

JOURNAL OF THE HOUSE

Fifty-first Legislative Assembly

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Bismarck, February 9, 1989

The House convened at 1:00 p.m., with Acting Speaker A. Olson presiding.

The prayer was offered by Rev. Walter Schott, Rural United Methodist Church, Mandan.

The roll was called and all Representatives were present, except Representatives V. Thompson, Whalen, and Speaker Kretschmar.

A quorum was declared by Acting Speaker A. Olson.

CORRECTION and REVISION of the JOURNAL (Rep. V. Olson, Chairman)
MADAM SPEAKER: Your Committee on Correction and Revision of the Journal has carefully examined the Journal of the Twenty-sixth Day and finds it to be correct.

REP. HAUGEN MOVED that the report be adopted, which motion prevailed.

DOCTOR OF THE DAY SCHEDULE

February 10:	Jane D. Dietz, MD	- Family Practice	Fargo
February 13:	Erling D. Martinson, MD	- Family Practice	Valley City
February 14:	Ralph J. Dunnigan, MD	- Internal Medicine	Bismarck
February 15:	Paul D. Olson, MD	- FP Resident	Bismarck
February 16:	Louise A. Murphy, MD	- FP Resident	Bismarck
February 17:	Albert F. Samuelson, MD	- Psychiatry	Bismarck

MOTION

REP. KLOUBEC MOVED that the rules be suspended and that the committee reports on HB 1049, HB 1186, HB 1352, HB 1499, HB 1564, HB 1613, HB 1638, HB 1644, and HB 1646 recommending amendments on the Sixth order of business on the legislative calendar of the Twenty-seventh Day be adopted, which motion prevailed.

SIXTH ORDER OF BUSINESS

REP. A. HAUSAUER MOVED that the amendments to HB 1049 as recommended by the Committee on Finance and Taxation as printed on pages 610-613 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1049 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. WHALEN MOVED that the amendments to HB 1186 as recommended by the Committee on Industry, Business and Labor as printed on page 613 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1186 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. WENTZ MOVED that the amendments to HB 1352 as recommended by the Committee on Judiciary as printed on page 614 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1352 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. A. HAUSAUER MOVED that the amendments to HB 1499 as recommended by the Committee on Finance and Taxation as printed on page 616 of the House Journal be adopted, and when so adopted, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION.

HB 1499 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. WENTZ MOVED that the amendments to HB 1564 as recommended by the Committee on Judiciary as printed on page 617 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1564 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. A. HAUSAUER MOVED that the amendments to HB 1613 as recommended by the Committee on Finance and Taxation as printed on pages 617-618 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1613 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. A. HAUSAUER MOVED that the amendments to HB 1638 as recommended by the Committee on Finance and Taxation as printed on pages 618-619 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1638 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. WENTZ MOVED that the amendments to HB 1644 as recommended by the Committee on Judiciary as printed on page 619 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

HB 1644 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. A. HAUSAUER MOVED that the amendments to HB 1646 as recommended by the Committee on Finance and Taxation as printed on pages 619-621 of the House Journal be adopted, and when so adopted, recommends the same be rereferred to the Committee on Appropriations WITHOUT RECOMMENDATION.

HB 1646 was rereferred to the Committee on Appropriations.

REP. A. HAUSAUER MOVED that the amendments to HB 1029 as recommended by the Committee on Finance and Taxation as printed on page 610 of the House Journal be adopted, and when so adopted, recommends the same DO PASS.

REQUEST

REP. KINGSBURY REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to HB 1029, which request was granted.

ROLL CALL

The question being on the motion to adopt the amendments to HB 1029, the roll was called and there were 52 YEAS, 49 NAYS, 5 ABSENT AND NOT VOTING.

YEAS: Aas; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Christman; Dalrymple; Dorso; Gates; Gerntholz; Goetz; Gorman; Gunsch; Hanson, O.; Haugen; Hausauer, A.; Hausauer, R.; Howard; Jensen; Kingsbury; Kloubec; Kneill; Kouba; Larson, D.; Larson, R.; Lindgren; Martin; Martinson; Melby; Nicholas; Olsen, D.; Olson, A.; Olson, V.; Payne; Rydell; Schatz; Schindler; Schmidt; Shaft; Shide; Smette; Soukup; Stenehjem; Thompson, K.; Timm; Tokach; Tollefson; Trautman; Urlacher; Wald; Wentz

NAYS: Aarsvold; Anderson, B.; Brokaw; Carlson; Clayburgh; DeMers, J.; DeMers, P.; Enget; Flaagan; Frey; Gerhardt; Gerl; Gilmore; Graba; Halmrast; Hanson, L.; Haugland; Hoffner; Hokana; Huether; Kaldor; Kelly; Kolbo; Lang; Laughlin; Marks; Mertens; Murphy; Nelson; Ness; Nowatzki; Oban; O'Shea; Ring; Scherber; Schneider; Shockman; Skjerven; Solberg; Sorensen; Starke; Stofferahn; Tomac; Ulmer; Vander Vorst; Watne; Wilkie; Williams, A.; Williams, W.

ABSENT AND NOT VOTING: Myrdal; Peterson; Thompson, V.; Whalen; Speaker Kretschmar

The motion to adopt the amendments to HB 1029 passed.

HB 1029 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

REP. A. HAUSAUER MOVED that the amendments to HB 1415 as recommended by the Committee on Finance and Taxation as printed on pages 614-616 of the House Journal be adopted, and when so adopted, recommends the same DO PASS and be rereferred to the Committee on Appropriations, which motion prevailed.

HB 1415 was rereferred to the Committee on Appropriations.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary)

MADAM SPEAKER: The Senate has passed and your favorable consideration is requested on: SB 2031, SB 2059, SB 2067, SB 2077, SB 2078, SB 2159, SB 2168, SB 2173, SB 2262, SB 2268, SB 2292, SB 2365, SB 2410, SB 2425, SB 2437, SB 2455, SB 2465, SB 2476, SB 2492.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HB 1015, HB 1192, HB 1198, HB 1199, HB 1339, HB 1354, HB 1391, HB 1434, HB 1483, HB 1521, HB 1631.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)

MR. PRESIDENT: The House has adopted the conference committee report on SCR 4027 and subsequently passed the same.

