

JOURNAL OF THE SENATE

Fifty-second Legislative Assembly

* * * * *

Bismarck, April 11, 1991

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

The prayer was offered by Rev. Barry Lee, Church of God of Prophecy, Bismarck.

The roll was called and all members were present except Senators DeKrey, Jerome, Keller, and Naaden.

A quorum was declared by the President.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

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

SB 2005: Sens. Satrom; Lindaas; Goetz

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bill: SB 2234.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2234.

REPORTS OF CONFERENCE COMMITTEES

SEN. TALLACKSON MOVED that the conference committee report on Engrossed HB 1558 as printed on SJ page 1690 be adopted, which motion prevailed.

SEN. TALLACKSON MOVED that the conference committee report on Engrossed HB 1019 as printed on SJ pages 1687-1690 be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1019: A BILL for an Act making an appropriation for defraying the expenses of the state industrial commission and the agencies under the management of the industrial commission; to amend and reenact section 57-61-01.5 of the North Dakota Century Code, relating to the lignite research fund; to repeal section 7 of House Bill No. 1005, as approved by the fifty-second legislative assembly, relating to the land reclamation research center; to provide for a bond issuance for a Bismarck state college parking lot; to provide a continuing appropriation for the lignite research fund; and to provide for a lease agreement for the board of higher education to acquire Hastings hall.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 43 YEAS, 7 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Heigaard; Heinrich; Holmberg; Ingstad; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Meyer; Mushik; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Stenehjem; Streibel; Tallackson; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

NAYS: Bowman; David; Hanson, O.; Moore; Mutch; Solberg; Tennesfos

ABSENT AND NOT VOTING: Jerome; Keller; Naaden

HB 1019 passed and the title was agreed to.

MOTION

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

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

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. TALLACKSON MOVED that the Senate do not concur in the House amendments to Reengrossed SB 2005 as printed on SJ page 1466 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a new Conference Committee on SB 2005: Sens. Satrom, Lindaas, Goetz.

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 1439: Reps. Dorso; Tollefson; Skjerven

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

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

HB 1439: Sens. Schoenwald; Heigaard; Nelson

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1016 and subsequently passed the same.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2017 and SB 2019 and subsequently passed the same.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2596, subsequently passed, and the emergency clause carried.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2324.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1013, HB 1018, HB 1021, HB 1022, HB 1031, HB 1167, HB 1200, HB 1517, HB 1534, HB 1597.

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 1439, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1439: Sens. Schoenwald, Heigaard, Nelson.

ELECTION OF PRESIDENT PRO TEM

SEN. REDLIN: Mr. President, members of the Senate: I am pleased to have the opportunity to nominate a Senator who has an impressive record of service in this body and for the state of North Dakota. This Senator has served seven sessions in this body, and he served three sessions as committee chairman; two on Political Subdivisions, one on Finance and Taxation. He has also served a biennium on the Legislative Council. This Senator has the courage

of his convictions. He has a great depth of knowledge on many public issues, and he is an articulate spokesman for his beliefs. I take great pleasure in nominating James Dotzenrod, Senator from District 27, for President Pro Tem.

SEN. HOLMBERG: Mr. President and members of the Senate: I am privileged today to nominate the Senator from District 42 for the office of President Pro Tem. The Senator from Grand Forks has served with distinction in the Legislature since 1976 - 1977 session and 1979 session as a member of the House of Representatives and since 1981 as a member of the North Dakota Senate. He has served as a committee chairman chairing the Human Services Committee in the 1985 session and served as the interim chairman of the Judiciary Committee in the 1987 interim. As members of this Senate know, he is a fighter for the causes in which he believes and is eminently successful. I would hope, Mr. President, that the members of this Senate vote for Senator Wayne Stenehjem for President Pro Tem.

MR. PRESIDENT DECLARED that nominations cease.

Senator Dotzenrod was elected President Pro Tem.

MOTION

SEN. STENEHJEM MOVED that the Senate cast a unanimous ballot for Sen. Dotzenrod as President Pro Tem, which motion prevailed.

REMARKS OF PRESIDENT PRO TEM DOTZENROD

SEN. DOTZENROD: Thank you, members of the Senate, for this honor. An election and a title like this makes me feel like I have been here for quite awhile. I would like to say to everyone here that I think we all have a great heritage in this beautiful capitol building that was built during the 1930s. And that the election of the President Pro Tem is also a part of and a recognition of the heritage and tradition in this assembly. I find it somewhat intimidating that should the President of the Senate not be available, that I would be called upon to preside over a session like the one coming this fall. And, I hope, Mr. President, that you stay very healthy, take care of yourself this summer and this fall, and if the need should arise I will do my best to uphold the tradition that you have done so well here in the Senate. Thank you again to everyone for the confidence that you have extended to me by this vote and this title. Thank you.

