James River correctional center remodel	0	255,500"

Page 2, replace lines 22 through 24 with:

"Roughrider industries cold storage	0	200,000
Roughrider industries paint line replacement	<u>0</u>	<u>2,300,000</u>
Total all funds	\$18,940,572	\$156,871,715
Less estimated income	<u>18,634,572</u>	<u>144,632,261</u>
Total general fund	\$306,000	\$12,239,454"

Page 3, line 7, replace "\$165,057,000" with "\$35,057,000"

Page 3, line 8, replace "\$161,200,000" with "\$31,200,000"

Page 3, after line 10, insert:

**"SECTION 5. WOMEN'S PRISON CONSTRUCTION PROJECT - BOND ISSUANCE AUTHORIZATION.** The industrial commission, acting as the North Dakota building authority, shall arrange through the issuance of evidences of indebtedness under chapter 54-17.2 for the biennium beginning July 1, 2023, and ending June 30, 2025, for project costs associated with the department of corrections and rehabilitation women's prison construction project declared to be in the public interest, for which \$100,000,000 is appropriated from bond proceeds in section 1 of this Act. The industrial commission shall issue evidences of indebtedness under this section with the condition that repayments need not begin until July 1, 2025. The authority of the industrial commission to issue evidences of indebtedness under this section ends June 30, 2025, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and comply with any covenants entered into before that date.

**SECTION 6. HEART RIVER CORRECTIONAL CENTER FACILITY - LEGISLATIVE INTENT.** It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative assembly appropriate \$30,000,000 to complete the construction of the new women's prison facility at the Heart River correctional center, for the biennium beginning July 1, 2025, and ending June 30, 2027."

Page 4, after line 10, insert:

**"SECTION 11. EXEMPTION - FEDERAL STATE FISCAL RECOVERY FUND.** The amount of \$990,000 from federal funds derived from the state fiscal recovery fund appropriated to the department of corrections and rehabilitation for stipends to county jails for deferred admissions in subsection 4 of section 1 of chapter 550 of the 2021 Special Session Session Laws is not subject to section 54-44.1-11, and any unexpended funds from this appropriation may be used for payments for deferred admissions during the biennium beginning July 1, 2023, and ending June 30, 2025."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1015 - Department of Corrections and Rehab. - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Adult services	\$258,140,591	\$475,662,717	(\$46,743,972)	\$428,918,745
Youth services	24,584,845	27,583,723	(1,443,156)	26,140,567
Total all funds	\$282,725,436	\$503,246,440	(\$48,187,128)	\$455,059,312
Less estimated income	64,865,627	218,004,391	(27,687,267)	190,317,124
General fund	\$217,859,809	\$285,242,049	(\$20,499,861)	\$264,742,188
FTE	907.79	931.79	(8.00)	923.79

**Department 530 - Department of Corrections and Rehab. - Detail of Senate Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts New FTE Positions <sup>2</sup>	Removes Salary Funding for Funding Pool <sup>3</sup>	Reduces Funding for New FTE Operating Costs <sup>4</sup>	Reduces Funding for the Free Through Recovery Program <sup>5</sup>	Reduces Funding for Community Behavioral Telehealth Services <sup>6</sup>
Adult services	\$2,534,046	(\$1,333,753)	(\$12,006,154)	(\$108,851)	(\$4,200,000)	(\$250,000)
Youth services	(178,803)		(1,169,113)			
Total all funds	\$2,355,243	(\$1,333,753)	(\$13,175,267)	(\$108,851)	(\$4,200,000)	(\$250,000)
Less estimated income	126,264	0	(569,031)	0	0	0
General fund	\$2,228,979	(\$1,333,753)	(\$12,606,236)	(\$108,851)	(\$4,200,000)	(\$250,000)
FTE	0.00	(8.00)	0.00	0.00	0.00	0.00

	Adjusts Funding for One-Time Items <sup>7</sup>	Adjusts Funding for the New Women's Prison Facility <sup>8</sup>	Total Senate Changes
Adult services	(\$1,379,260)	(\$30,000,000)	(\$46,743,972)
Youth services	(95,240)		(1,443,156)
Total all funds	(\$1,474,500)	(\$30,000,000)	(\$48,187,128)
Less estimated income	2,755,500	(30,000,000)	(27,687,267)
General fund	(\$4,230,000)	\$0	(\$20,499,861)
FTE		0.00	(8.00)

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$2,401,925	\$132,121	\$2,534,046
Health insurance adjustment	(172,946)	(5,857)	(178,803)
Total	\$2,228,979	\$126,264	\$2,355,243

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> New FTE positions added by the House and related funding are reduced as follows:

	FTE Positions	General Fund
Parole and probation	(3.00)	(\$401,379)
Inmate case managers	(4.00)	(515,516)
Heart River Correctional Center residential treatment		(246,160)
Heart River Correctional Center behavioral health	(1.00)	(170,698)
Total	(8.00)	(\$1,333,753)

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$1,774,442)	\$0	(\$1,774,442)
Vacant FTE positions	(10,831,794)	(569,031)	(11,400,825)
Total	(\$12,606,236)	(\$569,031)	(\$13,175,267)

<sup>4</sup> Funding added by the House for operating costs for new FTE positions is adjusted by the Senate to reflect the removal of 8 new FTE positions.

<sup>5</sup> Funding is reduced by \$4.2 million from the general fund to provide a total increase of \$4.1 million from the general fund for the free through recovery program. The House increased funding by \$8.3 million from the general fund for the program. The free through recovery program had a legislative base budget of \$8 million from the general fund.

<sup>6</sup> Funding is reduced by \$250,000 from the general fund to provide a total increase of \$750,000 from the general fund for community behavioral telehealth services. The House added \$1 million from the general fund for community behavioral telehealth services.

<sup>7</sup> Funding for other one-time funding items is adjusted as follows:

	House Version	Senate Version	Increase (Decrease)
Offender management system review	\$757,000	\$500,000	(\$257,000)
New cameras	275,000	0	(275,000)
Equipment (including \$75,000 from federal funds)	1,720,800	1,022,800	(698,000)
Maintenance and extraordinary repairs	4,000,000	1,000,000	(3,000,000)
James River Correctional Center remodel (other funds)	0	255,500	255,500
Roughrider Industries cold storage (other funds)	0	200,000	200,000
Roughrider Industries paint line replacement (other funds)	0	2,300,000	2,300,000
Total	\$6,752,800	\$5,278,300	(\$1,474,500)

<sup>8</sup> Funding for the new women's prison facility project at the Heart River Correctional Center is adjusted to provide a total of \$131.2 million, including \$31.2 million from the strategic investment and improvements fund and \$100 million from bond proceeds. Legislative intent is added for the 69<sup>th</sup> Legislative Assembly to provide an additional \$30 million for the project. The House provided \$161.2 million from the strategic investment and improvements fund for the project.

This amendment also:

- Adjusts a section to provide a total of \$35,057,000 is from the strategic investment and improvements fund. The House included \$165,057,000 from the strategic investment and improvements fund.
- Adds a section to provide \$100 million of bonding authority for the new women's prison facility project at the Heart River Correctional Center. The House did not include bonding authority for this project.
- Adds a section to provide legislative intent that the 69<sup>th</sup> Legislative Assembly appropriate an additional \$30 million for the new women's prison facility project. The House did not include legislative intent for future funding for the project.
- Adds a section to provide an exemption to allow the department to continue \$990,000 of federal funds appropriation authority derived from the federal State Fiscal Recovery Fund for deferred admissions payments to county jails.

#### REPORT OF STANDING COMMITTEE

**HB 1019, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends

**DO PASS** (15 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1019 was placed on the Sixth order on the calendar. This bill affects workforce development.

Page 1, line 2, remove "to amend and reenact sections 15-19-00.1, 15-19-01, 15-19-02,"

Page 1, remove line 3

Page 1, line 4, remove "the administration of the center for distance education; and"

Page 1, line 4, after "exemption" insert "; and to provide for a report"

Page 1, replace line 14 with:

"Salaries and wages	\$4,643,906	\$316,835	\$4,960,741"
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Page 1, replace line 17 with:

"Grants - secondary	26,837,780	18,200,000	45,037,780"
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Page 1, replace line 22 with:

"Workforce training	2,000,000	500,000	2,500,000"
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Page 1, remove line 24

Page 2, replace lines 1 through 3 with:

"Statewide area career center initiative grant program	<u>0</u>	<u>26,500,000</u>	<u>26,500,000</u>
Total all funds	\$56,754,880	\$38,735,478	\$95,490,358
Less estimated income	<u>15,019,817</u>	<u>25,961,303</u>	<u>40,981,120</u>
Total general fund	\$41,735,063	\$12,774,175	\$54,509,238
Full-time equivalent positions	50.30	(28.80)	21.50"

Page 2, line 4, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY**"

Page 2, line 5, after "biennium" insert "and the one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 7 through 10 with:

"Statewide area career center initiative grant program	<u>\$88,276,228</u>	<u>\$26,500,000</u>
Total other funds	\$88,276,228	\$26,500,000

The 2023 25 biennium one-time funding amounts are not part of the entity's base budget for the 2025-27 biennium. The department of career and technical education shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, remove lines 11 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 30

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 30

Page 8, replace lines 1 through 21 with:

**"SECTION 3. ESTIMATED INCOME - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - STATEWIDE AREA CAREER CENTER INITIATIVE GRANT PROGRAM - LEGISLATIVE MANAGEMENT REPORT.** The estimated income line item in section 1 of this Act includes the sum of \$26,500,000 from the federal coronavirus capital projects fund for the purpose of defraying inflationary costs of existing projects approved under the statewide area career center initiative grant program during the 2021-23 biennium. The department of career and technical education must distribute the funding to existing career academy projects proportionally based on funding allocations provided to each project during the 2021-23 biennium. If funding approved in this section is provided for a career academy project and the funding becomes uncommitted during the 2023-25 biennium, the department of career and technical education may redistribute the funding for existing projects under the program during the biennium beginning July 1, 2023, and ending June 30, 2025. The department of career and technical education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the amount of inflationary funding provided for each project and the construction status of each project."

Page 8, line 25, after "2021" insert "Special Session"

Page 8, after line 26, insert:

**"SECTION 5. EXEMPTION - STATEWIDE AREA CAREER CENTER INITIATIVE GRANT PROGRAM - UNCOMMITTED FUNDS.** Notwithstanding section 1 of chapter 548 of the 2021 Special Session Session Laws, if funding approved for a career academy project under the statewide area career center initiative grant program becomes uncommitted after December 31, 2022, the department of career and technical education may redistribute the funding for existing projects under the program during the biennium beginning July 1, 2023, and ending June 30, 2025."

**SECTION 6. WORKFORCE TRAINING GRANTS - SALARIES AND WAGES EXPENSES.** The workforce training line item in section 1 of this Act includes the sum of \$500,000 from the general fund which the department of career and technical education shall distribute to each eligible organization in the state dedicated to expanding workforce opportunities, training, and education for the purpose of defraying salaries and wages expenses of the organization's employees. The department of career and technical education shall distribute the funding identified in this section as follows:

1. An organization in the northwest region of the state  
\$230,000
2. An organization in the northeast region of the state  
\$40,000
3. An organization in the southwest region of the state  
\$120,000
4. An organization in the southeast region of the state  
\$110,000

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1019 - Dept. of Career and Technical Education - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,643,906	\$5,441,942	(\$481,201)	\$4,960,741
Operating expenses	2,198,453	2,878,350		2,878,350
Grants	9,507,349	11,507,349		11,507,349
Grants - secondary	26,837,780	41,037,780	4,000,000	45,037,780
Marketplace for kids	300,000	300,000		300,000
STEM initiative	100,000	100,000		100,000
Adult farm management	1,706,138	1,706,138		1,706,138
Workforce training	2,000,000	2,000,000	500,000	2,500,000

Center for distance education	9,461,254				
Statewide area career center grants				26,500,000	26,500,000
Total all funds	\$56,754,880	\$64,971,559		\$30,518,799	\$95,490,358
Less estimated income	15,019,817	14,489,399		26,491,721	40,981,120
General fund	\$41,735,063	\$50,482,160		\$4,027,078	\$54,509,238
FTE	50.30	23.50		(2.00)	21.50

**Department 270 - Dept. of Career and Technical Education - Detail of Senate Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes FTE Positions <sup>2</sup>	Removes Salary Funding for Funding Pool <sup>3</sup>	Adds Funding for New and Expanding Secondary Programs <sup>4</sup>	Adjusts Funding for Career Advisors and Coordinators <sup>5</sup>	Adds Funding for Workforce Training Grants <sup>6</sup>
Salaries and wages	\$62,525	(\$394,874)	(\$148,852)			
Operating expenses						
Grants						
Grants - secondary				\$4,000,000		
Marketplace for kids						
STEM initiative						
Adult farm management						
Workforce training						\$500,000
Center for distance education						
Statewide area career center grants						
Total all funds	\$62,525	(\$394,874)	(\$148,852)	\$4,000,000	\$0	\$500,000
Less estimated income	10,615	0	(18,894)	0	0	0
General fund	\$51,910	(\$394,874)	(\$129,958)	\$4,000,000	\$0	\$500,000
FTE	0.00	(2.00)	0.00	0.00	0.00	0.00

	Adds One-Time Funding for Career Academies <sup>7</sup>	Total Senate Changes
Salaries and wages		(\$481,201)
Operating expenses		
Grants		
Grants - secondary		4,000,000
Marketplace for kids		
STEM initiative		
Adult farm management		
Workforce training		500,000
Center for distance education		
Statewide area career center grants	\$26,500,000	26,500,000
Total all funds	\$26,500,000	\$30,518,799
Less estimated income	26,500,000	26,491,721
General fund	\$0	\$4,027,078
FTE	0.00	(2.00)

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$62,196	\$10,964	\$73,160
Health insurance increase	(10,286)	(349)	(10,635)
Total	\$51,910	\$10,615	\$62,525

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding of \$394,874 from the general fund for 2 FTE program supervisor positions that were added by the House are removed by the Senate.

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	(129,958)	(18,894)	(148,852)
Total	(\$129,958)	(\$18,894)	(\$148,852)

<sup>4</sup> Funding of \$4 million is added for new and expanding secondary career and technical education programs to provide a total of \$12 million from the general fund. The House added \$8 million from the general fund.

<sup>5</sup> Funding from the general fund is adjusted by removing \$500,000 for grants for school district career advisors and adding \$500,000 for grants to schools for work-based learning coordinators to provide a total of \$2,000,000 from the general fund for work-based learning coordinators. The House added \$500,000 from the general fund for grants for school district career advisors and \$1,500,000 from the general fund for work-based learning coordinators.

<sup>6</sup> Funding is added for workforce training grants to provide a total of \$2.5 million from the general fund. The House did not add funding for this program.

<sup>7</sup> One-time funding of \$26.5 million is added from the federal Coronavirus Capital Projects Fund for career academy inflationary costs under the statewide area career center initiative grant program. The House did not add funding for this purpose.

This amendment also:

- Removes seven sections added by the House to transfer supervisory authority of the Center for Distance Education from the Department of Career and Technical Education to the Department of Public Instruction. Statutory changes necessary to authorize this change are provided in Senate Bill No. 2269.
- Adds a section to identify \$26.5 million from the federal Coronavirus Capital Projects Fund for career academy inflationary costs during the 2023-25 biennium. The funding is to be provided proportionally to existing career academy projects under the statewide area career center initiative grant program based on funding allocations provided to each project during the 2021-23 biennium. During the 2023-24 interim, the department is required to provide a report to the Legislative Management regarding the amount of inflationary funding provided to each project to date, expected funding to be provided to each project for the remainder of the biennium, and the construction status of each project. The department is required to provide an updated report to the 69<sup>th</sup> Legislative Assembly.
- Adds a section to provide the Department of Career and Technical Education an exemption that if funding is returned for a previously approved career academy project, the department is authorized to redistribute the funding to other existing career academy projects during the 2023-25 biennium.
- Adds a section providing that of the \$2.5 million from the general fund in the workforce training line item, the Department of Career and Technical Education distribute \$500,000 to eligible workforce training organizations for the purpose of defraying salaries and wages expenses of the organization's employees.

#### REPORT OF STANDING COMMITTEE

**HB 1183, as amended: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **DO PASS** (13 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1183, as amended, was placed on the Fourteenth order on the calendar. This bill affects workforce development.

#### REPORT OF STANDING COMMITTEE

**HB 1276, as engrossed and amended: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1276, as amended, was placed on the Sixth order on the calendar. This bill affects workforce development.