HOUSE ENGROSSING REPORT

The following bills were engrossed: HB 1032, HB 1074, HB 1123, HB 1124, HB 1184, HB 1275, HB 1276, HB 1471, HB 1505, HB 1532.

SECOND READING OF HOUSE BILL

HB 1074: A BILL for an Act to create and enact two new subsections to section 52-01-01, a new section to chapter 52-02, and a new section to chapter 52-06 of the North Dakota Century Code, relating to reading

requirements of applicants for unemployment compensation; to amend and reenact section 52-06-01 of the North Dakota Century Code, relating to eligibility for unemployment compensation benefits; and to provide a deadline for the adoption of rules by job service North Dakota.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 28 YEAS, 74 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Aas; Belter; Berg, R.; Bernstein; Dalrymple; Dorso; Gorman; Hanson, O.; Haugen; Hausauer, R.; Kloubec; Lang; Larson, R.; Lindgren; Myrdal; Nicholas; Olson, A.; Payne; Shaft; Shide; Sorensen; Soukup; Stenehjelm; Thompson, K.; Timm; Tollefson; Wald; Wentz

NAYS: Aarsvold; Anderson, B.; Anderson, R.; Berg, G.; Brokaw; Carlson; Christman; Clayburgh; DeMers, J.; DeMers, P.; Enget; Flaagan; Frey; Gates; Gerhardt; Gerl; Gerntholz; Gilmore; Goetz; Graba; Gunsch; Halmrast; Hanson, L.; Haugland; Hausauer, A.; Hoffner; Hokana; Howard; Huether; Jensen; Kaldor; Kelly; Kingsbury; Knell; Kolbo; Kouba; Larson, D.; Laughlin; Marks; Martin; Martinson; Melby; Mertens; Murphy; Nelson; Ness; Nowatzki; Oban; Olsen, D.; Olson, V.; O'Shea; Ring; Rydell; Schatz; Scherber; Schindler; Schmidt; Schneider; Shockman; Skjerven; Smette; Solberg; Starke; Stofferahn; Tokach; Tomac; Trautman; Ulmer; Urlacher; Vander Vorst; Watne; Wilkie; Williams, A.; Williams, W.

ABSENT AND NOT VOTING: Peterson; Thompson, V.; Whalen; Speaker Kretschmar

HB 1074 lost.

MOTION

REP. KLOUBEC MOVED that SB 2279 be placed at the head of the calendar, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2279: A BILL for an Act providing an appropriation for defraying the expenses of the department of human services' service payments to the elderly and disabled program; and declaring an emergency.

ROLL CALL

The question being on the final passage of the bill, which has been read, the roll was called and there were 102 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Aas; Anderson, B.; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Brokaw; Carlson; Christman; Clayburgh; Dalrymple; DeMers, J.; DeMers, P.; Dorso; Enget; Flaagan; Frey; Gates; Gerhardt; Gerl; Gerntholz; Gilmore; Goetz; Gorman; Graba; Gunsch; Halmrast; Hanson, L.; Hanson, O.; Haugen; Haugland; Hausauer, A.; Hausauer, R.; Hoffner; Hokana; Howard; Huether; Jensen; Kaldor; Kelly; Kingsbury; Kloubec; Knell; Kolbo; Kouba; Lang; Larson, D.; Larson, R.; Laughlin; Lindgren; Marks; Martin; Martinson; Melby; Mertens; Murphy; Myrdal; Nelson; Ness; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Ring; Rydell; Schatz; Scherber; Schindler; Schmidt; Schneider; Shaft; Shide; Shockman; Skjerven; Smette; Solberg; Sorensen; Soukup; Starke; Stenehjelm; Stofferahn; Thompson, K.; Timm;

Tokach; Tollefson; Tomac; Trautman; Ulmer; Urlacher; Vander Vorst; Wald; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: None

ABSENT AND NOT VOTING: Peterson; Thompson, V.; Whalen; Speaker Kretschmar

SB 2279 passed, the title was agreed to, and the emergency clause carried.

REQUEST

REP. R. ANDERSON REQUESTED that the record show that Rep. V. Thompson was absent due to a business emergency at home, which request was granted.

SECOND READING OF HOUSE BILL

HB 1123: A BILL for an Act relating to the rescission of long-term care insurance policies; and to amend and reenact sections 26.1-36-37, 26.1-45-06, and 26.1-45-07, and subsection 2 of section 26.1-45-09 of the North Dakota Century Code, relating to guaranteed renewability coverage of preexisting conditions, prior institutionalization requirements for long-term care insurance benefits, levels of care reimbursed by long-term care insurance policies, and outlines of coverage.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 101 YEAS, 0 NAYS, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Aas; Anderson, B.; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Carlson; Christman; Clayburgh; Dalrymple; DeMers, J.; DeMers, P.; Dorso; Enget; Flaagan; Frey; Gates; Gerhardt; Gerl; Gerntholz; Gilmore; Goetz; Gorman; Graba; Gunsch; Halmrast; Hanson, L.; Hanson, O.; Haugen; Hausauer, A.; Hausauer, R.; Hoffner; Hokana; Howard; Huether; Jensen; Kaldor; Kelly; Kingsbury; Kloubec; Knell; Kolbo; Kouba; Lang; Larson, D.; Larson, R.; Laughlin; Lindgren; Marks; Martin; Martinson; Melby; Mertens; Murphy; Myrdal; Nelson; Ness; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Peterson; Ring; Rydell; Schatz; Scherber; Schindler; Schmidt; Schneider; Shaft; Shide; Shockman; Skjerven; Smette; Solberg; Sorensen; Soukup; Starke; Stenehjelm; Stofferahn; Thompson, K.; Timm; Tokach; Tollefson; Tomac; Trautman; Ulmer; Urlacher; Vander Vorst; Wald; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: None

ABSENT AND NOT VOTING: Brokaw; Haugland; Thompson, V.; Whalen; Speaker Kretschmar

HB 1123 passed and the title was agreed to.

MOTION

REP. MARTIN MOVED that the House reconsider its action whereby HB 1404 failed to pass for want of a Constitutional majority, which motion prevailed on a verification vote.