MOTIONS

SEN. WOGSLAND MOVED that the remarks of Sen. Redlin, Sen. Holmberg, and Sen. Dotzenrod be printed in the Journal, which motion prevailed.

SEN. WOGSLAND MOVED that the vote by which HB 1019 and HB 1558 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1558.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1019 and subsequently passed the same.

MOTION

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

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

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

MR. PRESIDENT: The Speaker has signed: SB 2234.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed: HB 1013, HB 1018, HB 1021, HB 1022, HB 1031, HB 1167, HB 1200, HB 1517, HB 1534, HB 1597.

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bills and resolution: SB 2020, SB 2515, SB 2594, SCR 4073.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2020, SB 2515, SB 2594, SCR 4073.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2017 and subsequently passed the same.

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

MR. PRESIDENT: The House has passed over the Governor's veto: HB 1325. The vote was 74 YEAS, 31 NAYS, 1 ABSENT AND NOT VOTING, and your favorable consideration is requested.

MOTION

SEN. WOGSLAND MOVED that the Senate dissolve the conference committee on SB 2004 and the President appoint a new conference committee, which motion prevailed.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. TALLACKSON MOVED that the Senate do not concur in the House amendments to Engrossed SB 2004 as printed on SJ pages 1465-1466 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a new Conference Committee on SB 2004: Sens. Tallackson, Heigaard, Nelson.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has dissolved its conference committee on SB 2004 and has appointed a new committee to act with a like committee from the House on:

SB 2004: Sens. Tallackson; Heigaard; Nelson

REPORT OF CONFERENCE COMMITTEE

SB 2058, as reengrossed: Your conference committee (Sens. Krauter, Yockim, Nething and Reps. Dorso, R. Berg, Kaldor) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1522-1527, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on pages 1684-1689 of the House Journal and pages 1522-1527 of the Senate Journal and that Reengrossed Senate Bill No. 2058 be amended as follows:

Page 1, line 4, replace "on-farm" with "farm"

Page 1, line 5, after "fund" insert "and the regional rural development revolving loan fund"

Page 1, line 8, remove "6-09-02,"

Page 2, line 7, replace "an allocation" with "a transfer"

Page 2, line 8, remove "to provide for appropriation reductions;"

Page 2, line 22, remove "on-farm"

Page 2, line 23, remove "on-farm"

- Page 5, line 4, remove "on-farm"
- Page 5, line 5, replace "on-farm" with "value-added" and remove "The moneys"
- Page 5, remove line 6
- Page 5, line 7, remove "projects."
- Page 5, remove lines 9 through 29
- Page 6, remove lines 1 through 3
- Page 9, line 28, replace ", where" with an underscored period
- Page 10, remove lines 1 and 2
- Page 10, line 6, replace "On-farm" with "Farm" and remove "located on a family farm"
- Page 10, replace lines 7 through 9 with "conducted by the farmer or farmer's family, which is integrated into the farm operation and is intended to supplement farm income to allow the farmer to continue farming. It may include nontraditional agricultural, manufacturing, processing, value-added processing, targeted service industries, or other activities calculated to produce income."
- Page 10, line 21, remove "the"
- Page 10, line 22, replace "establishment of an on-farm" with "a farm"
- Page 11, line 4, after the second underscored period insert "After December 31, 1992, moneys may be transferred between this fund and the partnership in assisting community expansion fund established in section 6-09.14-02."
- Page 11, line 25, replace "the future appropriated" with "a transfer of" and replace the first "of" with "from"
- Page 12, line 25, remove "The"
- Page 12, remove lines 26 and 27
- Page 13, line 7, replace "percent" with "hundred basis points"
- Page 15, line 24, replace the second "7" with "8"
- Page 16, line 22, after "shall" insert "only"
- Page 16, line 23, after "representatives" insert "who serve in executive capacities" and after the colon insert "private sector"
- Page 16, line 24, overstrike "higher education,", after the third comma insert "and", and overstrike the last comma
- Page 16, line 25, overstrike "and private sector business"
- Page 17, line 27, replace "the" with "moneys"
- Page 17, line 28, remove "future" and replace "earnings of the Bank of North Dakota" with "from the general fund"
- Page 18, line 10, after the underscored period insert "Moneys may also be used to make matching grants to county-authorized or city-authorized development corporations for the acquisition, leasing, or remodeling of real estate facilities for locating a prospective new primary sector business. A grant must be made as part of a package of financing in which the state is a participant."