In lieu of the amendments adopted by the Senate as printed on pages 1156 and 1157 of the Senate Journal, Engrossed House Bill No. 1276 is amended as follows:

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 4.1-01 of the North Dakota Century Code, relating to the agriculture infrastructure grant program;"

Page 1, after line 4, insert:

"SECTION 1. A new section to chapter 4.1-01 of the North Dakota Century Code is created and enacted as follows:

**Agriculture infrastructure grant program.**

1. The agriculture commission, in consultation with the director of the department of transportation, shall develop policies to administer the agriculture infrastructure grant program to include a grant application process and eligibility criteria.
2. The agriculture commissioner, in consultation with the director of the department of transportation, shall award grants to political subdivisions for road and bridge improvements necessary to accommodate value-added agriculture businesses. Grant funding under this subsection may be used for:
  - a. Corridor improvements on county and township roadways; and
  - b. Improvements to roads or bridges that provided access to value-added agriculture businesses.
3. The agriculture commissioner shall award grants to entities for water and sewer line improvements and electrical and gas supply improvements necessary to accommodate value-added agriculture businesses.
4. Grants awarded under this section may not exceed:
  - a. The lesser of one million two hundred fifty thousand dollars per project or eighty percent of the infrastructure project cost for grants awarded under subsection 2.
  - b. The lesser of three hundred fifty thousand dollars per project or eighty percent of the capital improvement project costs for grants awarded under subsection 3.
5. For purposes of grant eligibility under this section, value-added agriculture businesses include the same businesses as provided under section 4.1-01.1-07.
6. Grant funding under this section may not be used for routine maintenance or operating costs."

Page 1, line 16, after "section" insert "and section 1 of this Act"

Page 1, line 18, after "loans" insert ", interest rate buydowns."

Page 1, line 22, replace "subsection 5" with "section 1 of this Act"

Page 2, line 6, after "loans" insert "and interest rate buydowns"

Page 2, remove lines 22 through 31

Page 3, remove lines 1 through 3

Page 3, line 6, replace "\$30,000,000" with "\$25,000,000"

Page 3, line 8, replace "\$30,000,000" with "\$25,000,000"

Page 3, line 9, after "for" insert "agriculture infrastructure"

Renumber accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

## House Bill No. 1276 - Department of Agriculture - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Agriculture diversification		\$30,000,000	(\$5,000,000)	\$25,000,000
Total all funds	\$0	\$30,000,000	(\$5,000,000)	\$25,000,000
Less estimated income	0	0	0	0
General fund	\$0	\$30,000,000	(\$5,000,000)	\$25,000,000
FTE	0.00	0.00	0.00	0.00

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

	Reduces Funding for Grants <sup>1</sup>	Total Senate Changes
Agriculture diversification	(\$5,000,000)	(\$5,000,000)
Total all funds	(\$5,000,000)	(\$5,000,000)
Less estimated income	0	0
General fund	(\$5,000,000)	(\$5,000,000)
FTE	0.00	0.00

<sup>1</sup> Funding for agriculture diversification and infrastructure grants is reduced from \$30 million to \$25 million.

This amendment also creates a statutory section and provides guidelines for the agriculture infrastructure grant program.

## REPORT OF STANDING COMMITTEE

**HCR 3020, as engrossed: Workforce Development Committee (Sen. Wobbema, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HCR 3020 was placed on the Sixth order on the calendar. This resolution does not affect workforce development.**

Page 1, line 6, replace "for up to one hundred days and," with "if the assembly meets annually, and"

Page 1, line 7, remove "twenty"

Page 1, line 24, remove the overstrike over "~~No regular session of the legislative assembly may exceed eighty~~"

Page 1, line 24, remove "The legislative"

Page 1, line 25, remove "assembly shall meet for up to one hundred"

Page 1, line 25, replace "Upon" with "If the legislative assembly holds annual sessions, and upon"

Page 2, line 1, after "regular" insert "annual"

Page 2, line 1, replace "twenty" with "ten"

Page 2, line 2, replace "biennium" with "year"

Page 2, line 3, remove the overstrike over "~~eighty~~"

Page 2, line 3, after "~~natural~~" insert "business days each biennium, or, if annual sessions,"

Page 2, line 3, after the first "days" insert "per biennium"

Re-number accordingly

**REPORT OF STANDING COMMITTEE**

**HCR 3036: Industry and Business Committee (Sen. Larsen, Chairman)** recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3036 was placed on the Fourteenth order on the calendar. This resolution does not affect workforce development.

**REQUEST**

**SEN. KLEIN REQUESTED** that the Senate be on the Seventh Order, which request was granted.

**MOTION**

**SEN. KLEIN MOVED** that Sen. Cleary replace Sen. Lee on the Conference Committee on HB 1413, which motion prevailed on a voice vote.

**MOTION**

**SEN. KLEIN MOVED** that HB 1528 be placed at the bottom of the calendar, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**HB 1225: SEN. MEYER (Appropriations Committee) MOVED** that the amendments on SJ page 1477 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 1225:** A BILL for an Act to provide for a legislative management study relating to an online tax portal for electronically accessible statewide property information and tax information.

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Piepkorn

**ABSENT AND NOT VOTING:** Estenson; Vedaa

HB 1225, as amended, passed.

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**CONSIDERATION OF AMENDMENTS**

**HB 1153, as engrossed: SEN. MYRDAL (Agriculture and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 1476-1477 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 1153:** A BILL for an Act to amend and reenact sections 4.1-04-08 and 4.1-04-09 of the North Dakota Century Code, relating to the duties and powers of the corn council; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum;

Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed HB 1153, as amended, passed and the emergency clause was declared carried.

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#### CONSIDERATION OF AMENDMENTS

**HB 1391, as engrossed: SEN. WEBER (Agriculture and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 1477-1478 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 1391:** A BILL for an Act to amend and reenact section 61-16.1-04 of the North Dakota Century Code, relating to the publication and distribution of water resource board meeting minutes.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed HB 1391, as amended, passed.

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#### CONSIDERATION OF AMENDMENTS

**HB 1230, as engrossed: SEN. CLEARY (State and Local Government Committee) MOVED** that the amendments on SJ page 1477 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 1230:** A BILL for an Act to amend and reenact section 16.1-01-12 of the North Dakota Century Code, relating to fraudulent signatures on an initiated petition; and to provide a penalty.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 39 YEAS, 6 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Bekkedahl; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larson; Lee; Lemm; Luick; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Wobbema

**NAYS:** Beard; Boehm; Larsen; Magrum; Mathern; Weston

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed HB 1230, as amended, passed.

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**CONSIDERATION OF AMENDMENTS**

**HB 1508, as engrossed: SEN. K. ROERS (State and Local Government Committee) MOVED** that the amendments on SJ page 1478 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 1508:** A BILL for an Act to amend and reenact section 54-10-01 of the North Dakota Century Code, relating to duties of the state auditor; and to provide for a legislative management study.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 35 YEAS, 10 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Bekkedahl; Braunberger; Burckhard; Cleary; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Krebsbach; Kreun; Lee; Lemm; Mathern; Meyer; Myrdal; Patten; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Wobbema

**NAYS:** Beard; Boehm; Clemens; Klein; Larsen; Larson; Luick; Magrum; Paulson; Weston

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed HB 1508, as amended, passed.

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**CONSIDERATION OF AMENDMENTS**

**HCR 3035, as engrossed: SEN. LEE (State and Local Government Committee) MOVED** that the amendments on SJ page 1481 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3035:** A concurrent resolution commending Taiwan's vibrant democracy, celebrating the 37th anniversary of North Dakota's sister-state relationship with Taiwan, recognizing North Dakota's trade relationship and academic exchange program with Taiwan, supporting the U.S.-Taiwan Initiative on 21st-Century Trade, and advocating for Taiwan's inclusion in the Indo-Pacific Economic Framework for Prosperity and international organizations that are important to the health, safety, and well-being of Taiwan's people and the world.

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

Engrossed HCR 3035, as amended, was declared adopted on a voice vote.

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**SECOND READING OF HOUSE BILL**

**HB 1177:** A BILL for an Act to create and enact a new subsection to section 57-39.2-04 of the North Dakota Century Code, relating to a sales tax exemption for child diapers; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 39 YEAS, 6 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Kessel; Klein; Krebsbach; Kreun; Larson; Lee; Lemm; Luick; Magrum; Mathern; Myrdal; Paulson; Piepkorn; Roers, J.; Roers, K.; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber;

Weston; Wobbema

**NAYS:** Hogue; Kannianen; Larsen; Meyer; Patten; Rummel

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed HB 1177 passed.

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#### REQUEST

**SEN. KLEIN REQUESTED** that the Senate be on the Twelfth Order, which request was granted.

#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. LARSEN MOVED** that the Senate do concur in the House amendments to SB 2349 as printed on SJ page 1111, which motion prevailed on a voice vote.

SB 2349, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2349:** A BILL for an Act to create and enact a new section to chapter 26.1-02 of the North Dakota Century Code, relating to exemption from insurance regulations for nonprofit agricultural membership organizations.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 35 YEAS, 10 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Boehm; Burckhard; Cleary; Clemens; Conley; Dwyer; Elkin; Erbele; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Paulson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Bekkedahl; Braunberger; Davison; Dever; Hogan; Lee; Patten; Piepkorn; Rummel; Sickler

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Engrossed SB 2349, as amended, passed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. KANNIANEN MOVED** that the Senate do concur in the House amendments to Engrossed SB 2367 as printed on SJ page 1462, which motion prevailed on a voice vote.

Engrossed SB 2367, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2367:** A BILL for an Act to amend and reenact section 57-51.1-07.5 of the North Dakota Century Code, relating to the allocation of the state share of oil and gas taxes.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Reengrossed SB 2367, as amended, passed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. LARSEN MOVED** that the Senate do concur in the House amendments to Engrossed SB 2243 as printed on SJ pages 1329-1331, which motion prevailed on a voice vote.

Engrossed SB 2243, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2243:** A BILL for an Act to amend and reenact sections 23-10-06.2, 23-10-12, 27-08.1-01, and 47-10-28 of the North Dakota Century Code, relating to the transferability, revocation, and suspension of licenses for a mobile home park, small claims court jurisdiction, and required disclosures to tenants residing in a mobile home park; and to provide a penalty.

#### ROLL CALL

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Magrum

**ABSENT AND NOT VOTING:** Estenson; Vedaa

Reengrossed SB 2243 passed.

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#### MOTION

**SEN. KLEIN MOVED** that the Senate stand in recess until 12:30 p.m., which motion prevailed.

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

#### CORRECTION AND REVISION OF THE JOURNAL

**MADAM PRESIDENT:** Your **Committee on Correction and Revision of the Journal (Sen. Beard, Chairman)** has carefully examined the Journal of the Fifty-eighth, Fifty-ninth, and Sixtieth Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1379, line 36, replace "**APPOINTED**" with "**ANNOUNCED**"

Page 1380, line 9, replace "**APPOINTED**" with "**ANNOUNCED**"

Page 1401, line 31, replace "**APPOINTED**" with "**ANNOUNCED**"

Page 1401, line 36, replace "Estenson" with "Cleary"

Page 1415, line 34, replace "Estenson" with "Cleary"

Page 1445, line 26, replace "**APPOINTED**" with "**ANNOUNCED**"

Page 1445, line 40, replace "**APPOINTED**" with "**ANNOUNCED**"

Page 1462, line 45, replace "appointed" with "announced"

Page 1480, after line 36 insert:

"Page 4, line 3, replace "two years" with "one year"

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

#### **REQUEST**

**SEN. KLEIN REQUESTED** that the Senate be on the Twelfth Order, which request was granted.

#### **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 1010, Engrossed HB 1011, Engrossed HB 1025, Engrossed HB 1515, and Engrossed HB 1538, which motion prevailed.

**THE PRESIDENT ANNOUNCED** the following appointments to a Conference Committee on:

**Engrossed HB 1010:** Sens. Rust, Krebsbach, Meyer

**Engrossed HB 1011:** Sens. Rust, Meyer, Krebsbach

**Engrossed HB 1025:** Sens. Dever, Burckhard, Mathern

**Engrossed HB 1515:** Sens. Lemm, Weston, Luick

**Engrossed HB 1538:** Sens. Kessel, Boehm, Patten

#### **CONSIDERATION OF MESSAGES FROM THE HOUSE**

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to Reengrossed SB 2107 as printed on SJ pages 1472-1473, in the House amendments to SB 2261 as printed on SJ pages 1210-1211, and in the House amendments to Engrossed SB 2265 as printed on SJ page 1462 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 ANNOUNCED** the following appointments to a Conference Committee on:

**Reengrossed SB 2107:** Sens. Larson, Myrdal, Paulson.

**SB 2261:** Sens. Kannianen, Beard, Boehm.

**Engrossed SB 2265:** Sens. Lee, Cleary, Hogan.

#### **CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. MYRDAL MOVED** that the Senate do concur in the House amendments to Reengrossed SCR 4013 as printed on SJ page 1129, which motion prevailed on a voice vote.

Reengrossed SCR 4013, as amended, was placed on the Eleventh order of business.

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

**SCR 4013:** A concurrent resolution to amend and reenact sections 2, 3, 4, and 9 of article III of the Constitution of North Dakota, relating to the process for approving initiated constitutional amendments, the requirement of a single subject for each petition and measure, the individuals able to circulate a petition, and the requirement that all ballot measures must be voted on at the primary and general election.

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

Reengrossed SCR 4013, as amended, was declared adopted on a voice vote.

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#### **SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3033:** A concurrent resolution to amend and reenact section 26 of article X of the Constitution of North Dakota, relating to spending and transfers from the legacy fund.

**ROLL CALL**

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Lee

**ABSENT AND NOT VOTING:** Vedaa

Engrossed HCR 3033, as amended, was declared adopted on a recorded roll call vote.

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**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3002:** A concurrent resolution to amend and reenact section 25 of article XI of the Constitution of North Dakota, relating to authorizing sports betting.

**ROLL CALL**

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS. The roll was called and there were 16 YEAS, 30 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Braunberger; Cleary; Conley; Davison; Kessel; Krebsbach; Larsen; Lee; Lemm; Meyer; Patten; Roers, K.; Rummel; Wanzek

**NAYS:** Beard; Bekkedahl; Boehm; Burckhard; Clemens; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Klein; Kreun; Larson; Luick; Magrum; Mathern; Myrdal; Paulson; Piepkorn; Roers, J.; Rust; Schaible; Sickler; Sorvaag; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

HCR 3002 was declared lost on a recorded roll call vote.

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**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3019:** A concurrent resolution to amend and reenact sections 1 and 2 of article XV of the Constitution of North Dakota, relating to term limits for members of the legislative assembly and statewide elected officers; to repeal section 4 of article XV of the Constitution of North Dakota, relating to prohibiting the legislative assembly from proposing certain amendments to article XV of the Constitution of North Dakota; and to provide for application.

**MOTION**

**SEN. MAGRUM MOVED** that Engrossed HCR 3019 be amended as follows.

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

Page 1, line 2, remove "members of the legislative assembly and"

Page 1, line 3, remove "to repeal section 4 of article XV of the Constitution of North Dakota, relating to"

Page 1, remove line 4

Page 1, line 5, remove "Constitution of North Dakota;"

Page 1, line 7, remove "provides an individual may not serve more than twelve consecutive years in"

Page 1, remove line 8

Page 1, line 9, remove "reaching twelve consecutive years of service in that chamber. The measure also"

Page 1, line 10, after "officers" insert "until four years have elapsed since completing twelve consecutive years of service, with the exception of the governor and the lieutenant governor"

Page 1, line 10, remove "The measure"

Page 1, remove lines 11 and 12

Page 1, line 15, replace "amendments" with "amendment"

Page 1, line 15, replace "sections 1," with "section"

Page 1, line 15, remove ", and 4"

Page 1, line 16, replace "are" with "is"

Page 1, remove lines 19 through 24

Page 2, remove lines 1 through 11

Page 2, line 14, remove the overstrike over "~~be elected to the office of~~"

Page 2, line 14, remove "serve more than twelve"

Page 2, line 15, remove "consecutive years as agriculture commissioner, attorney general, auditor."

Page 2, line 15, remove the overstrike over "~~more than~~"

Page 2, remove the overstrike over line 16

Page 2, line 17, remove the overstrike over "~~governor, nor prevent the secretary of state from acting as governor~~" and insert immediately thereafter ". An individual may not serve more than twelve consecutive years as agriculture commissioner, attorney general, auditor"

Page 2, line 18, remove "lieutenant governor."

Page 2, line 22, remove ", governor"

Page 2, line 22, remove "lieutenant"

Page 2, line 23, remove "governor."

Page 2, remove lines 26 and 27

Page 2, line 28, remove "in the senate or the house of representatives"

Page 2, remove lines 29 and 30

Page 2, line 31, remove "reelected at the general election in 2026; any service"

Page 2, line 31, remove ", except as"

Page 3, line 1, remove "the governor or lieutenant governor,"

Page 3, line 1, remove "; and any service as the governor or"

Page 3, line 2, remove "lieutenant governor before December 15, 2024,"

Renumber accordingly

#### REQUEST

**SEN. MAGRUM REQUESTED** a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HCR 3019, which request was granted.

#### ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HCR 3019, the roll was called and there were 5 YEAS, 41 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Clemens; Larsen; Larson; Magrum; Weston

**NAYS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Lee; Lemm; Luick; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

The proposed amendments to Engrossed HCR 3019 failed on a recorded roll call vote.

