

## JOURNAL OF THE SENATE

## Fifty-first Legislative Assembly

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Bismarck, April 15, 1989

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

The prayer was offered by Frank Christensen, graduate from Trinity Bible College, Cooperstown.

Dear Lord God, thank You for another beautiful day of spring. Be with these Senators today, because to whom much is given, much shall be required.

Help us remember, Lord, that You are the same yesterday, today, and forever. Be with us and help this legislative body make the right decisions. Let us remember that Your holy word is the final judge and in the course of life we are accountable to You and You alone. We pray in the precious name of Jesus. Amen.

The roll was called and all Senators were present, except Senators Keller, Kinnoin, Lashkowitz.

A quorum was declared by the President.

## MOTIONS

SEN. TALLACKSON MOVED that the members of the Senate Committee on Appropriations be excused, which motion prevailed.

SEN. HEIGAARD MOVED that HB 1669, be rereferred to the Committee on Appropriations, which motion prevailed. Pursuant to Sen. Heigaard's motion, HB 1669 was rereferred.

## APPOINTMENT OF CONFERENCE COMMITTEE

SEN. LANGLEY MOVED that the President appoint a committee of three to act with a like committee from the House as a new Conference Committee on HB 1128, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1128: Sens. Keller, Schoenwald, Todd.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)

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

HB 1128: Sens. Keller, Schoenwald, Todd

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)

MR. SPEAKER: The Senate has amended and subsequently failed to pass: HB 1662.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)

MR. SPEAKER: The Senate has passed unchanged: HCR 3090, HB 1017, HB 1674.

MOTION

SEN. HEIGAARD MOVED that the Senate stand at recess until 10:00 a.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)

MR. SPEAKER: The Senate has passed and your favorable consideration is requested on: SB 2531, SB 2540.

REPORT OF CONFERENCE COMMITTEE

SEN. WOGSLAND MOVED that the conference committee report on Engrossed SB 2001 as printed on pages 1929-1930 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2001: A BILL for an Act providing an appropriation for defraying the expenses of the legislative branch of government; and declaring an emergency.

ROLL CALL

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

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore; Peterson

SB 2001 passed, the title was agreed to, and the emergency clause carried.

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REPORT OF CONFERENCE COMMITTEE

SEN. D. MEYER MOVED that the conference committee report on SB 2062 as printed on pages 1930-1931 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2062: A BILL for an Act to create and enact a new subdivision to subsection 6 of section 26.1-08-03 of the North Dakota Century Code, relating to the powers of the comprehensive health association board of directors; and to amend and reenact subsection 2 of section 26.1-08-03, sections 26.1-08-04, 26.1-08-05, 26.1-08-06, 26.1-08-07, and subsection 4 of section 26.1-08-12 of the North Dakota Century Code, relating to the comprehensive health association's board of directors and benefits.

ROLL CALL

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

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Heigaard; Lashkowitz; Moore

SB 2062 passed and the title was agreed to.

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REPORT OF CONFERENCE COMMITTEE

SEN. PETERSON MOVED that the conference committee report on Reengrossed SB 2037 as printed on page 1930 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2037: A BILL for an Act to create and enact a new section to chapter 15-59 and a new subsection to section 15-59.2-05 of the North Dakota Century Code, relating to school district liability for the cost of special education and coordination of special education transportation; to amend and reenact sections 15-40.1-16.1, 15-40.2-08.1, and 15-59-06 of the North Dakota Century Code, relating to state aid for special education; to provide an effective date; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

SB 2037 passed and the title was agreed to.

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## REPORT OF CONFERENCE COMMITTEE

SEN. MAIXNER MOVED that the conference committee report on Engrossed SB 2261 as printed on page 1931 of the Senate Journal be adopted, which motion prevailed.

## SECOND READING OF SENATE BILL

SB 2261: A BILL for an Act to provide for a geological survey and a state geologist and their duties and powers; to repeal sections 15-11-08, 15-11-09, 15-11-11, 15-11-11.1, 15-11-12, 15-11-13, 15-11-14, and 15-12-18 of the North Dakota Century Code, relating to the geological survey and the state geologist; and to provide an appropriation.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 44 YEAS, 5 NAYS, 4 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heinrich; Hilken; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Yockim

NAYS: Holmberg; Ingstad; Mutch; Shea; Stenehjelm

ABSENT AND NOT VOTING: Heigaard; Lashkowitz; Moore; Wogsland

SB 2261 passed and the title was agreed to.

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## REPORTS OF CONFERENCE COMMITTEES

SEN. STORMME MOVED that the conference committee report on HB 1006 as printed on page 1903 of the Senate Journal be adopted, which motion prevailed.

SEN. MATHERN MOVED that the conference committee report on HB 1058 as printed on page 1904 of the Senate Journal be adopted, which motion prevailed.

## SECOND READING OF HOUSE BILL

HB 1058: A BILL for an Act to establish a program of protective services for vulnerable adults; to provide for a statement of legislative intent regarding the funding of the vulnerable adult protective services program; to repeal section 14-07.1-09 of the North Dakota Century Code, relating to immunity for making reports and penalties for making false reports; to provide a penalty; and to provide an effective date.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea;

Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1058 passed and the title was agreed to.

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CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. MAIXNER MOVED that the Senate do concur in the House amendments to SB 2536 as printed on page 1903 of the Senate Journal, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2536: A BILL for an Act to create and enact a new section to chapter 57-51 of the North Dakota Century Code, relating to the taxation of the federal land bank.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

SB 2536 passed and the title was agreed to.

