

JOURNAL OF THE SENATE

Forty-ninth Legislative Assembly

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FIFTY-SIXTH DAY

Bismarck, March 28, 1985

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

The prayer was offered by Reverend Ben Dove, Presbyterian Church, Mandan, North Dakota.

Dear God, as we begin another day we thank You for the gift of life and the challenges and opportunities that come with it.

Forgive us the pride that convinces us that we know everything about anything--that our plan is the only way. We confess that by ourselves we are not wise enough or caring enough to solve the problems of our time. Thank You for not leaving us alone!

Enable us to listen to You so we may understand and respect each other. Help this body to work together to find and implement solutions that will work.

In these last days of the Legislature, grant refreshment and strength in the midst of fatigue--patience and good humor to handle the pressure as time and opportunity move by.

Thank You, Lord, for the memory and example of those who occupied this chamber in years past and gave their best of wisdom and courage and care. May this assembly so work in the remaining hours of this session. In Christ's name, Amen.

ROLL CALL

The roll was called and all Senators were present.

A quorum was declared by the President.

MESSAGE FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following which the Speaker has signed and your signature is respectfully requested:

HB 1032, HB 1054, HB 1078, HB 1159, HB 1169, HB 1199,
HB 1202, HB 1207, HB 1218, HB 1221, HB 1266, HB 1296,
HB 1313, HB 1334, HB 1335, HB 1388, HB 1406, HB 1431,

HB 1432, HB 1448, HB 1500, HB 1521, HB 1539, HB 1540,
 HB 1545, HB 1571, HB 1635, HB 1646, HCR 3037, HCR 3065
 ROY GILBREATH, Chief Clerk

SIGNING OF BILLS AND RESOLUTIONS

THE SECRETARY ANNOUNCED that the President signed the following:

HB 1032, HB 1054, HB 1078, HB 1159, HB 1169, HB 1199,
 HB 1202, HB 1207, HB 1218, HB 1221, HB 1266, HB 1296,
 HB 1313, HB 1334, HB 1335, HB 1388, HB 1406, HB 1431,
 HB 1432, HB 1448, HB 1500, HB 1521, HB 1539, HB 1540,
 HB 1545, HB 1571, HB 1635, HB 1646, HCR 3037, HCR 3065
 LEO LEIDHOLM, Secretary

MESSAGE TO THE HOUSE
SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the President has appointed as a conference committee to act with a like committee from the House on:

HB 1067: Sens. Olson, Holmberg, Redlin

LEO LEIDHOLM, Secretary

MESSAGES FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following on which the House has adopted the conference committee report and subsequently passed the same:

HB 1168

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to return herewith SB 2002, SB 2003, SB 2005, SB 2010, SB 2025, SB 2027, SB 2033, SB 2100, SB 2135, SB 2138, and SB 2352 which the House has amended:

HOUSE AMENDMENTS TO ENGROSSED SB 2002

- On page 1 of the engrossed bill, line 17, delete the numerals "975,493" and insert in lieu thereof the numerals "1,024,793"
- On page 1 of the engrossed bill, line 18, delete the numerals "246,540" and insert in lieu thereof the numerals "262,005"
- On page 1 of the engrossed bill, line 22, delete the numerals "400,000" and insert in lieu thereof the numerals "600,000"
- On page 1 of the engrossed bill, line 23, delete the numerals "1,685,000" and insert in lieu thereof the numerals "1,485,000"

- On page 1 of the engrossed bill, line 24, delete the numerals "9,574,821" and insert in lieu thereof the numerals "9,797,143"
- On page 1 of the engrossed bill, line 25, delete the numerals "13,048,089" and insert in lieu thereof the numerals "13,335,176"
- On page 1 of the engrossed bill, line 27, delete the numerals "12,648,089" and insert in lieu thereof the numerals "12,935,176"
- On page 2 of the engrossed bill, line 4, delete the numerals "15,008,189" and insert in lieu thereof the numerals "15,295,276"
- On page 2 of the engrossed bill, line 5, delete the numerals "12,543,545" and insert in lieu thereof the numerals "12,528,223"
- On page 2 of the engrossed bill, line 6, delete the numerals "27,551,734" and insert in lieu thereof the numerals "27,823,499"
- On page 2 of the engrossed bill, line 25, delete the numerals "7,890,002" and insert in lieu thereof the numerals "7,877,938"
- On page 2 of the engrossed bill, line 26, delete the numerals "1,834,036" and insert in lieu thereof the numerals "1,831,778"
- On page 2 of the engrossed bill, line 27, delete the numerals "2,419,507" and insert in lieu thereof the numerals "2,418,507"
- On page 2 of the engrossed bill, line 29, delete the numerals "12,143,545" and insert in lieu thereof the numerals "12,128,223"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

State Board of Higher Education

The salaries and wages line item is increased by \$25,000 from the general fund to allow funds to continue average salary increases of 9.5 percent for senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

The salaries and wages line item is increased by \$20,000 from the general fund to upgrade the salary of the Associate Commissioner for Academic Affairs.

The salaries and wages line item is increased by \$4,300 from the general fund for providing board employees' disability insurance similar to that received by institution employees.

The operating expenses line item is increased by \$15,465 from the general fund to provide funds to restore postage, printing, supplies, and travel to the current service level.

The private college tuition assistance line item is increased by \$200,000 from the general fund and the student financial assistance grants line item is decreased by \$200,000 from the general fund. This allows each program the approximate same percentage increase from last biennium.

The community colleges line item is increased by \$222,322 from the general fund. This provides funding of \$207,000 for roof repairs at Lake Region Community College. Also the amount of the general fund appropriation is increased by \$15,322 with a corresponding decrease to the amount of community colleges estimated income. This eliminates additional income from proposed increases in Minnesota student tuition and foreign student tuition as summarized by each community college below:

	Minnesota Student Tuition <u>Increase</u>	Foreign Student Tuition <u>Increase</u>	<u>Tot</u>
Bismarck Junior College	\$2,064	\$10,000	\$12,000
Lake Region Community College	258	2,000	2,258
UND-Williston	<u>0</u>	<u>1,000</u>	<u>1,000</u>
Total	\$2,322	\$13,000	\$15,322

HOUSE AMENDMENTS TO ENGROSSED SB 2003

On page 1 of the engrossed bill, line 18, delete the numerals "19,874,940" and insert in lieu thereof the numerals "20,516,440"

On page 1 of the engrossed bill, line 19, delete the numerals "1,677,954" and insert in lieu thereof the numerals "1,513,115"

On page 1 of the engrossed bill, line 20, delete the numerals "85,439,545" and insert in lieu thereof the numerals "85,916,206"

On page 1 of the engrossed bill, line 21, delete the numerals "24,124,453" and insert in lieu thereof the numerals "22,729,293"

- On page 1 of the engrossed bill, line 22, delete the numerals "61,315,092" and insert in lieu thereof the numerals "63,186,913"
- On page 1 of the engrossed bill, line 24, delete the numerals "62,645,242" and insert in lieu thereof the numerals "64,517,063"
- On page 1 of the engrossed bill, line 28, delete the numerals "55,686,656" and insert in lieu thereof the numerals "56,158,809"
- On page 2 of the engrossed bill, line 1, delete the numerals "16,803,854" and insert in lieu thereof the numerals "16,967,954"
- On page 2 of the engrossed bill, line 2, delete the numerals "980,593" and insert in lieu thereof the numerals "1,032,564"
- On page 2 of the engrossed bill, line 3, delete the numerals "73,471,103" and insert in lieu thereof the numerals "74,159,327"
- On page 2 of the engrossed bill, line 4, delete the numerals "22,045,626" and insert in lieu thereof the numerals "20,820,166"
- On page 2 of the engrossed bill, line 5, delete the numerals "51,425,477" and insert in lieu thereof the numerals "53,339,161"
- On page 2 of the engrossed bill, line 7, delete the numerals "52,755,627" and insert in lieu thereof the numerals "54,669,311"
- On page 2 of the engrossed bill, line 10, delete the numerals "20,020,757" and insert in lieu thereof the numerals "19,676,495"
- On page 2 of the engrossed bill, line 12, delete the numerals "683,551" and insert in lieu thereof the numerals "719,779"
- On page 2 of the engrossed bill, line 13, delete the numerals "25,968,767" and insert in lieu thereof the numerals "25,660,733"
- On page 2 of the engrossed bill, line 14, delete the numerals "7,097,050" and insert in lieu thereof the numerals "6,956,982"
- On page 2 of the engrossed bill, line 15, delete the numerals "18,871,717" and insert in lieu thereof the numerals "18,703,751"

- On page 2 of the engrossed bill, line 17, delete the numerals "19,240,767" and insert in lieu thereof the numerals "19,072,801"
- On page 2 of the engrossed bill, line 21, delete the numerals "2,726,152" and insert in lieu thereof the numerals "2,831,252"
- On page 2 of the engrossed bill, line 22, delete the numerals "177,633" and insert in lieu thereof the numerals "187,047"
- On page 2 of the engrossed bill, line 23, delete the numerals "11,406,040" and insert in lieu thereof the numerals "11,520,554"
- On page 2 of the engrossed bill, line 24, delete the numerals "2,115,261" and insert in lieu thereof the numerals "2,108,229"
- On page 2 of the engrossed bill, line 25, delete the numerals "9,290,779" and insert in lieu thereof the numerals "9,412,325"
- On page 2 of the engrossed bill, line 27, delete the numerals "9,447,933" and insert in lieu thereof the numerals "9,569,479"
- On page 2 of the engrossed bill, line 32, delete the numerals "86,923" and insert in lieu thereof the numerals "91,530"
- On page 2 of the engrossed bill, line 33, delete the numerals "7,892,375" and insert in lieu thereof the numerals "7,896,982"
- On page 2 of the engrossed bill, line 34, delete the numerals "1,507,714" and insert in lieu thereof the numerals "1,464,592"
- On page 2 of the engrossed bill, line 35, delete the numerals "6,384,661" and insert in lieu thereof the numerals "6,432,390"
- On page 3 of the engrossed bill, line 2, delete the numerals "6,457,935" and insert in lieu thereof the numerals "6,505,664"
- On page 3 of the engrossed bill, line 5, delete the numerals "16,576,724" and insert in lieu thereof the numerals "16,789,675"
- On page 3 of the engrossed bill, line 6, delete the numerals "2,966,282" and insert in lieu thereof the numerals "3,091,282"

- On page 3 of the engrossed bill, line 7, delete the numerals "237,430" and insert in lieu thereof the numerals "250,014"
- On page 3 of the engrossed bill, line 8, delete the numerals "19,780,436" and insert in lieu thereof the numerals "20,130,971"
- On page 3 of the engrossed bill, line 9, delete the numerals "7,116,982" and insert in lieu thereof the numerals "7,010,338"
- On page 3 of the engrossed bill, line 10, delete the numerals "12,663,454" and insert in lieu thereof the numerals "13,120,633"
- On page 3 of the engrossed bill, line 11, delete the numerals "334,924" and insert in lieu thereof the numerals "451,924"
- On page 3 of the engrossed bill, line 12, delete the numerals "12,998,378" and insert in lieu thereof the numerals "13,572,557"
- On page 3 of the engrossed bill, line 15, delete the numerals "7,549,248" and insert in lieu thereof the numerals "7,593,248"
- On page 3 of the engrossed bill, line 16, delete the numerals "1,936,952" and insert in lieu thereof the numerals "2,016,152"
- On page 3 of the engrossed bill, line 17, delete the numerals "133,245" and insert in lieu thereof the numerals "140,307"
- On page 3 of the engrossed bill, line 18, delete the numerals "9,619,445" and insert in lieu thereof the numerals "9,749,707"
- On page 3 of the engrossed bill, line 19, delete the numerals "2,312,213" and insert in lieu thereof the numerals "2,298,861"
- On page 3 of the engrossed bill, line 20, delete the numerals "7,307,232" and insert in lieu thereof the numerals "7,450,846"
- On page 3 of the engrossed bill, line 22, delete the numerals "7,488,452" and insert in lieu thereof the numerals "7,632,066"
- On page 3 of the engrossed bill, line 27, delete the numerals "90,387" and insert in lieu thereof the numerals "86,389"

- On page 3 of the engrossed bill, line 28, delete the numerals "3,852,207" and insert in lieu thereof the numerals "3,848,209"
- On page 3 of the engrossed bill, line 29, delete the numerals "827,567" and insert in lieu thereof the numerals "796,503"
- On page 3 of the engrossed bill, line 30, delete the numerals "3,024,640" and insert in lieu thereof the numerals "3,051,706"
- On page 3 of the engrossed bill, line 32, delete the numerals "3,145,705" and insert in lieu thereof the numerals "3,172,771"
- On page 4 of the engrossed bill, line 1, delete the numerals "11,403,527" and insert in lieu thereof the numerals "11,922,957"
- On page 4 of the engrossed bill, line 4, delete the numerals "44,819,644" and insert in lieu thereof the numerals "45,339,074"
- On page 4 of the engrossed bill, line 6, delete the numerals "27,404,263" and insert in lieu thereof the numerals "27,923,693"
- On page 4 of the engrossed bill, line 15, delete the numerals "464,689" and insert in lieu thereof the numerals "495,684"
- On page 4 of the engrossed bill, line 18, delete the numerals "586,849" and insert in lieu thereof the numerals "617,844"
- On page 4 of the engrossed bill, line 20, delete the numerals "442,692" and insert in lieu thereof the numerals "473,687"
- On page 4 of the engrossed bill, line 31, delete the numerals "203,050,221" and insert in lieu thereof the numerals "209,132,319"
- On page 4 of the engrossed bill, line 32, delete the numerals "105,894,454" and insert in lieu thereof the numerals "102,932,552"
- On page 4 of the engrossed bill, line 33, delete the numerals "308,944,675" and insert in lieu thereof the numerals "312,064,871"
- On page 5 of the engrossed bill, after line 17, insert the following new sections:

"SECTION 5. TRANSFERS. Each institution or agency included in this Act, upon approval from the board of higher education, may make such transfers between line

items in its appropriation as may be determined necessary by the board of higher education for operations of the institution or agency.