**HCR 3019:** A concurrent resolution to amend and reenact sections 1 and 2 of article XV of the Constitution of North Dakota, relating to term limits for members of the legislative assembly and statewide elected officers; to repeal section 4 of article XV of the Constitution of North Dakota, relating to prohibiting the legislative assembly from proposing certain amendments to article XV of the Constitution of North Dakota; and to provide for application.

#### ROLL CALL

The question being on the final adoption of the amended resolution, which has been read, and has committee recommendation of DO PASS. The roll was called and there were 5 YEAS, 41 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Estenson; Larsen; Luick; Patten; Paulson

**NAYS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larson; Lee; Lemm; Magrum; Mathern; Meyer; Myrdal; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

Engrossed HCR 3019 was declared lost on a recorded roll call vote.

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#### REQUEST

**SEN. KLEIN REQUESTED** that the Senate be on the Eighth Order, which request was granted.

#### MOTION

**SEN. KLEIN MOVED** that HCR 3020 be moved to the top of the Sixth order, which motion prevailed.

#### CONSIDERATION OF AMENDMENTS

**HCR 3020, as engrossed: SEN. WOBBERA (Workforce Development Committee) MOVED** that the amendments on SJ page 1503 be adopted and then be placed on the Fourteenth order with **DO NOT PASS**, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3020:** A concurrent resolution to amend and reenact sections 7 and 13 of article IV of the Constitution of North Dakota, relating to sessions of the legislative assembly; and to provide an effective date.

**ROLL CALL**

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

**NAYS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

Engrossed HCR 3020, as amended, was declared lost on a recorded roll call vote.

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**CONSIDERATION OF AMENDMENTS**

**HB 1528, as engrossed: SEN. BARTA (State and Local Government Committee) MOVED** that the amendments on SJ page 1481 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 1528:** A BILL for an Act to amend and reenact sections 15-10-44, 54-46-02, 54-46-04, 54-46-05, and 54-46-08 of the North Dakota Century Code, relating to the retention of electronic mail for institutions under the control of the state board of higher education, final disposition of records, mandatory records retention policies for state agencies, and the administration of employee accounts upon employee departure from an agency; to provide for a legislative management study; to provide an effective date; and to declare an emergency.

**ROLL CALL**

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

Engrossed HB 1528, as amended, passed and the emergency clause was declared carried.

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**CONSIDERATION OF AMENDMENTS**

**HB 1276, as engrossed and amended: SEN. J. ROERS (Appropriations Committee) MOVED** that the amendments on SJ pages 1501-1503 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 1276:** A BILL for an Act to create and enact a new section to chapter 4.1-01 of the North Dakota Century Code, relating to the agriculture infrastructure grant program; to amend and reenact section 4.1-01.1-07 of the North Dakota Century Code, relating to the agriculture diversification and development fund; to provide an appropriation for the agriculture diversification and development fund; and to provide for a transfer.

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Cleary; Hogan

**ABSENT AND NOT VOTING:** Vedaa

Engrossed HB 1276, as amended, passed.

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**REQUEST**

**SEN. KLEIN REQUESTED** that the Senate be on the Fourteenth Order, which request was granted.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3036:** A concurrent resolution urging Congress not to support legislation, or other efforts, relating to the adoption of a Central Bank Digital Currency in the United States.

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

HCR 3036 was declared adopted on a voice vote.

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**SECOND READING OF HOUSE BILL**

**HB 1183:** A BILL for an Act to amend and reenact subsection 12 of section 54-52-01, section 54-52-06.4, subsection 3 of section 54-52-17, and subsection 4 of section 54-52-17 of the North Dakota Century Code, relating to a public employees retirement system retirement plan for peace officers; and to provide for a legislative management study.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 32 YEAS, 14 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Dever; Dwyer; Erbele; Hogan; Klein; Krebsbach; Kreun; Larson; Lee; Lemm; Luick; Mathern; Meyer; Myrdal; Patten; Roers, K.; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston

**NAYS:** Conley; Davison; Elkin; Estenson; Hogue; Kannianen; Kessel; Larsen; Magrum; Paulson; Piepkorn; Roers, J.; Rummel; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

HB 1183, as amended, passed.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. PATTEN MOVED** that the Senate do concur in the House amendments to Reengrossed SB 2194 as printed on SJ pages 1461-1462, which motion prevailed on a voice vote.

Reengrossed SB 2194, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2194:** A BILL for an Act to create and enact a new section to chapter 4.1-01 of the North Dakota Century Code, relating to a post-production royalty oversight program; to amend and reenact subsection 2 of section 38-08-04.5 of the North Dakota Century Code, relating to the abandoned oil and gas well plugging and site reclamation fund; and to provide a report.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 40 YEAS, 6 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Barta; Beard; Boehm; Burckhard; Cleary; Clemens; Conley; Davison; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Meyer; Patten; Paulson; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**NAYS:** Bekkedahl; Braunberger; Dever; Mathern; Myrdal; Piepkorn

**ABSENT AND NOT VOTING:** Vedaa

Reengrossed SB 2194 passed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. VEDAA MOVED** that the Senate do concur in the House amendments to SB 2299 as printed on SJ page 1414, which motion prevailed on a voice vote.

SB 2299, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2299:** A BILL for an Act to create and enact three new sections to chapter 51-35 of the North Dakota Century Code, relating to scrap metal dealer registration, catalytic converters, and catalytic converter theft; to amend and reenact sections 51-35-01, 51-35-02, 51-35-03, and 51-35-04 of the North Dakota Century Code, relating to purchases by scrap metal dealers; and to provide a penalty.

#### ROLL CALL

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

**YEAS:** Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Wanzek; Weber; Weston; Wobbema

**ABSENT AND NOT VOTING:** Vedaa

Engrossed SB 2299, as amended, passed.

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

**MR. SPEAKER:** The Senate has passed, unchanged: HB 1177.

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

**MR. SPEAKER:** The Senate has passed, unchanged: HCR 3036.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1183, HB 1225, HB 1230, HB 1276, HB 1391, HB 1508.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HCR 3033, HCR 3035.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1153, HB 1528.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently failed to pass: HCR 3020.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has failed to pass, unchanged: HCR 3002, HCR 3019.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has passed, unchanged: SB 2211.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has passed, the emergency clause failed, unchanged: SB 2140.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has amended and subsequently passed: SB 2001, SB 2002, SB 2005, SB 2006, SB 2007, SB 2010, SB 2011, SB 2014, SB 2021, SB 2023, SB 2168, SB 2240, SB 2248, SB 2279, SB 2311, SB 2326.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001

Page 1, line 1, after "to" insert "provide an appropriation for defraying the expenses of the office of the governor; to"

Page 1, line 2, remove "to provide an"

Page 1, line 3, remove "appropriation for defraying the expenses of the office of the governor;"

Page 1, replace lines 13 through 21 with:

"Salaries and wages	\$3,861,034	\$427,289	\$4,288,323
Operating expenses	421,635	217,696	639,331
Contingencies	10,000	0	10,000
Rough rider awards	10,800	0	10,800
Governor's salary	284,475	26,146	310,621
Transition in	0	15,000	15,000
Transition out	0	50,000	50,000
Total general fund	\$4,587,944	\$736,131	\$5,324,075
Full-time equivalent positions	17.00	2.00	19.00"

Page 2, line 25, replace "\$304,760" with "\$310,621"

Page 3, line 5, replace "forty-nine thousand three hundred ninety two" with "fifty-two thousand two hundred sixty-five"

Page 3, line 6, remove "fifty-five thousand three hundred"

Page 3, line 7, replace "sixty-eight" with "fifty-eight thousand three hundred fifty-six"

Page 3, line 12, replace "sixteen thousand one hundred ninety-six" with "thirty thousand"

Page 3, line 13, replace "twenty thousand eight hundred forty-four" with "thirty-five thousand two hundred"

Page 3, remove lines 15 through 21

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2001 - Governor's Office - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$3,861,034	\$4,556,077	(\$267,754)	\$4,288,323
Operating expenses	421,635	639,331		639,331
Capital assets	10,000	10,000		10,000
Rough Rider Awards	10,800	10,800		10,800
Governor's salary	284,475	304,760	5,861	310,621
Transition in		15,000		15,000
Transition out		50,000		50,000
<b>Total all funds</b>	<b>\$4,587,944</b>	<b>\$5,585,968</b>	<b>(\$261,893)</b>	<b>\$5,324,075</b>
Less estimated income	0	0	0	0
<b>General fund</b>	<b>\$4,587,944</b>	<b>\$5,585,968</b>	<b>(\$261,893)</b>	<b>\$5,324,075</b>
FTE	17.00	18.00	1.00	19.00

**Department 101 - Governor's Office - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adds Elected Official Salary Equity Funding <sup>2</sup>	Adds New FTE Position <sup>3</sup>	Removes Salary Funding for Funding Pool <sup>4</sup>	Total House Changes
Salaries and wages	\$101,702	\$28,479	\$250,904	(\$648,839)	(\$267,754)
Operating expenses					
Capital assets					
Rough Rider Awards					
Governor's salary	5,861				5,861
Transition in					
Transition out					
<b>Total all funds</b>	<b>\$107,563</b>	<b>\$28,479</b>	<b>\$250,904</b>	<b>(\$648,839)</b>	<b>(\$261,893)</b>
Less estimated income	0	0	0	0	0
<b>General fund</b>	<b>\$107,563</b>	<b>\$28,479</b>	<b>\$250,904</b>	<b>(\$648,839)</b>	<b>(\$261,893)</b>
FTE	0.00	0.00	1.00	0.00	1.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund
Salary increase	\$109,505
Health insurance adjustment	(1,942)
<b>Total</b>	<b>\$107,563</b>

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Salary equity funding is added to increase the Lieutenant Governor's salary to \$130,000 on July 1, 2023.

<sup>3</sup> Funding is provided for the Governor to add either a new communications or policy advisor FTE position.

<sup>4</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund
New FTE positions	(\$501,808)
Vacant FTE positions	(147,031)
<b>Total</b>	<b>(\$648,839)</b>

This amendment also:

- Provides the statutory changes needed to increase the Governor's salary by 6 percent on July 1, 2023, and by 4 percent on July 1, 2024.
- Provides the statutory changes needed to increase the Lieutenant Governor's salary by 16.4 percent on July 1, 2023, and by 4 percent on July 1, 2024.
- Removes Sections 7 and 8 which provided line item transfer authority and carryover authority.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2002**

Page 1, line 2, after the semicolon insert "and"

Page 1, line 3, remove "to provide an exemption;"

Page 1, line 4, remove "and to provide for a transfer"

Page 1, replace lines 16 through 24 with:

"Salaries and wages	\$5,528,082	\$726,643	\$6,254,725
Operating expenses	3,308,424	4,175,907	7,484,331
Grants	25,000	0	25,000
Petition review	8,000	0	8,000
Election reform	<u>4,699,689</u>	<u>6,131,119</u>	<u>10,830,808</u>
Total all funds	\$13,569,195	\$11,033,669	\$24,602,864
Less estimated income	<u>8,305,574</u>	<u>9,526,501</u>	<u>17,832,075</u>
Total general fund	\$5,263,621	\$1,507,168	\$6,770,789
Full-time equivalent positions	33.00	2.00	35.00"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$5,521,552	\$1,520,572	\$7,042,124
Grand total special funds	<u>8,305,574</u>	<u>9,526,501</u>	<u>17,832,075</u>
Grand total all funds	\$13,827,126	\$11,047,073	\$24,874,199"

Page 2, replace lines 19 through 22 with:

"New campaign system and contracted website redesign	\$0	\$1,000,000
Election management system	0	5,000,000
FirstStop	0	1,000,000
Information technology system enhancements	0	500,000
Help America Vote Act	<u>0</u>	<u>1,000,000</u>
Total other funds	\$0	\$8,500,000

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The secretary of state shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

**SECTION 3. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes the sum of \$6,000,000 from the federal state fiscal recovery fund for an election management system and to upgrade FirstStop."

Page 3, remove lines 6 through 9

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2002 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
Secretary of State				
Total all funds	\$13,569,195	\$18,869,717	\$5,733,147	\$24,602,864
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075

General fund	\$5,263,621	\$6,836,642	(\$65,853)	\$6,770,789
FTE	33.00	34.00	1.00	35.00
Public Printing				
Total all funds	\$257,931	\$271,335	\$0	\$271,335
Less estimated income	0	0	0	0
General fund	\$257,931	\$271,335	\$0	\$271,335
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$13,827,126	\$19,141,052	\$5,733,147	\$24,874,199
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075
General fund	\$5,521,552	\$7,107,977	(\$65,853)	\$7,042,124
FTE	33.00	34.00	1.00	35.00

**Senate Bill No. 2002 - Secretary of State - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$5,528,082	\$6,328,326	(\$73,601)	\$6,254,725
Operating expenses	3,308,424	6,484,331	1,000,000	7,484,331
Grants	25,000	25,000		25,000
Petition review	8,000	8,000		8,000
Election reform	4,699,689	6,024,060	4,806,748	10,830,808
Total all funds	\$13,569,195	\$18,869,717	\$5,733,147	\$24,602,864
Less estimated income	8,305,574	12,033,075	5,799,000	17,832,075
General fund	\$5,263,621	\$6,836,642	(\$65,853)	\$6,770,789
FTE	33.00	34.00	1.00	35.00

**Department 108 - Secretary of State - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Reduces Funding for Elected Official Equity <sup>2</sup>	Adds Funding for Technology Support Position <sup>3</sup>	Removes Salary Funding for Funding Pool <sup>4</sup>	Adds One-Time Funding <sup>5</sup>	Total House Changes
Salaries and wages	\$85,862	(\$5,600)	\$180,000	(\$333,863)		(\$73,601)
Operating expenses					\$1,000,000	1,000,000
Grants						
Petition review						
Election reform	3,180			(196,432)	5,000,000	4,806,748
Total all funds	\$89,042	(\$5,600)	\$180,000	(\$530,295)	\$6,000,000	\$5,733,147
Less estimated income	12,726	0	0	(213,726)	6,000,000	5,799,000
General fund	\$76,316	(\$5,600)	\$180,000	(\$316,569)	\$0	(\$65,853)
FTE	0.00	0.00	1.00	0.00	0.00	1.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$79,156	\$13,200	\$92,356
Health insurance adjustment	(2,840)	(474)	(3,314)
Total	\$76,316	\$12,726	\$89,042

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding of \$5,600 from the general fund is removed to provide a total of \$21,148 from the general fund to increase the salary of the Secretary of State to \$130,000 on July 1, 2023. The Senate provided \$26,748 from the general fund to increase the salary of the Secretary of State to \$130,000 on July 1, 2023. The reduction in necessary equity to provide a salary of \$130,000 is due to the House providing a general salary increase of 6 percent on July 1, 2023, rather than 4 percent.

<sup>3</sup> Funding of \$180,000 from the general fund is added for 1 new FTE technology support position. The Senate did not include this position.

<sup>4</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by

submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$180,000)	(\$190,950)	(\$370,950)
Vacant FTE positions	(136,569)	(22,776)	(159,345)
Total	(\$316,569)	(\$213,726)	(\$530,295)

<sup>5</sup> One-time funding of \$6 million from the federal State Fiscal Recovery Fund is added for an election management system (\$5 million) and to upgrade FirstStop (\$1 million). The Senate did not provide funding for these projects.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2005**

Page 1, replace lines 12 through 16 with:

"Salaries and wages	\$1,430,495	\$145,203	\$1,575,698
Operating expenses	157,423	135,748	293,171
Coal severance payments	<u>118,000</u>	<u>0</u>	<u>118,000</u>
Total general fund	\$1,705,918	\$280,951	\$1,986,869
Full-time equivalent positions	7.00	0.00	7.00"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 2 with:

"Township allocations	\$20,000,000	\$0
Distributions to political subdivisions	50,160,000	0
Supplemental distributions to political subdivisions	3,014,975	0
Information technology costs	<u>0</u>	<u>27,825</u>
Total all funds	\$73,174,975	\$27,825
Less estimated income	<u>73,174,975</u>	<u>0</u>
Total general fund	\$0	\$27,825"

Page 2, line 3, replace "entities" with "entity's"

Page 2, line 10, replace "nineteen" with "thirty"

Page 2, line 11, remove "sixty-five"

Page 2, line 12, replace "twenty-three" with "thirty-five"

Page 2, line 12, replace "eight" with "two"

Page 2, line 12, remove "twenty-eight"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2005 - State Treasurer - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$1,430,495	\$1,552,006	\$23,692	\$1,575,698
Operating expenses	157,423	286,346	6,825	293,171
Coal severance payments	<u>118,000</u>	<u>118,000</u>		<u>118,000</u>
Total all funds	\$1,705,918	\$1,956,352	\$30,517	\$1,986,869
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$1,705,918	\$1,956,352	\$30,517	\$1,986,869
FTE	7.00	7.00	0.00	7.00

**Department 120 - State Treasurer - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adds Salary Equity Funding for Elected Officials <sup>2</sup>	Removes Salary Funding for a Funding Pool <sup>3</sup>	Increases One-Time Funding for IT Costs <sup>4</sup>	Total House Changes
Salaries and wages	\$23,634	\$21,148	(\$21,090)		\$23,692
Operating expenses				\$6,825	6,825
Coal severance payments					
<b>Total all funds</b>	<b>\$23,634</b>	<b>\$21,148</b>	<b>(\$21,090)</b>	<b>\$6,825</b>	<b>\$30,517</b>
Less estimated income	0	0	0	0	0
<b>General fund</b>	<b>\$23,634</b>	<b>\$21,148</b>	<b>(\$21,090)</b>	<b>\$6,825</b>	<b>\$30,517</b>
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$24,462	\$0	\$24,462
Health insurance adjustment	(828)	0	(828)
<b>Total</b>	<b>\$23,634</b>	<b>\$0</b>	<b>\$23,634</b>

The Senate provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

<sup>2</sup> Funding is added for providing a salary equity increase for the State Treasurer. The State Treasurer's annual salary is increased from the current level of \$114,486 to \$130,000 (13.6 percent) effective July 1, 2023. This funding is in addition to the funding added for the general 6 percent July 1, 2023, increase for state employees. The Senate did not include a salary equity increase for the State Treasurer.