SECOND READING OF HOUSE BILL

HB 1404: A BILL for an Act to amend and reenact section 11-10-02 of the North Dakota Century Code, relating to appointment of state's attorneys in counties having a population of eight thousand or fewer.

ROLL CALL

The question being on the final passage of the bill, which has been read, the roll was called and there were 70 YEAS, 33 NAYS, 3 ABSENT AND NOT VOTING.

YEAS: Aas; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Christman; Dalrymple; Dorso; Flaagan; Gates; Gerhardt; Gerl; Gerntholz; Goetz; Gorman; Graba; Gunsch; Halmrast; Hanson, O.; Haugen; Haugland; Hausauer, A.; Hausauer, R.; Hoffner; Howard; Kingsbury; Kloubec; Knell; Kouba; Lang; Larson, D.; Larson, R.; Laughlin; Lindgren; Martin; Melby; Murphy; Nelson; Ness; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Peterson; Rydell; Schatz; Scherber; Schmidt; Shaft; Shide; Skjerven; Smette; Solberg; Sorensen; Soukup; Stenehjem; Thompson, K.; Timm; Tokach; Tollefson; Tomac; Trautman; Ulmer; Urlacher; Wald; Watne

NAYS: Aarsvold; Anderson, B.; Brokaw; Carlson; Clayburgh; DeMers, J.; DeMers, P.; Enget; Frey; Gilmore; Hanson, L.; Hokana; Huether; Jensen; Kaldor; Kelly; Kolbo; Marks; Martinson; Mertens; Myrdal; Nicholas; Ring; Schindler; Schneider; Shockman; Starke; Stofferahn; Vander Vorst; Wentz; Wilkie; Williams, A.; Williams, W.

ABSENT AND NOT VOTING: Thompson, V.; Whalen; Speaker Kretschmar

HB 1404 passed and the title was agreed to.

THE HOUSE RECOGNIZED THE PRESENCE OF:

Former Representative Clarence P. "Pete" Loewen

MOTION

REP. WILKIE MOVED that the House reconsider its action whereby HB 1036 failed to pass.

REQUEST

REP. W. WILLIAMS REQUESTED a recorded roll call vote on the motion to reconsider the action whereby HB 1036 failed to pass, which request was granted.

ROLL CALL

The question being on the motion to reconsider the action whereby HB 1036 failed to pass, the roll was called and there were 62 YEAS, 38 NAYS, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Anderson, B.; Berg, G.; Brokaw; Carlson; Clayburgh; DeMers, J.; DeMers, P.; Enget; Flaagan; Frey; Gerhardt; Gerl; Gilmore; Graba; Halmrast; Hanson, L.; Haugland; Hausauer, A.; Hoffner; Hokana; Huether; Kaldor; Kelly; Kolbo; Kouba; Laughlin; Marks; Martin; Martinson; Mertens; Murphy; Nelson; Ness; Nicholas; Nowatzki; Oban; O'Shea; Peterson; Ring; Rydell; Schatz; Scherber; Schindler; Schneider; Shaft; Shockman; Skjerven; Solberg; Starke; Stenehjem; Stofferahn;

Tollefson; Tomac; Trautman; Ulmer; Urlacher; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: Aas; Anderson, R.; Belter; Berg, R.; Bernstein; Christman; Dalrymple; Dorso; Gates; Gerntholz; Goetz; Gorman; Gunsch; Hanson, O.; Haugen; Hausauer, R.; Howard; Jensen; Kingsbury; Knell; Lang; Larson, D.; Larson, R.; Lindgren; Melby; Olsen, D.; Olson, A.; Olson, V.; Schmidt; Shide; Smette; Sorensen; Soukup; Thompson, K.; Timm; Tokach; Vander Vorst; Wald

ABSENT AND NOT VOTING: Kloubec; Myrdal; Payne; Thompson, V.; Whalen; Speaker Kretschmar

So the motion to reconsider the action whereby HB 1036 failed to pass prevailed.

SECOND READING OF HOUSE BILLS

HB 1036: A BILL for an Act to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to insurance benefits for part-time employees; and to provide an effective date.

ROLL CALL

The question being on the final passage of the bill, which has been read, the roll was called and there were 56 YEAS, 46 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Anderson, B.; Berg, G.; Brokaw; Carlson; Clayburgh; DeMers, J.; DeMers, P.; Flaagan; Frey; Gerhardt; Gerl; Gilmore; Goetz; Graba; Halmrast; Hanson, L.; Haugland; Hausauer, A.; Hoffner; Hokana; Huether; Kaldor; Kelly; Kolbo; Kouba; Laughlin; Marks; Martin; Martinson; Mertens; Murphy; Nelson; Ness; Nowatzki; Oban; O'Shea; Ring; Rydell; Schatz; Scherber; Schindler; Schneider; Shockman; Solberg; Starke; Stofferahn; Tollefson; Tomac; Trautman; Ulmer; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: Aas; Anderson, R.; Belter; Berg, R.; Bernstein; Christman; Dalrymple; Dorso; Enget; Gates; Gerntholz; Gorman; Gunsch; Hanson, O.; Haugen; Hausauer, R.; Howard; Jensen; Kingsbury; Knell; Lang; Larson, D.; Larson, R.; Lindgren; Melby; Myrdal; Nicholas; Olsen, D.; Olson, A.; Olson, V.; Payne; Peterson; Schmidt; Shaft; Shide; Skjerven; Smette; Sorensen; Soukup; Stenehjelm; Thompson, K.; Timm; Tokach; Urlacher; Vander Vorst; Wald

ABSENT AND NOT VOTING: Kloubec; Thompson, V.; Whalen; Speaker Kretschmar

HB 1036 passed and the title was agreed to.