SECTION 6. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much thereof as may be necessary, to the state board of higher education for the biennium beginning July 1, 1985, and ending June 30, 1987. This appropriation shall be used by the board of higher education for critical needs of the institutions of higher education provided for in the constitution and as included in this Act, excluding the university of North Dakota-medical center, for faculty or other positions, operating expenses, and equipment as may be determined by the board. This appropriation shall not be used to increase employees' salaries. When making allocations to institutions, the board of higher education shall consider the future mission of each institution, and consider reduction or elimination of selective programs and services, admissions standards, and the reallocation of resources within each institution. The board of higher education shall notify the office of management and budget of the allocations to each institution made from this appropriation."

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

University of North Dakota

The operating expenses line item is increased by \$641,500 from the general fund to reflect funding the institution at 87 percent of the facilities maintenance formula.

The equipment line item is reduced by \$164,839 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle. The reduction reflects an exclusion of the computer valuation which was initially included in the equipment calculation amount.

The estimated income line item is reduced by \$1,395,160 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$944,160 and foreign student tuition of \$451,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

North Dakota State University

The salaries and wages line item is increased by \$472,153 from the general fund to provide funds for a total increase of eight FTE faculty positions: four FTE faculty positions the first year of the biennium and an additional four FTE faculty positions the second year of the biennium.

The operating expenses line item is increased by \$164,100 from the general fund to reflect funding the institution at 87 percent of the facilities maintenance formula.

The equipment line item is increased by \$51,971 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line item is reduced by \$1,225,460 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$992,460 and foreign student tuition of \$233,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

North Dakota State School of Science

The salaries and wages line item is reduced by \$344,262 from the general fund to delete a total of 6.9 FTE faculty positions: 3.25 faculty positions in the first year of the biennium and an additional reduction of 3.65 positions in the second year of the biennium.

The equipment line item is increased by \$36,228 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line is reduced by \$140,068 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$115,068 and foreign student tuition of \$25,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Dickinson State College

The operating expenses line item is increased by \$105,100 from the general fund to reflect funding the institution at 87 percent of the facilities maintenance formula.

The equipment line item is increased by \$9,414 from the general fund to reflect the establishment of a 19-year rather 20-year equipment replacement cycle.

The estimated income line item is reduced by \$7,032 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$1,000 and foreign student tuition of \$6,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Mayville State College

The equipment line item is increased by \$4,607 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line item is reduced by \$43,122 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$28,122 and foreign student tuition of \$15,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Minot State College

The salaries and wages line item is increased by \$212,951 from the general fund to provide funds for a total increase of four FTE faculty positions: two FTE faculty positions the first year of the biennium and an additional two FTE faculty positions the second year of the biennium.

The operating expenses line item is increased by \$125,000 from the general fund to reflect funding the institution at 87 percent of the facilities maintenance formula.

The equipment line item is increased by \$12,584 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line item is reduced by \$106,644 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$4,644 and foreign student tuition of \$102,000.

The capital improvements line item is increased by \$117,000 from the general fund to provide funds for payment of water improvement special assessments.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Valley City State College

The salaries and wages line item is increased by \$44,000 from the general fund to provide funds for one FTE computer programmer analyst position.

The operating expenses line item is increased by \$79,200 from the general fund to reflect funding the institution at 87 percent of the facilities maintenance formula.

The equipment line item is increased by \$7,062 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line item is reduced by \$13,352 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$11,352 and foreign student tuition of \$2,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

NDSU-Bottineau

The equipment line item is reduced by \$3,998 from the general fund to reflect the establishment of a 19-year rather than 20-year equipment replacement cycle.

The estimated income line item is reduced by \$31,064 with a corresponding increase to the general fund to eliminate the additional income from the proposed increases in Minnesota student tuition of \$2,064 and foreign student tuition of \$29,000.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

UND-Medical Center

The operating expenses line item is increased by \$519,430 from the general fund.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

NDSU State Toxicologist

The salaries and wages line item is increased \$30,995 from the general fund for one FTE chemist position.

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Forest Service

The salaries and wages line item allows funds to continue average salary increases of 9.5 percent for faculty and senior administrative staff and 5.5 percent (\$50 per month minimum) for other employees the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

Purpose of Other Changes

A new section is added which authorizes line item transfers by each institution or agency upon approval from the Board of Higher Education.

Another new section is added which appropriates \$1,000,000 to the Board of Higher Education to be used for critical needs of the institutions of higher education provided for in the constitution

and included in Senate Bill No. 2003, excluding the UND-Medical Center, for faculty or other positions, operating expenses, and equipment.

SUMMARY OF HOUSE AMENDMENTS BY INSTITUTION TO ENGROSSED SENATE BILL NO. 2003

Institution	Reallocation of Faculty Positions	Restore to 87 Percent of Facilities Maintenance Formula	19-Year Rather Than 20-Year Equipment Replacement Cycle	Estimated Income		Other Amendments	Impact of Amendments	
				Exclusion of Increase in Minnesota Student Tuition	Exclusion of Increase in Foreign Student Tuition		General Fund	Estimated Income
UND		\$ 641,500	\$ (164,839)	\$ (944,160)	\$ (451,000)		\$1,871,871	\$ (1,255,160)
NDSU	\$472,153	164,100	51,971	(992,460)	(233,000)		1,913,684	(1,225,460)
NDSSS	(344,262)		36,228	(115,068)	(25,000)		(167,966)	(140,068)
Dickinson State College		105,100	9,414	(1,032)	(6,000)		121,516	(7,032)
Mayville State College			4,607	(28,122)	(15,000)		47,729	(43,122)
Minot State College	212,951	125,000	12,584	(4,644)	(102,000)	\$ 117,000	574,179	(106,644)
Valley City State College		79,200	7,062	(11,352)	(2,000)	44,000	143,614	(13,352)
NDSU-Bottineau			(3,998)	(2,064)	(29,000)		27,066	(31,064)
UND-Medical Center			0	0	0	\$19,430	519,430	0
State Toxicologist						30,922	30,922	0
Subtotal	\$340,842	\$1,114,900	\$ (46,971)	\$ (2,098,902)	\$ (863,000)	\$ 711,423	\$5,082,098	\$ (2,961,902)
Board of Higher Education pool						1,000,000	1,000,000	
Total of House amendments to Engrossed Senate Bill No. 2003	\$340,842	\$1,114,900	\$ (46,971)	\$ (2,098,902)	\$ (863,000)	\$1,711,423	\$6,082,098	\$ (2,961,902)

HOUSE AMENDMENTS TO ENGROSSED SB 2005

On page 1 of the engrossed bill, line 19, delete the numerals "18,959,806" and insert in lieu thereof the numerals "20,381,437"

On page 1 of the engrossed bill, line 21, delete the numerals "21,705,484" and insert in lieu thereof the numerals "23,127,115"

On page 1 of the engrossed bill, line 23, delete the numerals "14,050,495" and insert in lieu thereof the numerals "15,472,126"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Board for Vocational Education

The grants, benefits, and claims line item is increased by \$1,421,631 from the general fund to provide additional general fund moneys for vocational education grants.

The salaries and wages line item allows funds to continue average salary increases of 5.5 percent (\$50 per month minimum) for the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

HOUSE AMENDMENTS TO ENGROSSED SB 2010

- On page 1 of the engrossed bill, line 21, delete the numerals "5,790,700" and insert in lieu thereof the numerals "6,090,700"
- On page 1 of the engrossed bill, line 23, delete the numerals "36,774,039" and insert in lieu thereof the numerals "37,074,039"
- On page 1 of the engrossed bill, line 25, delete the numerals "10,037,845" and insert in lieu thereof the numerals "10,337,845"
- On page 2 of the engrossed bill, line 2, delete the numerals "10,037,845" and insert in lieu thereof the numerals "10,337,845"
- On page 2 of the engrossed bill, line 4, delete the numerals "37,174,039" and insert in lieu thereof the numerals "37,474,039"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Health Department

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The grants, benefits, and claims line item is increased by \$300,000 from the general fund for state funding of the Child Evaluation and Treatment Program (CETA) at the University of North Dakota Medical Center Rehabilitation Hospital.

HOUSE AMENDMENTS TO ENGROSSED SB 2025

- On page 2 of the engrossed bill, line 3, delete the numerals "252,490" and insert in lieu thereof the numerals "189,490"
- On page 2 of the engrossed bill, after line 3, insert the following new line:
- | | |
|-----------------------------------|------------|
| "Total general fund appropriation | \$310,000" |
|-----------------------------------|------------|
- On page 2 of the engrossed bill, line 4, delete the numerals "247,000" and insert in lieu thereof the numerals "310,000"
- On page 2 of the engrossed bill, line 5, delete the numerals "2,230,932" and insert in lieu thereof the numerals "2,167,932"
- On page 2 of the engrossed bill, after line 18, insert the following new section:

"SECTION 4. APPROPRIATION. There is hereby appropriated to the geological survey any federal funds that become available for the purposes of monitoring the underground injection control program and monitoring coal exploration drilling for the biennium beginning July 1, 1985, and ending June 30, 1987."

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Geological Survey

Any federal funds that become available for monitoring the underground injection control program and for monitoring coal exploration drilling are appropriated.

The salaries and wages line item allows funds to continue the cost of average salary increases of 5.5 percent for the first year and to provide average salary increases of four percent for the second year of the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

Upper Great Plains Transportation Institute

The salaries and wages line item allows funds to continue the cost of average salary increases of 9.5 percent or 5.5 percent for the first year and to provide average salary increases of four percent for the second year of the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

The estimated income line item is reduced by \$63,000, with a corresponding increase to the general fund to provide additional general fund support.

HOUSE AMENDMENTS TO SB 2027

On page 1, line 14, delete the numerals "883,212" and insert in lieu thereof the numerals "867,485"

On page 1, line 20, delete the numerals "1,281,012" and insert in lieu thereof the numerals "1,265,285"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Land Department

The salaries and wages line item is reduced by \$15,727 from other funds. This will allow funds for continuation of average salary increases of 5.5 percent the first year of the biennium and average salary increases of four percent the second year of the biennium. Funds are allowed to provide a minimum increase of \$50

per month for each year of the biennium. The salary increases are to be based on merit, performance, or equity adjustments, and are not intended to be across-the-board salary increases.

HOUSE AMENDMENTS TO ENGROSSED SB 2033

- On page 1 of the engrossed bill, line 24, delete the numerals "582,410" and insert in lieu thereof the numerals "552,410"
- On page 1 of the engrossed bill, line 25, delete the numerals "3,549,185" and insert in lieu thereof the numerals "3,579,185"
- On page 2 of the engrossed bill, line 1, delete the numerals "482,191" and insert in lieu thereof the numerals "480,952"
- On page 2 of the engrossed bill, line 4, delete the numerals "2,671,620" and insert in lieu thereof the numerals "2,670,381"
- On page 2 of the engrossed bill, line 6, delete the numerals "2,256,731" and insert in lieu thereof the numerals "2,255,492"
- On page 2 of the engrossed bill, line 7, delete the numerals "5,805,916" and insert in lieu thereof the numerals "5,834,677"
- On page 2 of the engrossed bill, line 8, delete the numerals "997,299" and insert in lieu thereof the numerals "967,299"
- On page 2 of the engrossed bill, line 9, delete the numerals "6,803,215" and insert in lieu thereof the numerals "6,801,976"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

School for the Deaf

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The estimated income line item is decreased by \$30,000 with a corresponding increase to the general fund appropriation for funding the parent/infant program. This action is to reverse the Senate amendment.

Also, if high school students enrolled at the school do not participate 100 percent in the weekend transportation program, the school may have to transfer appropriation amounts between the salaries and wages and operating expenses line items.

School for the Blind

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The operating expenses line item is reduced by \$1,239 from the general fund. This net reduction includes decreasing food, clothing, and household supplies by \$1,161 and utilities by \$218 and increasing postage by \$140.

HOUSE AMENDMENTS TO ENGROSSED SB 2100

On page 2 of the engrossed bill, line 3, delete the numerals "608c(15)" and insert in lieu thereof the numerals "608c"

On page 2 of the engrossed bill, line 4, after the word "agriculture" insert the words "or of the reduction or elimination of the amount levied on milk producers by the United States department of agriculture", and delete the words "Approval of the referendum must"

On page 2 of the engrossed bill, delete line 5

And renumber the lines accordingly

HOUSE AMENDMENTS TO REENGROSSED SB 2135

On page 1 of the reengrossed bill, line 11, after the first semicolon insert the words "to provide a statement of legislative intent governing issuance of bonds under this Act;"

On page 3 of the reengrossed bill, line 16, delete the word "one" and insert in lieu thereof the word "two"

On page 3 of the reengrossed bill, line 17, delete the words "seven hundred fifty thousand"

On page 4 of the reengrossed bill, after line 23, insert the following new section:

"SECTION 15. LEGISLATIVE INTENT. It is the intention of the legislative assembly that the state board of higher education, prior to issuing any bonds under authority of this Act, consider all of the following:

1. Enrollment projections for the institution.
2. The financial feasibility of the project for which the bonds would be issued, including the present and future ability of the project to fully pay the principal and interest on the bonds.

3. The probability of future legislative action which may affect payment of principal and interest on the bonds.
4. Any other relevant matters of which the board has knowledge."

And renumber the lines, sections, and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Increases the Minot State College bonding authority for student housing from \$1.75 million to \$2 million, an increase of \$250,000.

A new section is added which provides the intent that the Board of Higher Education is to make certain considerations prior to issuing bonds for any of the institutions.