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	(21,090)	0	(21,090)
<b>Total</b>	<b>(\$21,090)</b>	<b>\$0</b>	<b>(\$21,090)</b>

The Senate did not remove funding for a new a vacant FTE funding pool.

<sup>4</sup> One-time funding from the general fund is increased by \$6,825 to provide total funding of \$27,825 for information technology programming costs. The Senate provided \$21,000 of one-time funding for information technology programming costs.

The section is changed to provide the statutory changes necessary to increase the State Treasurer's annual salary to \$130,000 (13.6 percent) effective July 1, 2023, and to \$135,200 (4 percent) effective July 1, 2024. The Senate provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2006**

Page 1, line 6, after "57-01-04" insert ", subsection 2 of section 57-02-53,"

Page 1, line 7, after "commissioner" insert ", property assessment increase notices,"

Page 1, remove lines 20 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$22,594,196	\$730,838	\$23,325,034
Operating expenses	7,466,120	1,647,250	9,113,370
Capital assets	6,000	0	6,000
Homestead tax credit	18,000,000	900,000	18,900,000
Disabled veterans' tax credit	<u>16,300,000</u>	<u>2,445,000</u>	<u>18,745,000</u>
Total all funds	\$64,366,316	\$5,723,088	\$70,089,404
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$64,241,316	\$5,723,088	\$69,964,404
Full-time equivalent positions	118.00	(1.00)	117.00"

Page 3, line 2, replace "thirty" with "thirty-one"

Page 3, line 3, after "eight" insert "seven"

Page 3, line 3, remove the overstrike over "hundred"

Page 3, line 3, after "fourteen" insert "five"

Page 3, line 3, remove "thirty-"

Page 3, line 4, replace "five" with "thirty-six"

Page 3, line 4, overstrike "two" and insert immediately thereafter "nine"

Page 3, line 4, after "fifty" insert "seventy-three"

Page 3, after line 4, insert:

**"SECTION 6. AMENDMENT.** Subsection 2 of section 57-02-53 of the North Dakota Century Code is amended and reenacted as follows:

2. The form of notice prescribed by the tax commissioner must require a statement to inform the taxpayer that an assessment increase ~~does not~~may mean property taxes on the parcel will increase. The notice may ~~not~~ contain an estimate of a tax increase resulting from the assessment increase."

Page 4, line 24, replace "6" with "7"

Page 4, line 24, replace "7" with "8"

Page 4, line 26, replace "6" with "7"

Page 4, line 26, replace "7" with "8"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2006 - State Tax Commissioner - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$22,594,196	\$24,250,398	(\$925,364)	\$23,325,034
Operating expenses	7,466,120	9,113,370		9,113,370
Capital assets	6,000	6,000		6,000
Homestead tax credit	18,000,000	18,900,000		18,900,000
Disabled veterans' credit	<u>16,300,000</u>	<u>18,745,000</u>		<u>18,745,000</u>
Total all funds	\$64,366,316	\$71,014,768	(\$925,364)	\$70,089,404
Less estimated income	<u>125,000</u>	<u>125,000</u>	0	<u>125,000</u>
General fund	\$64,241,316	\$70,889,768	(\$925,364)	\$69,964,404
FTE	118.00	117.00	0.00	117.00

Department 127 - State Tax Commissioner - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts Equity Funding <sup>2</sup>	Removes Salary Funding for a Funding Pool <sup>3</sup>	Total House Changes
Salaries and wages	\$361,341	(\$859)	(\$1,285,846)	(\$925,364)
Operating expenses				
Capital assets				
Homestead tax credit				
Disabled veterans' credit				
<b>Total all funds</b>	<b>\$361,341</b>	<b>(\$859)</b>	<b>(\$1,285,846)</b>	<b>(\$925,364)</b>
Less estimated income	0	0	0	0
General fund	\$361,341	(\$859)	(\$1,285,846)	(\$925,364)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$373,766	\$0	\$373,766
Health insurance adjustment	(12,425)	0	(12,425)
Total	\$361,341	0	\$361,341

The Senate provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

<sup>2</sup> Funding of \$859, which was added by the Senate for a salary equity increase for the Tax Commissioner, is removed because the salary increase of 6 percent on July 1, 2023, exceeds the equity increase needed to provide a salary of \$130,000 for the Tax Commissioner.

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	(1,285,846)	0	(1,285,846)
Total	(\$1,285,846)	\$0	(\$1,285,846)

The Senate did not remove funding for a new vacant FTE funding pool.

This amendment also:

- Provides the statutory changes necessary to increase the State Treasurer's annual salary to \$131,705 (6 percent) effective July 1, 2023, and to \$136,973 (4 percent) effective July 1, 2024. The Senate provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.
- Adds a section to allow property assessment increase notices to include an estimate of a tax increase.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2007**

Page 1, replace lines 12 through 17 with:

"Salaries and wages	\$2,394,979	\$334,160	\$2,729,139
Operating expenses	<u>338,358</u>	<u>40,049</u>	<u>378,407</u>
Total all funds	\$2,733,337	\$374,209	\$3,107,546
Less estimated income	<u>486,868</u>	<u>16,530</u>	<u>503,398</u>
Total general fund	\$2,246,469	\$357,679	\$2,604,148
Full-time equivalent positions	13.00	0.00	13.00"

Page 1, line 18, after the boldfaced period insert "ONE-TIME FUNDING."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2007 - Labor Commissioner - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$2,394,979	\$2,888,274	(\$159,135)	\$2,729,139
Operating expenses	338,358	378,407		378,407
Total all funds	\$2,733,337	\$3,266,681	(\$159,135)	\$3,107,546
Less estimated income	486,868	509,398	(6,000)	503,398
General fund	\$2,246,469	\$2,757,283	(\$153,135)	\$2,604,148
FTE	13.00	13.00	0.00	13.00

**Department 406 - Labor Commissioner - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Reduces Funding for FTE Reclassification <sup>2</sup>	Removes Salary Funding for Funding Pool <sup>3</sup>	Total House Changes
Salaries and wages	\$44,752	(\$124,722)	(\$79,165)	(\$159,135)
Operating expenses				
Total all funds	\$44,752	(\$124,722)	(\$79,165)	(\$159,135)
Less estimated income	7,776	0	(13,776)	(6,000)
General fund	\$36,976	(\$124,722)	(\$65,389)	(\$153,135)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Federal Funds	Total
Salary increase	\$37,938	\$7,997	\$45,935
Health insurance adjustment	(962)	(221)	(1,183)
Total	\$36,976	\$7,776	\$44,752

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding is reduced by \$124,722 from the general fund to provide a total of \$186,140, of which \$139,510 is from the general fund and \$46,630 is from federal funds. The Senate added \$310,862, of which \$264,232 was from the general fund and \$46,630 was from federal funds, to reclassify a previously unfunded FTE compliance investigator II position. The House reclassified an FTE compliance investigator II position with funding included in the base budget instead of the unfunded FTE position.

<sup>3</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Federal Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	(65,389)	(13,776)	(79,165)
Total	(\$65,389)	(\$13,776)	(\$79,165)

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2010**

Page 1, line 2, replace "section" with "sections"

Page 1, line 2, after "26.1-01-09" insert ", 26.1-23.1-02, and 26.1-23.1-06"

Page 1, line 3, replace "; and to provide a transfer" with "and government self-insurance pools; and to provide for a legislative management report"

Page 1, replace lines 12 through 17 with:

"Salaries and wages	\$8,076,281	\$2,578,635	\$10,654,916
Operating expenses	1,507,359	938,278	2,445,637
Capital assets	0	147,540	147,540
Grants	0	<u>2,400,000</u>	<u>2,400,000</u>
Total special funds	\$9,583,640	\$6,064,453	\$15,648,093
Full-time equivalent positions	38.00	8.00	46.00"

Page 1, after line 23, insert:

"State fire marshal equipment	0	72,540"
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Page 2, replace line 4 with:

"Total special funds	\$1,162,000	\$245,840"
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Page 2, replace lines 20 through 25 with:

**"SECTION 5. AMENDMENT.** Section 26.1-23.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-23.1-02. Government self-insurance pools not insurers.**

Any government self-insurance pool organized under chapter 32-12.1 is not an insurance company or insurer. The coverages provided by ~~such~~the pools and the administration of ~~such~~the pools do not constitute the transaction of insurance business. Participation in a government self-insurance pool under this chapter does not constitute a waiver of any existing immunities otherwise provided by the constitution or laws of this state. In all respects not specifically provided for under this chapter, a government self-insurance pool is subject to chapters 26.1-01, 26.1-02, 26.1-04, 26.1-25, and 26.1-26 relating to insurance companies generally.

**SECTION 6. AMENDMENT.** Section 26.1-23.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**26.1-23.1-06. Pool reserve records confidential - Open records.**

1. Information regarding that portion of the funds or liability reserves of a government self-insured ~~government~~ pool established for purposes of satisfying a specific claim or cause of action is confidential. A person is not entitled to discover that portion of the funds or liability reserves established for purposes of satisfying a claim or cause of action, except that the reserve is discoverable in any supplementary or ancillary proceeding to enforce a judgment against the pool or a governmental entity participating in the pool.
2. Unless otherwise provided by law, a government self-insurance pool record, as defined under section 44-04-17.1, is subject to chapter 44-04."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2010 - Insurance Department - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$8,076,281	\$11,452,759	(\$797,843)	\$10,654,916
Operating expenses	1,507,359	2,903,986	(458,349)	2,445,637
Capital assets		75,000	72,540	147,540
Grants		2,400,000		2,400,000
Insurance tax payments	<u>20,728,540</u>			
Total all funds	\$30,312,180	\$16,831,745	(\$1,183,652)	\$15,648,093
Less estimated income	<u>30,312,180</u>	16,831,745	(1,183,652)	15,648,093
General fund	\$0	\$0	\$0	\$0

FTE 38.00 49.00 (3.00) 46.00

**Department 401 - Insurance Department - Detail of House Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts Salary Equity Funding for Elected Officials <sup>2</sup>	Removes FTE Positions for Fire Marshal <sup>3</sup>	Removes Salary Funding for Funding Pool <sup>4</sup>	Removes Funding for Travel Expenses <sup>5</sup>	Adds One-Time Funding for State Fire Marshal Equipment <sup>6</sup>
Salaries and wages	\$284,102	(\$5,600)	(\$635,289)	(\$441,056)		
Operating expenses			(276,091)		(\$182,258)	
Capital assets						\$72,540
Grants						
Insurance tax payments						
<b>Total all funds</b>	<b>\$284,102</b>	<b>(\$5,600)</b>	<b>(\$911,380)</b>	<b>(\$441,056)</b>	<b>(\$182,258)</b>	<b>\$72,540</b>
Less estimated income	284,102	(5,600)	(911,380)	(441,056)	(182,258)	72,540
General fund	\$0	\$0	\$0	\$0	\$0	\$0
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>	<b>(3.00)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Total House Changes
Salaries and wages	(\$797,843)
Operating expenses	(458,349)
Capital assets	72,540
Grants	
Insurance tax payments	
<b>Total all funds</b>	<b>(\$1,183,652)</b>
Less estimated income	(1,183,652)
General fund	\$0
<b>FTE</b>	<b>(3.00)</b>

<sup>1</sup> Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	Other Funds
Salary increase	\$246,975
Health insurance adjustment	37,127
Total	\$284,102

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding is adjusted from special funds for a salary equity increase for the Insurance Commissioner. The salary equity increase is adjusted from \$26,748 to \$21,148 as the House has approved salary adjustments of 6 percent on July 1, 2023, and 4 percent on July 1, 2024. The Senate had approved salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

<sup>3</sup> Funding of \$911,380 from other funds is removed for 3 FTE deputy fire marshal positions, of which \$635,289 is salaries and wages and \$276,091 is related operating expenses.

<sup>4</sup> Funding for the new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency by submitting to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	Other Funds
New FTE positions	(\$203,690)
Vacant FTE positions	(237,366)
Total	(\$441,056)

<sup>5</sup> Funding for travel is reduced by \$182,258 from other funds to provide a total of \$400,000.

<sup>6</sup> One-time funding of \$72,540 is added from other funds for State Fire Marshal equipment.

This amendment also:

- Removes sections transferring any remaining balance from the unsatisfied judgment fund to the insurance regulatory trust fund and providing a contingent effective date

for the transfer. Senate Bill No. 2295 has a section relating to the transfer of the balance in the unsatisfied judgment fund. The Senate had added these sections.

- Amends Sections 26.1-23.1-02 and 26.1-23.1-06 relating to government self-insurance pools.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2011**

Page 1, line 2, after "department" insert "; and to provide a report"

Page 1, replace lines 10 through 12 with:

"Salaries and wages	\$2,213,881	\$138,421	\$2,352,302
Operating expenses	595,103	311,327	906,430
Total special funds	\$2,808,984	\$449,748	\$3,258,732"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2011 - Securities Department - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$2,213,881	\$2,380,936	(\$28,634)	\$2,352,302
Operating expenses	595,103	906,430		906,430
Total all funds	\$2,808,984	\$3,287,366	(\$28,634)	\$3,258,732
Less estimated income	2,808,984	3,287,366	(28,634)	3,258,732
General fund	\$0	\$0	\$0	\$0
FTE	10.00	10.00	0.00	10.00

**Department 414 - Securities Department - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Total House Changes
Salaries and wages	\$37,528	(\$66,162)	(\$28,634)
Operating expenses			
Total all funds	\$37,528	(\$66,162)	(\$28,634)
Less estimated income	37,528	(66,162)	(28,634)
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	Other Funds
Salary increase	\$38,356
Health insurance adjustment	(828)
Total	\$37,528

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding of \$66,162 from other funds for estimated savings from vacant FTE positions is removed. This amount is available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2014**

Page 1, replace lines 10 through 16 with:

"	Base Level	Adjustments or Enhancements	Appropriation
Protection and advocacy operations	\$7,402,940	\$186,971	\$7,589,911
Total all funds	\$7,402,940	\$186,971	\$7,589,911

Less estimated income	4,263,590	2,951	4,266,541
Total general fund	\$3,139,350	\$184,020	\$3,323,370
Full-time equivalent positions	28.50	0.00	28.50"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2014 - Protection and Advocacy Project - House Action**

	Base Budget	Senate Version	House Changes	House Version
Protection and advocacy operations	\$7,402,940	\$7,663,051	(\$73,140)	\$7,589,911
Total all funds	\$7,402,940	\$7,663,051	(\$73,140)	\$7,589,911
Less estimated income	4,263,590	4,307,671	(41,130)	4,266,541
General fund	\$3,139,350	\$3,355,380	(\$32,010)	\$3,323,370
FTE	28.50	28.50	0.00	28.50

**Department 360 - Protection and Advocacy Project - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Total House Changes
Protection and advocacy operations	\$93,176	(\$166,316)	(\$73,140)
Total all funds	\$93,176	(\$166,316)	(\$73,140)
Less estimated income	52,461	(93,591)	(41,130)
General fund	\$40,715	(\$72,725)	(\$32,010)
FTE	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$42,184	\$54,304	\$96,488
Health insurance adjustment	(1,469)	(1,843)	(3,312)
Total	\$40,715	\$52,461	\$93,176

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	\$0	\$0	\$0
Vacant FTE positions	(72,725)	(93,591)	(166,316)
Total	(\$72,725)	(\$93,591)	(\$166,316)

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

Page 1, line 2, after the first semicolon insert "and"

Page 1, line 2, remove "; and to provide for a report"

Page 1, replace lines 10 through 12 with:

"Workforce safety and insurance operations	<u>\$62,122,928</u>	<u>\$9,900,794</u>	<u>\$72,023,722</u>
Total special funds	\$62,122,928	\$9,900,794	\$72,023,722"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	Base Budget	Senate Version	House Changes	House Version
WSI operations	\$62,122,928	\$74,886,832	(\$2,863,110)	\$72,023,722
Total all funds	\$62,122,928	\$74,886,832	(\$2,863,110)	\$72,023,722
Less estimated income	62,122,928	74,886,832	(2,863,110)	72,023,722
General fund	\$0	\$0	\$0	\$0
FTE	260.14	260.14	0.00	260.14

**Department 485 - Workforce Safety and Insurance - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Total House Changes
WSI operations	\$838,123	(\$3,701,233)	(\$2,863,110)
Total all funds	\$838,123	(\$3,701,233)	(\$2,863,110)
Less estimated income	838,123	(3,701,233)	(2,863,110)
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	Special Funds
Salary increase	\$865,486
Health insurance increase	(27,363)
Total	\$838,123

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	Special Funds
New FTE positions	\$0
Vacant FTE positions	(3,701,233)
Total	(\$3,701,233)

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2023**

Page 1, line 2, after the first semicolon insert "and"

Page 1, line 2, remove "; and to provide for a report"

Page 1, replace lines 11 through 16 with:

"Salaries and wages	\$7,209,060	\$509,787	\$7,718,847
Operating expenses	2,396,236	144,751	2,540,987
Contingencies	250,000	0	250,000
Defined benefit plan closure	0	372,027	372,027
Total special funds	\$9,855,296	\$1,026,565	\$10,881,861
Full-time equivalent positions	35.50	4.00	39.50"

Page 2, replace lines 2 and 3 with:

"Staff operating expenses	0	4,000
Total special funds	\$362,100	\$454,000

The 2023-25 biennium one-time funding amounts are not part of the entity's base budget for the 2025-27 biennium. The public employees retirement system shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 2, line 5, remove "- ONE-TIME FUNDING"

Page 2, line 6, replace "\$1,006,839" with "\$372,027"

Page 2, line 6, replace "\$681,839" with "\$47,027"

Page 2, line 7, after the first "for" insert "a portion of"

Page 2, line 7, replace "three" with "two"

Page 2, line 11, replace "\$328,000" with "\$327,000"

Page 2, line 11, replace "considered" with "identified as"

Page 2, line 11, after the second "item" insert "in section 2 of this Act. In addition, the public employees retirement system may request the office of management and budget to transfer up to \$479,660 of additional funding from the new and vacant FTE funding pool for this line item for salaries and wages of the full-time equivalent positions identified in this section"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2023 - Public Employees Retirement System - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,209,060	\$8,471,928	(\$753,081)	\$7,718,847
Operating expenses	2,396,236	2,543,712	(2,725)	2,540,987
Contingencies	250,000	250,000		250,000
Defined benefit plan closure		1,006,839	(634,812)	372,027
Total all funds	\$9,855,296	\$12,272,479	(\$1,390,618)	\$10,881,861
Less estimated income	9,855,296	12,272,479	(1,390,618)	10,881,861
General fund	\$0	\$0	\$0	\$0
FTE	35.50	41.50	(2.00)	39.50

**Department 192 - Public Employees Retirement System - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Funding for Salary Equity Increases <sup>2</sup>	Removes FTE Position <sup>3</sup>	Removes Contingent FTE Position <sup>4</sup>	Restores Funding for Temporary Salaries <sup>5</sup>	Removes One-Time Funding for New Position Operating Expenses <sup>6</sup>
Salaries and wages	\$116,138	(\$258,000)	(\$161,592)		\$110,368	
Operating expenses			(725)			(\$2,000)
Contingencies						
Defined benefit plan closure	8,165			(\$162,317)		(1,000)
Total all funds	\$124,303	(\$258,000)	(\$162,317)	(\$162,317)	\$110,368	(\$3,000)
Less estimated income	124,303	(258,000)	(162,317)	(162,317)	110,368	(3,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(1.00)	(1.00)	0.00	0.00

	Removes Salary Funding for Funding Pool <sup>1</sup>	Total House Changes
Salaries and wages	(559,995)	(\$753,081)
Operating expenses		(2,725)
Contingencies		
Defined benefit plan closure	(479,660)	(634,812)
Total all funds	(\$1,039,655)	(\$1,390,618)
Less estimated income	(1,039,655)	(1,390,618)
General fund	\$0	\$0
FTE	0.00	(2.00)

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	Special Funds
Salary increase	\$129,155
Health insurance increase	(4,852)
Total	\$124,303

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding is removed for salary equity increases. The Senate added \$258,000 from special funds.

<sup>3</sup> One FTE member services representative position and funding of \$162,317 from special funds, of which \$161,592 is for salaries and wages and \$725 is for operating expenses, is removed. The Senate added 3 FTE positions, including the FTE member services representative position, an FTE retirement processing lead position, and an FTE receptionist position.

<sup>4</sup> One contingent FTE member services representative position and funding of \$162,317 from special funds, of which \$161,592 is for salaries and wages and \$725 is for operating expenses, is removed. The Senate added 3 contingent FTE positions, including the FTE member services representative position, an FTE benefit manager position, and an FTE counselor position. The contingent FTE positions are available to the Public Employees Retirement System only if the 2023 Legislative Assembly closes the main system defined benefit retirement plan to new hires.

<sup>5</sup> Funding of \$110,368 from special funds for temporary salaries is restored by the House to provide a total of \$260,368 for temporary salaries. The Senate reduced \$110,368 of temporary salaries to provide a total of \$150,000 from special funds.

<sup>6</sup> One-time funding of \$3,000 from special funds for chairs for new FTE positions is removed to provide a total of \$4,000. The Senate added \$7,000 from special funds for this purpose.

<sup>7</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	Special Funds
New FTE positions	(\$819,278)
Vacant FTE positions	(220,377)
Total	(\$1,039,655)

This amendment also changes a section identifying the amount of funding that is appropriated in Section 1 that is available to the Public Employees Retirement System only if the 2023 Legislative Assembly closes the main system defined benefit retirement plan to new hires.

**HOUSE AMENDMENTS TO SENATE BILL NO. 2168**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 39-06.1-06, subdivision i of subsection 1 of section 39-09-02, section 39-21-41.4, and subsection 2 of section 40-05-06 of the North Dakota Century Code, relating to speeding violations, use of safety belts, and city fines and penalties; and to provide a penalty.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Section 39-06.1-06 of the North Dakota Century Code is amended and reenacted as follows:

**39-06.1-06. Amount of statutory fees.**

The fees required for a noncriminal disposition under section 39-06.1-02 or 39-06.1-03 must be as follows:

1. For a nonmoving violation as defined in section 39-06.1-08, a fee of twenty dollars except for a violation of any traffic parking regulation on any state charitable or penal institution property or on the state capitol grounds, a fee in the amount of five dollars, excluding a violation of subsection 11 of section 39-01-15.
2. For a moving violation as defined in section 39-06.1-09, a fee of twenty dollars, except for:
  - a. A violation of section 39-10-26, 39-10-26.2, 39-10-41, or 39-10-42, a fee of fifty dollars.
  - b. A violation of section 39-10-05 involving failure to yield to a pedestrian or subsection 1 of section 39-10-28, a fee of fifty dollars.
  - c. A violation of section 39-21-41.2, a fee of twenty-five dollars.
  - d. A violation of subsection 1 of section 39-12-02, section 39-08-23, or section 39-08-25, a fee of one hundred dollars.
  - e. A violation of subdivision d of subsection 1 of section 39-12-04, a fee of one hundred dollars.
  - f. A violation of subsection 6 of section 39-04-37, a fee of one hundred dollars.
  - g. A violation of subsection 2 of section 39-10-21.1, a fee of two hundred fifty dollars.
  - h. A violation of section 39-10-59, a fee of five hundred dollars.
  - i. A violation of section 39-09-01, a fee of thirty dollars.
  - j. A violation of section 39-09-01.1, a fee of thirty dollars.
  - k. A violation of section 39-10-46 or 39-10-46.1, a fee of one hundred dollars.
  - l. A violation of subsection 1 of section 39-08-20, one hundred fifty dollars for a first violation and three hundred dollars for a second or subsequent violation in three years.
  - m. A violation of section 39-10-24 or 39-10-44, a fee of forty dollars.
  - n. A violation of section 39-10-50.1, a fee of fifty dollars.
  - o. A violation of section 39-19-03, a fee of fifty dollars.

3. For a violation of section 39-21-44 or a rule adopted under that section, a fee of two hundred fifty dollars.
4. ~~Except as provided in subsections 5 and 7, for a violation of section 39-09-02, or an equivalent ordinance, a fee established as follows:~~

	Miles per hour over lawful speed limit	Fee
	1-5	\$ 5
	6-10	\$ 5 plus \$1/each mph over 5 mph over limit
limit	11-15	\$ 10 plus \$1/each mph over 10 mph over
limit	16-20	\$ 15 plus \$2/each mph over 15 mph over
limit	21-25	\$ 25 plus \$3/each mph over 20 mph over
limit	26-35	\$ 40 plus \$3/each mph over 25 mph over
limit	36-45	\$ 70 plus \$3/each mph over 35 mph over
limit	46+	\$100 plus \$5/each mph over 45 mph over

5. On a highway on which the speed limit is a speed ~~higher than fifty-five miles [88.51 kilometers] of sixty-five miles [104.61 kilometers]~~ an hour ~~or lower~~, for a violation of section 39-09-02, or an equivalent ordinance, a fee established as follows:

	Miles per hour over lawful speed limit	Fee
	1 - 10	\$2/each mph over limit
limit	11 +	\$20 plus \$5/each mph over 10 mph over

- ~~6-5.~~ For a violation of section 39-06.2-10.9 or subsection 3 of section 39-21-46, a fee established as follows:
- Driving more than eleven hours since the last ten hours off duty, driving after fourteen hours on duty since the last ten hours off duty, driving after sixty hours on duty in seven days or seventy hours in eight days, no record of duty status or log book in possession, failing to retain previous seven-day record of duty status or log book, or operating a vehicle with four to six out-of-service defects, one hundred dollars;
  - False record of duty status or log book or operating a vehicle with seven to nine out-of-service defects, two hundred fifty dollars;
  - Operating a vehicle after driver placed out of service, operating a vehicle with ten or more out-of-service defects, or operating a vehicle that has been placed out of service prior to its repair, five hundred dollars; and

- d. All other violations of motor carrier safety rules adopted under subsection 3 of section 39-21-46, fifty dollars.
- ~~7-6.~~ On a highway on which the speed limit is posted in excess of sixty-five miles [104.61 kilometers] an hour, for a violation of section 39-09-02, or equivalent ordinance, a fee of five dollars for each mile per hour over the limit.
- ~~8-7.~~ For a violation of a school zone speed limit under subdivision b of subsection 1 of section 39-09-02, a fee of forty dollars for one through ten miles per hour over the posted speed; and forty dollars, plus one dollar for each additional mile per hour over ten miles per hour over the limit unless a greater fee would be applicable under this section.
- ~~9-8.~~ For a violation of a highway construction zone speed limit under subsection 2 of section 39-09-02, a fee of eighty dollars for one through ten miles per hour over the posted speed; and eighty dollars plus two dollars for each mile per hour over ten miles per hour over the limit, unless a greater fee would be applicable under this section. The fee in this subsection does not apply to a highway construction zone unless individuals engaged in construction are present at the time and place of the violation and the posted speed limit sign states "Minimum Fee \$80".
9. If a violation of subsection 4, 6, 7, or 8 is for exceeding the speed limit by twenty-one miles [33.8 kilometers] per hour or more in a speed zone of less than seventy-five miles [120.7 kilometers] an hour, the specified fee is increased by one hundred dollars. If a violation of subsection 6 is for exceeding the speed limit by sixteen miles [25.75 kilometers] an hour or more in a speed zone of seventy-five miles [120.7 kilometers] an hour or greater, the specified fee is increased by one hundred dollars.

**SECTION 2. AMENDMENT.** Subdivision i of subsection 1 of section 39-09-02 of the North Dakota Century Code is amended and reenacted as follows:

- i. ~~Seventy-five~~Eighty miles [~~120.70~~128.75 kilometers] an hour on access-controlled, paved and divided, multilane interstate highways, unless otherwise permitted, restricted, or required by conditions.

**SECTION 3. AMENDMENT.** Section 39-21-41.4 of the North Dakota Century Code is amended and reenacted as follows:

**39-21-41.4. Use of safety belts required in certain motor vehicles - Enforcement - Evidence.**

1. Subject to the limitations of this section and section 39-21-41.5, a driver may not operate upon a highway a motor vehicle designed for carrying fewer than eleven passengers, which was originally manufactured with safety belts unless each front seat occupant is wearing a properly adjusted and fastened safety belt.
2. This section does not apply to a child in a child restraint or safety belt in accordance with section 39-21-41.2; to drivers of implements of husbandry; to operators of farm vehicles as defined in subsection 5 of section 39-04-19; to rural mail carriers while on duty delivering mail; to an occupant with a medical or physically disabling condition that prevents appropriate restraint in a safety belt, if a qualified physician, physician assistant, or advanced practice registered nurse states in a signed writing the nature of the condition and the reason restraint is inappropriate; or when all front seat safety belts are in use by other occupants. A physician, physician assistant, or advanced practice registered nurse who, in good faith, provides a statement that restraint would be inappropriate is not subject to civil liability. ~~A violation for not wearing a safety belt under this section is not, in itself, evidence of negligence. The fact of a violation of this section is not admissible in any proceeding other than one charging the violation~~

- 3. The use or nonuse of a safety belt:
  - a. May not be used in any action as evidence of fault;
  - b. Is not, in itself, evidence of negligence; and
  - c. Is not admissible in any proceedings other than one charging the violation.
- 4. The fee imposed for a violation of this section must be issued to:
  - a. The driver if the violation is by the driver or a passenger who is a minor; or
  - b. The adult passenger if the violation was by an adult passenger.

**SECTION 4. AMENDMENT.** Subsection 2 of section 40-05-06 of the North Dakota Century Code is amended and reenacted as follows:

- 2. For every violation of a city ordinance that regulates the operation or equipment of a motor vehicle or which regulates traffic, except those ordinances listed in section 39-06.1-05, a fee may be established, by ordinance, which may exceed, by up to one hundred percent, the limit, for an equivalent category of violation, set forth in section 39-06.1-06 except for a violation of a speed limitation."

Renumber accordingly

**HOUSE AMENDMENTS TO SENATE BILL NO. 2240**

Page 1, line 6, replace "\$1,900,000" with "\$800,000"

Page 1, line 10, replace "\$900,000" with "\$400,000"

Page 1, line 11, replace "\$1,000,000" with "\$400,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2240 - Department of Commerce - House Action**

	Base Budget	Senate Version	House Changes	House Version
Base retention grants		\$1,900,000	(\$1,100,000)	\$800,000
Total all funds	\$0	\$1,900,000	(\$1,100,000)	\$800,000
Less estimated income	0	0	0	0
General fund	\$0	\$1,900,000	(\$1,100,000)	\$800,000
FTE	0.00	0.00	0.00	0.00

**Department 601 - Department of Commerce - Detail of House Changes**

	Adjusts Grant Funding <sup>1</sup>	Total House Changes
Base retention grants	(\$1,100,000)	(\$1,100,000)
Total all funds	(\$1,100,000)	(\$1,100,000)
Less estimated income	0	0
General fund	(\$1,100,000)	(\$1,100,000)
FTE	0.00	0.00

<sup>1</sup> Funding for base retention grants is reduced by \$1,100,000, from \$1,900,000 to \$800,000 from the general fund.

**HOUSE AMENDMENTS TO REENGROSSED SENATE BILL NO. 2248**

In addition to the amendments adopted by the House as printed on pages 1309 and 1310 of the House Journal, Reengrossed Senate Bill No. 2248 is further amended as follows:

Page 1, line 4, after the first semicolon insert "and"

Page 1, line 4, remove "; and to provide an appropriation"

Page 3, remove lines 29 through 31

Page 4, remove lines 1 through 3

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2248 - DHHS - Other - House Action**

	Base Budget	Senate Version	House Changes	House Version
Fentanyl awareness		\$1,500,000	(\$1,500,000)	
Total all funds	\$0	\$1,500,000	(\$1,500,000)	\$0
Less estimated income	0	1,500,000	(1,500,000)	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 325 - DHHS - Other - Detail of House Changes**

	Removes Appropriation for Fentanyl Awareness <sup>1</sup>	Total House Changes
Fentanyl awareness	(\$1,500,000)	(\$1,500,000)
Total all funds	(\$1,500,000)	(\$1,500,000)
Less estimated income	(1,500,000)	(1,500,000)
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> The appropriation for fentanyl awareness is removed.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2279**

Page 1, line 1, remove "subdivision a of"

Page 1, line 2, replace "the farm structure and improvements" with "a"

Page 1, line 3, after "exemption" insert "for certain potato storage structures"

Page 1, remove lines 5 through 23

Page 2, remove lines 1 through 30

Page 3, replace lines 1 through 21 with:

**"SECTION 1. AMENDMENT.** Subsection 15 of section 57-02-08 of the North Dakota Century Code is amended and reenacted as follows:

- 15. a. All farm structures and improvements located on agricultural lands.
  - (1) This subsection must be construed to exempt farm buildings and improvements only, and may not be construed to exempt from taxation industrial plants, or structures of any kind not used or intended for use as a part of a farm plant, or as a farm residence.