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MOTIONS

SEN. MAIXNER MOVED that the vote by which SB 2536, SB 2001, SB 2037, SB 2062, SB 2261, HB 1006, and HB 1058 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. MAIXNER MOVED that the rules be suspended and that SB 2536, SB 2001, SB 2037, SB 2062, SB 2261, HB 1006, and HB 1058 be messaged to the House immediately, which motion prevailed.

REPORTS OF CONFERENCE COMMITTEES

SEN. J. MEYER MOVED that the conference committee report on HB 1134 as printed on pages 1883-1884 of the Senate Journal be adopted, which motion lost.

SEN. TALLACKSON MOVED that the conference committee report on HB 1158 as printed on pages 1884-1885 of the Senate Journal be adopted, which motion prevailed.

#### SECOND READING OF HOUSE BILL

HB 1158: A BILL for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to conducting nondiscrimination tests under the state health and life insurance programs.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1158 passed and the title was agreed to.

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#### REPORT OF CONFERENCE COMMITTEE

SEN. SATROM MOVED that the conference committee report on HB 1164 as printed on pages 1904-1906 of the Senate Journal be adopted, which motion prevailed.

#### SECOND READING OF HOUSE BILL

HB 1164: A BILL for an Act to create and enact a new subdivision to subsection 1 of section 57-38-01.3 and a new subsection to section 57-38-01.3 of the North Dakota Century Code, relating to net operating loss deductions and special deductions; and to amend and reenact subsection 4.2 of section 57-38-01, subsection 5 of section 57-38-30.3, subsections 1 and 5 of section 57-38.4-01, and section 57-38.4-02 of the North Dakota Century Code, relating to alternative minimum taxable income and individual and corporation income tax.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 48 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Stromme; Tallackson; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: Peterson; Streibel; Tennefos

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1164 passed and the title was agreed to.

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REPORT OF CONFERENCE COMMITTEE

SEN. RICHARD MOVED that the conference committee report on HB 1267 as printed on pages 1906-1907 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1267: A BILL for an Act to create and enact a new section to chapter 57-39.2 of the North Dakota Century Code, relating to a refund of sales tax for purchases made by residents of Canada; and to amend and reenact subsection 12 of section 57-39.2-04 of the North Dakota Century Code, relating to a sales tax exemption for purchases made by residents of certain adjoining states.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 50 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Waldera; Wogsland; Yockim

NAYS: Vosper

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1267 passed and the title was agreed to.

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REPORT OF CONFERENCE COMMITTEE

SEN. D. MEYER MOVED that the conference committee report on Reengrossed HB 1297 as printed on pages 1907-1909 of the Senate Journal be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1297: A BILL for an Act to provide for cleanup of petroleum spills through the establishment of a petroleum release compensation fund; to provide a penalty; to provide a continuing appropriation; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 48 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.;

Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Waldera; Wogsland; Yockim

NAYS: Heinrich; Shea; Vosper

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1297 passed and the title was agreed to.

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#### REPORTS OF CONFERENCE COMMITTEES

SEN. SATROM MOVED that the conference committee report on HB 1479 as printed on page 1917 of the Senate Journal be adopted, which motion prevailed.

SEN. SATROM MOVED that the conference committee report on Engrossed HB 1499 as printed on pages 1909-1910 of the Senate Journal be adopted, which motion prevailed.

#### MOTIONS

SEN. HEIGAARD MOVED that the Senate reconsider the action whereby SB 2412 passed, which motion prevailed.

SEN. HEIGAARD MOVED that the Senate do not concur with the House amendments to SB 2412, which motion prevailed.

SEN. MAIXNER MOVED that the vote by which HB 1158, HB 1164, HB 1267, HB 1297, HB 1479, and HB 1499 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. MAIXNER MOVED that the rules be suspended and that HB 1158, HB 1164, HB 1267, HB 1297, HB 1479, and HB 1499 be messaged to the House immediately, which motion prevailed.

SEN. MAIXNER MOVED that the Senate stand at recess until 12:00 p.m., which motion prevailed.

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

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

MR. PRESIDENT: The House has amended and subsequently passed: SB 2024, SB 2538.

#### HOUSE AMENDMENTS TO ENGROSSED SB 2024

Page 1, line 3, after "Dakota" insert "; and relating to the appointment of the executive director of the workers compensation bureau"

Page 1, line 8, replace "workmen's" with "workers'"

Page 2, line 5, replace "workmen's" with "workers'"

Page 2, after line 6, insert:

"SECTION 3. FIRST EXECUTIVE DIRECTOR - APPOINTMENT. If Senate Bill No. 2324, as approved by the fifty-first legislative assembly becomes effective, in order to facilitate the transition the governor

may appoint the chairman of the workers compensation bureau on the effective date of this Act as the first executive director of the workers compensation bureau."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 485 - WORKERS COMPENSATION BUREAU

This amendment changes the reference of the workmen's compensation fund to the workers' compensation fund and provides for the appointment of the first executive director of the Workers Compensation Bureau under Senate Bill No. 2324.

HOUSE AMENDMENTS TO ENGROSSED SB 2538

Page 1, line 11, remove "stating"

Page 1, remove lines 12 through 14

Page 1, line 15, remove "increased utilization;"

Page 1, line 17, after the semicolon insert "to amend and reenact section 3 of House Bill No. 1037, as approved by the fifty-first legislative assembly, relating to the capital construction fund; authorizing the developmental disabilities revolving loan fund to sell its loans to the Bank of North Dakota; allowing the proceeds of the sale of the loans to assure the availability of funds for predicted caseload growth in medical assistance, aid to families with dependent children, and foster care;"

Page 2, line 14, after the period insert "However, the first \$400,000 must be used to fund child evaluation and treatment and adult protective services as set forth in sections 8 and 9 of this Act."