HOUSE AMENDMENTS TO ENGROSSED SB 2138

- On page 1 of the engrossed bill, line 2, delete the words "management responsibility over"
- On page 1 of the engrossed bill, line 4, after the word "require" insert the words "that any", and after the word "sales" insert the words "or other disposition"
- On page 1 of the engrossed bill, line 5, delete the word "land's" and insert in lieu thereof the word "lands", and delete the word "mineral's" and insert in lieu thereof the word "minerals"
- On page 1 of the engrossed bill, line 13, delete the word "and"
- On page 1 of the engrossed bill, line 14, after the word "appropriation" insert the words "; and to declare an emergency"
- On page 1 of the engrossed bill, line 18, delete the word "management"
- On page 1 of the engrossed bill, line 19, delete the words "responsibility over"
- On page 1 of the engrossed bill, line 21, delete the word "management"
- On page 1 of the engrossed bill, line 22, after the word "addition" insert the words "and shall be substituted for the state board of higher education on all contracts regarding the state addition", and delete the words "payment of the principal and interest owed to" and insert in lieu thereof the words "transfer of the state addition"

- On page 1 of the engrossed bill, line 23, delete the words "it by the state board of higher education"
- On page 1 of the engrossed bill, line 27, after the word "education" insert the words ", and shall assume all other existing obligations on the state addition"
- On page 2 of the engrossed bill, delete lines 5 through 10
- On page 2 of the engrossed bill, line 11, delete the words "be received shall"
- On page 2 of the engrossed bill, line 18, delete the words "management responsibility over the"
- On page 2 of the engrossed bill, line 19, remove the overstrike over the words "board of", and delete the words "board of"
- On page 2 of the engrossed bill, line 20, delete the words "university and school lands", and overstrike the word "shall" and insert immediately thereafter the words "university and school lands may"
- On page 2 of the engrossed bill, line 32, delete the words "on behalf of the"
- On page 2 of the engrossed bill, line 33, delete the words "board of higher education"
- On page 2 of the engrossed bill, line 35, overstrike the word "shall" and insert immediately thereafter the word "may"
- On page 3 of the engrossed bill, line 20, delete the numerals "2,840,787" and insert in lieu thereof the numerals "644,284"
- On page 3 of the engrossed bill, line 21, delete the word "state", and delete the words "higher education" and insert in lieu thereof the words "university and school lands"
- On page 3 of the engrossed bill, line 22, delete the words "interest on any notes owed to the board of" and insert in lieu thereof the words "city of Dickinson for"
- On page 3 of the engrossed bill, line 23, delete the words "university and school lands and for paying", and after the word "assessments" insert the words "due on March 1, 1985, and on March 1, 1986,"
- On page 3 of the engrossed bill, line 24, after the word "on" insert the word "the"
- On page 3 of the engrossed bill, after line 24, insert the following new section:

"SECTION 5. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval."

And renumber the lines and pages accordingly

HOUSE AMENDMENTS TO ENGROSSED SB 2352

On page 1 of the engrossed bill, line 1, delete the words "for a bill of rights for public" and insert in lieu thereof the words "a State and Political Subdivision Employees Relations Act"

On page 1 of the engrossed bill, line 2, delete the word "employees"

On page 1 of the engrossed bill, line 18, delete the second word "a" and insert in lieu thereof the following: "

a. A"

On page 1 of the engrossed bill, line 20, delete the word "or" and insert in lieu thereof the following: ";

b. A"

On page 1 of the engrossed bill, line 21, delete the period and insert in lieu thereof a semicolon

On page 1 of the engrossed bill, after line 21, insert the following:

"c. A person holding an appointive statutory office;

d. One deputy or principal assistant for each elected official or appointive statutory official;

e. One secretary for each elected or appointive statutory official; and

f. All members of the governor's staff."

On page 3 of the engrossed bill, line 18, after the word "law" insert the words "which pertains to matters of public concern,"

And renumber the lines and pages accordingly

ROY GILBREATH, Chief Clerk

CONSIDERATION OF AMENDMENTS

SEN. WRIGHT MOVED that the amendments to HB 1638 as recommended by the Committee on Finance and Taxation as printed on pages 1869-1871 of the Senate Journal be adopted, and when so adopted, recommends that HB 1638 DO PASS, which motion prevailed.

MOTION

SEN. WRIGHT MOVED that the rules be suspended, that HB 1638 be placed on the calendar, as amended, for second reading and final passage, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1638: A BILL for an Act to amend and reenact section 57-61-01 of the North Dakota Century Code, to make permanent the rate of the coal severance tax in effect on July 1, 1987.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 39 YEAS, 14 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Dotzenrod; Freborg; Holmberg; Ingstad; Kelly; Kelsh; Kilander; Kusler; Langley; Lips; Lodoen; Meyer, W.; Moore; Mushik; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Redlin; Reiten; Satrom; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom; Wright

NAYS: Berube; Heigaard; Heinrich; Hilken; Krauter; Lashkowitz; Maixner; Matchie; Meyer, D.; Meyer, J.; Shea; Waldera; Walsh; Wogsland

ABSENT AND NOT VOTING: None

HB 1638 passed and the title was agreed to.

MOTION

SEN. NETHING MOVED that the vote by which HB 1638 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SEN. PETERSON MOVED that the amendments to HCR 3096 as recommended by the Committee on Education as printed on page 1871 of the Senate Journal be adopted, and when so adopted, recommends that HCR 3096 DO PASS, which motion prevailed.

MOTION

SEN. PETERSON MOVED that the rules be suspended, that HCR 3096 be placed on the calendar, as amended, for second reading and final passage, which motion prevailed.

SECOND READING OF HOUSE CONCURRENT RESOLUTION

HCR 3096: A concurrent resolution directing the Legislative Council to study the positive and adverse impacts of tuition reciprocity agreements on postsecondary educational institutions, the communities where such institutions are located, postsecondary students, and state government.

Which has been read.

The question being on the final adoption of the resolution, as amended.

HCR 3096 was declared adopted on a voice vote.

MOTION

SEN. NETHING MOVED that the vote by which HCR 3096 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MOTION

SEN. NETHING MOVED that HB 1029 be placed at the foot of the calendar, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1652: A BILL for an Act to amend and reenact subsection 3 of section 25-01.2-01 and section 25-01.2-02 of the North Dakota Century Code, relating to rights of the developmentally disabled.

Which has been read and has committee recommendation of DO NOT PASS.

ROLL CALL

The question being on the final passage of the bill, the roll was called and there were 22 YEAS, 31 NAYS, 0 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; David; Freborg; Kelly; Kilander; Lodoen; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Streibel; Tennefos; Thane; Todd; Tweten; Vosper; Wenstrom

NAYS: Berube; Christensen; Dotzenrod; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Kelsh; Krauter; Kusler; Langley; Lashkowitz; Lips; Maixner; Matchie; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Redlin; Reiten; Satrom; Shea; Stenehjem; Stromme; Tallackson; Waldera; Walsh; Wogsland; Wright

ABSENT AND NOT VOTING: None

HB 1652 was declared lost.

MOTION

SEN. MAIXNER MOVED that the vote by which HB 1652 lost be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2009 as printed on pages 1830-1839 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2009:

Sens. Naaden, Tweten, Tallackson

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2028 as printed on pages 1846-1848 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2028:

Sens. Tennefos, Wenstrom, Walsh

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2249 as printed on pages 1849-1850 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2249:

Sens. Streibel, Tweten, Mushik

CONSIDERATION OF MESSAGE FROM HOUSE

SEN. WRIGHT MOVED that the Senate do not concur in the House amendments to SB 2257 as printed on page 1730 of the Senate Journal and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2257:

Sens. Wright, Adams, Satrom

MESSAGES FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following on which the House has adopted the conference committee report and subsequently passed the same:

HB 1614

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to return herewith SB 2011, SB 2014, SB 2019, SB 2021, SB 2029, SB 2030, SB 2032 and SCR 4002 which the House has amended:

HOUSE AMENDMENTS TO ENGROSSED SB 2011

On page 1 of the engrossed bill, line 15, delete the numerals "300,000" and insert in lieu thereof the numerals "350,000"

On page 1 of the engrossed bill, line 16, delete the numerals "200,000" and insert in lieu thereof the numerals "225,000"

On page 1 of the engrossed bill, line 18, delete the numerals "704,885" and insert in lieu thereof the numerals "779,885"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Indian Affairs Commission

The salaries and wages line item allows funds for average salary increases of 5.5 percent the first year of the biennium and average salary increases of four percent the second year of the biennium.

The Native American alcohol and drug abuse education line item is increased by \$50,000 from the general fund.

The grants, benefits, and claims line item is increased by \$25,000 from the general fund for the Indian scholarship program.

HOUSE AMENDMENTS TO ENGROSSED SB 2014

On page 1 of the engrossed bill, line 19, delete the numerals "2,235,377" and insert in lieu thereof the numerals "1,885,377"

On page 1 of the engrossed bill, line 20, delete the numerals "441,167" and insert in lieu thereof the numerals "791,167"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Weather Modification Board

The general fund line item is increased by \$350,000 with a corresponding decrease to the estimated income line item to provide general fund support for the weather modification operations program.

The salaries and wages line item allows funds to continue average salary increases of 5.5 percent (\$50 per month minimum) the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

HOUSE AMENDMENTS TO SB 2019

On page 1, line 12, delete the numerals "215,000" and insert in lieu thereof the numerals "280,000"

On page 1, line 13, delete the numerals "215,000" and insert in lieu thereof the numerals "280,000"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Increases State Fair premiums from the general fund from \$215,000 to \$280,000 for the 1985-87 biennium, an increase of \$65,000.

HOUSE AMENDMENTS TO ENGROSSED SB 2021

On page 1 of the engrossed bill, line 13, delete the numerals "200,407" and insert in lieu thereof the numerals "242,767"

On page 1 of the engrossed bill, line 14, delete the numerals "106,455" and insert in lieu thereof the numerals "163,385"

On page 1 of the engrossed bill, line 16, delete the numerals "1,215,450" and insert in lieu thereof the numerals "1,354,690"

On page 1 of the engrossed bill, line 17, delete the numerals "1,523,312" and insert in lieu thereof the numerals "1,761,842"

On page 1 of the engrossed bill, line 18, delete the numerals "1,197,731" and insert in lieu thereof the numerals "1,265,450"

On page 1 of the engrossed bill, line 19, delete the numerals "325,581" and insert in lieu thereof the numerals "496,392"

On page 1 of the engrossed bill, after line 23, insert the following section:

"SECTION 3. LEGISLATIVE AUTHORIZATION. The North Dakota council on the arts is authorized to apply for a three-year federal grant for the national endowment for the arts test program of support for local arts

agencies. The grants, benefits, and claims line item in section 1 of this Act includes \$200,000 for this purpose during the 1985-87 biennium, \$100,000 from the general fund and \$100,000 from federal funds. The \$100,000 general fund appropriation may not be expended unless \$200,000 of local matching funds is made available during the 1985-87 biennium. The council on the arts is authorized to request funding for the third year of this grant during the 1987-89."

And renumber the lines, sections, and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Council on the Arts

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum). The salaries and wages line item is increased by \$42,360, and the operating expenses line item by \$23,400 from federal funds for a community coordinator position. The grants line item is decreased by \$65,760 from federal funds to provide the funding for the position.

In addition, the operating expenses line item is increased by \$33,530 from the general fund to continue the current cost of operations. In addition, the grants line item is increased by \$205,000, \$105,000 from the general fund and \$100,000 from federal funds. An amount of \$5,000 of the general fund appropriation increase is to provide funds for cultural endowment. An amount of \$200,000, \$100,000 from the general fund, is added to provide funds for the National Endowment for the Arts test program of local arts agencies.

Also, the estimated income line item is decreased by \$32,281 with a corresponding increase to the general fund to adjust the estimated income line item to the expected level.

A new section is added to provide legislative authorization for the Council on the Arts to apply for the NEA test program of support for local arts agencies. The section provides that if \$200,000 of local funds cannot be raised during the 1985-87 biennium the \$100,000 of general fund support may not be expended.

HOUSE AMENDMENTS TO ENGROSSED SB 2029

On page 1 of the engrossed bill, line 16, delete the numerals "766,611" and insert in lieu thereof the numerals "659,772"

On page 1 of the engrossed bill, line 17, delete the numerals "601,330" and insert in lieu thereof the numerals "293,154"

On page 1 of the engrossed bill, line 18, delete the numerals "673,800" and insert in lieu thereof the numerals "460,163"

On 1 of the engrossed bill, line 19, delete the numerals "18,800" and insert in lieu thereof the numerals "10,000"

On page 1 of the engrossed bill, line 20, delete the numerals "150,000" and insert in lieu thereof the numerals "50,000"

On page 1 of the engrossed bill, line 21, delete the numerals "2,210,541" and insert in lieu thereof the numerals "1,473,089"

On page 2 of the engrossed bill, line 4, delete the numerals "2,282,140" and insert in lieu thereof the numerals "1,544,688"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Public Employees Retirement Board

The salaries and wages line item is reduced by \$106,839 from other funds. The reduction deletes funding for 2.5 FTE positions which includes \$44,732 for a one FTE Administrative Officer II position, \$27,107 for a one FTE account clerk position, and \$35,000 for a .5 Programmer I/Analyst III position. The Senate had provided funding for these positions in addition to a one FTE Accountant II position.

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The operating expenses line item is reduced by \$308,176 from other funds. Reductions include:

Employee travel	\$ 25,000
Utilities	3,000
Lease-buildings	48,000
Telephone	15,000
Intergovernmental services	1,026
Other travel	1,000
Postage	7,000
Miscellaneous fees and services	16,800
Office supplies	1,650
Miscellaneous	9,000
Professional services and operating fees	180,700
Total	<u>\$308,176</u>

Funding is provided at the level needed. The reduction to professional services and operating fees is because these expenses as they are incurred will be paid from PERS's investment earnings.

The data processing line item is reduced by \$213,637 from other funds to delete the additions the Senate made.

The equipment line item is reduced by \$8,800 from other funds. Funding is deleted for providing equipment for the deleted 2.5 FTE positions. \$1,639 of the Senate increase remains to provide office equipment for the new Accountant II position.

The contingency line item is reduced by \$100,000 from other funds. The funding is deleted for the addition the Senate made as the need for the contingency line item is decreased because passage of House Bill No. 1132 enables PERS to pay certain professional fees from PERS's investment earnings.

HOUSE AMENDMENTS TO ENGROSSED SB 2030

- On page 1 of the engrossed bill, line 13, delete the numerals "480,298" and insert in lieu thereof the numerals "405,217"
- On page 1 of the engrossed bill, line 14, delete the numerals "307,079" and insert in lieu thereof the numerals "267,301"
- On page 1 of the engrossed bill, line 15, delete the numerals "336,726" and insert in lieu thereof the numerals "322,986"
- On page 1 of the engrossed bill, line 16, delete the numerals "5,735" and insert in lieu thereof the numerals "3,642"
- On page 1 of the engrossed bill, line 17, delete the numerals "75,000" and insert in lieu thereof the numerals "50,000"
- On page 1 of the engrossed bill, line 18, delete the numerals "1,204,838" and insert in lieu thereof the numerals "1,049,146"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Teachers' Fund for Retirement

The salaries and wages line item is a net reduction of \$75,081 from other funds. The total net reduction includes deleting \$35,000 for a .5 FTE Programmer I/Analyst III position and \$34,630 for one FTE Information Processing Operator I which the Senate had provided funding for. The Senate also provided funding for one FTE Account Technician II. The net reduction includes deleting \$7,400 which the Senate had provided funding for reclassifying an Accountant II position to Accountant III. The executive recommendation included the funding for the

reclassification. The total net reduction also includes an increase of \$1,949 to provide funds for reclassifying a Clerk-Typist II position to an Information Processing Operator I position.