- (2) "Farm buildings and improvements" includes a greenhouse or other building used primarily for the growing of horticultural or nursery products from seed, cuttings, or roots, if not used on more than an occasional basis for a showroom for the retail sale of horticultural or nursery products. A greenhouse or building used primarily for display and sale of grown horticultural or nursery products is not a farm building or improvement.
  - (3) Any structure or improvement used primarily in connection with a retail or wholesale business other than farming, any structure or improvement, except a potato storage structure as provided in subdivision b. located on platted land within the corporate limits of a city, any structure or improvement used by a manufacturing facility as defined in section 19-24.1-01, or any structure or improvement located on railroad operating property subject to assessment under chapter 57-05 is not exempt under this subsection. For purposes of this paragraph, "business other than farming" includes processing to produce a value-added physical or chemical change in an agricultural commodity beyond the ordinary handling of that commodity by a farmer prior to sale.
  - (4) The following factors may not be considered in application of the exemption under this subsection:
    - (a) Whether the farmer grows or purchases feed for animals raised on the farm.
    - (b) Whether animals being raised on the farm are owned by the farmer.
    - (c) Whether the farm's replacement animals are produced on the farm.
    - (d) Whether the farmer is engaged in contract feeding of animals on the farm.
- b. A potato storage structure that is permanently affixed to commercial property, owned by a farmer, and used exclusively for personal use by the owner, a direct relative of the owner, or another farmer. This exemption only applies to a potato storage structure that was originally constructed on agricultural property. For purposes of this subdivision:
- (1) "Direct relative" means a spouse, surviving spouse, child, parent, brother, sister, grandparent, great-grandparent, grandchild, great-grandchild, aunt, uncle, niece, nephew, first cousin, or second cousin, whether by blood, adoption, or marriage.
  - (2) "Personal use" means the use of a structure for postharvest storage and preservation of potatoes produced by the owner of the structure, a direct relative of the owner, or a farmer leasing the storage structure associated with rented land. The term does not include the use of a structure to store or preserve potatoes produced by individuals other than the owner of the structure, a direct relative of the owner, or a farmer leasing the storage structure associated with rented land.
  - (3) "Preserve" means the ordinary handling of potatoes prior to sale and does not include processing that results in a value-added physical or chemical change to the potatoes.

c. It is the intent of the legislative assembly that this exemption as applied to a residence must be strictly construed and interpreted to exempt only a residence that is situated on a farm and which is occupied or used by a person who is a farmer and that the exemption may not be applied to property which is occupied or used by a person who is not a farmer. For purposes of this subdivision:

- (1) "Farm" means a single tract or contiguous tracts of agricultural land containing a minimum of ten acres [4.05 hectares] and for which the farmer, actually farming the land or engaged in the raising of livestock or other similar operations normally associated with farming and ranching, has annual gross income from farming activities which is sixty-six percent or more of annual gross income, including gross income of a spouse if married, during any of the two preceding calendar years.
- (2) "Farmer" means an individual who normally devotes the major portion of time to the activities of producing products of the soil, with the exception of marijuana grown under chapter 19-24.1; poultry; livestock; or dairy farming in such products' unmanufactured state and has received annual gross income from farming activities which is sixty-six percent or more of annual gross income, including gross income of a spouse if married, during any of the two preceding calendar years. For purposes of this paragraph, "farmer" includes a:
  - (a) "Beginning farmer", which means an individual who has begun occupancy and operation of a farm within the two preceding calendar years; who normally devotes the major portion of time to the activities of producing products of the soil, poultry, livestock, or dairy farming in such products' unmanufactured state; and who does not have a history of farm income from farm operation for each of the two preceding calendar years.
  - (b) "Retired farmer", which means an individual who is retired because of illness or age and who at the time of retirement owned and occupied as a farmer the residence in which the person lives and for which the exemption is claimed.
  - (c) "Surviving spouse of a farmer", which means the surviving spouse of an individual who is deceased, who at the time of death owned and occupied as a farmer the residence in which the surviving spouse lives and for which the exemption is claimed. The exemption under this subparagraph expires at the end of the fifth taxable year after the taxable year of death of an individual who at the time of death was an active farmer. The exemption under this subparagraph applies for as long as the residence is continuously occupied by the surviving spouse of an individual who at the time of death was a retired farmer.
- (3) "Gross income" means gross income as defined under the federal Internal Revenue Code and does not include a gain from the sale or exchange of farm machinery as computed for federal income tax purposes. For purposes of this paragraph, "farm machinery" means all vehicular implements and attachment units designed and sold for direct use in planting, cultivating, or harvesting farm products or used in connection with the production of agricultural produce or products, livestock, or poultry on farms, which are operated, drawn, or propelled by motor or animal power. "Farm machinery" does

not include vehicular implements operated wholly by hand or a motor vehicle that is required to be registered under chapter 57-40.3.

- (4) "Gross income from farming activities" means gross income from farming as defined for purposes of determining if an individual is a farmer eligible to use the special estimated income tax payment rules for farmers under section 6654 of the federal Internal Revenue Code [26 U.S.C. 6654].
- (5) When exemption is claimed under this subdivision for a residence, the occupant of the residence who it is claimed is a farmer shall provide to the assessor for the year or years specified by the assessor a written statement in which it is stated that sixty-six percent or more of the gross income of that occupant, and spouse if married and both spouses occupy the residence, was, or was not, gross income from farming activities. The individual claiming the exemption also shall provide to the assessor, on a form prescribed by the tax commissioner, the necessary income information to demonstrate eligibility. Any income information provided to the assessor regarding eligibility for an exemption claimed under this subdivision is a confidential record.
- (6) For purposes of this subsection, "livestock" includes "nontraditional livestock" as defined in section 36-01-00.1.
- (7) A farmer operating a bed and breakfast facility in the farm residence occupied by that farmer is entitled to the exemption under this section for that residence if the farmer and the residence would qualify for exemption under this section except for the use of the residence as a bed and breakfast facility."

Renumber accordingly

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2311

In lieu of the amendments adopted by the House as printed on pages 1357 and 1358 of the House Journal, Engrossed Senate Bill No. 2311 is amended as follows:

Page 1, line 1, after "reenact" insert "subsection 11 of section 35-24-01 and"

Page 1, line 1, replace "35-24-02" with "35-24-03, 35-24-11,"

Page 1, replace lines 4 through 21 with:

**"SECTION 1. AMENDMENT.** Subsection 11 of section 35-24-01 of the North Dakota Century Code is amended and reenacted as follows:

11. "Pipeline" means any pipeline and related facilities laid and designed as a means of transporting ~~natural gas, oil, or gasoline, or their components or derivatives,~~ liquid or gaseous substances of any kind and the right of way therefor.

**SECTION 2. AMENDMENT.** Section 35-24-03 of the North Dakota Century Code is amended and reenacted as follows:

#### **35-24-03. Property subject to lien.**

1. Liens created under section 35-24-02 extend to:

- 4.a. The whole of the leasehold for oil or gas purposes to which the materials or services were furnished, or for which the labor was performed, and the appurtenances thereunto belonging; and

- 2-b. All materials and fixtures owned by the owner or owners of such leasehold and used or employed, or furnished to be used or employed in the drilling or operating of any oil or gas well located thereon; and
  - 3-c. All oil or gas wells located on such leasehold, and the oil or gas produced therefrom, and the proceeds thereof inuring to the working interest therein as such working interest existed on the date such labor was first performed or such material or services were first furnished; or
  - 4-d. The whole of the pipeline to which the materials or services were furnished, or for which labor was performed, and all buildings and appurtenances thereunto belonging, including, without limiting the generality of the foregoing, gates, valves, pumps, pump stations, and booster stations, and upon all materials and fixtures owned by the owner of such pipeline and used or employed or furnished to be used or employed in the construction thereof.
2. Notwithstanding any provision in this chapter, liens created under section 35-24-02 may not extend to a freehold estate unless that freehold estate is owned by the owner of any leasehold for oil or gas purposes or any pipeline for which the labor, materials, or services were supplied.

**SECTION 3. AMENDMENT.** Section 35-24-11 of the North Dakota Century Code is amended and reenacted as follows:

**35-24-11. Contents and filing of statement of lien.**

- 1. Every person claiming a lien under this chapter shall file with the recorder of the county in which the leasehold or pipeline, or some part thereof, is situated, a statement verified by affidavit setting forth the amount claimed and the items thereof, the dates on which labor was performed or material or services furnished, the name of the owner of the leasehold or pipeline, if known, the name of the claimant and the claimant's mailing address, a description of the leasehold or pipeline, and if the claimant is a claimant under section 35-24-04, the name of the person for whom the labor was immediately performed or the material or services were immediately furnished.
- 2. The statement of the lien must contain the following statement in at least sixteen-point typeface unless the owner of the freehold estate also is the owner of the leasehold for oil or gas purposes or the pipeline for which the labor, materials, or services were supplied:

The lien in this chapter attaches only to the leasehold for oil or gas purposes or any pipeline for which labor, materials, or services were supplied. This lien does not attach to or encumber the real property of a freehold estate.

Failure to include the statement mentioned in this subsection in the statement of the lien does not invalidate a lien on the leasehold or pipeline.
- 3. The statement of lien must be filed within six months after the date on which the claimant's labor was last performed or material or services were last furnished under a single contract as provided for in section 35-24-10."

Page 2, line 19, remove "a lien created under this section does"

Page 2, remove lines 20 and 21

Page 2, line 22, replace "to an oil and gas lease" with "any person that performs labor or furnishes materials or services under chapter 35-24 is prohibited from claiming or maintaining a lien under this chapter"

Renumber accordingly

#### HOUSE AMENDMENTS TO SENATE BILL NO. 2326

Page 1, line 1, replace the second "and" with a comma

Page 1, line 1, after "61-02-02" insert ", and 61-03-21.4"

Page 1, line 14, overstrike "one million" and insert immediately thereafter "five hundred thousand"

Page 3, after line 24, insert:

**"SECTION 3. AMENDMENT.** Section 61-03-21.4 of the North Dakota Century Code is amended and reenacted as follows:

#### **61-03-21.4. Economic analysis process required for certain projects.**

The department of water resources shall develop an economic analysis process for water conveyance projects and flood-related projects expected to cost more than ~~one million~~ five hundred thousand dollars, and a life cycle analysis process for municipal water supply projects. When the state water commission is considering whether to fund a water conveyance project, flood-related project, or water supply project, the department of water resources shall review the economic analysis or life cycle analysis, and inform the state water commission of the findings from the analysis and review."

Renumber accordingly

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has amended and subsequently passed: SB 2080, SB 2274.

#### HOUSE AMENDMENTS TO SENATE BILL NO. 2080

Page 1, line 1, replace "subsection" with "subsections"

Page 1, line 1, after "2" insert "and 3"

Page 1, line 1, after "14-15-11" insert "and section 27-20.3-24"

Page 1, line 2, after "investigation" insert "and adoptive child placement priority; and to provide a contingent effective date"

Page 1, line 12, after the underscored period insert "An adoptive home is suitable if, in the manner prescribed by the department, the petitioner is licensed or approved under section 50-11-01 to furnish foster care for children."

**SECTION 2. AMENDMENT.** Subsection 3 of section 14-15-11 of the North Dakota Century Code is amended and reenacted as follows:

3. A written report of the investigation, which may include the petitioner's foster care assessment to demonstrate the suitability of the adoptive home, must be filed with the court by the investigator before the petition is heard.

**SECTION 3. AMENDMENT.** Section 27-20.3-24 of the North Dakota Century Code is amended and reenacted as follows:

**27-20.3-24. Disposition upon termination of parental rights.**

1. If, upon entering an order terminating the parental rights of a parent, there is no parent having parental rights, the court shall:
  - a. Commit the child to the custody of the human service zone director or a licensed child-placing agency willing to accept custody for the purpose of placing the child for adoption or, in the absence of such an agreement, in a foster home;
  - b. Appoint a fit and willing relative or other appropriate individual as the child's legal guardian; or
  - c. Establish some other planned permanent living arrangement.
2. The custodian has the rights of a legal custodian and authority to consent to the child's adoption, marriage, enlistment in the armed forces of the United States, and surgical and other medical treatment.
3. If the child is not placed for adoption within twelve months after the date of the order and a legal guardianship or other planned permanent living arrangement for the child has not been established by a court of competent jurisdiction, the child must be returned to the court issuing the original termination order for entry of further orders for the care, custody, and control of the child.
4. Unless sections 27-20.2-15 and 27-20.3-19 or the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 et seq.] applies, and if after conducting a diligent search, a fit and willing relative interested in adoption is not located, upon termination of parental rights, a human service zone director or licensed child-placing agency that places a child for adoption under subdivision a of subsection 1, shall give adoptive placement priority to a foster care provider interested in adopting the child, if the foster care provider provided foster care to the child:
  - a. For six months or longer leading up to the termination of parental rights;
  - b. Since the child's birth or since the child was less than one year old;  
or
  - c. With the intention of adopting the child.

**SECTION 4. AMENDMENT.** Section 27-20.3-24 of the North Dakota Century Code is amended and reenacted as follows:

**27-20.3-24. Disposition upon termination of parental rights.**

1. If, upon entering an order terminating the parental rights of a parent, there is no parent having parental rights, the court shall:
  - a. Commit the child to the custody of the human service zone director or a licensed child-placing agency willing to accept custody for the purpose of placing the child for adoption or, in the absence of such an agreement, in a foster home;
  - b. Appoint a fit and willing relative or other appropriate individual as the child's legal guardian; or
  - c. Establish some other planned permanent living arrangement.
2. The custodian has the rights of a legal custodian and authority to consent to the child's adoption, marriage, enlistment in the armed forces of the United States, and surgical and other medical treatment.

3. If the child is not placed for adoption within twelve months after the date of the order and a legal guardianship or other planned permanent living arrangement for the child has not been established by a court of competent jurisdiction, the child must be returned to the court issuing the original termination order for entry of further orders for the care, custody, and control of the child.
4. Unless sections 27-20.2-15, 27-20.3-19, 27-20.3-19.1, 27-20.3-19.2, 27-20.3-19.3, 27-20.3-19.4, and 27-20.3-19.5 or the federal Indian Child Welfare Act of 1978 [25 U.S.C. 1901 et seq.] applies, and if after conducting a diligent search, a fit and willing relative interested in adoption is not located, upon termination of parental rights, a human service zone director or licensed child-placing agency that places a child for adoption under subdivision a of subsection 1, shall give adoptive placement priority to a foster care provider interested in adopting the child, if the foster care provider provided foster care to the child:
  - a. For six months or longer leading up to the termination of parental rights;
  - b. Since the child's birth or since the child was less than one year old;  
or
  - c. With the intention of adopting the child.

**SECTION 5. CONTINGENT EFFECTIVE DATE.** Section 4 of this Act becomes effective at the time provided in House Bill No. 1536 if sections 27-20.3-19.1, 27-20.3-19.2, 27-20.3-19.3, 27-20.3-19.4, and 27-20.3-19.5 as created by House Bill No. 1536 are approved by the sixty-eighth legislative assembly."

Renumber accordingly

#### **HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2274**

Page 1, line 6, overstrike "**(Repealed effective August**"

Page 1, overstrike line 7

Renumber accordingly

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2003.

#### **HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2003**

Page 1, line 2, replace "50-06" with "54-12"

Page 1, line 3, replace "an opioid settlement fund" with "a retired law enforcement dogs program"

Page 1, line 3, after "sections" insert "53-06.1-11.2,"

Page 1, line 3, after "53-12.1-09" insert a comma

Page 1, line 4, after "to" insert "transfers from the charitable gaming operating fund,"

Page 1, line 5, after "fund" insert a comma

Page 1, line 6, remove "to provide for a report; and"

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

Page 1, remove lines 16 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$50,832,646	(\$537,204)	\$50,295,442
Operating expenses	15,237,498	3,533,607	18,771,105
Capital assets	648,055	4,585,572	5,233,627
Grants	3,903,440	400,000	4,303,440
Human trafficking victims grants	1,101,879	3,525	1,105,404
Forensic nurse examiners grants	250,691	791	251,482
Statewide litigation funding pool	0	5,000,000	5,000,000
Litigation fees	127,500	0	127,500
Medical examinations	660,000	0	660,000
Children's medical examinations	0	304,560	304,560
North Dakota lottery	5,254,844	61,790	5,316,634
Arrest and return of fugitives	8,500	0	8,500
Gaming commission	7,489	0	7,489
Criminal justice information sharing	4,074,968	412,169	4,487,137
Law enforcement	<u>3,048,927</u>	<u>82,770</u>	<u>3,131,697</u>
Total all funds	\$85,156,437	\$13,847,580	\$99,004,017
Less estimated income	<u>42,509,719</u>	<u>4,836,388</u>	<u>47,346,107</u>
Total general fund	\$42,646,718	\$9,011,192	\$51,657,910
Full-time equivalent positions	253.00	13.00	266.00"

Page 2, after line 22, insert

"State crime laboratory capital improvements	0	250,000"
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Page 2, replace line 26 with:

"Anti-methamphetamine program	0	1,772,038"
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Page 2, replace lines 28 through 30 with:

"Total all funds	\$8,536,706	\$11,439,468
Total other funds	<u>8,536,706</u>	<u>6,832,122</u>
Total general fund	\$0	\$4,607,346"

Page 3, after line 11, insert:

**"SECTION 4. TRANSFER - LOTTERY OPERATING FUND TO GAMING AND EXCISE TAX ALLOCATION FUND - STATEWIDE LITIGATION FUNDING POOL.** Notwithstanding sections 53-12.1-09 and 53-12.1-10, the attorney general shall transfer \$2,760,000 from the lottery operating fund to the gaming and excise tax allocation fund by June 30, 2023, for the purpose of defraying litigation expenses of the state through the statewide litigation funding pool during the period beginning with the effective date of this Act, and ending June 30, 2025."