Page 3, remove lines 21 through 29

Page 4, remove lines 1 through 10

Page 4, line 14, replace "bond" with "lease"

Page 4, line 15, replace "improvements" with "improvement projects financed"

Page 4, line 16, after "hospital" insert "under chapter 54-17.2" and remove "Upon request of the director of the office of management and"

Page 4, remove lines 17 through 19

Page 5, line 11, replace "out of any moneys in the general fund in the" with "from special funds in the department of human services operating fund"

Page 5, line 12, remove "state treasury"

Page 5, line 13, replace "to the university of North Dakota medical center" with "to be provided by the department of human services to"

Page 5, line 14, remove "rehabilitation hospital to provide funds for"

Page 5, line 15, replace "program" with "center at its request"

Page 5, line 17, remove "out of any"

Page 5, line 18, replace "moneys in the general fund in the state treasury" with "from special funds in the department of human services operating fund"

Page 5, after line 25, insert:

"SECTION 10. AMENDMENT. Section 3 of House Bill No. 1037, as approved by the fifty-first legislative assembly, is hereby amended and reenacted to read as follows:

SECTION 3. GENERAL FUND TRANSFER - APPROPRIATION. The state treasurer shall transfer an amount, not to exceed a total of ~~\$6,545,000~~ \$4,831,943, which is hereby appropriated, for the biennium beginning July 1, 1989, and ending June 30, 1991, from the general fund to the capital construction fund. The state treasurer shall make the transfer or transfers as provided in this section at such times as may be requested by the industrial commission acting as a state building authority.

SECTION 11. DEVELOPMENTAL DISABILITIES REVOLVING LOAN FUND - AUTHORITY TO SELL LOANS - TRANSFERS. Between April 1 and June 30, 1991, the developmental disabilities revolving loan fund created under North Dakota Century Code section 6-09.6-01, at the request of the executive director of the department of human services, may sell to the Bank of North Dakota up to \$4,200,000 of the outstanding loans of the fund. The sale of loans may be made only if all of the following events occur: (1) other funds do not become available from changes in medicaid funding formula or the enactment of drought relief measures, and (2) the department has requested and been denied funds by the emergency commission, and (3) a deficiency appropriation has not been provided by the fifty-second legislative assembly. Under these circumstances and upon request of the executive director of the department of human services, in addition to other transfers provided for in this Act, up to \$4,200,000 may be transferred between April 1 and June 30, 1991, from and by the developmental disabilities revolving loan fund to the department of human services operating fund as needed to provide the \$4,158,511 of matching funds required in section 13 of this Act and any additional funds that may be required to complete the transfer in section 1 of this Act.

SECTION 12. DEPOSIT OF STATE FUNDS - BANK OF NORTH DAKOTA. The state treasurer shall maintain a certificate of deposit at the Bank of North Dakota, in such an amount as requested by the president of the Bank of North Dakota not to exceed \$4,200,000, until all loans held by the Bank of North Dakota pursuant to section 11 of this Act have been repaid. The certificate shall earn interest at a rate equal to the weighted average blended interest rate of the loans purchased and outstanding as of July first each year, pursuant to section 11 of this Act reduced by one-half of one percent. The certificate of deposit shall be reduced on July first of each year to equal the outstanding loan balance of the loans purchased pursuant to section 11.

SECTION 13. APPROPRIATION. There is hereby appropriated from special funds in the department of human services operating fund, not

otherwise appropriated, the sum of \$12,271,669, or so much thereof as may be necessary, to the department of human services for the purpose of providing grants for increased medical assistance, aid to families with dependent children, and foster care caseloads for the biennium beginning July 1, 1989, and ending June 30, 1991. Unless otherwise available within the department of human services budget, the \$4,158,511 of matching funds are contingently available pursuant to section 11 of this Act from the developmental disabilities loan fund."

Page 5, remove line 26

Page 5, line 27, replace "7,946,138" with "20,617,807"

Page 5, remove line 28

Reumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

This amendment changes the funding for the child evaluation and treatment program and adult protective services of \$400,000 from the general fund to special funds available to the Department of Human Services. Also this amendment reduces the general fund transfer - appropriation to the capital construction fund in House Bill No. 1037 by \$1,713,057 relating to the lease payments included in House Bill No. 1012 for the Grafton State School and the State Hospital. The general fund transfer in House Bill No. 1037 is reduced from \$6,545,000 to \$4,831,943.

In addition, these amendments provide for a contingency sale of loans outstanding up to \$4,200,000 in the developmental disabilities revolving loan fund to the Bank of North Dakota with \$4,158,511 of the proceeds transferred to the Department of Human Services and appropriated for the cost of predicted increased caseloads in the medical assistance, AFDC, and foster care programs. This transfer would take place only if other income does not become available, and a request for funds are denied by the Emergency Commission and the Fifty-second Legislative Assembly. In addition, federal and county matching funds of \$8,113,158 are appropriated in this bill.

The following is a summary of the appropriations in the bill as amended:

Section 1 - Expanded programs for the CMI	\$ 5,871,138
Section 2 - Senior citizens mill levy match	460,000
Section 3 - SPED program	300,000
Section 4 - Family subsidy program	300,000
Section 7 - Matching funds for visually impaired	1,015,000
Section 8 - Child evaluation and treatment program	250,000
Section 9 - Adult protection services - HB 1058	150,000
Section 14 - Additional predicted medical assistance, AFDC, and foster care caseloads (includes \$4,158,511 from special funds made available to the department)	12,271,669*
 Total special funds appropriation	 <u>\$20,617,807</u>
Total general fund appropriation	 <u>0</u>
Total appropriation	 \$20,617,807

NOTE: Section 10 of this Act provides a general fund appropriation reduction of \$1,713,057 with a corresponding decrease in general fund revenues.