- Page 18, line 13, after the underscored period insert "The rules to implement the grant program must be developed to encourage local fundraising initiatives for developing locations for businesses financed by the corporation."
- Page 18, remove line 26
- Page 18, line 27, remove "be transferred during the biennium to any other category."
- Page 19, after line 5, insert "10-30.3-12."
- Page 19, line 15, remove "equally"
- Page 20, line 28, after "science" insert ", or the president's designee"
- Page 20, line 29, after "Dakota" insert ", or the president's designee"
- Page 21, line 1, replace "of the board of higher education, as appointed" with "from the board of directors of the North Dakota economic development finance corporation appointed under section 10-30.3-03."
- Page 21, remove line 2
- Page 21, line 5, replace "Four" with "Three" and remove "one member each"
- Page 21, remove line 8
- Page 21, line 9, replace "f" with "e"
- Page 22, line 19, after the underscored comma insert "byproduct utilization,"
- Page 22, line 24, after the underscored period insert:
"Provide support for specific projects as provided by law.
8."
- Page 23, line 18, after the first underscored comma insert "working papers,"
- Page 33, line 23, overstrike "The state or any political subdivision of the state which contracts"
- Page 33, overstrike lines 24 and 25
- Page 33, line 26, overstrike "director of the", remove "department of", overstrike "economic development", and remove "and"
- Page 33, line 27, remove "finance" and overstrike "," at the time the architect or engineer is retained, of the"
- Page 33, overstrike lines 28 and 29
- Page 34, line 1, overstrike "identifying the architect or engineer. The" and insert immediately thereafter "Each year the" and remove the overstrike over "of the"
- Page 34, line 2, after "commission" insert "department of economic development and finance"
- Page 34, line 3, overstrike "architect" and insert immediately thereafter "registered architects"
- Page 34, line 4, overstrike "engineer" and insert immediately thereafter "engineers"
- Page 36, line 9, remove the second "and"

Page 36, line 16, replace the underscored period with "; and"

Page 36, after line 16, insert:

"6. Identify those statutes, administrative rules, and policies that impede the attraction, creation, and expansion of businesses and job creation in this state."

Page 36, line 26, after "director" insert "upon the approval of the budget section of the legislative council"

Page 37, remove lines 1 through 20

Page 37, line 21, replace "54-3 4.3 -05" with "54-3 4.3-0 4"

Page 37, line 26, remove "The appointment of the director must be confirmed by the senate."

Page 37, remove lines 27 and 28

Page 37, line 29, remove "confirms or rejects the appointment."

Page 39, line 5, remove "and"

Page 39 line 6, after the underscored period insert:

"Report at least annually to an interim committee designated by the legislative council on loan performance and performance of the department of economic development and finance, including evaluations of the division of finance, the division of marketing and technical assistance, and the division of science and technology. A report must include a comparison of dollars spent to the jobs created of all programs administered or supervised by the director and a review of the timeliness of the loan processing practices including a log of activities from application to final determination; and

9."

Page 39, line 8, replace "54-34.3-06" with "54-34.3-05"

Page 39, line 26, replace "54-34.3 07" with "54-3 4.3 06"

Page 40, line 5, after "state" insert ", regional,"

Page 40, line 9, remove "the development of"

Page 40, line 10, after "state" insert ", regional," and replace "to" with "that"

Page 40, line 18, remove "all"

Page 41, line 11, after the underscored period insert:

"Utilize existing marketing entities from private and other sources such as the microbusiness marketing alliance."

11."

Page 41, line 13, replace "54-34.3-08" with "54-3 4.3 -07"

Page 41, line 26, replace "54-34.3-09" with "54-34.3-08"

Page 41, line 28, after "Dakota" insert "agricultural"

Page 41, line 29, after "assign" insert "for remuneration"

Page 45, line 14, remove "quarterly"

Page 48, line 28, replace "22" with "21"

Page 49, line 8, after the second period insert:

"1."

Page 49, line 12, replace "section" with "subsection"

Page 49, line 14, replace "section" with "subsection"

Page 49, after line 14, insert:

"2. It is the intent of the legislative assembly that the Bank of North Dakota and the department of economic development and finance collocate in the future. The legislative council shall conduct a study concerning collocation and make recommendations to the fifty-third legislative assembly relating to methods for accomplishing the collocation, including the time frame, funding, and other elements pertinent to the collocation.

SECTION 50. TRANSFER. There is hereby authorized the transfer to the general fund in the state treasury, the sum of \$23,217,457 from the accumulated and undivided profits of the Bank of North Dakota. The moneys must be transferred during the biennium beginning July 1, 1991, and ending June 30, 1993, upon the order of the industrial commission, with one-half of the transfer to be made no later than June 30, 1992."