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The operating expenses line item is reduced by \$39,778 from other funds. Reductions were made to the following items to provide the amount of funding necessary:

Employee travel	\$23,295
Utilities	1,534
Lease - buildings	3,920
Postage	5,622
Telephone	1,884
Miscellaneous fees	1,380
Other resale supplies	1,500
Resource and reference material	<u>643</u>
Total	\$39,778

The data processing line item is reduced by \$13,740 from other funds to delete funding for three of the five terminals the Senate provided funding for. The amount provided for data processing allows funds for two terminals for the two new positions.

The equipment line item is reduced by \$2,093 from other funds to provide amounts necessary for the biennium.

The contingency line item is reduced by \$25,000 from other funds as the need for contingency funding is decreased because passage of Senate Bill No. 2152 allows certain professional fees to be paid as they are incurred from TFFR's investment income.

HOUSE AMENDMENTS TO ENGROSSED SB 2032

On page 1 of the engrossed bill, line 3, after the word "Dakota" insert the words "and to provide for performance reviews of employees of all state agencies and institutions"

On page 1 of the engrossed bill, line 17, delete the numerals "3,180,952" and insert in lieu thereof the numerals "3,240,226"

On page 1 of the engrossed bill, line 18, delete the numerals "891,677" and insert in lieu thereof the numerals "947,749"

On page 1 of the engrossed bill, line 19, delete the numerals "831,487" and insert in lieu thereof the numerals "781,487"

- On page 1 of the engrossed bill, line 20, delete the numerals "42,975" and insert in lieu thereof the numerals "47,548"
- On page 1 of the engrossed bill, line 22, delete the numerals "4,977,091" and insert in lieu thereof the numerals "5,047,010"
- On page 2 of the engrossed bill, line 4, delete the numerals "5,047,091" and insert in lieu thereof the numerals "5,117,010"
- On page 2 of the engrossed bill, line 5, delete the numerals "5,310,591" and insert in lieu thereof the numerals "5,380,510"
- On page 2 of the engrossed bill, after line 17, insert the following new sections:

"SECTION 4. Budget section authorization - Data processing and accounting systems. The workmen's compensation bureau shall make periodic reports during the 1985-86 interim to the budget section of the legislative council regarding the bureau's progress in the modernization of its data processing and accounting systems. Funding in the amount of \$561,487 for this project is provided in the data processing line item in subdivision 1 of section 1 of this Act. The bureau may expend the funds for such project only upon the approval of the budget section.

SECTION 5. Office of management and budget approval required - Accountant position - Data processing and accounting systems. It is the intent of the legislative assembly that the current unclassified position of executive director at the workmen's compensation bureau be changed to a classified position. Funding in the amount of \$86,849 for salaries and wages and \$561,487 for the data processing and accounting system project provided in the data processing line item in subdivision 1 of section 1 of this Act may be expended by the bureau only after the bureau has certified to the director of the office of management and budget, and subject to the director's approval, that a person has been hired to fill the position who is either a licensed public accountant or a certified public accountant and is qualified and capable of implementing data processing and accounting systems that are modern and efficient.

SECTION 6. State employees - Performance reviews - Pay increases. No agency, department, or institution after January 1, 1987, shall make discretionary pay increases or merit pay increases to the salary of any employee unless a performance review system is in place including, but not limited to, the following:

1. A written job description for all employees, prepared within the last year.
2. A written performance goal prepared within the last year for each employee which is mutually agreed to by the employee and supervisor.
3. A written performance review for each employee prepared within the last year.
4. Annual performance interviews for each employee.

Performance review system - Office of management and budget - Procedures - Guidelines - Establishment. The director of the office of management and budget shall establish procedures and guidelines regarding the implementation and enforcement of the performance review system. The director of the central personnel division, under the supervision of the office of management and budget, shall establish performance review system procedures and guidelines which shall apply to all classified employees. Each agency, department, and institution shall establish a specific performance review program in accordance with such guidelines, and be responsible to administer the program in a uniform and equitable manner."

And renumber the lines, sections, and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Workmen's Compensation Bureau

The salaries and wages line item reflects a net increase of \$59,274 from other funds. Of the total, \$48,881 is a decrease from other funds for the purpose of reclassifying a current Attorney III position as a Legal Assistant II. Funds are provided to allow a starting salary for a Legal Assistant II of \$18,000 a year with a four percent increase the second year of the biennium. This amendment also includes a \$108,155 increase to reflect the addition of a medical claims only examiner, \$39,344, a lost time claims examiner, \$44,821, and a clerk, \$23,990. These amounts include four percent increases in the second year of the biennium for these positions.

The remaining salaries and wages line item allows funds to continue average salary increases of 5.5 percent (\$50 per month minimum) the first year of the biennium and to provide average salary increases of four percent (\$50 per month minimum) the second year of the biennium.

A new section is added regarding Budget Section authorization for the Workmen's Compensation Bureau to make periodic reports during the 1985-86 interim to the

Budget Section regarding the bureau's progress in the modernization of its data processing and accounting systems. Another new section is added which would change the current unclassified position of executive director to a classified Accountant IV position. This position is to be filled by a person qualified to implement the necessary changes to the data processing and accounting systems.

The operating expenses line item is increased by \$56,072 from other funds. Of the total, \$6,072 relates to the three additional positions. The remaining \$50,000 reflects a transfer from the data processing line item to provide funds to continue the consultant services of management services limited in their design of the data processing and accounting system.

The equipment line item is increased by \$4,573 from other funds relating to the three additional positions.

A new section is added to require agencies, departments, or institutions to make performance reviews prior to authorizing discretionary or merit pay increases beginning January 1, 1987.

HOUSE AMENDMENTS TO ENGROSSED SCR 4002

On page 2 of the engrossed resolution, line 1, delete the numerals "1986" and insert in lieu thereof the numerals "1987"

On page 3 of the engrossed resolution, line 2, delete the word and numerals "July 1, 1987" and insert in lieu thereof the word and numerals "January 1, 1988"

On page 3 of the engrossed resolution, line 13, delete the word "implementing" and insert in lieu thereof the words "designing and developing"

And renumber the lines and pages accordingly

ROY GILBREATH, Chief Clerk

MOTION

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

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

MESSAGE TO THE HOUSE SENATE CHAMBER

MR. SPEAKER: I have the honor to transmit herewith the following which the President has signed and your signature is respectfully requested:

SB 2181, SB 2287, SB 2289, SB 2316, SB 2381, SB 2400,
SB 2417, SB 2475, SB 2479, SCR 4011, SCR 4021, SCR 4060,
SCR 4069

LEO LEIDHOLM, Secretary

MESSAGE FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to return herewith the following which the Speaker has signed:

SB 2181, SB 2287, SB 2289, SB 2316, SB 2381, SB 2417,
SB 2475, SB 2479, SCR 4011, SCR 4021, SCR 4060, SCR 4069

ROY GILBREATH, Chief Clerk

REPORT OF PROCEDURAL COMMITTEE

MADAM PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Governor for his approval:

SB 2181, SB 2287, SB 2289, SB 2316, SB 2381, SB 2417,
SB 2475, SB 2479

SEN. BAKEWELL, Chairman

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

REPORT OF PROCEDURAL COMMITTEE

MADAM PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Secretary of State for his filing:

SCR 4011, SCR 4021, SCR 4060, SCR 4069

SEN. BAKEWELL, Chairman

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

MESSAGES TO THE HOUSE
SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has amended:

HB 1638, HCR 3096

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate has adopted the conference committee report on SB 2186, SB 2204, SB 2410, SB 2438, and SB 2464 and subsequently passed the same.

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the President has signed:

HB 1032, HB 1054, HB 1078, HB 1159, HB 1169, HB 1199,
 HB 1202, HB 1207, HB 1218, HB 1221, HB 1266, HB 1296,
 HB 1313, HB 1334, HB 1335, HB 1388, HB 1406, HB 1431,
 HB 1432, HB 1448, HB 1500, HB 1521, HB 1539, HB 1540,
 HB 1545, HB 1571, HB 1635, HB 1646, HCR 3037, HCR 3065
 LEO LEIDHOLM, Secretary

MESSAGE FROM THE HOUSE
 HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following which the House has passed and your favorable consideration is requested on:

HCR 3103, HCR 3104

ROY GILBREATH, Chief Clerk

REVISION AND CORRECTION OF THE JOURNAL

MADAM PRESIDENT: Your Committee on Revision and Correction of the Journal has carefully examined the Journal of the Fifty-fifth day and finds the same to be correct.

SEN. DAVID, Chairman

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

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LODOEN MOVED that the Senate do not concur in the House amendments to SB 2352, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2352:

Sens. Lodoen, Vosper, Matchie

MESSAGE TO THE HOUSE
 SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate does not concur in the House amendments to SB 2009, SB 2028, SB 2249, and SB 2257 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2009: Sens. Naaden, Tweten, Tallackson

SB 2028: Sens. Tennefos, Wenstrom, Walsh

SB 2249: Sens. Streibel, Tweten, Mushik

SB 2257: Sens. Wright, Adams, Satrom

LEO LEIDHOLM, Secretary

MESSAGES FROM THE HOUSE
 HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2036: Reprs. Gunsch, Smette, Graba

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the House does not concur in the Senate amendments to HB 1010, HB 1019, and HB 1035 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1010: Reprs. Unhjem, Lipsiea, Kelly

HB 1019: Reprs. Kuchera, Haugland, O. Solberg

HB 1035: Reprs. Wald, Thompson, G. Berg

ROY GILBREATH, Chief Clerk

REPORTS OF PROCEDURAL COMMITTEE

MADAM PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that they have examined the following bill and find the same correctly engrossed:

SB 2159

SEN. BAKEWELL, Chairman

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

REPORT OF PROCEDURAL COMMITTEE

MADAM PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that they have examined the following bill and find the same correctly enrolled:

SB 2159

SEN. BAKEWELL, Chairman

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

SIGNING OF BILLS AND RESOLUTIONS

THE SECRETARY ANNOUNCED that the President signed the following:

SB 2159

LEO LEIDHOLM, Secretary

MESSAGE TO THE HOUSE

SENATE CHAMBER

MR. SPEAKER: I have the honor to transmit herewith the following which the President has signed and your signature is respectfully requested:

SB 2159

LEO LEIDHOLM, Secretary

THURSDAY, MARCH 28, 1985

1909

MOTION

SEN. NETHING MOVED that the Senate stand in recess until 3:30 p.m., which motion prevailed.

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

REPORT OF PROCEDURAL COMMITTEE

MADAM PRESIDENT: Your Committee on Enrollment and Engrossment respectfully report that the following bills were delivered to the Governor for his approval:

SB 2055, SB 2079, SB 2097, SB 2104, SB 2136, SB 2137,
SB 2163, SB 2202, SB 2205, SB 2238, SB 2266, SB 2290,
SB 2305, SB 2323, SB 2326, SB 2337, SB 2361, SB 2368,
SB 2379, SB 2423, SB 2433, SB 2434

SEN. BAKEWELL, Chairman

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

PRESENTATION OF PETITIONS AND COMMUNICATIONS

State of North Dakota
EXECUTIVE OFFICE
Bismarck

March 28, 1985

The Honorable Ruth Meiers
President of the Senate
Senate Chambers
State Capitol
Bismarck, North Dakota 58505

Dear Madam President:

This is to inform you that on March 27, 1985, I signed the following:

SB 2074, SB 2075, SB 2078, SB 2086, SB 2095, SB 2127,
SB 2144, SB 2164, SB 2194, SB 2234, SB 2275, SB 2282,
SB 2292, SB 2303, SB 2324, SB 2325, SB 2329, SB 2330,
SB 2356, SB 2360, SB 2362, SB 2386, SB 2390, SB 2409,
SB 2444, SB 2471, SB 2478, SB 2081, SB 2200, SB 2406.

Sincerely,

GEORGE A. SINNER
Governor

MESSAGES TO THE HOUSE
SENATE CHAMBER

MR. SPEAKER: I have the honor to transmit herewith the following which the Senate has passed and your favorable consideration is requested on:

SCR 4022

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has passed unchanged:

HB 1458

LEO LEIDHOLM, Secretary

SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has failed to pass:

HB 1394, HCR 3095

LEO LEIDHOLM, Secretary

CENTENNIAL OBSERVANCE

SEN. NOTHING MOVED that the Senate recess the regular business of the session for the purpose of the Centennial Observance, which motion prevailed.

SEN. NOTHING MOVED that the President appoint a committee of two to escort the Honorable Governor George A. Sinner to the rostrum. The motion prevailed and the President appointed as such committee, Senators Lodoen and Mushik. Governor Sinner was escorted to the rostrum.

SEN. NOTHING MOVED that the President appoint a committee of two to escort Chief Justice Ralph Erickstad and Justices Gerald VandeWalle and Herbert Meschke to the rostrum. The motion prevailed and the President appointed as such committee, Senators Olson and Walsh.

The Chief Justice and Justices were escorted to the rostrum.

SEN. NOTHING MOVED that the President appoint a committee of two to escort Mr. John Paulson to the rostrum. The motion prevailed and the President appointed as such committee, Senators Tennefos and Kusler.

Mr. Paulson was escorted to the rostrum.

SEN. NOTHING MOVED that the following remarks of Governor Sinner and John Paulson be printed in the Journal, which motion prevailed.

REMARKS OF GOVERNOR GEORGE SINNER

My distinguished friends, I looked around just now and I remembered that twenty-two years ago I came here as a young legislator and sat in the seat behind John Olson, where Stan Wright is sitting. There were here at that time Senator Berube, Senator Lips, Senator Wenstrom, Senator Lashkowitz, Senator Mutch, and Senator Redlin; I think that's all that were here in that class. I hope I didn't miss anyone. But you know as well as I, and better than I, what distinguished servants of this state these people have been through these twenty-two years. And one of the great honors of my life is to have served with them because they are such remarkable people who have given such an amazing part of their life to public service. In many ways they put into human form the comments that Dr. Robinson who passed away this week made about North Dakota politics. He characterized North Dakota politics, among other things, as being affected by several things: our remoteness; interestingly enough, he highlighted our independence; also very interestingly, our radicalism; and he also talked about our economic disadvantage.