\* Consists of additional funds for increased:

AFDC caseload	\$ 2,587,446
Medical assistance	7,398,448
Foster care	<u>2,285,775</u>
Total	<u>\$12,271,669</u>

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)  
MR. PRESIDENT: The House has adopted the conference committee report on HB 1626 and subsequently passed the same.

#### REPORT OF CONFERENCE COMMITTEE

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1626 has had the same under consideration and recommends that the SENATE RECEDE from the Senate amendments as found on pages 1571-1572 of the Senate Journal and that Engrossed HB 1626 be amended as follows:

Page 1, line 16, replace "\$500,000" with "\$160,000"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### DEPARTMENT 602 - AGRICULTURE DEPARTMENT

This amendment provides a \$160,000 general fund appropriation for noxious weed control. The House had passed this bill with a \$500,000 general fund appropriation for noxious weed control which the Senate removed.

In addition, the Senate amendment to Section 63-01.1-06.2, which provided that no expenditure pursuant to legislative appropriations for leafy spurge control shall be made related to private land if the land is owned by a corporation, is removed.

For the Senate: Sens. W. Meyer, Kinnoin, Krebsbach

For the House: Reps. Gunsch, O. Hanson, Laughlin

Engrossed HB 1626 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)  
MR. PRESIDENT: The House has adopted the conference committee report on SB 2222 and subsequently passed the same.

MESSAGE to the SENATE from the HOUSE (Roy Gilbreath, Chief Clerk)  
MR. PRESIDENT: The House has amended and subsequently failed to pass: SB 2036.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
MR. SPEAKER: The Senate has adopted the conference committee report on HB 1058, HB 1158, HB 1164, HB 1267, and HB 1297 and subsequently passed the same.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
 MR. SPEAKER: The Senate has adopted the conference committee report on SB 2037, SB 2062, SB 2261 and subsequently passed the same.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
 MR. SPEAKER: The Senate has adopted the conference committee report on HB 1006, HB 1479, HB 1499.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
 MR. SPEAKER: The Senate has amended and subsequently passed: HCR 3005, HCR 3040.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
 MR. SPEAKER: The Senate has amended and subsequently passed: HB 1004, HB 1040, HB 1049.

#### MOTION

SEN. MAIXNER MOVED that the Senate dissolve the Conference Committee for HB 1134, which motion prevailed.

#### APPOINTMENT OF CONFERENCE COMMITTEE

SEN. J. MEYER MOVED that the President appoint a committee of three to act with a like committee from the House as a new Conference Committee on HB 1134, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1134: Sens. J. Meyer, Mathern, Nalewaja.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
 MR. SPEAKER: The Senate has not adopted the conference committee report on HB 1134. The President has appointed as a new conference committee to act with a like committee from the House on:

HB 1134: Sens. J. Meyer, Mathern, Nalewaja

#### MOTION

SEN. MAIXNER MOVED that the rules be suspended and that HB 1020 and HB 1669 be placed on the Fourteenth order, which motion prevailed.

#### REPORT OF STANDING COMMITTEE

MR. PRESIDENT: Your Committee on Appropriations (Sen. Tallackson, Chairman) to which was referred Engrossed HB 1020 has had the same under consideration and recommends by a vote of 13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

#### SECOND READING OF HOUSE BILL

HB 1020: A BILL for an Act making an appropriation for defraying the expenses of various agricultural councils and commissions of the state of North Dakota.

#### ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.;

Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1020 passed and the title was agreed to.

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#### REPORT OF STANDING COMMITTEE

MR. PRESIDENT: Your Committee on Appropriations (Sen. Tallackson, Chairman) to which was rereferred Reengrossed HB 1669 has had the same under consideration and recommends by a vote of 13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING that the same DO PASS.

#### SECOND READING OF HOUSE BILL

HB 1669: A BILL for an Act to authorize the industrial commission acting as the North Dakota building authority to issue evidences of indebtedness to make funds available for the construction of various buildings and facilities at the North Dakota state penitentiary; to provide an appropriation; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the bill, which has been read and has committee recommendation of DO PASS, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

HB 1669 passed, the title was agreed to, and the emergency clause carried.

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#### MOTIONS

SEN. MAIXNER MOVED that the vote by which HB 1020 and HB 1669 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. MAIXNER MOVED that the rules be suspended and that HB 1020 and HB 1669 be messaged to the House immediately, which motion prevailed.

CORRECTION and REVISION of the JOURNAL (Sen. Axtman, Chairman)  
MR. PRESIDENT: Your Committee on Correction and Revision of the Journal has carefully examined the Journal of the Seventieth Day and finds it to be correct.

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

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
MR. SPEAKER: The Senate has passed unchanged: HB 1020, HB 1669.

#### MOTIONS

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

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

SEN. MAIXNER MOVED that the Senate dissolve the Conference Committee on SB 2001, which motion prevailed.

#### APPOINTMENT OF CONFERENCE COMMITTEE

SEN. MAIXNER MOVED that the President appoint a committee of three to act with a like committee from the House as a new Conference Committee on SB 2001, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on SB 2001: Sens. Wogsland, Ewen, Nelson.

MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)  
MR. SPEAKER: The President has dissolved the Conference Committee on SB 2001 and has appointed as a new conference committee to act with a like committee from the House on:

SB 2001: Sens. Wogsland, Ewen, Nelson

#### REQUEST

SEN. MAIXNER REQUESTED a Call of the Senate, which request was granted.