Page 49, line 15, replace "ALLOCATION OF BANK OF NORTH DAKOTA EARNINGS. For" with "LEGISLATIVE INTENT. It is the intent of the legislative assembly that the following general fund appropriations and transfers will be made by the legislative assembly for"

Page 49, line 16, replace ", the industrial" with a colon

Page 49, remove lines 17 and 18

Page 49, line 19, replace "5,800,000" with "5,265,626"

Page 49, line 21, replace "7,000,000" with "6,730,000"

Page 49, line 22, replace "3,500,000" with "3,000,000"

Page 49, line 23, replace "3,000,000" with "2,700,000"

Page 49, line 25, replace "500,000" with "996,000"

Page 49, line 27, underscore "1,000,000"

Page 49, after line 27, insert:

"SB 2058 appropriations and transfers total \$19,691,626"

Page 49, line 29, replace "250,000" with "150,000"

Page 50, remove lines 2 and 3

Page 50, line 5, replace "450,000" with "300,000"

Page 50, line 6, replace "300,000" with "200,000"

Page 50, after line 6, insert:

"Agricultural appropriations total in other bills \$ 1,400,000"

Page 50, line 7, replace "transfer, retention, or allocation" with "all general fund transfers and appropriations" and replace "22,800,000" with "21,091,626"

Page 50, line 11, replace "earnings of the Bank of North" with "other income"

Page 50, line 12, remove "Dakota"

Page 50, line 16, replace "2,422,076" with "2,273,555"

Page 50, line 18, replace "2,209,264" with "1,509,264"

Page 50, line 21, replace "6,384,882" with "5,536,361"

Page 50, remove line 22

Page 50, line 23, replace "234,882" with "270,735"

Page 50, line 24, replace "350,000" with "5,265,626"

Page 50, after line 24, insert:

"The department of economic development and finance and the commissioner of agriculture shall coordinate the pride of Dakota logo promotion initiatives and other agricultural products marketing initiatives. At least seventy-five percent of the general fund dollars appropriated for the pride of Dakota logo promotion must be used for out-of-state marketing efforts.

The department of economic development and finance, upon approval of the budget section of the legislative council, may substitute alternative positions for authorized positions to utilize its personnel in the most effective manner.

The department of economic development and finance and the North Dakota state university extension service shall coordinate their community economic development program initiatives."

Page 50, after line 29, insert:

"SECTION 53. APPROPRIATION - TRANSFER. The amount of \$6,730,000 is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, and shall be transferred to the primary sector development fund for the purposes of North Dakota Century Code section 10-30.3-11 for the biennium beginning July 1, 1991, and ending June 30, 1993."

Page 51, line 2, replace "earnings of the Bank of North Dakota" with "general fund in the state treasury, not otherwise appropriated,"

Page 51, line 4, replace "10-30.4-01" with "10-30.4"

Page 51, line 8, after the period insert "No more than \$300,000 of the moneys appropriated in this section may be used for administrative costs. The science and technology corporation may not duplicate, and shall coordinate with, existing programs at the university of North Dakota and North Dakota state university."

Page 51, replace lines 9 through 13 with:

"SECTION 55. APPROPRIATION - TRANSFER. The amount of \$2,700,000 is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, and shall be transferred to the partnership in assisting community expansion fund for the purposes of North Dakota Century Code chapter 6-09.14 for the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 56. APPROPRIATION - TRANSFER. The amount of \$996,000 is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, and shall be transferred to the agriculture partnership in assisting community expansion fund for the purposes of North Dakota Century Code chapter 6-09.13 for the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 57. APPROPRIATION - TRANSFER. The amount of \$1,000,000 is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, and shall be transferred to the beginning farmer revolving loan fund for the purposes of North Dakota Century Code section 6-09-15.5 for the biennium beginning July 1, 1991, and ending June 30, 1993."