I remember an article that was in the Saturday Evening Post a number of years ago about Bill Langer; it was entitled Wild Bill Langer of North Dakota. The writer talked also of this radicalism from the Plains and said a line that has always struck me as rather interesting--it was a lady writer and I can't recall her name--but the opening sentence was: Bill Langer typifies North Dakota politics. On domestic issues he's a little to the left of the New Deal; on international issues, he's a little to the right of the Chicago Tribune. There was in the article an interesting analysis of the independence, the fierce fighting nature of North Dakota politicians. And I thought in many ways that it was an honor to North Dakota that North Dakota people didn't back away from anybody, over anything, but fought for their ground and usually held it.

Today, a hundred years into the history of legislative action in this state, I think, for me, it's important to realize that what has passed is really only a prologue and that we must go on enriching our experience in legislation and legislative policy and action and, that I must see more clearly than ever before, the policy nature of this body.

While I don't think that we can haphazardly call special sessions, and I don't want to call special sessions unless we have to, and I think we should do everything we can to avoid it, I am perfectly willing to do so and I feel sufficiently comfortable with the leadership of this body on both sides of the aisle, to know that if I need a special session to deal with whatever the issue, I need not hesitate to call it, and believe me I will not.

We are clearly, as has been said too many times probably, in troubled times, but we must face the future together and we must

do it with the least amount of rancor possible. We must present for our state a working team. I'm delighted to be with you on this hundredth anniversary celebration and, believe me, it's a pleasure to work with you. Thank you very much.

REMARKS OF MR. JOHN PAULSON

Thank you, Lieutenant Governor Meiers. My respects to Governor Sinner, members of the Senate, justices of the Supreme Court, and all our friends. Fellow North Dakotans. I come to you as a member of the North Dakota Centennial Commission. We are planning a year-long celebration of the state's 100th anniversary of statehood in 1989.

The commission has asked me to bring to everybody's attention the fact that this legislative session has two important anniversaries of its own to observe.

First, this 1985 meeting marks the 100th anniversary of the first meeting of the Dakota Territorial Legislative Session in Bismarck. The territorial legislature moved here from Yankton to the great consternation of Southern Dakota land developers and railroad operators. They had a sincere belief that Bismarck had been chosen as the site for a new capitol by a capitol removal commission appointed by the 1883 territorial session under some false pretenses, but the new capitol was ready for occupancy for the 1885 meeting.

But if members of that session had had their way there would probably never have been a North Dakota. There would have been just one big state of Dakota with the capitol at Pierre. When that session opened, the southerners were determined to pass a law removing the capitol from Bismarck to Pierre. They worked at it all session long. Ultimately in the early days of March, they passed a bill that would have done just that.

But, fortunately, government is made up of more than just the legislature. The territorial governor, Gilbert Pierce, vetoed that bill. He had sufficient reason: just before the bill had been passed, sheriff Alexander McKenzie of Burleigh County had arrested three representatives of the Northwestern Railroad on charges of offering one legislator a \$1000 bribe so that the southerners could guarantee themselves a two-thirds majority in both chambers in the effort to override the expected veto. Well, the veto came and the two-thirds majority fell apart.

But, if it hadn't been for the executive branch, this session may have been held in Pierre and we would have had a much different history from the one we are going to celebrate in 1989.

The Centennial Commission wants to bring to you these slices of our history because our state's 100th anniversary will be more than just another birthday party.

We hope it will be a year-long salute, a vote of thanks to you legislators who are elected state, county, school, township, and city officials, as well as our judges and justices. These are the men and women who over the years have had the courage and the intestinal fortitude to present themselves to the voters and say in effect, "Elect me, I am the person best qualified to run your government, your schools, your colleges, and courts, and to decide what taxes you must pay." It takes tough-minded individuals to put themselves in that position and North Dakota has needed that kind of elected officials over the years.

I came to this admiration of politicians and officeholders through a long love affair with North Dakota. Both my parents were born in Dakota Territory. My mother would have passed her 100th birthday just last October. My dad came to Bismarck in 1909 as a full-time legislative reporter for the Grand Forks Herald. It was then that he met and became friends with Alexander McKenzie who kept his hand in North Dakota politics until his death in the early 1920's.

The Burleigh County sheriff was properly given credit for organizing the 1883 capitol removal territory commission in favor of Bismarck, according to Dad. Dad came to Bismarck at age twenty-one. Thirty years later at age twenty-three I came to Bismarck in the same capacity for the Forum, to which Dad had switched allegiance.

The effort to move the capitol from Bismarck to Pierre was only one fight that Bismarck had to win. That structure which was initiated as a legislative assembly hall in 1885 was destroyed by a fire on December 28, 1930.

I was fifteen at the time and on that day my Dad put me into the car, drove out to Bismarck and that evening I sat in the den of Governor George Shafer as he and the editor discussed how the 1931 session was going to operate in downtown Bismarck buildings and how the state was going to finance a new capitol.

Those were tough times, the tough decisions were made, but first Bismarck had to defeat an initiated constitutional amendment to move the capitol again, this time to Jamestown. Well, Jamestown didn't have a majority. They were not as well situated as Bismarck. The vote was 170,000 for Bismarck, 24,000 for Jamestown, and the work of building a new capitol went ahead. This structure went up in the first half of the 1930's. Now that was a decade of drought, depression and political turmoil.

The man that Governor Sinner just mentioned, William Langer, was elected governor in 1932. He was removed by the North Dakota Supreme Court in the middle of 1934 because he had been convicted of a federal charge of violating an Act of Congress of soliciting campaign funds from federal employees. The fact that he was acquitted two trials later had no effect on the '34 elections. He was removed from the ballot and a Democrat welcomed the 1935

legislature to open its deliberations in these chambers. That Democrat was Tom Moodie, a reporter-editor from Williston, but he didn't last long. He had failed to maintain his residency for five continuous years before his election as governor and was out of office within six weeks.

So Lieutenant Governor Walter Welford who had been Langer's running mate took over, but now he was an anti-Langer leaguer.

I don't want to go on and describe what everybody was through this time, but the 1935 roster does bring us in touch with some of our more familiar names. Members of the Senate included Milton R. Young who, ten years later, was going to move to Washington and stay in that Senate for thirty-five years.

Over in the House, there was Rep. Franklin Page. He was a standpat Republican then and now. I talked with him recently to get the details on how he engineered a coup in this chamber in 1953 to put the coalition of Democrats (very few of them) and Non-Partison Leaguers in control of the Senate for the first time since about 1935. That coup put long-time NPO minority leader, R. M. Streibel, into position as a majority leader for the first time in his long and honorable career. Yes, R. M. Streibel was the father of our cautious Sen. Bryce Streibel.

There was another representative, Axel Olson of Mountrail County, who also moved to the Senate and has left us his own personal legacy, our Lt. Gov. Ruth Meiers.

Some of the other familiar names included L. L. Twichell whose statue is out in the hall between the two chambers; Math Dahl, long-time commissioner of agriculture; Thomas J. Burke, a member of the House then, and his father was elected to the North Dakota Supreme Court in the same election. After John Burke, three-time governor, Honest John Burke, the man whose statue is out on the mall and in the hall of statues in Washington served as U.S. Treasurer, he came back to the Supreme Court. Then his son Tom succeeded him on that Supreme Court.

1935 brings us in touch with the changing theme of North Dakota politics. All of a sudden we're dealing with the start of today's problems. For instance, the 1933 session, when the depression and droughts were at their worst, passed a two-percent sales tax. It was referred and soundly defeated by the voters by a 3-to-1 margin.

When the members came back here in 1935, they were still a little short of money. They passed another sales tax, they called it property tax relief, and dedicated the money to schools and welfare.

The sales tax is still with us. So is the public welfare board which was created in 1935, and so is the state equalization fund

which distributes state money to the schools. Some of your problems today really had their roots fifty years ago.

There's one other interesting resolution passed by the 1935 Session that called on Congress and President Roosevelt to build a dam on the Missouri River near Garrison and to divert water to the parched prairies of central and eastern North Dakota. Well, the dam is built, diversion is yet to come. Yet we have persevered.

Few of us as individuals expect to reach our 100th birthday, but government is a robust youth at that age. The Centennial Commission has asked both the House and the Senate to name two members to our committee so that we will be well-grounded to prepare the celebration which has to be in place sometime during the 1987 session. You can give us a great start on our celebration and our next 100 years.

I want to thank you all for this opportunity to speak to you from this rostrum. I understand how rare it is that a private citizen gets up to talk from this privileged position. Thank you.

MOTIONS

SEN. NETHING MOVED that the Centennial Observance session be dissolved, which motion prevailed.

SEN. NETHING MOVED that the Senate stand in recess for ten minutes, which motion prevailed.

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

SECOND READING OF HOUSE BILL

HB 1656: A BILL for an Act to create and enact a new section to chapter 25-02, five new sections to chapter 25-04, and a new chapter to title 50 of the North Dakota Century Code, relating to payment and waiver of payment of expenses of care and treatment for patients at the state hospital and Grafton state school and the imposition and collection of fees and expenses by the department of human services; and to repeal chapter 25-09 of the North Dakota Century Code, relating to expenses for care of patients at the state hospital and Grafton state school.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, the roll was called and there were 49 YEAS, 2 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Berube; Christensen; David; Dotzenrod; Freborg; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Kelly; Kilander; Krauter; Kusler; Langley; Lashkowitz; Lips; Lodoen; Maixner; Matchie;

Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mushik; Mutch;
 Naaden; Nelson; Nething; Olson; Parker; Peterson;
 Redlin; Reiten; Satrom; Shea; Stenehjem; Streibel;
 Stromme; Tennefos; Thane; Todd; Vosper; Waldera; Walsh;
 Wenstrom; Wright

NAYS: Tweten; Wogsland

ABSENT AND NOT VOTING: Kelsh; Tallackson

HB 1656 passed and the title was agreed to.

SECOND READING OF HOUSE CONCURRENT RESOLUTIONS

HCR 3094: A concurrent resolution directing the Legislative Council to study the feasibility of and the various means and methods of, as well as the timing involved in, the development and transition to an alternative structure for the higher education system encompassing all state institutions of higher education in the state of North Dakota, and to study admissions and tuition policies for foreign and nonresident students, and that the Legislative Council conduct the study in cooperation with the Board of Higher Education.

Which has been read.

The question being on the final adoption of the resolution.

HCR 3094 was declared adopted on a voice vote.

HCR 3097: A concurrent resolution directing the Legislative Council to study whether there is a need for a medical examiner system in this state, and the feasibility of implementing a medical examiner system that would include the use of a full-time forensic pathologist as chief medical examiner.

Which has been read.

The question being on the final adoption of the resolution.

HCR 3097 was declared adopted on a voice vote.

HCR 3098: A concurrent resolution directing the Legislative Council to study the Uniform Marital Property Act, existing marital property law in this state, and the marital property laws of other states.

Which has been read.

The question being on the final adoption of the resolution.

HCR 3098 was declared adopted on a voice vote.

SECOND READING OF HOUSE BILL

HB 1029: A BILL for an Act making an appropriation for defraying the expenses of the energy development impact office of the state of North Dakota, and providing for a transfer of funds from the lands and minerals trust fund and the coal development impact fund; and to provide for an appropriation - transfer from the coal development impact fund to the general fund.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 49 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Berube; Christensen; David; Freborg; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Kelly; Kilander; Krauter; Kusler; Langley; Lashkowitz; Lips; Lodoen; Maixner; Matchie; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Redlin; Reiten; Satrom; Shea; Stenehjem; Streibel; Stromme; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Walsh; Wenstrom; Wogsland; Wright

NAYS: None

ABSENT AND NOT VOTING: Dotzenrod; Kelsh; Mushik; Tallackson

HB 1029 passed and the title was agreed to.

MOTION

SEN. NETHING MOVED that the vote by which HB 1029 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SEN. PETERSON MOVED that the conference committee report on SB 2062 as printed on page 1858 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2062: A BILL for an Act to amend and reenact section 15-59-07.2 of the North Dakota Century Code, relating to reimbursements made by the superintendent of public instruction for special education boarding care costs; and to repeal section 15-59-07.1 of the North Dakota Century Code, relating to the cost of out-of-state boarding care for handicapped students.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 50 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Berube; Christensen; David; Dotzenrod; Freborg; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Kelly; Kilander; Krauter; Kusler; Langley; Lashkowitz; Lips; Lodoen; Maixner; Matchie; Meyer, D.; Meyer, J.; Meyer, W.; Moore; Mutch; Naaden; Nelson; Nething; Olson; Parker; Peterson; Redlin; Reiten; Satrom; Shea; Stenehjsem; Streibel; Stromme; Tennefos; Thane; Todd; Tweten; Vosper; Waldera; Walsh; Wenstrom; Wogsland; Wright

NAYS: None

ABSENT AND NOT VOTING: Kelsh; Mushik; Tallackson

SB 2062 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. STENEHJEM MOVED that the conference committee report on SB 2260 as printed on pages 1858-1859 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2260: A BILL for an Act to amend and reenact sections 28-14-03.1 and 29-17-12 of the North Dakota Century Code, relating to the size of juries in civil and criminal cases.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 39 YEAS, 12 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Berube; Christensen; David; Dotzenrod; Freborg; Heinrich; Holmberg; Kelly; Kilander; Langley; Lips; Lodoen; Matchie; Meyer, J.;

Meyer, W.; Moore; Naaden; Nelson; Nething; Olson;
 Parker; Peterson; Redlin; Reiten; Satrom; Shea;
 Stenehjerm; Streibel; Stromme; Tennefos; Thane; Todd;
 Tweten; Vosper; Wenstrom; Wogsland; Wright

NAYS: Heigaard; Hilken; Ingstad; Krauter; Kusler;
 Lashkowitz; Maixner; Meyer, D.; Mushik; Mutch; Waldera;
 Walsh

ABSENT AND NOT VOTING: Kelsh; Tallackson

SB 2260 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. PARKER MOVED that the conference committee report on SB 2313 as printed on page 1859 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2313: A BILL for an Act to amend and reenact section 13-01-14 of the North Dakota Century Code, relating to late payment charges on accounts receivable.