#### MOTIONS

SEN. HEIGAARD MOVED that Sens. Lashkowitz and Moore be excused from a Call of the Senate, which motion prevailed.

SEN. MAIXNER MOVED that the Call of the Senate be dispensed with, which motion prevailed.

#### REQUEST

SEN. OLSON REQUESTED a Call of the Senate, which request was granted.

#### MOTIONS

SEN. HEIGAARD MOVED that Sens. Lashkowitz, Moore, and Lodoen be excused from a Call of the Senate, which motion prevailed.

SEN. MAIXNER MOVED that the Call of the Senate be dispensed with, which motion prevailed on a verification vote.

#### REQUEST

SEN. OLSON REQUESTED a call of the Senate, which request was ruled out of order by the President.

## MOTIONS

SEN. THANE MOVED that the Senate reconsider the action by which SB 2541 failed to pass, which motion prevailed.

SEN. HEIGAARD MOVED that SB 2541 be amended as follows:

Page 2, line 11, remove "contingently"

Page 2, line 14, remove "On or before July 1, 1990, the director of the office of"

Page 2, remove lines 15 through 21

Renumber accordingly

SEN. HEIGAARD MOVED that the proposed amendments be adopted, which motion prevailed.

## SECOND READING OF SENATE BILL

SB 2541: A BILL for an Act to create and enact a new section to chapter 57-38 of the North Dakota Century Code, relating to a surtax based on income tax liability of individuals, estates, and trusts; to provide an appropriation; and to provide an effective date and an expiration date.

## REQUEST

SEN. OLSON REQUESTED that the Senate divide SB 2541, which request was granted.

Division A - Section 3

Division B - Remainder of bill

## REQUEST

SEN. TENNEFOS REQUESTED a recorded roll call vote on the adoption of Division A of SB 2541, which request was granted.

## ROLL CALL

The question being on the adoption of Division A of SB 2541, the roll was called and there were 51 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; David; Dotzenrod; Ewen; Freborg; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lips; Lodoen; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Olson; Peterson; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Streibel; Stromme; Tallackson; Tennefos; Thane; Todd; Vosper; Waldera; Wogsland; Yockim

NAYS: None

ABSENT AND NOT VOTING: Lashkowitz; Moore

Division A of SB 2541 passed.

## REQUEST

SEN. TENNEFOS REQUESTED a recorded roll call vote on the adoption of Division B of SB 2541, which request was granted.

ROLL CALL

The question being on the adoption of Division B of SB 2541, the roll was called and there were 38 YEAS, 13 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; Dotzenrod; Ewen; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Langley; Lips; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Meyer, W.; Mushik; Nalewaja; Nething; O'Connell; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Stromme; Tallackson; Thane; Waldera; Wogsland; Yockim

NAYS: David; Freborg; Krebsbach; Lodoen; Mutch; Naaden; Nelson; Olson; Peterson; Streibel; Tennefos; Todd; Vosper

ABSENT AND NOT VOTING: Lashkowitz; Moore

Division B of SB 2541 passed.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 13 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Axtman; Dotzenrod; Ewen; Hanson; Heigaard; Heinrich; Hilken; Holmberg; Ingstad; Keller; Kelsh; Kinnoin; Krauter; Langley; Lips; Maixner; Mathern; Maxson; Meyer, D.; Meyer, J.; Mushik; Naaden; Nalewaja; Nething; O'Connell; Redlin; Richard; Robinson; Satrom; Schoenwald; Shea; Stenehjem; Stromme; Tallackson; Thane; Waldera; Wogsland; Yockim

NAYS: David; Freborg; Krebsbach; Lodoen; Meyer, W.; Mutch; Nelson; Olson; Peterson; Streibel; Tennefos; Todd; Vosper

ABSENT AND NOT VOTING: Lashkowitz; Moore

SB 2541 passed and the title was agreed to.

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MOTIONS

SEN. MAIXNER MOVED that the vote by which SB 2541 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. MAIXNER MOVED that the rules be suspended and that SB 2541, be messaged to the House immediately, which motion prevailed.

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

MR. PRESIDENT: The House has adopted the conference committee report on HB 1011 and subsequently passed the same.

REPORT OF CONFERENCE COMMITTEE

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed HB 1011 has had the same under consideration and recommends that the SENATE RECEDE from the Senate amendments as found on pages 1711-1712 of the Senate Journal and that Engrossed HB 1011 be amended as follows:

Page 1, line 1, replace "making" with "to provide for"

Page 1, line 2, replace "providing" with "the civil air patrol; to provide"

Page 1, line 3, replace the first semicolon with "and"

Page 1, line 10, after "office" insert "and the civil air patrol"

Page 1, after line 12, insert:

"Subdivision 1. ADJUTANT GENERAL"

Page 1, line 17, replace "465,816" with "532,362"

Page 1, remove line 18

Page 2, line 2, replace "11,858,410" with "11,854,956"

Page 2, line 4, replace "3,056,961" with "3,053,507"

Page 2, after line 4, insert:

"Subdivision 2.		
	CIVIL AIR PATROL	
Salaries and wages		\$ 49,215
Operating expenses		35,691
Total general fund appropriation		<u>\$ 84,906</u>
Grand total general fund appropriation		\$ 3,138,413
Grand total special funds appropriation		\$ 8,801,449
Grand total all funds appropriation		\$ 11,939,862"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 513 - CIVIL AIR PATROL

Provides a separate budget of \$84,906 from the general fund for the Civil Air Patrol because the Senate defeated House Bill No. 1199 which provided for the consolidation of the Civil Air Patrol with the Adjutant General. This is \$14,906 more than the consolidated version passed by the House (\$10,000 for lease payments - not needed under the consolidated proposal and \$4,906 to provide for the additional health insurance premiums and the salary increase).