Reumber accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. LANGLEY MOVED that the conference committee report on Reengrossed SB 2058 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2058: A BILL for an Act to create and enact section 4-14.1-03.1, chapters 6-09.13, 6-09.14, sections 10-30.3-10, 10-30.3-11, 10-30.3-12, and chapters 10-30.4 and 54-34.3 of the North Dakota Century Code, relating to the agricultural utilization commission, farm loan programs, business loan programs, the creation of the primary sector development fund and the regional rural development revolving loan fund, the creation of the science and technology corporation, and the establishment of a department of economic development and finance; to amend and reenact sections 4-14.1-01, 4-14.1-02, 4-14.1-03, subsection 1 of section 6-09-15, sections 6-09-15.5, 6-09.10-03, 10-24-40, subsection 6 of section 10-30-04, sections 10-30.2-02, 10-30.2-05, 10-30.3-01, 10-30.3-02, 10-30.3-03, 10-30.3-05, 10-30.3-07, 15-12-25, 21-11-02, 21-11-03, 21-11-04, 21-11-05, 21-11-06, 24-02-37.1, 24-03-21, subsection 6 of section 26.1-05-19, subsection 1 of section 28-32-01, sections 52-01-03, 54-34-06.1, 54-34-12, 54-34-15, 54-36-01, 54-40.1-01, subsection 7 of section 54-40.1-02, sections 54-40.1-04, 54-40.1-05, 54-53-02, 55-06-01, and 55-08-02.1 of the North Dakota Century Code and section 8 of House Bill No. 1046, as approved by the fifty-second legislative assembly, relating to the duties of the agricultural utilization commission, the duties of the agricultural mediation service, creation of the economic development finance corporation, the operation of the Bank of North Dakota, references to the economic development commission, the duties of regional councils, and the appropriation to the regional rural development revolving loan fund; to repeal sections 54-34-01, 54-34-02, 54-34-03, 54-34-03.1, 54-34-04, 54-34-05.1, 54-34-06, and 54-34-08 of the North Dakota Century Code, section 1 of chapter 112 of the 1989 Session Laws and sections 1, 2, and 3 of House Bill No. 1046, as approved by the fifty-second legislative assembly, relating to the economic development commission, the transfer of the Bank of North Dakota's profits into the beginning farmer revolving loan fund, and the rural development revolving loan fund; to require collocation of economic development entities; to provide for a transition; to provide for a transfer of the earnings of the Bank of North Dakota; to provide an appropriation; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 41 YEAS, 11 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Nalewaja; Nelson; Nething; Peterson; Redlin; Robinson;

Satrom; Schoenwald; Stenehjem; Tallackson; Tennefos; Thane; Tomac; Traynor; Wogsland; Yockim

NAYS: Bowman; David; Hanson, O.; Kinnoin; Meyer; Moore; Mutch; O'Connell; Solberg; Streibel; Vosper

ABSENT AND NOT VOTING: Naaden

SB 2058 passed, the title was agreed to, and the emergency clause carried.

REPORT OF CONFERENCE COMMITTEE

SB 2002, as engrossed: Your conference committee (Sens. Mushik, Kelly, Thane and Reps. Dalrymple, R. Berg, Wilkie) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1454-1464, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on pages 1527-1538 of the House Journal and pages 1454-1464 of the Senate Journal, and that Engrossed Senate Bill No. 2002 be amended as follows:

Page 1, line 5, after the semicolon insert "to provide authority for lease of real and personal property at the state developmental center and the state hospital; to provide alternative contingent appropriations; to allow the sale of surplus steam heat at the state developmental center; regarding administration of the child care block grant and at-risk child care programs; to create and enact a new section to chapter 50-06, three new subsections to section 50-24.4-01, and two new subsections to section 50-24.4-10 of the North Dakota Century Code, relating to insurance payments by the department of human services for persons with acquired immune deficiency syndrome, and operating margins and efficiency incentives for nursing homes; to amend and reenact section 50-24.1-02.2 of the North Dakota Century Code, relating to community spouse resource allowance;" remove "and", remove "a", and replace "statement relating to federal" with "statements"

Page 1, line 6, replace "financial participation" with "; to provide for a legislative council study; and to provide an effective date"

Page 1, line 18, replace "46,349" with "43,796"

Page 1, line 20, replace "288,398" with "285,845"

Page 1, line 21, replace "41,081" with "37,839"

Page 1, line 22, replace "247,317" with "248,006"

Page 2, line 3, replace "5,824,704" with "5,789,704"

Page 2, line 4, replace "1,455,335" with "1,329,667"

Page 2, line 5, replace "5,602,618" with "5,572,803"

Page 2, line 9, replace "15,425,348" with "15,234,865"

Page 2, line 10, replace "9,993,255" with "9,923,917"

Page 2, line 11, replace "5,432,093" with "5,310,948"

Page 2, line 14, replace "3,285,407" with "3,476,783"

Page 2, line 15, replace "7,894,087" with "7,200,320"

Page 2, line 16, replace "8,933,242" with "8,937,808"

Page 2, line 17, replace "25,059" with "27,059"

Page 2, line 18, replace "129,267,540" with "128,266,774"

Page 2, line 19, replace "149,405,335" with "147,908,744"

Page 2, line 20, replace "130,291,045" with "129,327,278"

Page 2, line 21, replace "19,114,290" with "18,581,466"

Page 2, line 25, replace "2,134,939" with "1,877,335"