HB 1124: A BILL for an Act to create and enact a new subsection to section 26.1-36-32 and a new section to chapter 26.1-36 of the North Dakota Century Code, relating to standards for medicare supplement insurance policies and noncustodial care coverage; and to amend and reenact subsection 4 of section 26.1-36-31 and section 26.1-36-34 of the North Dakota Century Code, relating to the definition of medicare supplement insurance policies and medicare supplement insurance policy loss ratio standards.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 102 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Aas; Anderson, B.; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Brokaw; Carlson; Christman; Clayburgh; Dalrymple; DeMers, J.; DeMers, P.; Dorso; Enget; Flaagan; Frey; Gates; Gerhardt; Gerl; Gerntholz; Gilmore; Goetz; Gorman; Graba; Gunsch; Halmrast; Hanson, L.; Haugen; Haugland; Hausauer, A.; Hausauer, R.; Hoffner; Hokana; Howard; Huether; Jensen; Kaldor; Kelly; Kingsbury; Kloubec; Knell; Kolbo; Kouba; Lang; Larson, D.; Larson, R.; Laughlin; Lindgren; Marks; Martin; Martinson; Melby; Mertens; Murphy; Myrdal; Nelson; Ness; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Peterson; Ring; Rydell; Schatz; Scherber; Schindler; Schmidt; Schneider; Shaft; Shide; Shockman; Skjerven; Smette; Solberg; Sorensen; Soukup; Starke; Stenehjem; Stofferahn; Thompson, K.; Timm; Tokach; Tollefson; Tomac; Trautman; Ulmer; Urlacher; Vander Vorst; Wald; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: None

ABSENT AND NOT VOTING: Hanson, O.; Thompson, V.; Whalen; Speaker Kretschmar

HB 1124 passed and the title was agreed to.

MOTION

REP. KLOUBEC MOVED that the rules be suspended and that SB 2279 be messaged to the Senate immediately, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1275: A BILL for an Act to amend and reenact subdivision 1 of subsection 9 of section 26.1-04-03 of the North Dakota Century Code, relating to unfair insurance claim settlement practices.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 102 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Aas; Anderson, B.; Anderson, R.; Belter; Berg, G.; Berg, R.; Bernstein; Brokaw; Carlson; Christman; Clayburgh; Dalrymple; DeMers, J.; DeMers, P.; Dorso; Enget; Flaagan; Frey; Gates; Gerhardt; Gerl; Gerntholz; Gilmore; Goetz; Gorman; Graba; Gunsch; Halmrast; Hanson, L.; Hanson, O.; Haugen; Haugland; Hausauer, A.; Hausauer, R.; Hoffner; Hokana; Howard; Huether; Jensen; Kaldor; Kelly; Kingsbury; Kloubec; Knell; Kolbo; Kouba; Lang; Larson, D.; Larson, R.; Laughlin; Lindgren; Marks; Martin; Martinson; Melby; Mertens; Murphy; Myrdal; Nelson; Ness; Nicholas; Nowatzki; Oban; Olsen, D.; Olson, A.; Olson, V.; O'Shea; Payne; Peterson; Ring; Rydell; Schatz; Scherber; Schindler; Schmidt; Schneider; Shaft; Shide; Skjerven; Smette; Solberg; Sorensen; Soukup; Starke; Stenehjem; Stofferahn; Thompson, K.; Timm; Tokach; Tollefson; Tomac; Trautman; Ulmer; Urlacher; Vander Vorst; Wald; Watne; Wentz; Wilkie; Williams, A.; Williams, W.

NAYS: Shockman

ABSENT AND NOT VOTING: Thompson, V.; Whalen; Speaker Kretschmar

HB 1275 passed and the title was agreed to.

REQUEST

REP. R. ANDERSON REQUESTED that the record show that Rep. Whalen was absent as he was attending a funeral, which request was granted.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)

MR. PRESIDENT: The House has passed unchanged: SB 2279.

MESSAGE to the HOUSE from the SENATE (Patricia Conrad, Secretary)

MADAM SPEAKER: The Senate has passed unchanged: HCR 3030.

MOTIONS

REP. R. ANDERSON MOVED that the absent members be excused, which motion prevailed.

REP. R. ANDERSON MOVED that the House be on the Fifth order of business, and at the conclusion of the Fifth order, the House stand adjourned until 12:30 p.m., Friday, February 10, 1989, which motion prevailed.

REPORTS OF STANDING COMMITTEES

MADAM SPEAKER: Your Committee on Appropriations (Rep. Peterson, Chairman) to which was rereferred HB 1058 has had the same under consideration and recommends by a vote of 19 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

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

Page 12, remove lines 12 through 18

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment deletes the \$787,160 general fund appropriation to the Department of Human Services for developing a program of protective services for vulnerable adults. Section 14 of the engrossed bill provides that implementation of the Act by the Department of Human Services and county social service boards is contingent upon the appropriation, therefore, these agencies would not be required to implement the provisions of the Act requiring additional department funds.

HB 1058 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1132 has had the same under consideration and recommends by a vote of 9 YEAS, 8 NAYS, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 12, after "to" insert "be used only for academic purposes by"

Page 1, line 15, overstrike "to"

Renumber accordingly

HB 1132 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HB 1230 has had the same under consideration and recommends by a vote of 10 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS and be rereferred to the Committee on Appropriations:

Page 1, line 8, replace "Nontenure-track" with "Unless otherwise prohibited by federal law, nontenure-track"

Renumber accordingly

HB 1230 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1290 has had the same under consideration and recommends by a vote of 11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

HB 1290 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Judiciary (Rep. Wentz, Chairman) to which was referred HB 1292 has had the same under consideration and recommends by a vote of 10 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION:

Page 1, line 5, after "chance" insert "; and to declare an emergency"

Page 2, line 20, after the underscored period insert "No competitor in a calcutta pool may be under eighteen years of age."

Page 2, after line 20, insert:

"SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Renumber accordingly

HB 1292 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on State and Federal Government (Rep. Martinson, Chairman) to which was referred HB 1332 has had the same under consideration and recommends by a vote of 13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 1, remove "section 18-09-02.1,"

Page 1, line 2, remove the comma

Page 1, line 3, remove "and the installation of"

Page 1, remove line 4

Page 1, line 5, remove "commercial buildings"

Page 1, remove lines 7 through 15

Page 2, line 12, replace the second "the" with "an American gas association--"

Page 2, line 13, after "type" insert "and installed in accordance with national fire protection association pamphlets 54 and 58"

ReNUMBER accordingly

HB 1332 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1373 has had the same under consideration and recommends by a vote of 15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING that the same DO PASS.