Which has been read.

ROLL CALL

The question being on the final passage of the bill, as amended, the roll was called and there were 32 YEAS, 19 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Bakewell; Christensen; David; Freborg;
 Holmberg; Ingstad; Kelly; Kilander; Krauter; Langley;
 Lips; Lodoen; Moore; Mutch; Naaden; Nelson; Nething;
 Olson; Parker; Peterson; Reiten; Shea; Stenehjerm;
 Streibel; Tennefos; Thane; Todd; Tweten; Vosper;
 Wenstrom; Wright

NAYS: Berube; Dotzenrod; Heigaard; Heinrich; Hilken;
 Kusler; Lashkowitz; Maixner; Matchie; Meyer, D.;
 Meyer, J.; Meyer, W.; Mushik; Redlin; Satrom; Stromme;
 Waldera; Walsh; Wogsland

ABSENT AND NOT VOTING: Kelsh; Tallackson

SB 2313 passed and the title was agreed to.

MESSAGES FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to transmit herewith the following which the House has passed and your favorable consideration is requested on:

HCR 3003

ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the House does not concur in the Senate amendments to HB 1638 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1638: Reprs. A. Hausauer, Timm, Richard

ROY GILBREATH, Chief Clerk

MESSAGE TO THE HOUSE
SENATE CHAMBER

MR. SPEAKER: I have the honor to return herewith the following which the Senate has amended:

HB 1029

LEO LEIDHOLM, Secretary

FIRST READING OF HOUSE CONCURRENT RESOLUTION

Legislative Council introduced:

HCR 3003: A concurrent resolution to create a new article V of the Constitution of the State of North Dakota, relating to the executive branch of government, to the election, qualification, and compensation of executive officials, to the powers and duties of the governor, and to gubernatorial succession; to repeal the present article V of the Constitution of the State of North Dakota, relating to the executive branch of government, to the election, qualification, and compensation of executive officials, to the powers and duties of the governor, and to gubernatorial succession; and to provide an effective date.

Was read the first time and referred to the Committee on Joint Constitutional Revision.

MESSAGE TO THE HOUSE
SENATE CHAMBER

MR. SPEAKER: I have the honor to inform you that the Senate does not concur in the House amendments to SB 2352 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2352: Sens. Lodoen, Vosper, Matchie

LEO LEIDHOLM, Secretary

MESSAGE FROM THE HOUSE
HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

SB 2257: Reps. Goetz, A. Hausauer, Schneider
ROY GILBREATH, Chief Clerk

HOUSE CHAMBER

MADAM PRESIDENT: I have the honor to inform you that the Speaker has appointed Representative C. Williams as a replacement conferee for Representative Hoffner on SB 2267.

ROY GILBREATH, Chief Clerk

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2002 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2002:

Sens. Streibel, Tennesfos, Stromme

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2003 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2003:

Sens. Thane, Nelson, Stromme

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2005 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on SB 2005:

Sens. Thane, Nelson, Shea

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2010 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2010:

Sens. Nelson, Tweten, Mushik

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2011 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2011:

Sens. Naaden, Nelson, Stromme

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2014 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2014:

Sens. Tweten, Thane, Walsh

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2019 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2019:

Sens. Tweten, Nelson, Walsh

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2021 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2021:

Sens. Wenstrom, Streibel, Mushik

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2025 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2025:

Sens. Tennefos, Streibel, Walsh

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2029 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2029:

Sens. Thane, Lips, Shea

CONSIDERATION OF MESSAGE FROM THE HOUSE
SEN. LIPS MOVED that the Senate do not concur in the House amendments to SB 2032 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF A CONFERENCE COMMITTEE
THE PRESIDENT APPOINTED as a Conference Committee on SB 2032:

Sens. Tennefos, Wenstrom, Tallackson

APPOINTMENTS OF CONFERENCE COMMITTEES
SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1010, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1010:

Sens. Tennefos, Wenstrom, Tallackson

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1019, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1019:

Sens. Wenstrom, Tweten, Mushik

SEN. LIPS MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1035, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1035:

Sens. Naaden, Streibel, Kusler

REPORTS OF CONFERENCE COMMITTEES

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2223 has had the same under consideration and recommends that the SENATE ACCEDE to the amendments as found on page 1299 of the Senate Journal:

For the Senate: Sens. Kilander, Parker, Lashkowitz

For the House: Reps. Timm, Anderson, Richard

Engrossed SB 2223 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred SB 2245 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on page 1661 of the Senate Journal and that SB 2245 be amended as follows:

On page 1, line 12, after the period insert the following: "A project qualifies as a community service project if it promotes the common good, enhances the social welfare of the community, and benefits an indefinite number of persons. The specific goals of a community service project may be to develop or promote public services in areas such as education, housing, transportation, recreation, crime prevention, fire protection and prevention, safety, and health. Uses that directly benefit a chamber of commerce do not qualify."

And renumber the lines and pages accordingly

For the Senate: Sens. Christensen, Holmberg, Redlin

For the House: Reps. Lindgren, Dalrymple, R. Solberg

SB 2245 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2273 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on pages 1565-1566 of the Senate Journal and that Engrossed SB 2273 be amended as follows:

On page 1 of the engrossed bill, line 1, after the numerals "55-11-04" insert the commas and numerals ", 55-11-05,"

On page 1 of the engrossed bill, line 3, after the word "program" insert the words "and acquisition of nature preserves and natural areas"

On page 1 of the engrossed bill, after line 16, insert the following new section:

"SECTION 2. AMENDMENT. Section 55-11-05 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

55-11-05. Acquisition of nature preserves and natural areas. The department is authorized and empowered, for and on behalf of the state of North Dakota, to acquire nature preserves by gift, devise, ~~or~~ exchange, or purchase, with prior approval of the legislative assembly or governor. The department may acquire the fee simple interest in a natural area or any one or more lesser estates, interests, and rights therein, including, without limitation upon the generality of the foregoing by reason of specification, a leasehold estate, an easement either appurtenant or in gross and either granting the state specified rights of use or denying to the grantor specified rights of use, or both."

On page 1 of the engrossed bill, line 21, overstrike the word "highway", after the word "commissioner" insert the words "of agriculture", and overstrike the word "forest"

On page 1 of the engrossed bill, line 22, delete the comma and words ", and four"

On page 1 of the engrossed bill, delete line 23

On page 1 of the engrossed bill, line 24, delete the words "director of the department"

On page 1 of the engrossed bill, line 25, remove the overstrike over the word "Such", and delete the words "Meetings with these eight advisers must be held at"

On page 1 of the engrossed bill, line 26, delete the words "regular times established by the department. The"

On page 1 of the engrossed bill, line 28, remove the overstrike over the word "shall"

And renumber the lines, sections, and pages accordingly

For the Senate: Sens. Vosper, David, D. Meyer

For the House: Reps. Martinson, Kretschmar, W. Williams

Engrossed SB 2273 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2369 has had the same under consideration and recommends that the SENATE ACCEDE to the amendments as found on pages 1664-1665 of the Senate Journal.

For the Senate: Sens. Christensen, Kelly, Matchie

For the House: Reps. Dalrymple, Gates, DeMers

Engrossed SB 2369 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2411 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on page 1695 of the Senate Journal and that Engrossed SB 2411 be amended as follows:

On page 2 of the engrossed bill, line 12, delete the word "or", delete the words "and then only if the event" and insert in lieu thereof the words "occasional rummage sales including garage sales or other sales for which a sales tax permit is not required, and tourist attractions that derive at least fifty percent of their annual gross sales from seasonal or tourist customers"

On page 2 of the engrossed bill, line 13, delete the words "is sponsored by a hobby, craft, or art organization"

On page 3 of the engrossed bill, line 32, delete the word "Aural" and insert in lieu thereof the words "The sale of aural", and after the period insert the words "Rental of these items is permitted."

On page 4 of the engrossed bill, delete lines 11 through 14 and insert in lieu thereof the following:

"43. Sporting or recreational goods other than those sold or rented on the premises where sports or recreational activities are conducted."

On page 5 of the engrossed bill, line 32, delete the words "of a nongambling nature"

On page 6 of the engrossed bill, line 7, overstrike the word "three" and insert immediately thereafter the word "six"

On page 6 of the engrossed bill, after line 13, insert the following:

"34. Hobby shows, craft shows, fairs, exhibits.

35. Occasional rummage sales, including garage sales or other sales for which a sales tax permit is not required."

On page 6 of the engrossed bill, line 14, delete the words ", fairs, and exhibits"

And renumber the lines, subsections, and pages accordingly

For the Senate: Sens. Mutch, Parker, Krauter
For the House: Reps. Koland, Larson, Dotzenrod

Engrossed SB 2411 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2489 has had the same under consideration and recommends that the HOUSE RECEDE from its amendments as found on page 1666 of the Senate Journal and that Engrossed SB 2489 be amended as follows:

That the House recede from its amendments to Engrossed Senate Bill No. 2489 as found on page 2051 of the House Journal and page 1666 of the Senate Journal, and that Engrossed Senate Bill No. 2489 be amended as follows:

On page 1 of the engrossed bill, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to amend and reenact subsection 2 of section 53-06.1-03 and subdivision b of subsection 3 of section 53-06.1-03 of the North Dakota Century Code, relating to licensing of organizations conducting games of chance; and to provide an effective date.

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

SECTION 1. AMENDMENT. Subsection 2 of section 53-06.1-03 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. The attorney general shall license such organizations which conform to the requirements of this chapter by issuing licenses as follows:
 - a. A class A license to an eligible organization licensed as a retail alcoholic beverage dealer in North Dakota that maintains a building for the use of its members and guests, and that offers meals or liquor or both as part of its operation.
 - b. A class B license to any other eligible organization. The attorney general may deny a class B license to an otherwise eligible organization if the organization is connected, directly or indirectly, to the holder of a North Dakota retail alcoholic beverage license.

- c. A class C license to an eligible organization that conducts games of chance on not more than two occasions per year, regardless of whether that organization is licensed as a retail alcoholic beverage dealer in this state.
- d. The attorney general shall establish by rule no more than two additional classes of licenses based on the frequency of gaming, the types of games of chance conducted by the eligible organization, and the adjusted gross proceeds collected or expected to be collected by the eligible organization.

SECTION 2. AMENDMENT. Subdivision b of subsection 3 of section 53-06.1-03 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

- b. ~~Class B license~~ License applicants must first secure approval of the proposed site or sites on which it intends to conduct games of chance under this chapter from the governing body of the city, if within city limits, or the county, if outside city limits, where the site or sites are located. This approval or permit, which may be granted at the discretion of the governing body, must accompany the license application to the attorney general. The governing body may charge a one hundred dollar fee for this permit, which the organization may deduct from its tax liability under section 53-06.1-12 for the year in which the permit fee is paid.

SECTION 3. EFFECTIVE DATE. This Act becomes effective on July 1, 1986."

And renumber the lines and pages accordingly

For the Senate: Sens. Holmberg, Stenehjem, Maixner
 For the House: Reps. Dalrymple, Cleveland, Shockman

Engrossed SB 2489 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred SCR 4051 has had the same under consideration and recommends that the SENATE ACCEDE to the amendments as found on pages 1703-1705 of the Senate Journal:

For the Senate: Sens. Wright, Kilander, Satrom

For the House: Reps. Kent, Gates, Enget

SCR 4051 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1168 has had the same under consideration and recommends that the HOUSE ACCEDE to the amendments as found on pages 1237-1238 of the Senate Journal.

For the Senate: Sens. Stenehjem, Christensen, Heinrich
For the House: Reps. D. Olsen, Gates, DeMers

Engrossed HB 1168 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Conference Committee to which was referred HB 1614 has had the same under consideration and recommends that the SENATE RECEDE from its amendments as found on page 951 of the Senate Journal and that HB 1614 be amended as follows:

That the Senate recede from its amendments as found on page 951 of the Senate Journal and page 1615 of the House Journal and that House Bill No. 1614 be amended as follows:

On page 1, line 14, after the word "has" insert the word "also"

On page 1, line 18, delete the words "two-year and four-year", and after the word "office" insert the words "not to exceed four years"

On page 1, line 19, delete the words "as will" and insert in lieu thereof the period and words ". Such a combination must"

On page 1, line 20, after the word "number" insert the words "and length", and delete the word "alike" and insert in lieu thereof the words "to be elected during the next three election years."

On page 1, line 21, delete the word "which" and insert in lieu thereof the words "The members'", and delete the word "to" and insert in lieu thereof the words "and must"

And renumber the lines and pages accordingly

For the Senate: Sens. Peterson, Bakewell, Heinrich
For the House: Reps. Tollefson, R. Pederson, Hoffner

HB 1614 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

REPORTS OF STANDING COMMITTEES

MADAM PRESIDENT: Your Committee on Appropriations to which was referred SB 2511 has had the same under consideration and recommends that the same DO PASS.

SEN. LIPS, Chairman

SB 2511 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Industry, Business and Labor to which was referred SCR 4073 has had the same under consideration and recommends that the same DO PASS.

SEN. REITEN, Chairman

SCR 4073 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was referred HB 1002 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 16, delete the numerals "4,310,174" and insert in lieu thereof the numerals "4,673,046"

On page 1 of the engrossed bill, line 17, delete the numerals "2,152,977" and insert in lieu thereof the numerals "2,406,197"

On page 1 of the engrossed bill, line 18, delete the numerals "361,511" and insert in lieu thereof the numerals "405,834"

On page 1 of the engrossed bill, line 19, delete the numerals "85,885" and insert in lieu thereof the numerals "99,643"

On page 1 of the engrossed bill, line 20, delete the numerals "411,360,246" and insert in lieu thereof the numerals "414,263,324"

On page 2 of the engrossed bill, line 1, delete the numerals "492,661,723" and insert in lieu thereof the numerals "496,238,974"

On page 2 of the engrossed bill, line 2, delete the numerals "103,616,911" and insert in lieu thereof the numerals "103,991,414"

On page 2 of the engrossed bill, line 3, delete the numerals "389,044,812" and insert in lieu thereof the numerals "392,247,560"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Department of Public Instruction

Increases totaling \$667,256 are made to the following line items for the administrative expenses of the Department of Public Instruction:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salaries and wages	\$ 62,578	\$293,377	\$355,955
Operating expenses	172,094	81,126	253,220
Data processing	44,323	0	44,323
Equipment	<u>13,758</u>	<u>0</u>	<u>13,758</u>
Total	\$292,753	\$374,503	\$667,256

The general fund increase of \$292,753 is to restore some of the funding deleted in the original executive budget and by the House, and to provide adequate state funds to match available federal dollars. The increase to the salaries and wages line item (\$62,578) provides funds for 1.5 FTE positions, of which one FTE is for school evaluation and .5 FTE is for adult education.