Page 2, line 26, replace "1,062,295" with "1,053,527"

Page 2, line 28, replace "436,397,661" with "445,429,855"

Page 2, line 29, replace "441,753,585" with "450,519,407"

Page 3, line 1, replace "327,498,741" with "334,103,757"

Page 3, line 2, replace "114,254,844" with "116,415,650"

Page 3, line 6, replace "371,448" with "329,188"

Page 3, line 7, replace "894,706" with "882,284"

Page 3, line 10, replace "14,179,758" with "14,125,076"

Page 3, line 11, replace "11,884,362" with "11,838,979"

Page 3, line 12, replace "2,295,396" with "2,286,097"

Page 3, line 15, replace "5,226,294" with "5,468,634"

Page 3, line 16, replace "725,774" with "644,689"

Page 3, line 17, replace "6,089,286" with "6,916,182"

Page 3, line 18, replace "84,304" with "94,304"

Page 3, line 19, replace "1,694,546" with "2,836,409"

Page 3, line 20, replace "43,184,230" with "43,469,292"

Page 3, line 21, replace "57,004,434" with "59,429,510"

Page 3, line 22, replace "31,559,175" with "33,391,969"

Page 3, line 23, replace "25,445,259" with "26,037,541"

Page 3, line 27, replace "247,804" with "245,634"

Page 3, line 28, replace "11,711,424" with "11,035,936"

Page 4, line 2, replace "55,202,616" with "54,524,958"

Page 4, line 3, replace "24,566,130" with "23,990,746"

Page 4, line 4, replace "30,636,486" with "30,534,212"

Page 4, line 7, replace "42,824,488" with "43,174,488"

Page 4, line 8, replace "1,159,008" with "1,036,025"

Page 4, line 9, replace "8,476,921" with "7,821,200"

Page 4, line 11, replace "100,500" with "800,500"

Page 4, line 12, replace "52,848,538" with "53,119,834"

Page 4, line 13, replace "13,196,431" with "14,269,164"

Page 4, line 14, replace "39,652,107" with "38,850,670"

Page 4, line 19, replace "8,158,400" with "8,120,622"

Page 4, line 20, replace "272,734" with "252,734"

Page 4, line 22, replace "45,696,006" with "45,638,228"

Page 4, line 23, replace "32,453,474" with "33,308,043"

Page 4, line 24, replace "13,242,532" with "12,330,185"

Page 4, remove lines 25 through 29

Page 5, line 1, replace "252,147,665" with "251,256,164"

Page 5, line 2, replace "588,209,477" with "593,046,074"

Page 5, line 3, replace "840,357,142" with "844,302,238"

Page 5, line 11, after the period insert "The amount of \$700,000, or so much thereof as may be necessary, as appropriated in the capital improvements line item in subdivision 8 may be spent by the department from the lands and minerals trust fund for asbestos removal and relocation of utilities at the state hospital for the biennium beginning July 1, 1991, and ending June 30, 1993."

Page 5, line 20, replace "\$1,768,364" with "\$2,854,382" and remove "special"

Page 6, replace lines 12 through 16 with:

"SECTION 8. MEDICAID FUNDS - TRANSFER. Upon receipt of medicaid funds for expenditure at the state hospital, the human service centers, and the developmental center, the department of human services may transfer the funds to the state hospital, the human service centers, and the developmental center and then spend them pursuant to the appropriation of such funds in the state hospital, the human service centers, and the developmental center appropriations contained in subdivisions 7, 8, and 9 of section 1 of this Act.

SECTION 9. DEPARTMENT OF HUMAN SERVICES MAY LEASE REAL AND PERSONAL PROPERTY. The executive director of the department of human services is authorized to lease surplus farm and pasture land at the state hospital and the developmental center, and to lease space in a building at the developmental center for a child care center. The executive director is also authorized to enter into further leases of real or personal property at the developmental center or the state hospital upon a specific finding that the granting of each such leasehold interest will result in a net economic gain for the department, taking into account all identifiable costs. The executive director may prescribe the terms and conditions of any leases entered into pursuant to this section and may renew existing leases. Any lease entered into must be subject to renewal or cancelable each biennium. Any lease or lease renewal of unneeded building or building space may be made only after consultation with the administrator of the state fire and tornado fund.