HB 1373 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HB 1410 has had the same under consideration and recommends by a vote of 15 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 2, line 3, after "adopted" insert "or selected"

Page 2, line 7, after "developing" insert "or selecting"

Page 2, line 19, replace "made" with "that are", replace "by" with "at either", after "institution" insert "or at some other location within the city in which the institution is located", and remove "Each"

Page 2, remove lines 20 and 21

Page 3, line 8, remove "institution's"

Page 3, line 9, replace the first "program" with "programs" and after "and" insert "of the institution's"

Page 3, after line 13, insert:

- "9. The tuition for any student to participate in a remedial course or program provided by an institution must be borne by the school district the student attended during grades nine through twelve. If a student attended more than one school district during grades nine through twelve, the school districts the student attended must share the cost of tuition based on the length of time the student was registered in each school district. Continued enrollment by the student at the institution is conditioned upon payment of the tuition by the school district."

Renumber accordingly

HB 1410 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on State and Federal Government (Rep. Martinson, Chairman) to which was referred HB 1436 has had the same under consideration and recommends by a vote of 9 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 2, remove "restrictions on purchases of"

Page 1, line 3, replace "optical disc equipment and services," with "and"

Page 1, line 4, remove ", and admissibility of optical data reproductions in evidence"

Page 1, remove lines 11 through 15

Page 1, line 16, after "rules" insert "and standards" and replace "may" with "shall"

Page 1, line 17, after "rules" insert "and standards"

Page 1, line 18, replace the first comma with "and", remove ", and city", and after the period insert "Standards adopted by the records administrator must include procedures to meet legal requirements for admissibility as evidence, proper records management practices, proper storage of records, and proper copying and storage of long-term and archival records."

Page 1, remove lines 19 through 22

Page 2, remove lines 1 through 3

Renumber accordingly

HB 1436 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Judiciary (Rep. Wentz, Chairman) to which was referred HB 1438 has had the same under consideration and recommends by a vote of 11 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS and be rereferred to the Committee on Appropriations:

Page 1, line 2, replace "within" with "administered by"

Page 2, line 12, remove "regional"

Page 2, line 13, remove "within each service region"

Page 2, line 15, remove "the regional human services"

Page 2, line 16, remove "center or" and remove "in each of"

Page 2, remove line 17

Page 2, line 18, remove "department of human services"

Page 2, line 19, remove "in that region"

Page 2, line 19, after the period insert "The public guardianship program must use a priority case acceptance system to target services to those who face the most imminent risk of serious injury or death."

Page 2, line 20, remove "regional"

Page 2, line 21, remove "regional"

Page 2, line 26, remove "regional"

Page 3, line 1, remove "regional"

Page 3, line 4, remove "regional"

Page 3, line 7, remove "regional"

Page 3, line 13, remove "regional"

Page 3, line 19, remove "regional"

Page 3, line 26, remove "regional"

Page 4, line 1, remove "regional"

Page 4, line 2, after "guardian" insert ". If a potential successor cannot assume the duties of guardian because of the inability to pay the costs of guardianship proceedings, the public guardianship program may pay any costs of the initial proceeding and subsequent proceedings which are not waived by the court"

Page 4, line 3, remove "regional"

Page 4, line 8, remove "regional"

Re-number accordingly

HB 1438 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1468 has had the same under consideration and recommends by a vote of 15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING that the same DO PASS.

HB 1468 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1496 has had the same under consideration and recommends by a vote of 15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING that the same DO PASS.

HB 1496 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Appropriations (Rep. Peterson, Chairman) to which was rereferred HB 1504 has had the same under consideration and recommends by a vote of 21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same be rereferred to the Committee on Human Services and Veterans Affairs:

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

Page 1, line 3, remove "appropriation"

Page 3, remove lines 23 through 29

Reumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment deletes Section 6 which appropriated \$600,000 from the general fund to the Superintendent of Public Instruction for the implementation of career development and guidance programs and to employ a program coordinator and support staff.

HB 1504 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1510 has had the same under consideration and recommends by a vote of 14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

HB 1510 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1513 has had the same under consideration and recommends by a vote of 11 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 12, remove the overstrike over "one"

Page 1, line 13, remove the overstrike over "~~and one-half~~" and remove "three-fourths of one"

Page 2, line 7, remove the overstrike over "one"

Page 2, line 8, remove the overstrike over "~~and one-half~~" and remove "three-fourths of one"

Reumber accordingly

HB 1513 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1539 has had the same under consideration and recommends by a vote of 14 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 7, line 13, replace "the" with "an"

Page 7, line 14, remove "of the tribe of the enrolled tribal member"

Renumber accordingly

HB 1539 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1544 has had the same under consideration and recommends by a vote of 11 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

HB 1544 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1546 has had the same under consideration and recommends by a vote of 11 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact chapter 57-40.7 of the North Dakota Century Code, relating to imposition of an excise tax on telecommunications services; to amend and reenact subsections 7, 8, and 9 of section 57-39.2-01, subdivision b of subsection 1 of section 57-39.2-02.1, and subsection 2 of section 57-39.2-18 of the North Dakota Century Code, relating to sales tax definitions and removal of references to communications from the sales tax laws; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsections 7, 8, and 9 of section 57-39.2-01 of the North Dakota Century Code, without the amendments made by section 2 of chapter 687 of the 1987 Session Laws, are hereby amended and reenacted to read as follows:

7. "Retail sale" or "sale at retail" means the sale, including the leasing or renting, to a consumer or to any person for any purpose, other than for processing or for resale, of tangible personal property; the sale of steam, or gas, and ~~communication~~ service to retail consumers or users; the ordering, selecting, or aiding a customer to select any goods, wares, or merchandise from any price list or catalog, which the customer might order, or be ordered for such customer to be shipped directly to such customer; the sale or furnishing of hotel, motel, or tourist court accommodations, tickets, or admissions to any place of amusement, athletic event, or place of entertainment including the playing of any machine for amusement or entertainment in response to the use of a coin; and the sales of magazines and other periodicals. By the term "processing" is meant any tangible personal property including containers which it is intended, by means of fabrication, compounding, manufacturing, producing, or germination shall become an integral or an ingredient, or

component part of other tangible personal property intended to be sold ultimately at retail. The sale of an item of tangible personal property for the purpose of incorporating it in or attaching it to real property shall be considered as a sale of tangible personal property for a purpose other than for processing; the delivery of possession within the state of North Dakota of tangible personal property by a wholesaler or distributor to an out-of-state retailer who does not hold a North Dakota retail sales tax permit or to a person who by contract incorporates such tangible personal property into, or attaches it to, real property situated in another state shall not be considered a taxable sale if such delivery of possession would not be treated as a taxable sale in that state. As used in this subsection the word "consumer" shall include any hospital, infirmary, sanatorium, nursing home, home for the aged, or similar institution that furnishes services to any patient or occupant. The sale of an item of tangible personal property to a purchaser who rents or leases it to a person under a finance leasing agreement over the term of which the property will be substantially consumed shall be considered a retail sale if the purchaser elects to treat it as such by paying or causing the transferor to pay the sales tax thereon to the commissioner on or before the last day on which payments may be made without penalty as provided in section 57-39.2-12.