DEPARTMENT 540 - ADJUTANT GENERAL

	INCREASE (DECREASE)
Provides additional funds necessary to provide rent for six existing armories which would need to be vacated under the executive proposal (this represents one-half of the funding necessary for the six armories)	\$ 66,546
Deletes the Civil Air Patrol line item because this agency will not be consolidated with the Adjutant General	\$ (70,000)

as recommended in the executive budget  
Total general fund

\$ (3,454)

The compensation increases in this bill are to be paid in accordance with legislative salary policy as provided in House Bill No. 1005.

**For the Senate:** Sens. Redlin, Yockim, Naaden

**For the House:** Reps. Gerntholz, Smette (refused to sign), Graba

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

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1004 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1004: Reps. Kingsbury, Gunsch, Solberg

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

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

HB 1134: Reps. Gates, Trautman, J. DeMers

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

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2542.

Page 1, line 15, remove "or mitigation of the effects of an emergency"

Page 1, line 16, remove "condition"

Re-number accordingly

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

**MR. PRESIDENT:** The House has adopted the conference committee report on SB 2037, SB 2062, SB 2237, and SB 2261 and subsequently passed the same.

**MESSAGE to the HOUSE from the SENATE (Perry Grotberg, Asst. Secretary)**

**MR. SPEAKER:** The Senate has adopted the conference committee report on SB 2001 and subsequently passed the same.

#### MOTIONS

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

**SEN. MAIXNER** MOVED that the Senate be on the Fourth order of business, and at the conclusion of the Fourth order, the Senate be on the Seventh order of business, and at the conclusion of the Seventh order, the Senate be on the Twelfth order of business, and at the conclusion of the Twelfth order, the Senate be on the Sixteenth order of business, and at the conclusion of the Sixteenth order, the Senate stand adjourned until 8:00 a.m., Monday, April 17, 1989, which motion prevailed.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments to SB 2536 and subsequently passed the same.

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JOURNAL OF THE SENATE

71st DAY

PRESENTATION OF PETITIONS AND COMMUNICATIONS

State of North Dakota  
OFFICE OF THE GOVERNOR  
Bismarck

April 15, 1989

The Honorable Lloyd B. Omdahl  
President of the Senate  
Senate Chamber  
State Capitol  
Bismarck, North Dakota 58505

Dear Mr. President:

This is to inform you that on April 15, 1989, I signed the following:  
SB 2334.

Sincerely,

GEORGE A. SINNER  
Governor

PRESENTATION OF PETITIONS AND COMMUNICATIONS

State of North Dakota  
OFFICE OF THE GOVERNOR  
Bismarck

April 15, 1989

The Honorable Lloyd B. Omdahl  
President of the Senate  
Senate Chamber  
State Capitol  
Bismarck, North Dakota 58505

Dear Mr. President:

Senate Bill 2395 provides exemptions from minimum wage and hour standards for certain categories of workers.

It is probably appropriate to clarify that family members who provide family home care services for relatives who live in their homes are exempt from minimum wage and hour standards. And I could support such legislation.

This legislation, however, goes too far. Subsection 2 of this bill also exempts from any minimum wage and hour standards those who provide personal care services under county contracts. It could be read to exempt from any and all minimum wage and hour standards even private individuals, who under county contracts, hire other workers to provide personal care or family home care services.

Such provisions would probably save money for the state and political subdivisions but at the expense of a minimum standard of living for those decent enough to provide these much-needed services.

While I appreciate the concerns this bill attempts to address, I strongly believe that the state and political subdivisions need to provide the best example they can in this area.

Therefore, I veto Senate Bill 2395.

Sincerely,

GEORGE A. SINNER  
Governor

#### REPORTS OF CONFERENCE COMMITTEES

MR. PRESIDENT: Your Conference Committee to which was referred Engrossed SB 2417 has had the same under consideration and recommends that the SENATE ACCEDE to the House amendments as found on pages 1325-1326 of the Senate Journal.

For the Senate: Sens. Satrom, Richard, Ingstad  
For the House: Reps. Martin, Gorman, Scherber

Engrossed SB 2417 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2455 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on pages 1851-1854 of the Senate Journal and that SB 2455 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subdivision to subsection 5 of section 12.1-28-02, two new subsections to section 53-06.1-07, a new section to chapter 53-06.1, a new subsection to section 57-39.2-04, and a new subsection to section 57-40.2-04 of the North Dakota Century Code, relating to seizure of illegal gaming devices, the maximum prize per play in electronic video gaming device play of games of chance, commingling of games of charitable gaming tickets, imposition of a tax in lieu of sales taxes on charitable gaming tickets, and sales and use tax exemption for proceeds from games of chance conducted through use of electronic gaming devices; and to amend and reenact subsection 3 of section 53-06.1-11, sections 53-06.1-12, and 53-06.1-12.1 of the North Dakota Century Code, and subsections 4 and 5 of section 53-06.1-14 of the North Dakota Century Code, as contained in House Bill No. 1641, as approved by the fifty-first legislative assembly, relating to expense limitations for organizations, distributors, and manufacturers of gaming devices, and games of chance taxes.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new subdivision to subsection 5 of section 12.1-28-02 of the North Dakota Century Code is hereby created and enacted to read as follows:

A law enforcement officer may seize any device described in subdivision a upon probable cause to believe that the device was used or is intended to be used in violation of this chapter or chapter 53-06.1. The court shall order the device forfeited in the same manner and according to the same procedure as provided under chapter 19-03.1.