SECTION 10. LEGISLATIVE INTENT - UNANTICIPATED FEDERALLY MANDATED PROGRAMS. The legislative assembly recognizes the need to comply with the mandatory provisions of the various federal programs and the uncertainties inherent in anticipating federal legislation and in estimating the funds needed to comply with the new program requirements, including many of the medicaid expansion provisions within the Omnibus Budget Reconciliation Act of 1990 [Pub. L. 101-508]. If the general fund appropriations contained in subdivision 4 of

section 1 of this Act are determined by the department to be insufficient to comply with the federal mandates during the biennium beginning July 1, 1991, and ending June 30, 1993, the department shall report to the budget section the amount of the prospective deficiency appropriation that will be introduced to the fifty-third legislative assembly.

SECTION 11. CONTINGENT APPROPRIATION.

1. If House Bill No. 1511 becomes effective, and if the department of human services is able to negotiate a new lease with the red river human services foundation, relating to office space in the building located at 15 Broadway, Fargo, North Dakota, and currently used to house the southeast human service center, the amount of \$505,463, or so much thereof as may be necessary, is hereby appropriated out of any moneys in the general fund of the state treasury, not otherwise appropriated, to the department of human services for the purpose of defraying the expenses of rental of office space in the building located at 15 Broadway, Fargo, North Dakota, used to house the southeast human service center, for the period beginning November 1, 1991, and ending June 30, 1993. This appropriation is sufficient to defray rental at an amount equal to \$7.37 per square foot per year, or 1.03 times \$7.16 per square foot per year. The highest rental amount provided for in any current lease by any other state agency tenant of office space in the building located at 15 Broadway, Fargo, North Dakota, is \$7.16 per square foot per year.
2. If House Bill No. 1511 becomes effective, but the department of human services is unable to negotiate a new lease with the red river human services foundation, relating to office space in the building located at 15 Broadway, Fargo, North Dakota, and currently used to house the southeast human service center, the amount of \$389,440, or so much thereof as may be necessary, is hereby appropriated out of any moneys in the general fund of the state treasury, not otherwise appropriated, to the department of human services for the purpose of defraying the expenses of rental of office space in the building located at 15 Broadway, Fargo, North Dakota, used to house the southeast human service center, for the period beginning November 1, 1991, and ending October 31, 1992. No additional appropriation is necessary for the purpose of defraying the cost of rental of that office space because, under the circumstances described in this subsection, that office space would be vacated by the southeast human service center on or before October 31, 1992.
3. The amount of \$11,035,936 identified in subdivision 7 of section 1 of this Act for human service centers' operating expenses includes \$132,278 appropriated for the purpose of defraying the expenses of rental of office space in the building located at 15 Broadway, Fargo, North Dakota, for the period beginning July 1, 1991, and ending October 31, 1991. If House Bill No. 1511 becomes effective, the appropriations made in section 1 of this Act, together with the appropriations made under this section, provide insufficient funds for rent of human service facilities within North Dakota. Insufficient funds have been appropriated in order to permit the department of human services to cancel, on its own terms, the real estate lease, entered into between red river human services foundation and the state of North Dakota, department of human services, designated as contract number 05-123, relating to rental of office space in the building located at 15 Broadway, Fargo, North Dakota, used to house the southeast human service center.

4. If House Bill No. 1511 fails to become effective, the amount of \$661,389, or so much thereof as may be necessary, is hereby appropriated out of any moneys in the general fund of the state treasury, not otherwise appropriated, to the department of human services for the purpose of defraying the expenses of rental of office space in the building located at 15 Broadway, Fargo, North Dakota, used to house the southeast human service center.

SECTION 12. SALE OF SURPLUS STEAM HEAT - TERMS - NOT TO BE CONSTRUED AS THE DISTRIBUTION OF HEAT. The department, with the approval of the governor, is authorized but not required to determine if surplus steam heat is or may be produced at the developmental center, and to sell any surplus steam heat to the city of Grafton. The sale may be on such terms and conditions as may be deemed necessary by the department, provided that no sale may be made for less than the cost of producing the surplus steam heat. A sale of steam heat, if made by the department to the city of Grafton, may not be construed as the distribution of heat under title 49.

SECTION 13. ADMINISTRATION OF CHILD CARE BLOCK GRANT AND AT-RISK CHILD CARE PROGRAMS. The department of human services shall function as the designated state agency for administration of the Child Care and Development Block Grant Program under section 658C of the Omnibus Budget Reconciliation Act of 1990 [Pub. L. 101-508, Section 5081, 42 U.S.C. 602, et seq.] and the At-Risk Child Care Program under Section 5081 of the Omnibus Budget Reconciliation Act of 1990 [Pub. L. 101-508, Section 5081; 42 U.S.C. 602(1); 42 U.S.C. 603(n)]. The department may take actions reasonably necessary to conform the administration of programs under its supervision and direction to the requirements of federal law and regulations pertaining to the block grant and child care programs, including development of plan amendments and applications for federal funding and the issuance of policy manuals, forms, and program directives. Under the supervision and direction of the department, each county social service board shall administer the programs to the extent state and federal funds are available to defray the full costs of program administration and the provision of program benefits to eligible individuals and families. The department is authorized to employ such staff as are necessary for administration of the programs, within the limitations of appropriations therefor in section 1 of this Act.