Page 3, line 15, replace "\$4,557,748" with "\$1,797,748"

Page 3, line 15, replace "\$442,252" with "\$3,202,252"

Page 3, line 18, after "the" insert "statewide"

Page 3, line 18, after "litigation" insert "funding"

Page 3, line 26, replace "\$1,111,480" with "\$1,105,404"

Page 4, line 6, replace "\$252,872" with "\$251,482"

Page 4, remove lines 17 through 29

Page 5, remove lines 1 through 12

Page 5, remove lines 24 through 31

Page 6, replace lines 1 through 3 with:

**"SECTION 10. AMENDMENT.** Section 53-06.1-11.2 of the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-11.2. Charitable gaming operating fund - Attorney general - State treasurer - Allocations - Transfer to the general fund.**

1. There is created in the state treasury the charitable gaming operating fund. The fund consists of all gaming taxes, monetary fines, and interest and penalties collected under this chapter.
2. Excluding moneys in the charitable gaming operating fund appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming, the attorney general shall allocate remaining moneys in the charitable gaming operating fund on a quarterly basis as follows:
  - a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
  - b. Subject to legislative appropriations, five percent of the total moneys deposited in the charitable gaming operating fund to cities and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.
3. ~~On or before June thirtieth of each odd-numbered year~~Before the final accounting has closed for each biennium, the attorney general shall certify to the state treasurer the ~~amount of accumulated funds~~balance in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the ~~general fund prior to following funds~~at the end of each biennium:
  - a. The first twenty-five million dollars to the general fund;
  - b. The next four million dollars to the attorney general operating fund;
  - c. Any remaining amounts to the general fund.

**SECTION 11.** A new section to chapter 54-12 of the North Dakota Century Code is created and enacted as follows:

**Retired law enforcement dogs - Reimbursement.**

1. The attorney general shall create a program to assist local and state law enforcement dogs that are retired by reason of age or medical condition.
2. The attorney general shall reimburse the handler of a law enforcement dog if the handler:
  - a. Is authorized to retain possession of a retired law enforcement dog in a private setting at the handler's home; and
  - b. Submits itemized receipts each quarter for medical bills of the law enforcement dog.
3. Reimbursements under this section may not exceed one thousand dollars per retired law enforcement dog per calendar year.

4. The attorney general shall adopt any rules necessary to implement this section.

Page 7, line 10, replace "seventy-five" with "seventy-nine"

Page 7, line 11, replace "nine" with "three"

Page 7, line 11, replace "twenty-eight" with "twelve"

Page 7, line 12, replace "eighty-two" with "eighty-six"

Page 7, line 12, replace "nine" with "four"

Page 7, line 12, replace "sixty-five" with "eighty-four"

Page 7, after line 21, insert:

**"SECTION 16. EXEMPTION - GAMING TAX REVENUE GRANTS.**

Notwithstanding section 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and counties relating to the seventh and eighth quarters of the 2021-23 biennium through October 31, 2023."

Page 7, after line 31, insert:

**"SECTION 19. EXEMPTION - LEGAL CASE MANAGEMENT SYSTEM.**

The amount appropriated to the attorney general from other funds for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws, continued into the 2019-21 biennium for the statewide automated victim information and notification system, and continued into the 2021-23 biennium for the legal case management system, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the legal case management system during the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 8, after line 5, insert:

**"SECTION 21. EXEMPTION - AUTOMATED BIOMETRIC IDENTIFICATION SYSTEM.** The amount of \$300,000 appropriated from federal funds to upgrade the automated biometric identification system during the 2021-23 biennium in section 1 of chapter 3 of the 2021 Session Laws is not subject to section 54-44.1-11 and is available for the system during the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 8, line 13, replace "\$1,350,000" with "\$1,000,000"

Page 8, line 13, remove ", of"

Page 8, line 14, remove "which \$300,000 was for a missing persons database, \$1,000,000 was"

Page 8, line 15, remove ", and \$50,000 was for charitable gaming information"

Page 8, line 16, replace "technology costs, in subsections 19," with "in subsection"

Page 8, line 16, remove ", and 42"

Page 8, after line 29, insert:

**"SECTION 25. ATTORNEY COST-SAVINGS - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY.** The attorney general shall report to the appropriations committees of the sixty-ninth legislative assembly regarding any cost-savings realized by hiring full-time equivalent attorney positions instead of contracting for third-party legal counsel during the 2023-25 biennium.

**SECTION 26. EMERGENCY.** The \$250,000 appropriated from the general fund in the capital assets line item in section 1 for state crime laboratory capital improvements and sections 4 and 16 of this Act are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2003 - Attorney General - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$50,295,349	\$56,475,611	(\$6,180,169)	\$50,295,442
Operating expenses	15,237,498	17,688,435	1,082,670	18,771,105
Capital assets	648,055	3,560,577	1,673,050	5,233,627
Grants	3,903,440	3,903,440	400,000	4,303,440
Litigation fees	127,500	127,500		127,500
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,254,844	5,433,446	(116,812)	5,316,634
Arrest and return of fugitives	8,500	8,500		8,500
Gaming commission	7,489	7,489		7,489
Criminal justice information sharing	4,074,968	4,546,645	(59,508)	4,487,137
Law enforcement	3,048,927	7,194,705	(4,063,008)	3,131,697
Human trafficking victims grants	1,101,879	1,111,480	(6,076)	1,105,404
Forensic nurse examiners grants	250,691	252,872	(1,390)	251,482
State Crime Laboratory salary equity	537,297			
Statewide litigation pool		5,000,000		5,000,000
Additional income		250,000		250,000
Children's medical examinations			304,560	304,560
Total all funds	\$85,156,437	\$106,220,700	(\$6,966,683)	\$99,254,017
Less estimated income	42,509,719	42,633,849	4,962,258	47,596,107
General fund	\$42,646,718	\$63,586,851	(\$11,928,941)	\$51,657,910
FTE	253.00	260.00	6.00	266.00

**Department 125 - Attorney General - Detail of House Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adds Funding for Salary Equity Increases and Reclassifications <sup>2</sup>	Adjusts Funding for Prior Biennium Salary Equity Increases <sup>3</sup>	Adds Funding for FTE Positions <sup>4</sup>	Removes Salary Funding for Funding Pool <sup>5</sup>	Adjusts Base Level Funding <sup>6</sup>
Salaries and wages	\$701,762	\$258,668		\$1,271,188	(\$8,411,787)	
Operating expenses				447,682		\$64,000
Capital assets						222,000
Grants						
Litigation fees						
Medical examinations						
North Dakota lottery	33,740				(150,552)	
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	17,294				(76,802)	
Law enforcement	48,223				(211,231)	
Human trafficking victims grants	1,738				(7,814)	
Forensic nurse examiners grants	398				(1,788)	
State Crime Laboratory salary equity						
Statewide litigation pool						
Additional income						
Children's medical examinations						
Total all funds	\$803,155	\$258,668	\$0	\$1,718,870	(\$8,859,974)	\$286,000
Less estimated income	355,283	14,487	1,866,992	0	(2,157,983)	46,881
General fund	\$447,872	\$244,181	(\$1,866,992)	\$1,718,870	(\$6,701,991)	\$239,119
FTE	0.00	0.00	0.00	6.00	0.00	0.00

	Adds Funding for Children's Medical Examinations <sup>2</sup>	Adjusts One-Time Funding <sup>3</sup>	Adjusts One-Time Funding for the Litigation Funding Pool <sup>3</sup>	Total House Changes
Salaries and wages				(\$6,180,169)
Operating expenses		\$570,988		1,082,670
Capital assets		1,451,050		1,673,050
Grants		400,000		400,000
Litigation fees				
Medical examinations				
North Dakota lottery				(116,812)
Arrest and return of fugitives				
Gaming commission				
Criminal justice information sharing				(59,508)
Law enforcement		(3,900,000)		(4,063,008)
Human trafficking victims grants				(6,076)
Forensic nurse examiners grants				(1,390)
State Crime Laboratory salary equity				
Statewide litigation pool				
Additional income				
Children's medical examinations	\$304,560			304,560
Total all funds	\$304,560	(\$1,477,962)	\$0	(\$6,966,683)
Less estimated income	304,560	1,772,038	2,760,000	4,962,258
General fund	\$0	(\$3,250,000)	(\$2,760,000)	(\$11,928,941)
FTE	0.00	0.00	0.00	6.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$464,271	\$365,724	\$829,995
Health insurance reduction	(16,399)	(10,441)	(26,840)
Total	\$447,872	\$355,283	\$803,155

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding of \$223,000 is added from the general fund for salary equity funding and \$35,668 is added to reclassify employee positions, including \$21,181 from the general fund for finance staff and \$14,487 from the Attorney General refund fund for Consumer Protection and Antitrust Division staff. The Senate did not add funding for these purposes.

<sup>3</sup> Funding of \$1,866,992 for prior biennium salary equity increases for attorneys, Bureau of Criminal Investigation (BCI), and Medicaid Fraud Control Unit (MFCU) positions is transferred from the general fund to the Attorney General refund fund to restore the funding to the base level. The Senate transferred this funding from the Attorney General refund fund to the general fund.

The Senate also transferred \$537,297 for prior biennium salary equity increases for State Crime Laboratory positions from the Attorney General refund fund to the general fund. The House did not adjust this funding.

<sup>4</sup> Funding is added from the general fund for the following FTE positions:

	FTE Positions	Salaries and Wages	Operating Expenses	Total
Attorney positions	2.00	\$461,954	\$96,060	\$558,014
State Crime Laboratory positions	2.00	356,452	262,389	618,841
IT programmers and analyst positions	2.00	452,782	51,761	501,543
MFCU positions authorized by the Senate	0.00	0	37,472	37,472
Total	6.00	\$1,271,188	\$447,682	\$1,718,870

The House did not change the 15 FTE positions added by the Senate, including 2 FTE attorney positions, 3 FTE BCI cybercrime positions, 3 FTE BCI criminal investigator positions, 4 FTE State Crime Laboratory positions, and 3 FTE MFCU positions, totaling \$4,206,994, of which \$3,593,367 is from the general fund and \$613,627 is from federal funds.

Funding for salaries and wages and operating expenses of 21 new FTE positions, as

approved by the House, totals \$5,925,864, of which \$5,312,237 is from the general fund and \$613,627 is from federal funds, prior to the removal of funding for the new and vacant FTE position pool.

<sup>5</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
New FTE positions	(\$4,066,038)	(\$536,813)	(\$4,602,851)
Vacant FTE positions	<u>(2,635,953)</u>	<u>(1,621,170)</u>	<u>(4,257,123)</u>
Total	(\$6,701,991)	(\$2,157,983)	(\$8,859,974)

<sup>6</sup> Base level funding is adjusted as follows:

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Adjusts funding from the Attorney General refund fund as a result of settlement proceeds from the JUUL Labs, Inc. lawsuit no longer being available to the Attorney General for salaries and operating expenses. The Senate did not adjust funding for this purpose.	\$809,381	(\$809,381)	\$0
Adjusts funding for Information Technology Division and Criminal Justice Information Sharing Division operating expenses by adding funding from the Attorney General refund fund to restore funding to the base level. The Senate provided this funding from the general fund.	(856,262)	856,262	0
Adds funding to the \$419,297 from the general fund added by the Senate for increased software maintenance and subscription costs.	34,000	0	34,000
Adds funding for a retired law enforcement dogs program. The Senate did not add funding for this program.	30,000	0	30,000
Adds funding for State Crime Laboratory building and equipment maintenance contract costs. The Senate did not add funding for this purpose.	<u>222,000</u>	<u>0</u>	<u>222,000</u>
Total	\$239,119	\$46,881	\$286,000

<sup>7</sup> Funding of \$304,560 from the insurance regulatory trust fund is added in a new line item for children's medical examinations related to North Dakota Century Code Section 12.1-34-07. This amount is in addition to \$660,000 of base level funding from the insurance regulatory trust fund for medical examinations. The Senate did not add funding for this purpose.

<sup>8</sup> One-time funding is adjusted as follows:

	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
Adds funding for State Crime Laboratory capital improvements. The Senate did not add funding for this purpose.	\$250,000	\$0	\$250,000
Removes funding approved by the Senate for the back the blue grant program.	(3,500,000)	0	(3,500,000)
Transfers \$400,000 from the general fund approved by the Senate for the law enforcement resiliency grant program from the law enforcement line item to the grants line item.	0	0	0
Adds federal funding for the United States Department of Justice Community Oriented Policing Services (COPS) anti-methamphetamine program, of which \$570,988 is for operating expenses and \$1,201,050 is for capital assets. In December 2022, the Emergency Commission and Budget Section approved \$2,000,000 for the program for the 2021-23 biennium, of which approximately \$227,962 will be spent by the end of the 2021-23 biennium. The Senate did not add funding for this purpose.	<u>0</u>	<u>1,772,038</u>	<u>1,772,038</u>
Total	(\$3,250,000)	\$1,772,038	(\$1,477,962)

<sup>9</sup> One-time funding of \$2,760,000 is adjusted for the statewide litigation funding pool by reducing the general fund and increasing funding from the gaming and excise tax allocation fund. A section is added to the bill to provide for the transfer of \$2,760,000 from the lottery operating fund to the gaming and excise tax allocation fund. This will reduce 2021-23 biennium general fund revenues by \$2,760,000.

Total funding for the statewide litigation funding pool as approved by the House is \$5,000,000 of which \$1,797,748 is from the general fund and \$3,202,252 is from the gaming and excise tax allocation fund. The Senate approved \$5,000,000, of which \$4,557,748 was from the general fund and \$442,252 was from the gaming and excise tax allocation fund.

This amendment also:

- Adds a section to transfer funding from the lottery operating fund to the gaming and excise tax allocation fund for the statewide litigation funding pool.