8. "Retailer" includes every person engaged in the business of leasing or renting hotel, motel, or tourist court accommodations, and every person engaged in the business of selling tangible goods, wares, or merchandise at retail, or furnishing of steam, or gas, and communication services, or tickets or admissions to places of amusement, entertainment, and athletic events including the playing of any machine for amusement or entertainment in response to the use of a coin, or magazines, or other periodicals; and shall include any person as herein defined who by contract or otherwise agrees to furnish for a consideration a totally or partially finished product consisting in whole or in part of tangible personal property subject to the sales tax herein provided, and all items of tangible personal property entering into the performance of such contract as a component part of the product agreed to be furnished under said contract shall be subject to the sales tax herein provided and the sales tax thereon shall be collected by the contractor from the person for whom the contract has been performed in addition to the contract price agreed upon, and shall be remitted to the state in the manner provided in this chapter; and shall include the state or any municipality furnishing steam, or gas, or communication service to members of the public in its proprietary capacity. For the purpose of this chapter, retailer shall also include every clerk, auctioneer, agent, or factor selling tangible personal property owned by any other retailer.
9. "Sale" means any transfer of title or possession, exchange or barter, conditional or otherwise, in any manner or by any means whatever, for a consideration, and includes the furnishing or service of steam, or gas, or communication, the

furnishing of hotel, motel, or tourist court accommodations, the furnishing of tickets or admissions to any place of amusement, athletic event, or place of entertainment including the playing of any machine for amusement or entertainment in response to the use of a coin, and sales of magazines and other periodicals. Provided, the words "magazines and other periodicals" as used in this subsection do not include newspapers nor magazines or periodicals that are furnished free by a nonprofit corporation or organization to its members or because of payment by its members of membership fees or dues.

SECTION 2. AMENDMENT. Subdivision b of subsection 1 of section 57-39.2-02.1 of the North Dakota Century Code, without the amendments made by section 3 of chapter 687 of the 1987 Session Laws, is hereby amended and reenacted to read as follows:

b. The furnishing or service of gas, ~~communications services,~~ or steam other than steam used for processing agricultural products.

SECTION 3. AMENDMENT. Subsection 2 of section 57-39.2-18 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

2. Any person who shall sell tangible personal property, tickets or admissions to places of amusement, and athletic events, or steam, or gas, and communication service at retail in this state after his permit shall have been revoked, or without procuring a permit within sixty days after the effective date of this chapter, as provided in section 57-39.2-14, or who shall violate the provisions of section 57-39.2-09, and the officers of any corporation who shall so act, shall be guilty of a class A misdemeanor.

SECTION 4. Chapter 57-40.7 of the North Dakota Century Code is hereby created and enacted to read as follows:

57-40.7-01. Definitions. As used in this chapter, unless the context or subject matter requires otherwise:

1. "Amount paid" means the amount charged to the taxpayer's service address in this state regardless of where the amount is billed or paid.
2. "Gross charge" means the amount paid for the act or privilege of originating or receiving telecommunications in this state and for all services and equipment provided in connection therewith by a retailer, valued in money whether paid in money or otherwise, including cash, credits, services, and property of every kind or nature. "Gross charge" is determined without any deduction on account of the cost of the telecommunications, the cost of materials used, labor, or service costs, or any other expense. In case credit is extended, the amount of the credit is included only as and when paid. "Gross charges" does not include:

- a. Any amounts added to a purchaser's bill because of a charge made under the tax imposed by this chapter, any charges added to customers' bills by retailers who are not subject to rate regulation by the public service commission, or any tax imposed by any taxing authority.
 - b. Charges for a sent collect telecommunication received outside of the state.
 - c. Charges for leased time on equipment or charges for the storage of data or information for subsequent retrieval or the processing of data or information intended to change its form or content. Such equipment includes the use of calculators, computers, data processing equipment, tabulating equipment, or accounting equipment and the usage of computers under a time-sharing agreement.
 - d. Charges for customer equipment, including equipment that is leased or rented by the customer from any source, if the charges are disaggregated and separately identified from other charges.
3. "Interstate telecommunications" means all telecommunications that either originate or terminate outside this state.
 4. "Intrastate telecommunications" means all telecommunications that originate and terminate within this state.
 5. "Person" means any individual, firm, trust, estate, partnership, association, joint stock company, joint venture, corporation, or a receiver, trustee, guardian, or other representative appointed by order of any court, the federal and state governments, or any political subdivision of this state.
 6. "Purchase at retail" means the acquisition, consumption, or use of telecommunication through a sale at retail.
 7. "Retailer" includes every person engaged in the business of making sales at retail. The tax commissioner may, upon application, authorize the collection of the tax imposed by this chapter by any retailer not maintaining a place of business within this state, who, to the satisfaction of the tax commissioner, furnishes adequate security to ensure collection and payment of the tax. Such retailer must be issued, without charge, a permit to collect the tax. When so authorized, it is the duty of such retailer to collect the tax upon all of the gross charges for telecommunications in this state in the same manner and subject to the same requirements as a retailer maintaining a place of business within this state. The permit may be revoked by the tax commissioner at any time.
 8. "Retailer maintaining a place of business in this state", or any like term, includes any retailer having or maintaining within this state, directly or by a subsidiary, an office, distribution facilities, transmission facilities, sales office, warehouse, or other place of business, or any agent

or other representative operating within this state under the authority of the retailer or its subsidiary, whether or not such place of business or agent or other representative is located here permanently or temporarily, or whether or not such retailer or subsidiary is licensed to do business in this state.