SECTION 2. Two new subsections to section 53-06.1-07 of the 1987 Supplement to the North Dakota Century Code are hereby created and enacted to read as follows:

In electronic video gaming device play of any game of chance permitted by this section, the maximum prize per play is five hundred dollars.

Any game using charitable gaming tickets may be conducted only through use of commingled games after June 30, 1991.

SECTION 3. AMENDMENT. Subsection 3 of section 53-06.1-11 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

3. Subject to the limitations of this subsection, expenses incurred in connection with holding, operating, or conducting any game of chance pursuant to this chapter may be deducted from adjusted gross proceeds, to the extent that total expenses for games of chance do not exceed ~~forty five~~ fifty percent of ~~the total~~ the first two hundred thousand dollars of adjusted gross proceeds, computed on an annual basis per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. The figure used for adjusted gross proceeds is as determined in subsection 1 of section 53-06.1-01 before any reduction for taxes. This subsection does not authorize violations of the rent limitations contained in this chapter.

SECTION 4. AMENDMENT. Section 53-06.1-12 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

53-06.1-12. Tax based on adjusted gross proceeds. A tax as provided in this section upon the total adjusted gross proceeds received by a licensed eligible organization ~~shall~~ must be paid to the licensing authority on a quarterly basis in ~~such~~ such the manner and upon ~~such~~ such the forms as ~~shall~~ be prescribed by the licensing authority by rule. The figure used for adjusted gross proceeds is as determined in subsection 1 of section 53-06.1-01 before any reduction for expenses. The amount of this tax ~~shall~~ must be paid from adjusted gross proceeds and ~~may~~ not be charged against the percentage limitation of expenses. The tax is hereby imposed upon every eligible organization, to be levied, collected, and paid quarterly with respect to the adjusted gross proceeds of the eligible organization as provided in this section, computed at the following rates:

1. On adjusted gross proceeds not in excess of ~~six two~~ two hundred thousand dollars per quarter, a tax of five percent.
2. On adjusted gross proceeds in excess of two hundred thousand dollars per quarter but not in excess of four hundred thousand dollars per quarter, a tax of ten percent.
3. On adjusted gross proceeds in excess of four hundred thousand dollars per quarter but not in excess of six hundred thousand dollars per quarter, a tax of fifteen percent.

4. On adjusted gross proceeds in excess of six hundred thousand dollars per quarter, a tax of twenty percent.

SECTION 5. AMENDMENT. Section 53-06.1-12.1 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

53-06.1-12.1. Allocation of games of chance tax - Appropriation. The state treasurer, at the direction of the licensing authority, shall pay quarterly to cities and counties in proportion to the tax collected under section 53-06.1-12 from eligible organizations conducting games of chance within each city, for sites within city limits, or within each county, for sites outside city limits, the following amounts which are hereby appropriated:

1. Two-fifths of the tax collected under subsection 1 of section 53-06.1-12 within the city or county.
2. One-tenth of the tax collected under subsection 2 of section 53-06.1-12 within the city or county.

The remaining tax collected under section 53-06.1-12, up to the amount paid during the 1985-87 biennium, shall be paid by the licensing authority to the state treasurer for deposit in the state general fund one hundred seventy thousand dollars per quarter to cities and counties in proportion to the adjusted gross proceeds within each city, for sites within city limits, or within each county, for sites outside city limits, to the total adjusted gross proceeds. Any amounts received by a city or county under this section must be used by the city or county for expenses connected with enforcement of this chapter within the city or county. Any amount remaining because of the limitation with respect to the 1985-87 biennium, up to In addition, two hundred thousand dollars per biennium, must be deposited in the attorney general's operating budget fund and must be used only for the enforcement of gaming as appropriated. Any amount remaining in excess of two hundred thousand dollars taxes collected under this chapter must be deposited by the state treasurer in the general fund.

SECTION 6. A new section to chapter 53-06.1 of the North Dakota Century Code is hereby created and enacted to read as follows:

Charitable gaming tickets excise tax in lieu of sales and use taxes. In addition to any other tax provided by law and in lieu of sales or use taxes, there is imposed a tax of two percent on the gross receipts from the sale at retail of charitable gaming tickets to a final user. A sale at retail for purposes of this section includes charitable gaming tickets sold and charitable gaming tickets given in return for another charitable gaming ticket as authorized under this chapter. Gross receipts for purposes of this section includes the face value of all charitable gaming tickets sold or given in return for another charitable gaming ticket. The tax imposed by this section must be paid to the licensing authority at the time returns are made and taxes are paid by the eligible organization under section 53-06.1-12.

SECTION 7. AMENDMENT. Subsections 4 and 5 of section 53-06.1-14 of the 1987 Supplement to the North Dakota Century Code, as amended by House Bill No. 1641, as approved by the fifty-first legislative assembly, are hereby amended and reenacted to read as follows:

4. Every manufacturer or distributor of electronic video gaming devices through which games of chance are conducted under this chapter shall apply before the first day of April of each year for an annual license upon a form prescribed by the attorney general and shall submit the appropriate license fee. Each applicant shall provide such necessary and reasonable information as the attorney general requires. The license fee for a manufacturer or distributor is one thousand dollars. Every eligible organization shall ~~purchase or lease~~ all electronic video gaming devices from a ~~manufacturer or distributor~~ licensed under this chapter.
5. No licensed or authorized eligible organization may be a distributor. No wholesaler of liquor or alcoholic beverages may be a distributor. No North Dakota licensed manufacturer may be a distributor.