- Amends a section authorizing the transfer of funding from the gaming and excise tax allocation fund and the general fund to state agencies for litigation expenses through the statewide litigation funding pool.
- Amends a section identifying the amount of funding included in Section 1 for the human trafficking victims grants program.
- Amends a section identifying the amount of funding included in Section 1 for the forensic nurse examiners grant program.
- Removes a section identifying an appropriation for back the blue grants. Funding for this program is proposed in House Bill No. 1307.
- Removes a section creating an opioid settlement fund. The creation of this fund is proposed in House Bill No. 1447.
- Adds a section to amend Section 53-06.1-11.2 to provide up to \$4 million of gaming tax revenues be deposited in the Attorney General operating fund instead of the general fund.
- Adds a section to add a new section to Chapter 54-12 to establish a retired law enforcement dog program.
- Amends a section providing for the salary of the Attorney General reflecting a 6 percent 1<sup>st</sup> year and 4 percent 2<sup>nd</sup> year salary increase.
- Adds a section to provide an exemption allowing the Attorney General to distribute quarters 7 and 8 of 2021-23 biennium gaming tax revenues to cities and counties through October 31, 2023.
- Adds a section to allow the Attorney General to continue any remaining funding from the 2017-19 biennium that was continued into the 2019-21 biennium for the statewide automated victim information and notification program and into the 2021-23 biennium for the legal case management system to be continued into the 2023-25 biennium for the legal case management system. The Attorney General anticipates \$117,000 will be continued into the 2023-25 biennium.
- Adds a section to provide an exemption to allow the Attorney General to continue any remaining funding of the \$300,000 appropriated from federal funds during the 2021-23 biennium for the automated biometric identification system, formerly known as the automated fingerprint identification system, into the 2023-25 biennium.
- Amends a section authorizing the Attorney General an exemption to continue funding appropriated from the federal State Fiscal Recovery Fund during the November 2021 special legislative session.
- Adds a section to require the Attorney General to provide a report to the 69<sup>th</sup> Legislative Assembly regarding cost-savings realized by hiring FTE attorney positions instead of contracting for third-party legal counsel.
- Adds a section to declare \$250,000 appropriated in Section 1 for State Crime Laboratory capital improvements and Sections 4 and 16 to be 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 2194, SB 2243, SB 2299, SB 2349, and SB 2367.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SCR 4013.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2107, SB 2261, and SB 2265, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2107:** Sens. Larson; Myrdal; Paulson

**SB 2261:** Sens. Kannianen; Beard; Boehm

**SB 2265:** Sens. Lee; Cleary; Hogan

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

**MADAM PRESIDENT:** The House has appointed as a conference committee to act with a

like committee from the Senate on:

**SB 2391:** Reprs. Dockter; D. Anderson; Steiner

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House does not concur in the Senate amendments to HB 1007, HB 1020, and HB 1024, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1007:** Reprs. Kreidt; B. Anderson; Mitskog  
**HB 1020:** Reprs. Monson; Brandenburg; Pyle  
**HB 1024:** Reprs. Stemen; Strinden; Mitskog

**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 1010:** Sens. Rust; Krebsbach; Meyer  
**HB 1011:** Sens. Rust; Meyer; Krebsbach  
**HB 1025:** Sens. Dever; Burckhard; Mathern  
**HB 1515:** Sens. Lemm; Weston; Luick  
**HB 1538:** Sens. Kessel; Boehm; Patten

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The President has appointed Sen. Cleary to replace Sen. Lee on the Conference Committee on HB 1413.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2025, SB 2034, SB 2036, SB 2046, SB 2051, SB 2093, SB 2104, SB 2110, SB 2118, SB 2124, SB 2147, SB 2205, SB 2208, SB 2263, SB 2364, SB 2379.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2053, SB 2132, SB 2155, SB 2249.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SCR 4017.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The Speaker has signed: SB 2025, SB 2034, SB 2036, SB 2046, SB 2051, SB 2053, SB 2093, SB 2104, SB 2110, SB 2118, SB 2124, SB 2132, SB 2147, SB 2155, SB 2205, SB 2208, SB 2249, SB 2263, SB 2364, SB 2379.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The Speaker has signed: SCR 4017.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The Speaker has signed: HB 1006, HB 1016, HB 1030, HB 1044, HB 1057, HB 1070, HB 1160, HB 1232, HB 1242, HB 1277, HB 1309, HB 1334, HB 1416, HB 1529, HB 1530, HCR 3023.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has overridden the Governor's veto on HB 1273. The vote was 71 YEAS, 17 NAYS, 6 ABSENT AND NOT VOTING, and your favorable consideration is requested.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has overridden the Governor's veto on HB 1463. The vote was 88 YEAS, 0 NAYS, 6 ABSENT AND NOT VOTING, and your favorable consideration is requested.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolution was delivered to the Secretary of State for filing on April 10, 2023: SCR 4002.

**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., Tuesday, April 11, 2023, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**HB 1021, as engrossed: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1021 was placed on the Sixth order on the calendar. This bill affects workforce development.

Page 1, line 2, after the second semicolon insert "and"

Page 1, line 2, remove "; and to provide for a"

Page 1, line 3, remove "report"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$101,734,629	\$2,637,257	\$104,371,886
Operating expenses	114,588,112	34,416,587	149,004,699
Capital assets	3,443,909	466,662	3,910,571
Statewide longitudinal data system	4,486,278	1,096,400	5,582,678
Edutech	9,691,939	472,369	10,164,308
K-12 wide area network	4,679,718	1,682,892	6,362,610
Geographic information system	1,101,806	106,086	1,207,892
Health information technology office	8,725,871	16,240	8,742,111
Statewide interoperable radio network	14,193,796	4,207,673	18,401,469
Broadband infrastructure	0	<u>148,250,000</u>	<u>148,250,000</u>
Total all funds	\$262,646,058	\$193,352,166	\$455,998,224
Less estimated income	<u>233,670,105</u>	<u>178,267,274</u>	<u>411,937,379</u>
Total general fund	\$28,975,953	\$15,084,892	\$44,060,845
Full-time equivalent positions	479.00	28.00	507.00"

Page 2, replace line 12 with:

"Enterprise digitization project	0	7,000,000
Call center software upgrade project	0	3,000,000"

Page 2, replace lines 14 and 15 with:

"Customer relationship management program	0	5,000,000
Universal vulnerability management project	0	1,000,000"

Page 2, replace line 18 through 21 with:

"Inflationary increases	0	7,325,000
Statewide longitudinal data system	0	1,075,000
Broadband, equity, access, and deployment program	0	147,762,480
State and local cybersecurity grant program	0	<u>487,520</u>
Total all funds	\$57,901,000	\$183,606,343
Less estimated income	<u>57,901,000</u>	<u>179,093,823</u>
Total general fund	\$0	\$4,512,520"

Page 3, line 15, replace "\$16,500,000" with "\$15,000,000"

Page 3, line 16, replace "\$10,000,000" with "\$7,000,000"

Page 3, line 17, after "project" insert ", \$3,000,000 is for the call center software upgrade project,"

Page 3, line 17, replace "\$6,500,000" with "\$5,000,000"

Page 3, line 20, replace "\$2,499,467" with "\$3,499,467"

Page 3, line 21, after "fund" insert ", of which \$2,499,467 is"

Page 3, line 22, after "project" insert "and \$1,000,000 is for the universal vulnerability management project"

Page 3, after line 22, insert:

**"SECTION 8. ESTIMATED INCOME - CHOICE READY DASHBOARD EXPANSION PROJECT.** The estimated income line item in section 1 of this Act includes the sum of \$4,856,876 from the information technology department operating service fund for department of public instruction-related projects, of which \$300,000 is for a choice ready dashboard expansion project to allow schools to monitor student progress for graduation and report the results to the department of public instruction."

Page 3, line 23, replace "The amount of" with "Of the"

Page 3, line 26, after "Laws" insert ", \$18,500,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Information Technology Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$101,734,629	\$115,138,365	(\$10,766,479)	\$104,371,886
Operating expenses	114,588,112	153,004,699	(4,000,000)	149,004,699
Capital assets	3,443,909	3,910,571		3,910,571
Statewide longitudinal data system	4,486,278	4,610,191	972,487	5,582,678
EduTech	9,691,939	10,989,458	(825,150)	10,164,308
K-12 wide area network	4,679,718	7,184,958	(822,348)	6,362,610
Geographic information system	1,101,806	1,225,447	(17,555)	1,207,892
Health information technology office	8,725,871	8,801,988	(59,877)	8,742,111
Broadband infrastructure		148,250,000		148,250,000
Statewide interoperable radio network	14,193,796	18,429,899	(28,430)	18,401,469
Total all funds	\$262,646,058	\$471,545,576	(\$15,547,352)	\$455,998,224
Less estimated income	233,670,105	421,675,168	(9,737,789)	411,937,379
General fund	\$28,975,953	\$49,870,408	(\$5,809,563)	\$44,060,845
FTE	479.00	507.00	0.00	507.00

Department 112 - Information Technology Department - Detail of Senate Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Removes Salary Funding for Funding Pool <sup>2</sup>	Reduces Funding for the Enterprise Digitization Project <sup>3</sup>	Adds Funding for a Customer Relationship Management Program <sup>4</sup>	Reduces Funding for the K-12 ClassLink Project <sup>5</sup>	Adjusts One-Time Funding <sup>6</sup>
Salaries and wages	\$1,839,433	(\$13,093,855)		\$487,943		
Operating expenses			(\$500,000)			(\$3,500,000)
Capital assets						
Statewide longitudinal data system	30,190	(132,703)				1,075,000
EduTech	95,367	(420,517)				
K-12 wide area network	(14,330)	(102,130)			(\$705,888)	
Geographic information system	5,149	(22,704)				
Health information technology office	17,627	(77,504)				
Broadband infrastructure						
Statewide interoperable radio network	8,277	(36,707)				
<b>Total all funds</b>	<b>\$1,981,713</b>	<b>(\$13,886,120)</b>	<b>(\$500,000)</b>	<b>\$487,943</b>	<b>(\$705,888)</b>	<b>(\$2,425,000)</b>
Less estimated income	1,668,122	(10,418,391)	0	0	0	(987,520)
<b>General fund</b>	<b>\$313,591</b>	<b>(\$3,467,729)</b>	<b>(\$500,000)</b>	<b>\$487,943</b>	<b>(\$705,888)</b>	<b>(\$1,437,480)</b>
FTE	0.00	0.00	0.00	2.00	(2.00)	0.00

	Adjusts One-Time Funding for IT Inflationary Increases <sup>7</sup>	Total Senate Changes
Salaries and wages		(\$10,766,479)
Operating expenses		(4,000,000)
Capital assets		
Statewide longitudinal data system		972,487
EduTech	(\$500,000)	(825,150)
K-12 wide area network		(822,348)
Geographic information system		(17,555)
Health information technology office		(59,877)
Broadband infrastructure		
Statewide interoperable radio network		(28,430)
<b>Total all funds</b>	<b>(\$500,000)</b>	<b>(\$15,547,352)</b>
Less estimated income	0	(9,737,789)
<b>General fund</b>	<b>(\$500,000)</b>	<b>(\$5,809,563)</b>
FTE	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	\$320,858	\$1,715,398	\$2,036,256
Health insurance increase	(7,267)	(47,276)	(54,543)
<b>Total</b>	<b>\$313,591</b>	<b>\$1,668,122</b>	<b>\$1,981,713</b>

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

<sup>2</sup> Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	(\$1,998,699)	(\$2,967,987)	(\$4,966,686)
Vacant FTE positions	(1,469,030)	(7,450,404)	(8,919,434)
<b>Total</b>	<b>(\$3,467,729)</b>	<b>(\$10,418,391)</b>	<b>(\$13,886,120)</b>

<sup>3</sup> Funding for the enterprise digitization project to modernize state technology is reduced by \$500,000 from the general fund to provide total ongoing funding of \$3,096,138, of which \$2,000,000 is from the general fund and \$1,096,138 is from the Information Technology Department (ITD) operating service fund. Of this amount, \$981,138 is for salaries and wages of 5 FTE positions and \$2,115,000 is for IT software, data processing, and contractual services.

The House approved \$3,596,138, of which \$2,500,000 was from the general fund and \$1,096,138 was from the ITD operating service fund. The House also authorized the 5 FTE

positions.

<sup>4</sup> Funding of \$487,943 is added from the general fund for salaries and wages of 2 FTE positions for the customer relationship management program to provide ongoing funding of \$2,841,694, of which \$2,339,886 is from the general fund and \$501,808 is from the ITD operating service fund. Of the total, \$1,477,694 is for salaries and wages of 6 new FTE positions and \$1,364,000 is for software licensing costs.

The House approved \$2,353,751, of which \$1,851,943 was from the general fund and \$501,808 was from the ITD operating services fund, including 4 new FTE positions.

<sup>5</sup> Funding of \$405,888 for salaries and wages of 2 FTE positions added by the House from the general fund for the K-12 ClassLink project is removed and funding for IT software and supplies related to the project is reduced by \$300,000 to provide a total of \$1,200,000 from the general fund. The House provided \$1,905,888 from the general fund for the project.

<sup>6</sup> One-time funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding from the strategic investment and improvements fund (SIIF) for the enterprise digitization project to modernize state technology to provide a total of \$7 million. The House added \$10 million from SIIF.	\$0	(\$3,000,000)	(\$3,000,000)
Adds funding from SIIF for an ITD call center software upgrade project. The House did not add funding for this project.	0	3,000,000	3,000,000
Reduces funding from SIIF for the enterprise customer relationship management program, also known as the business gateway project, to provide a total of \$5 million. The House added \$6.5 million from SIIF.	0	(1,500,000)	(1,500,000)
Adjusts funding for the universal vulnerability management project by removing funding from the general fund and adding funding from the federal State Fiscal Recovery Fund. The House added \$3 million from the general fund.	(3,000,000)	1,000,000	(2,000,000)
Adds funding for the statewide longitudinal data system. The House did not add funding for this purpose.	1,075,000	0	1,075,000
Adjusts funding from federal funds from the Infrastructure Investment and Jobs Act to provide a state match for the state and local cybersecurity grant program in the broadband infrastructure line item. The House did not provide funding for the state match.	<u>487,520</u>	<u>(487,520)</u>	<u>0</u>
Total	(\$1,437,480)	(\$987,520)	(\$2,425,000)

<sup>7</sup> One-time funding of \$500,000 from the general fund for information technology inflationary increases is reduced to provide a total of \$7,325,000, of which \$2,350,000 is from the general fund, \$325,000 is from the PowerSchool fund, and \$4,650,000 is from the ITD operating service fund. The House approved \$7,825,000 for information technology inflationary increases, including \$2,850,000 from the general fund.

This amendment also:

- Amends a section identifying \$15 million appropriated from SIIF. The House appropriated \$16.5 million.
- Amends a section identifying \$3,449,467 appropriated from the federal State Fiscal Recovery Fund. The House appropriated \$2,499,467.
- Adds a section to provide of the \$4,856,876 of one-time funding appropriated from the ITD operating services fund for Department of Public Instruction projects, \$300,000 be designated for a choice ready dashboard expansion project.
- Amends a section providing an exemption for broadband infrastructure grants approved during the November 2021 special legislative session.

#### REPORT OF STANDING COMMITTEE

**HB 1325, as engrossed: Transportation Committee (Sen. Clemens, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1325 was placed on the Sixth order on the calendar. This bill does not affect workforce development.

Page 1, line 1, remove "section 12.1-01-05,"

Page 1, line 1, remove the second comma

Page 1, line 2, remove "and subsection 2 of section 40-05-06"

Page 1, line 2, remove "effect of"

Page 1, line 3, remove "state law on city or county ordinances,"

Page 1, line 3, remove ", and"

Page 1, line 4, remove "limits on city fines and penalties"

Page 1, remove lines 6 through 15

Page 2, remove lines 20 through 26

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1532, as reengrossed and amended: Appropriations Committee (Sen. Bekkedahl, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 7 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1532, as amended, was placed on the Sixth order on the calendar. This bill does not affect workforce development.

In lieu of the amendments adopted by the Senate as printed on page 1097 of the Senate Journal, Reengrossed House Bill No. 1532 is amended as follows:

Page 1, line 3, remove "and"

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

Page 1, line 17, replace "costs" with "cost of tuition"

Page 2, line 12, replace "may" with "shall"

Page 2, line 12, remove "only"

Page 2, line 13, remove "would"

Page 2, line 14, after "otherwise" insert "would"

Page 2, line 14, after the underscored period insert "A qualified school may not use funds received under this chapter for any other purpose."

Page 2, line 23, remove "and"

Page 2, line 24, after "twelve" insert "; and

3. Documented as a child who is a dependent in a family with gross taxable income of less than five hundred percent of the federal poverty level"

Page 3, line 27, replace "superintendent of public instruction" with "state auditor"

Page 3, line 29, replace "**Applicability**" with "**Educational reimbursement program expenditures**"

Page 3, line 29, remove " **to the legislative management**"

Page 3, line 30, remove "Funds must be available to qualified schools starting with the 2024-25 school year."

Page 4, line 5, replace "consider studying" with "study"

Page 4, line 12, after "admission" insert "or attendance"

Page 4, line 12, remove "and"

Page 4, line 13, remove "public"

Page 4, line 14, replace "schools situated within the same school district" with "constitutionally obligated budgets;

- f. A review of the impacts and benefits of enrolling qualified nonpublic teachers and administrators into the teachers' fund for retirement, including an actuarial study and fund impact; and
- g. Methods of providing school choice options for any family, including families in rural communities, by identifying underlying challenges and options for collaboration across school types and collecting data to identify trends in school choice by geography"

Page 4, line 20, replace "\$24,000,000" with "\$10,000,000"

Page 4, after line 23, insert:

**"SECTION 3. EFFECTIVE DATE.** Section 1 of this Act becomes effective on July 1, 2024."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1532 - Department of Public Instruction - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Nonpublic school reimbursement		\$24,000,000	(\$14,000,000)	\$10,000,000
Total all funds	\$0	\$24,000,000	(\$14,000,000)	\$10,000,000
Less estimated income	0	0	0	0
General fund	\$0	\$24,000,000	(\$14,000,000)	\$10,000,000
FTE	0.00	0.00	0.00	0.00

**Department 201 - Department of Public Instruction - Detail of Senate Changes**

	Reduces Funding for Educational Reimbursement Program <sup>1</sup>	Total Senate Changes
Nonpublic school reimbursement	(\$14,000,000)	(\$14,000,000)
Total all funds	(\$14,000,000)	(\$14,000,000)
Less estimated income	0	0
General fund	(\$14,000,000)	(\$14,000,000)
FTE	0.00	0.00

<sup>1</sup> Funding is reduced to provide \$10 million from the general fund for the educational reimbursement program.

This amendment also changes the requirements of an eligible child to be a dependent in a family with gross taxable income of less than 500 percent of the federal poverty level, defines qualified educational expenses as the cost of tuition, and adds an effective date for the educational reimbursement program of July 1, 2024.

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

**Shanda Morgan, Secretary**