9. "Sale at retail" means the transmitting, supplying, or furnishing of telecommunications and all services and equipment provided in connection therewith for a consideration to persons other than the federal and state governments, and other than between a parent corporation and its wholly owned subsidiaries, or between wholly owned subsidiaries, when the tax has already been paid to a retailer and the gross charge made by one such corporation to another such corporation is not greater than the gross charge paid to the retailer for their use or consumption and not for resale.
10. "Taxpayer" means a person who individually or through agents, employees, or permittees engages in the act or privilege of originating or receiving telecommunications in this state, and who incurs a tax liability under this chapter.
11. "Telecommunications", in addition to the meaning ordinarily and popularly ascribed to it, includes messages or information transmitted through use of local, toll, and wide area telephone service, private line services, telegraph services, cellular mobile telecommunications service, specialized mobile radio, stationary two-way radio, paging service, or any other form of mobile and portable one-way or two-way communications. "Telecommunications" does not include:
 - a. Broadcast industry messages or information, including radio, television, cable television, or related broadcast media-oriented services.
 - b. Value added services in which computer processing applications are used to act on the form, content, code, or protocol of the information for purposes other than transmission.
 - c. Purchases of telecommunications by a telecommunications service provider for use as a component part of the service provided to the ultimate retail consumer who originates or terminates the taxable end-to-end communications.
 - d. Carrier access charges, right-of-access charges, charges for use of intercompany facilities, and all telecommunications resold in the subsequent provision of, used as a component of, or integrated into end-to-end telecommunications services, which are considered sales for resale.

57-40.7-02. Imposition of tax - Intrastate telecommunications - Exemptions. A tax is imposed upon the act or privilege of originating

or receiving intrastate telecommunications by a person in this state at the rate of six percent of the gross charge for such telecommunications purchased at retail from a retailer by such person. The tax is not imposed on the act or privilege to the extent the act or privilege may not, under the Constitution and statutes of the United States, be made the subject of taxation by the state.

57-40.7-03. Imposition of tax - Interstate telecommunications - Credit - Exemptions. A tax is imposed upon the act or privilege of originating in this state or receiving in this state interstate telecommunications by a person in this state at the rate of six percent of the gross charge for such telecommunications purchased at retail from a retailer by such person. To prevent actual multistate taxation of the act or privilege that is subject to taxation under this section, any taxpayer, upon proof that that taxpayer has paid a tax in another state on the event, must be allowed a credit against the tax imposed in this section to the extent of the amount of such tax properly due and paid in such other state. The tax is not imposed on the act or privilege to the extent the act or privilege may not, under the statutes and Constitution of the United States, be made the subject of taxation by the state.

57-40.7-04. Deposit of funds. At the time of making a return, the retailer shall pay to the tax commissioner the amount of tax due. All amounts received by the tax commissioner under this chapter must be transferred monthly to the state treasurer for deposit in the state general fund.

57-40.7-05. Provisions of sales tax law applicable. For the purposes of administering the tax imposed under this chapter, the provisions of chapter 57-39.2 pertaining to the administration of the sales tax law not in conflict with the provisions of this chapter, including the provisions of chapter 57-39.2 relating to the filing of returns, deductions allowed retailers for collecting taxes, payment of the tax and interest and penalties thereon, refunds, attachment of liens for failure to pay the tax, and civil and criminal penalties for failure to comply with the provisions of chapter 57-39.2, govern the administration of the tax imposed by this chapter.

SECTION 5. EFFECTIVE DATE. This Act is effective for taxable events occurring after June 30, 1989."

Renumber accordingly

HB 1546 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1558 has had the same under consideration and recommends by a vote of 10 YEAS, 4 NAYS, 3 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act relating to certification of community investment and development corporations and providing income tax credits for investments by individuals and corporations in certified community investment and development corporations; to create and enact a new section to chapter

57-38 of the North Dakota Century Code, relating to income tax credits; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Definitions. As used in sections 1 through 3 of this Act, unless the context or subject matter otherwise requires:

1. "Certified community investment and development corporation" means:
 - a. A corporation organized to promote, investigate, and assist in local economic and jobs development.
 - b. A corporation with at least twenty stockholders who are residents of the community identified in the corporation's charter.
 - c. A corporation with outstanding stock and accumulated holdings of a total value of not more than two hundred fifty thousand dollars.
2. "Primary sector business" means an individual, corporation, partnership, or association which, through a process employing knowledge and labor, adds value to a product produced for resale.

SECTION 2. Certification of community investment and development corporations - Rules - Fee. The secretary of state, after consultation with the economic development commission, shall adopt rules establishing minimum requirements for certification of community investment and development corporations. The rules must contain a requirement that at least a majority of funds of the corporation must be used for investment in primary sector business. A community investment and development corporation may obtain certification from the secretary of state upon compliance with sections 1 through 3 of this Act, the rules adopted by the secretary of state, and payment of a fee of ten dollars.

SECTION 3. Income tax credit for investment in community investment and development corporations. An individual or corporate income taxpayer who invests in stock issued by a community investment and development corporation certified by the secretary of state under section 2 of this Act is entitled to a credit against income tax liability under chapter 57-38 in an amount equal to fifteen percent of the total amount invested but no taxpayer is entitled to more than two thousand dollars in total income tax credits under this chapter. The amount of the credit under this section in excess of the taxpayer's income tax liability for the year in which the investment is made may be carried forward for up to seven taxable years.

SECTION 4. A new section to chapter 57-38 of the North Dakota Century Code is hereby created and enacted to read as follows:

Credit for investments in community investment and development corporations. An individual, estate, trust, or corporation is allowed as a credit against a tax otherwise due under section 57-38-29 or 57-38-30 the credit for investment in stock of a certified community

investment and development corporation as provided in section 3 of this Act.

SECTION 5. EFFECTIVE DATE. This Act is effective for taxable years beginning after December 31, 1988."

Renumber accordingly

HB 1558 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1561 has had the same under consideration and recommends by a vote of 11 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING that the same DO PASS.

HB 1561 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HB 1578 has had the same under consideration and recommends by a vote of 9 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS and be rereferred to the Committee on Appropriations.