SECTION 8. A new subsection to section 57-39.2-04 of the 1987 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

Gross receipts from electronic gaming devices licensed by the attorney general under chapter 53-06.1.

SECTION 9. A new subsection to section 57-40.2-04 of the 1987 Supplement to the North Dakota Century Code is hereby created and enacted to read as follows:

Gross receipts from electronic games of chance licensed by the attorney general under chapter 53-06.1."

Renumber accordingly

For the Senate: Sens. Dotzenrod, Robinson, Ingstad

For the House: Reps. A. Hausauer, Timm, Tomac (refused to sign)

SB 2455 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

MR. PRESIDENT: Your Conference Committee to which was referred SB 2475 has had the same under consideration and recommends that the HOUSE RECEDE from the House amendments as found on pages 1418-1419 of the Senate Journal and that SB 2475 be amended as follows:

In lieu of the conference committee amendments to Senate Bill No. 2475 adopted by the Senate as printed on pages 1716-1718 of the Senate Journal and adopted by the House as printed on pages 2195-2197 of the House Journal, Senate Bill No. 2475 is amended as follows:

Page 1, line 1, replace "section" with "sections 57-36-10," and after "57-36-25" insert ", subsection 1 of section 57-36-26, subsection 1 of section 57-36-28, and section 57-36-32"

Page 1, line 2, after "to" insert "compensation available to distributors and"

Page 1, line 3, after "products" insert "; and to provide an expiration date"

Page 1, after line 4, insert:

"SECTION 1. AMENDMENT. Section 57-36-10 of the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-36-10. Stamps may be purchased at discount. Any licensed distributor located within or without this state may purchase stamps at a discount ~~of five percent of the face value thereof, and the~~. The tax commissioner may allow such the discount in the settlement of the account of ~~such the~~ wholesale distributor upon the payment to ~~him the~~ tax commissioner of any moneys which may be or become due to the state by reason of the sale, delivery, or consignment to ~~such the~~ distributor of ~~such the~~ stamps. The discount is computed as a percentage of the face value of the stamp at the following rates:

1. Five percent of the face value for the first one hundred thousand dollars purchased each fiscal year.
2. Four percent of the face value for the next one hundred and twenty-five thousand dollars purchased each fiscal year.
3. Three percent of the face value for the next one hundred and seventy-five thousand dollars purchased each fiscal year.
4. Two percent of the face value for purchases over four hundred thousand dollars for each fiscal year.
5. The total discount under this section for any distributor may not exceed twenty-five thousand dollars for each fiscal year."

Page 1, line 12, replace "thirty-five" with twenty-five"

Page 2, after line 20, insert:

"SECTION 3. AMENDMENT. Subsection 1 of section 57-36-26 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. There is hereby levied and assessed upon all cigars, snuff, and other tobacco products, purchased in another state and brought into this state by a dealer for the purpose of sale at retail, an excise tax at the rate of ~~twenty~~ twenty-five percent of the wholesale purchase price at the time ~~such the~~ products were brought into this state. For the purposes of this section the term "wholesale purchase price" shall mean the established price for which a manufacturer sells cigars, snuff, or other tobacco products to a distributor exclusive of any discount or other reduction; ~~provided, that~~. However, the dealer may elect to report and remit the tax on his cost price of ~~such the~~ products rather than on the wholesale purchase price. The proceeds of ~~such the~~ tax, together with ~~such the~~ forms of return and in accordance with ~~such the~~ rules and regulations as the tax commissioner may prescribe, shall be remitted to the tax commissioner by the dealer on a calendar quarterly basis on or before the tenth day of the month following the quarterly period for which it is paid.

The tax commissioner shall have the authority to place any dealer on an annual remittance basis when in the judgment of the tax commissioner the operations of the dealer merit ~~such~~ an annual remittance period. In addition, the tax commissioner shall have the authority to permit the consolidation of the filing of a dealer's return when the dealer has more than one location and thereby would be required to file more than one return.

SECTION 4. AMENDMENT. Subsection 1 of section 57-36-28 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

1. A tax is hereby imposed upon the use or storage by consumers of cigars, snuff, and other tobacco products in this state, and upon ~~such those~~ consumers, at the rate of ~~twenty~~ twenty-five percent of the cost to the consumer of ~~such those~~ products.

SECTION 5. AMENDMENT. Section 57-36-32 of the 1987 Supplement to the North Dakota Century Code is hereby amended and reenacted to read as follows:

57-36-32. Separate and additional tax on the sale of cigarettes - Collection - Allocation of revenue - Tax avoidance prohibited. There is hereby levied and assessed and there shall be collected by the state tax commissioner and paid to the state treasurer, upon all cigarettes sold in this state, an additional tax, separate and apart from all other taxes, of ~~eight and one-half~~ ten mills on each ~~such~~ cigarette, to be collected as existing taxes on cigarettes sold are, or hereafter may be, collected, by use of appropriate stamps and under similar accounting procedures. No person, firm, or corporation shall transport or bring or cause to be shipped into the state of North Dakota any cigarettes as provided herein, other than for delivery to wholesalers in this state, without first paying ~~such~~ the tax thereon to the state tax commissioner. All of the moneys collected by the state treasurer under this section shall be credited to the state general fund.

SECTION 6. EXPIRATION DATE. Sections 2 through 5 of this Act are effective through June 30, 1991, and after that date are ineffective."

Renumber accordingly

For the Senate: Sens. Richard, Robinson, Moore  
For the House: Reps. Goetz, A. Hausauer, Tomac

SB 2475 was placed on the Seventh order of business on the calendar for the succeeding legislative day.

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

PERRY GROTBORG, Assistant Secretary