The increase in other funds of \$374,503 (federal funds \$341,568, other funds \$32,935) is primarily to give the department the authority to receive and expend additional federal dollars that were recently made available. The increase to the salaries and wages line item (\$293,377) provides funds for 4.4 FTE positions, of which 2.5 FTE's are for special education programs, .65 FTE is to restore a reduction made in the House to the special education program, .75 FTE is for the Indian education unit (to work with sex equity programs), and .5 FTE is for adult education.

The salaries and wages line item is also increased by \$6,917 from the general fund to provide an annual salary of \$47,000 for the Superintendent of Public Instruction.

The remaining salaries and wages line item allows funds to continue the cost of average salary increases of 5.5 percent for the first year and to provide average salary increases of four percent for the second year of the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

The grants - foundation aid line item is increased by \$2,903,078 from the general fund to reflect the following:

1. Per-pupil payments of \$1,408 in 1985-86 and \$1,443 in 1986-87, based on weighted units of 127,584 in 1985-86 and 129,155 in 1986-87.

2. Tuition fund distribution of \$47,895,000 in 1985-87, which reflects estimated payments of \$195 per census unit in each year of the biennium (same as in engrossed House Bill No. 1002).
3. Total transportation payments of \$40,068,810, which is based on the current transportation rates.
4. A total 20-mill deduct of \$39,709,423, which is \$659,050 less than in engrossed House Bill No. 1002.

A comparison of the grants - foundation aid line item as amended to the original and revised executive budget and engrossed House Bill No. 1002 line items is shown as follows:

GRANTS - FOUNDATION AID				
PROPOSED SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002				
	HB 1002			Proposed
	Original	Revised		Senate
	Executive	Executive	Engrossed	Amendments to
	Budget	Budget	HB 1002	Engrossed
	<u>Budget</u>	<u>Budget</u>	<u>HB 1002</u>	<u>HB 1002</u>
<u>Per-pupil payments:</u>				
Original executive budget				
1985-86 - \$1,406 - 128,907	\$378,745,728			
weighted units				
1986-87 - \$1,502 - 131,493				
weighted units				
Revised executive budget				
1985-86 - \$1,354 - 127,584		\$360,199,071		
weighted units				
1986-87 - \$1,457 - 128,655				
weighted units				
Engrossed HB 1002				
1985-86 - \$1,370 - 127,584			\$366,031,205	
weighted units				
1986-87 - \$1,475 - 129,655				
weighted units				
Proposed HB 1002				
1985-86 - \$1,408 - 127,524				\$366,008,937
weighted units				
1986-87 - \$1,443 - 129,155				
weighted units				
<u>Transportation payments:</u>				
Original executive budget				
Provides a slight increase in current rates	41,511,714			
Revised executive budget				
Recommends no change in current rates		40,047,124		
Engrossed HB 1002				
Recommends no change in current rates; provides a reduction due to limiting the payments to school districts to 100 percent of five-year average actual costs			37,802,514	
Proposed HB 1002				
Recommends no change in current rates				40,068,810

	HB 1002 Original Executive Budget	Revised Executive Budget	Engrossed HB 1002	Proposed Senate Amendments to Engrossed HB 1002
<u>Tuition Distribution:</u>				
Original executive budget				
Estimates payments per census unit of \$195 for each year	\$ 47,895,000			
Revised executive budget				
Provides a carryover of \$31 per unit from 1984-85 to 1985-86 resulting in payments of \$226 the first year and \$195 the second year		\$ 51,770,600		
Engrossed HB 1002				
Estimates payments per census unit of \$195 for each year			\$ 47,895,000	
Proposed HB 1002				
Estimates payments per census unit of \$195 for each year				\$ 47,895,000
Total	\$468,152,452	\$452,016,795	\$451,728,719	\$453,972,747
Less: 20-mill district levy	<u>(42,432,000)</u>	<u>(40,873,704)</u>	<u>(40,368,473)</u>	<u>(39,709,423)</u>
Total grants - foundation aid line item	\$425,720,452	\$411,143,091	\$411,360,246	\$414,263,324
Less: Tuition distribution fund	<u>(47,895,000)</u>	<u>(51,770,600)</u>	<u>(47,895,000)</u>	<u>(47,895,000)</u>
Federal revenue sharing	<u>(187,000)</u>	<u>(187,000)</u>	<u>(187,000)</u>	<u>(187,000)</u>
Total general fund - foundation program	<u>\$377,638,452</u>	<u>\$359,185,491</u>	<u>\$363,278,246</u>	<u>\$366,181,324</u>

SEN. LIPS, Chairman

HB 1002 was placed on the 6th order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was referred HB 1006 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 17, delete the numerals "3,355,193" and insert in lieu thereof the numerals "3,405,193"

On page 1 of the engrossed bill, after line 17, insert the following new line:

"Postage revolving fund 10,000"

On page 1 of the engrossed bill, line 18, delete the numerals "625,000" and insert in lieu thereof the numerals "615,000"

- On page 1 of the engrossed bill, line 20, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"
- On page 1 of the engrossed bill, line 21, delete the numerals "9,809,712" and insert in lieu thereof the numerals "8,270,224"
- On page 1 of the engrossed bill, line 22, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"
- On page 1 of the engrossed bill, line 23, delete the numerals "7,303,934" and insert in lieu thereof the numerals "7,353,934"
- On page 2 of the engrossed bill, line 3, delete the numerals "10,599,681" and insert in lieu thereof the numerals "10,649,681"
- On page 2 of the engrossed bill, line 4, delete the numerals "5,800,084" and insert in lieu thereof the numerals "4,210,596"
- On page 2 of the engrossed bill, line 5, delete the numerals "16,399,765" and insert in lieu thereof the numerals "14,860,277"
- On page 2 of the engrossed bill, line 14, delete the numerals "2,505,778" and insert in lieu thereof the numerals "916,290"

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Director of Institutions

The operating expenses line item is increased by \$50,000 from the general fund to provide funds for the provisions of Senate Bill No. 2417, relating to the guardianship of the superintendent of Grafton State School.

A new line item entitled "postage revolving fund" is added in the amount of \$10,000 with a corresponding decrease to the institutional medical fees line item to provide a general fund supplement to the postage revolving fund due to the increase in postage costs.

The capital improvements line item is decreased by \$1,589,488 from the Capitol building fund. This reflects the deletion of \$1,639,488 for the renovation of the old State Office Building, and the addition of \$50,000 for improvements to the electrical wiring and window insulation at the old State Office Building.

The salaries and wages line item allows funds to continue the cost of average salary increases of 5.5 percent for the first year and to provide average salary increases of four percent for the second year of the biennium, with funds to provide a minimum increase of \$50 per month for each year of the biennium.

SEN. LIPS, Chairman

HB 1006 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was referred HB 1009 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

- On page 1 of the engrossed bill, line 2, after the word "services" insert the words ", state hospital,"
- On page 1 of the engrossed bill, line 4, after the semicolon insert the words "providing legislative intent regarding medical assistance payment determinations;"
- On page 1 of the engrossed bill, line 20, delete the numerals "19,529,935" and insert in lieu thereof the numerals "19,601,276"
- On page 1 of the engrossed bill, line 21, delete the numerals "8,027,175" and insert in lieu thereof the numerals "8,102,175"
- On page 1 of the engrossed bill, line 23, delete the numerals "404,098,965" and insert in lieu thereof the numerals "424,357,934"
- On page 1 of the engrossed bill, line 24, delete the numerals "475,832,512" and insert in lieu thereof the numerals "496,237,822"
- On page 1 of the engrossed bill, line 25, delete the numerals "294,843,725" and insert in lieu thereof the numerals "305,183,162"
- On page 1 of the engrossed bill, line 26, delete the numerals "180,988,787" and insert in lieu thereof the numerals "191,054,660"
- On page 2 of the engrossed bill, line 11, delete the numerals "5,973,826" and insert in lieu thereof the numerals "5,937,715"
- On page 2 of the engrossed bill, line 15, delete the numerals "44,848,956" and insert in lieu thereof the numerals "44,812,845"

- On page 2 of the engrossed bill, line 16, delete the numerals "13,412,207" and insert in lieu thereof the numerals "13,393,107"
- On page 2 of the engrossed bill, line 17, delete the numerals "31,436,749" and insert in lieu thereof the numerals "31,419,738"
- On page 2 of the engrossed bill, line 26, delete the numerals "212,632,028" and insert in lieu thereof the numerals "222,680,890"
- On page 2 of the engrossed bill, line 27, delete the numerals "310,100,253" and insert in lieu thereof the numerals "320,420,590"
- On page 2 of the engrossed bill, line 28, delete the numerals "522,732,281" and insert in lieu thereof the numerals "543,101,480"
- On page 3 of the engrossed bill, after line 26, insert the following new section:

"SECTION 7. LEGISLATIVE INTENT. The legislative assembly recognizes the need to achieve the effective limitation of costs while providing for payment rates which are reasonable and adequate to meet the costs which must be incurred by efficiently and economically operated facilities in order to provide care and services in conformity with applicable state and federal laws, regulations, and quality and safety standards. It is the intent of the legislative assembly that Senate Concurrent Resolution No. 4002 not be regarded as a deterrent to the achievement of these recognized needs. It is the further intent of the legislative assembly that the department seek to achieve cost savings through a variety of waiver options to certain requirements for the state plan for medical assistance benefits, including, but not limited to, competitive bidding for certain services, primary case management systems, restriction of specialty services to designated providers, central broker services, restriction of recipient-free choice, preferred provider-type innovations to providing services, the use of a drug formulary, and the introduction of rate limitation methodologies which may represent approved or approvable amendments to the state plan."

And renumber the lines and pages accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Department of Human Services

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The operating expenses line item is increased by \$71,341 from the general fund to provide funds for implementation of Senate Bill No. 2417 relating to guardianship of developmentally disabled persons.

The data processing line item is increased by \$75,000, \$37,500 from the general fund and \$37,500 from other funds, to provide funds for implementation of Senate Concurrent Resolution No. 4002 relating to revisions to the Medicaid reimbursement system.

The grants, benefits, and claims line item is adjusted as follows:

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total Funds</u>
Amount in Engrossed House Bill No. 1009	\$145,089,285	\$259,009,680	\$404,098,965
Adjustments:			
1. Add funds to provide 0% increases in AFDC payments, reflect February 1985 caseload base, and allow a caseload increase of 20 per month	\$ 1,285,714	\$ 2,263,004	\$ 3,548,718
2. Add funds to reflect revised medical assistance caseload projections, reflect February 1985 caseload base, and allow an increase in medical assistance eligibles of 98 per month	4,599,250	8,607,914	13,207,164
3. Add funds for revisions in the reimbursement of long- term care facilities	67,940	108,840	176,780
4. Adjust funding for develop- mentally disabled appropri- ation to provide 0% annual inflationary increases and include funds for one 15-bed MSLA facility	804,128	(677,821)	126,307
5. Restore funds for the low income home energy assistance program used in the House version of House Bill No. 1009 for the social services block grants	3,200,000		3,200,000

Total adjustments to grants line item	\$ 9,957,032	\$ 10,301,937	\$ 20,258,969
Grants line item as amended	\$155,046,317	\$269,311,617	\$424,357,934

A new section is added to provide legislative intent regarding the department limiting medical assistance costs and encouraging efficient and economical long-term care facilities. The section encourages the department to seek Medicaid waivers from the federal government from several requirements in the state plan for medical assistance.

State Hospital

The salaries and wages line item provides for the continuation of a 5.5 percent increase the first year of the biennium (\$50/month minimum) and a four percent increase the second year of the biennium (\$50/month minimum).

The operating expenses line item is decreased by \$36,111 from the general fund to reflect lower natural gas usage.

The estimated income line item is decreased by \$19,100 with a corresponding increase in the general fund appropriation to reflect Land Department revised estimates of the distribution from the interest and income account.

SEN. LIPS, Chairman

HB 1009 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was referred HB 1011 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 18, delete the numerals "1,150,000" and insert in lieu thereof the numerals "1,304,809"

On page 1 of the engrossed bill, line 19, delete the numerals "2,844,567" and insert in lieu thereof the numerals "2,999,376"

On page 1 of the engrossed bill, line 20, delete the numerals "843,304" and insert in lieu thereof the numerals "961,113"

On page 1 of the engrossed bill, line 21, delete the numerals "2,001,263" and insert in lieu thereof the numerals "2,038,263"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

State Library

The grants line item is increased \$154,809 with a corresponding increase in estimated income to reflect North Dakota's share of the Library Services and Construction Act Title II funds, requiring a 50 percent match by local libraries utilizing the funds.

The estimated income line item is reduced by \$37,000, with a corresponding increase in the general fund to reflect accurately the amount of federal funds anticipated.

The salaries and wages line item allows funds to continue average salary increases of 5.5 percent the first year of the biennium and average salary increases of four percent the second year of the biennium. Funds are allowed to provide a minimum increase of \$50 per month for each year of the biennium. The salary increases are to be based on merit, performance, or equity adjustments, and are not intended to be across-the-board salary increases.

SEN. LIPS, Chairman

HB 1011 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was rereferred HB 1189 has had the same under consideration and recommends that the same DO NOT PASS.

SEN. LIPS, Chairman

HB 1189 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was rereferred HB 1404 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 1, after the words "A BILL" delete the remainder of the bill and insert in lieu thereof the following: "for an Act to adopt the Family Farm Survival Act of 1985 and to provide participation in short-term loans to farmers and agribusinesses; to create and enact a new section to chapter 4-36 of the North Dakota Century Code, relating to a bond reserve fund; to amend and reenact section 4-36-03, subsection 6 of section 4-36-04, sections 4-36-06, 4-36-07, 4-36-08, 4-36-12, 4-36-24, and 4-36-25, relating to the Agricultural Development Act; to provide appropriations; and to declare an emergency.

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

SECTION 1. Short title. This Act may be known as the Family Farm Survival Act of 1985.