HB 1578 was rereferred to the Committee on Appropriations.

MADAM SPEAKER: Your Committee on Judiciary (Rep. Wentz, Chairman) to which was referred HB 1583 has had the same under consideration and recommends by a vote of 8 YEAS, 7 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 14, overstrike "at its annual meeting"

Page 1, line 15, overstrike "in attendance at the meeting"

Page 1, line 16, after "~~dollars~~" insert "by written ballot mailed to the membership"

Renumber accordingly

HB 1583 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Political Subdivisions (Rep. Lindgren, Chairman) to which was referred HB 1596 has had the same under consideration and recommends by a vote of 12 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING that the same DO PASS.

HB 1596 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HB 1604 has had the same under consideration and recommends by a vote of 9 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS and be rereferred to the Committee on Appropriations.

HB 1604 was rereferred to the Committee on Appropriations.

MADAM SPEAKER: Your Committee on State and Federal Government (Rep. Martinson, Chairman) to which was referred HB 1611 has had the same under consideration and recommends by a vote of 8 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 19, replace "become certified" with "begin the process toward certification"

Page 1, line 20, after "appointment" insert "and become certified within three years of the appointment"

Renumber accordingly

HB 1611 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HB 1625 has had the same under consideration and recommends by a vote of 9 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO NOT PASS:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 15-38-08 of the North Dakota Century Code, relating to classroom instruction in the principles set forth in the declaration of independence and the federalist papers.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15-38-08 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

15-38-08. Study of Constitution of the United States, declaration of independence, and the federalist papers. In all public and private schools in the state, regular courses of instruction in the Constitution of the United States, the amendments to the constitution, and the principles set forth in the declaration of independence and the federalist papers shall be given, beginning not later than the opening of the eighth grade and continuing in the high school, to an extent to be determined by the superintendent of public instruction."

Renumber accordingly

HB 1625 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1627 has had the same under consideration and recommends by a vote of 12 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION:

Page 1, line 4, remove "; and to"

Page 1, remove lines 5 and 6

Page 1, line 7, remove "money and flight simulators"

Page 3, line 7, remove the overstrike over "~~and communication~~"

Page 3, line 8, remove the overstrike over "~~services,~~"

Page 5, line 9, overstrike "cable television or other"

Page 5, line 10, overstrike "video programming services,"

Page 6, line 26, after the third comma insert "or" and overstrike "cable television or"

Page 6, line 27, overstrike "other video programming services,"

Page 7, remove lines 11 through 13

Renumber accordingly

HB 1627 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Finance and Taxation (Rep. A. Hausauer, Chairman) to which was referred HB 1651 has had the same under consideration and recommends by a vote of 13 YEAS, 1 NAY, 3 ABSENT AND NOT VOTING that the same BE AMENDED AS FOLLOWS and when so amended, recommends the same DO PASS:

Page 1, line 1, replace "section" with "sections 11-28.3-04, 11-28.3-13, and"

Page 1, line 2, after "to" insert "the vote requirements for establishment or dissolution of a rural ambulance service district and"

Page 1, after line 5, insert:

"SECTION 1. AMENDMENT. Section 11-28.3-04 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

11-28.3-04. Form of ballot - Vote required to approve. The ballot on the question of forming a rural ambulance service district shall be in substantially the following form:

Shall (name of taxing district or districts) levy a tax of not to exceed ----- mills for the purpose of forming a rural ambulance district?

Yes

No

If ~~sixty percent~~ a majority of all the votes cast on the question of levying a tax and forming a rural ambulance service district are in favor of such a tax levy, then the formation of the district shall be approved.

SECTION 2. AMENDMENT. Section 11-28.3-13 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

11-28.3-13. Boundaries of rural ambulance service district - Dissolution of the district. The boundaries of any rural ambulance

service district organized under the provisions of this chapter may be changed in the manner prescribed by sections 11-28.3-01 through 11-28.3-06, but a change in the boundary of a district shall not impair or affect its organization or its right in or to property; nor shall it impair, affect, or discharge any contract, obligation, lien, or charge for or upon which it might be liable had such change of boundaries not been made. When a boundary change is requested, the petition, notice of election, and ballot shall all indicate that the purpose of the election is to alter the boundaries of an existing rural ambulance service district. The petition and notice of election shall describe with particularity both the present and the proposed boundaries of the district.

Dissolution of a rural ambulance service district may be accomplished in the manner prescribed by sections 11-28.3-01 through 11-28.3-04. The petition and notice of election shall state that the purpose of the election is to dissolve the rural ambulance service district and shall describe its boundaries. The ballot to dissolve a rural ambulance service district shall be in substantially the following form:

Shall (name of taxing district or districts) cease to levy a tax for the purpose of maintaining a rural ambulance service district, and shall such district be dissolved?

Yes

No

If sixty percent a majority of all votes cast on the question are in favor of dissolution, then the district shall be dissolved thirty days after the canvass of the votes. After all debts and obligations of the district are paid, any remaining funds shall be deposited in the general fund of the county in which the district was contained. If the dissolved district was located in more than one county, then any funds remaining after all debts and obligations are paid shall be divided among those counties in the same proportion as the geographical area of the district in each county bears to the total geographical area of the dissolved district."

Page 2, replace lines 3 through 7 with "property within that district is exempt from the county tax levy under this section upon notice from the governing body of the district to the board of county commissioners of the existence of the district."

Renumber accordingly

HB 1651 was placed on the Sixth order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on Education (Rep. Gates, Chairman) to which was referred HCR 3037 has had the same under consideration and recommends by a vote of 14 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING that the same DO PASS.

HCR 3037 was placed on the Eleventh order of business on the calendar for the succeeding legislative day.

MADAM SPEAKER: Your Committee on State and Federal Government (Rep. Martinson, Chairman) to which was referred HCR 3052 has had the same under consideration and recommends by a vote of 14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING that the same DO PASS and BE PLACED ON THE CONSENT CALENDAR.

HCR 3052 was placed on the Tenth order of business on the calendar for the succeeding legislative day.

HOUSE ENROLLING REPORT

The following resolution was enrolled: HCR 3030.

The House stood adjourned pursuant to Representative R. Anderson's motion.

ROY GILBREATH, Chief Clerk