SECTION 2. Definitions. In sections 1 through 7 of this Act, unless the context or subject matter otherwise requires:

1. "Agribusiness" means a locally owned business operation, located within this state, which provides goods or services to rural areas, as further defined by rule of the industrial commission.
2. "Farmer" means a resident of this state who owns or operates an existing farm or ranch operation, as further defined by rule of the industrial commission.
3. "Operating loan" means a loan or extension of credit with a term of one year or less made by a nongovernmental financial institution to a farmer or agribusiness for the operation of an existing farm or ranch operation or agribusiness. An operating loan includes a farmer's home administration or small business administration subordinated operating loan and guaranteed operating loan, and may be further defined by rule of the industrial commission.

SECTION 3. Operating loans - Participation by the Bank of North Dakota.

1. The Bank of North Dakota shall make available an appropriate amount of funds to purchase participation interests in operating loans to farmers and agribusinesses. Interest charged on a participation interest purchased by the Bank under this section may not exceed eight percent per annum, plus necessary and reasonable fees as determined by the industrial commission.
2. The amount of a participation interest purchased by the Bank under this section may not be greater than sixty-five percent of the loan amount or two hundred thousand dollars, whichever is less. The term of any participation interest purchased under this section may not exceed one year.
3. The Bank may not purchase a participation interest in a loan under this section until verification is received establishing that the farmer has obtained crop and hail insurance which has been assigned to the primary lender, or that

adequate insurance, as determined by the Bank, has been obtained by the agribusiness.

SECTION 4. Participation loans by private financial institutions.

1. The portion of the operating loan retained by a nongovernmental financial institution may not bear interest at an effective rate more than four percentage points per annum higher than the average rate payable on United States treasury bills maturing during the twenty-six weeks preceeding the date of the loan commitment adjusted quarterly, to qualify for participation by the Bank of North Dakota.
2. The Bank of North Dakota's purchase of a participation interest shall be with recourse against the originating financial institution only to the extent of ninety percent of the total operating loan. The Bank may have no recourse as to ten percent of the total operating loan.
3. All participation interests purchased are subject to the review and approval of the Bank.
4. The full amount of a loan qualifying for participation must be evidenced by one master note drawn by the financial institution to reflect both interest rates and to provide a schedule of payments to the financial institution and the Bank of North Dakota based upon pro rata shares of the loan participation.

SECTION 5. Interest buydown.

1. There is hereby established an interest rate buydown fund to be maintained by the industrial commission at the Bank of North Dakota.
2. The industrial commission may buydown or reduce the interest paid by a farmer or agribusiness on the Bank's portion of the participation operating loans by up to an additional five percentage points a year below the amount provided in section 3 of this Act.
3. Any interest buydown provided under this section must be repaid by the farmer or agribusiness not later than July 1, 1991, under terms approved by the Bank of North Dakota and pursuant to rules adopted by the industrial commission. Money collected under this subsection must be deposited

in the fire and tornado fund in the state treasury.

SECTION 6. Agribusinesses. Not more than twenty percent of all participation interests purchased by the Bank of North Dakota under sections 1 through 7 of this Act may be in loans for agribusinesses.

SECTION 7. Rules. The industrial commission may adopt such rules and guidelines as are necessary to implement sections 1 through 6 of this Act.

SECTION 8. AMENDMENT. Section 4-36-03 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-03. **Terms defined.** As used in this chapter, unless the context otherwise requires:

1. "Agriculture or agricultural enterprise" means and includes, but is not limited to, the real and personal property constituting farms, ranches, and other agricultural commodity producers; agriculturally related sewage, liquid and solid waste collection, disposal, treatment, and drainage services, and facilities; and agriculturally related antipollution and air, water, ground, and subsurface pollution abatement and control facilities and services.
2. "Bonds" means any bonds, notes, debentures, interim certificates, bond, grant and revenue anticipation notes, or any other evidences of indebtedness.
3. "Commission" means the industrial commission of North Dakota created pursuant to section 54-17-01.
4. "Contracting party" means any party to a lease, sales contract, or loan agreement except the commission.
5. "Lender" means any federal or state chartered bank, federal land bank, production credit association, bank for cooperatives, savings and loan association, building and loan association, small business investment company, or any other institution qualified within the state to originate and service loans, including, but not limited to, insurance companies, credit unions, and mortgage loan companies.

6. "Loan insurer" and "loan guarantor" mean an agency, department, administration, or instrumentality, corporate or otherwise, of or in the department of housing and urban development, the farmers home administration of the department of agriculture or the veterans administration of the United States of America, any private mortgage insurance company, or any other public or private agency which insures or guarantees loans.
7. "Operating loan" means an operating loan as defined under section 2 of this Act.
8. "State" means the state of North Dakota.

SECTION 9. AMENDMENT. Subsection 6 of section 4-36-04 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

6. Enter into agreements with any department, agency, or instrumentality of the United States of America or this state and with lenders and enter into loan agreements with contracting parties for the purpose of planning, regulating, and providing for the financing and refinancing of any agricultural enterprise or an operating loan.

SECTION 10. AMENDMENT. Section 4-36-06 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-06. Commission - Loans to lenders - Conditions. The commission may make, and undertake commitments to make, loans to lenders under terms and conditions requiring the proceeds thereof to be used by such lenders to make operating loans and loans for agricultural enterprises. Loan commitments or actual loans shall be originated through and serviced by any bank, trust company, savings and loan association, mortgage banker or other financial institution authorized to transact business in this state.

SECTION 11. AMENDMENT. Section 4-36-07 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-07. Commission - Invest in, purchase, or assign loans - Conditions. The commission may invest in, purchase, or make commitments to take assignments of, operating loans and loans made by lenders for the construction, rehabilitation or purchase of agricultural enterprises. No loan shall be eligible for investment in, purchase, or assignment by the commission if the loan was made more than six months prior

to the date of investment, purchase, or assignment by the commission.

SECTION 12. AMENDMENT. Section 4-36-08 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-08. Commission - Lender's requirements. Prior to exercising any of the powers authorized in sections 4-36-06 and 4-36-07, the commission shall require the lender to certify and agree that:

1. The loan is, or if the same has not been made will, at the time of making, be in all respects a prudent investment; and
2. Such lender will use the proceeds of such loan, investment, sale, or assignment within a reasonable period of time to make loans or purchase operating loans or loans to provide agricultural enterprises, or, if such lender has made a commitment to make operating loans or loans to provide agricultural enterprises on the basis of a commitment from the commission to purchase such loans, such lender will make such loans and sell the same to the commission within a reasonable period of time.

SECTION 13. AMENDMENT. Section 4-36-12 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-12. Commission - Bond issuance - Special obligations - How paid and secured. Bonds issued under this chapter shall not be payable from nor charged upon any funds other than the revenue pledged to the payment thereof, nor shall the commission be subject to any liability thereon. Such bonds shall not constitute a charge, lien, or encumbrance, legal or equitable, upon any property of the commission, except those agricultural enterprises, or portions thereof, mortgaged or otherwise encumbered under the provisions and for the purposes of this chapter. The bonds may be additionally secured by a pledge of any grant, contribution, or guarantee from the federal government, the state, or any corporation, association, institution, or person.

SECTION 14. AMENDMENT. Section 4-36-24 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-24. Bank of North Dakota - Authorization to exercise administrative powers - Payment of commission expenses - Reimbursement - Liability of state or political subdivision. The

commission may delegate to the Bank of North Dakota, and the Bank of North Dakota is hereby authorized to exercise, all administrative powers granted to the commission under this chapter. The Bank of North Dakota is further authorized to advance from its funds the amount necessary to permit the commission to issue ~~its first series of~~ bonds under this chapter which shall be refunded to the Bank of North Dakota by the commission upon issuance of said bonds. Thereafter, all expenses incurred by the commission in carrying out the provisions of this chapter shall be payable solely from funds provided under this chapter, and nothing in this chapter shall be construed to authorize the commission to incur indebtedness or liability on behalf of or payable by this state or any political subdivision of it.

SECTION 15. AMENDMENT. Section 4-36-25 of the 1983 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

4-36-25. Commission - Bonds exempt from taxation - Exception. All bonds issued under this chapter, interest payable thereon and income derived therefrom except inheritance, estate, and transfer taxes, shall at all times be exempt from all taxes imposed by this state, any county, any city, or any other political subdivision of this state. Bonds may be issued under this chapter whereby the interest on the bonds is subject to federal income taxation.

SECTION 16. A new section to chapter 4-36 of the North Dakota Century Code is hereby created and enacted to read as follows:

Reserve fund.

1. The commission may establish and maintain a reserve fund and may deposit moneys appropriated by the state for the purpose of the fund, all proceeds of bonds required to be deposited in the fund by terms of any contracts between the commission and its bondholders or any resolution of the commission pertaining to proceeds of bonds, moneys or funds of the commission which it determines to deposit, and moneys made available to the commission for the purposes of the fund from any other source, and may transfer funds from the interest rate buydown fund established in section 5 of this Act. Moneys in the reserve fund must be held and applied solely to the payment of the interest on and the principal of bonds and sinking fund payments as the payments become due and payable and for the retirement of bonds, including the payment of any redemption

premium required to be paid when any bonds are redeemed or retired prior to maturity.

2. The commission may certify to the legislative assembly such amounts as are necessary to maintain the fund at a level necessary to secure the payment of the principal, premium, if any, and interest on its bonds.

SECTION 17. APPROPRIATION. There is hereby appropriated out of any moneys in the fire and tornado fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much thereof as may be necessary, to the interest rate buydown fund for the period beginning upon the effective date of this Act, and ending June 30, 1987. Upon expiration of this appropriation, the funds which remain in the interest rate buydown fund must be returned to the fire and tornado fund. Any interest generated from the interest rate buydown fund must be transferred to the fire and tornado fund upon expiration of this appropriation. The industrial commission shall by rule establish the priority of applications for interest rate buydowns under this Act, if appropriations are not sufficient to make loans to all applicants.

SECTION 18. APPROPRIATION. There is hereby appropriated out of any moneys in the fire and tornado fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much thereof as may be necessary, to the interest rate buydown fund for the period beginning July 1, 1986, and ending June 30, 1987. Upon expiration of this appropriation, the funds which remain in the interest rate buydown fund must be returned to the fire and tornado fund. Any interest generated from the interest rate buydown fund must be transferred to the fire and tornado fund upon expiration of this appropriation. The industrial commission shall by rule establish the priority of applications for interest rate buydowns under this Act, if appropriations are not sufficient to make loans to all applicants.

SECTION 19. EMERGENCY. This Act is hereby declared to be an emergency measure and is in effect from and after its passage and approval."

And renumber the lines, sections, and pages accordingly
SEN. LIPS, Chairman

HB 1404 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Appropriations to which was referred HB 1526 has had the same under consideration and

recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1 of the engrossed bill, line 13, delete the numerals "100,000" and insert in lieu thereof the numerals "250,000"

On page 1 of the engrossed bill, line 14, delete the numerals "105,000" and insert in lieu thereof the numerals "255,000"

And renumber the lines accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Educational Broadcasting Council

The grants line item is increased by \$150,000 from the general fund to provide increased general fund support.

SEN. LIPS, Chairman

HB 1526 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Natural Resources to which was referred HB 1655 has had the same under consideration and recommends that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

On page 1, line 1, delete the words "a new", and delete the second word "to" and insert in lieu thereof the numeral and word "3 of"

On page 1, line 9, delete the words "A new subsection to" and insert in lieu thereof the words "Subsection 3 of"

On page 1, line 12, before the word "If" insert the numeral "3."

On page 1, line 18, delete the word "two" and insert in lieu thereof the word "one"

On page 1, line 19, delete the second word "and"

On page 1, line 20, delete the word "completion"

On page 1, line 22, after the period insert the following: "A risk penalty may not be assessed against an unleased mineral interest and is in addition to any costs assessed under subsection 1."

And renumber the lines and pages accordingly

SEN. MOORE, Chairman

HB 1655 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM PRESIDENT: Your Committee on Joint Constitutional Revision to which was referred HCR 3003 has had the same under consideration and recommends that the same DO PASS AS AMENDED by the House upon recommendation of the Joint Constitutional Revision Committee.

On page 2, delete lines 15 through 17 and insert in lieu thereof the words "The tax commissioner must be elected on a no-party ballot and must be nominated and elected in the manner now provided for the nomination and election of the superintendent of public instruction."

On page 2, line 21, after the comma insert the words "tax commissioner,"

On page 4, line 14, after the word "resolution" insert the words "or as provided by law"

On page 4, line 20, after the word "pardons" insert the words "as provided by law"

On page 4, line 21, delete the words "in a manner" and insert in lieu thereof the word "as"

On page 5, line 10, delete the words "veto items in an appropriation bill" and insert in lieu thereof the words "disapprove of any item or items, or part or parts of any bill making appropriations of money or property embracing distinct items"

On page 5, after line 27, insert the following new section:

"SECTION 10. A new section to a new article V of the Constitution of the State of North Dakota is hereby created and enacted to read as follows:

Any governor of this state who asks, receives, or agrees to receive any bribe upon any understanding that the governor's official opinion, judgment, or action shall be influenced thereby, or who gives or offers, or promises the governor's official influence in consideration that any member of the legislative assembly shall give the member's official vote or influence on any particular side of any question or matter upon which the member may be required to act in the member's official capacity, or who menaces any member by the threatened use of the governor's veto power, or who offers or promises any member that the governor will appoint any particular person or persons to any office created or thereafter to be created, in consideration that any member shall give the member's official vote or influence on any matter pending or thereafter to be introduced into either house of the legislative assembly, or who threatens any member that the governor will remove any person or persons from office or position with intent in any manner to influence the action of that member, must

be punished in the manner now, or that may hereafter be, provided by law, and upon conviction thereof forfeits all right to hold or exercise any office of trust or honor in this state."

And renumber the lines, sections, and pages accordingly
SEN. WENSTROM, Cochairman

HCR 3003 was placed on the Fourteenth order of business on the calendar for the succeeding legislative day.

MOTION

SEN. NETHING MOVED that at the conclusion of the Fifth order of business, the Seventh order of business and after the reading of SB 2511, SCR 4073, HB 1189, and HCR 3003, the Senate adjourn and convene at 9:00 a.m., Friday, March 29, 1985, which motion prevailed.

LEO LEIDHOLM, Secretary