SECTION 14. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Insurance payments by the department. Notwithstanding any other eligibility requirements for human services programs, the department, pursuant to rules promulgated by the department, may pay health insurance premiums, copayments, and deductibles for a person with acquired immune deficiency syndrome if the payment of premiums, copayments, and deductibles is determined to be a cost-effective alternative to the payment of future medical assistance and economic assistance costs for that person.

SECTION 15. AMENDMENT. Section 50-24.1-02.2 of the North Dakota Century Code is amended and reenacted as follows:

50-24.1-02.2. Community spouse resource allowance. In determining eligibility for medical assistance applicants and recipients, the department of human services shall establish a community spouse resource allowance of at least twenty-five thousand dollars for an ineligible community spouse equal to the maximum community spouse resource allowance as provided by 42 U.S.C. 1396r-5(f)(2).

SECTION 16. Three new subsections to section 50-24.4-01 of the North Dakota Century Code are created and enacted as follows:

"Direct care costs" means the cost category for allowable nursing and therapy costs.

"Indirect care costs" means the cost category for allowable administration, plant, housekeeping, medical records, chaplain, pharmacy, and dietary, exclusive of food costs.

"Other direct care costs" means the cost category for allowable activities, social services, laundry, and food costs.

SECTION 17. Two new subsections to section 50-24.4-10 of the North Dakota Century Code are created and enacted as follows:

Effective July 1, 1991, the efficiency incentives to be established by the department pursuant to subsection 4 for a facility with an actual rate below the limit rate for indirect care costs must include the lesser of two dollars and sixty cents per resident day or the amount determined by multiplying seventy percent times the difference between the actual rate, exclusive of inflation indices, and the limit rate, exclusive of current inflation indices. The efficiency incentive must be included as a part of the indirect care cost rate.

Effective July 1, 1991, each nursing home must receive an operating margin of a least three percent based upon the lesser of the actual direct care and other direct care costs and the limit rate prior to inflation. The operating margin will then be added to the rate for direct care and other direct care cost categories.

SECTION 18. LEGISLATIVE INTENT - DEPARTMENT OF HUMAN SERVICES BUDGET ALLOTMENTS. Notwithstanding the provisions of section 17 of this Act or any other provision of law, it is the intent of the legislative assembly that all general fund appropriations in section 1 of this Act be subject to the provisions of North Dakota Century Code sections 54-44.1-12 and 54-44.1-13.1 relating to budget allotments and reductions. It is the further intent of the legislative assembly that moneys appropriated for medical assistance payments required under section 17 of this Act shall not be reduced by a percentage greater than any percentage allotment of general fund moneys required of the department pursuant to the provisions of North Dakota Century Code sections 54-44.1-12 and 54-44.1-13.1.

SECTION 19. LEGISLATIVE INTENT - CASELOAD REPROJECTIONS. It is the intent of the legislative assembly that the department of human services prepare updated caseload reprojections for the 1993-95 biennium by January 15, 1993, and present these reprojections to the appropriations committees as requested by the committees.

SECTION 20. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES PROVIDER SALARY INCREASES. It is the intent of the legislative assembly that community developmental disabilities provider agencies provide employee salary increases of four percent the first year of the 1991-93 biennium. Funds for these increases are to be made available contingent upon individual developmental disabilities provider agencies maintaining title XIX certification and ACDD accreditation.

SECTION 21. LEGISLATIVE INTENT - EXPANDED CHILDREN'S MENTAL HEALTH PROGRAM. The amount of \$260,030 in estimated income, or so much thereof as may be necessary, as appropriated in subdivision 6 of section 1 of this Act, shall be expended for the expansion of children's mental health programs in accordance with the terms of the federal children and adolescent service system program grant received by the children's services coordinating committee and subgranted, in part, to the department for administration. The department is

authorized to employ a full-time mental health professional and a secretary for the administration of the program, within the limitations of appropriations therefor in subdivision 6 of section 1 of this Act.

SECTION 22. LEGISLATIVE INTENT - CHILDREN'S PROGRAMS. It is the intent of the legislative assembly that \$200,000 in federal IV-E revenues, or so much thereof as may be necessary, as appropriated in subdivision 6 of section 1 of this Act be dedicated by the department to augment the operation of those children's service programs financed through the receipt and expenditure of funds appropriated to and received from the children's services coordinating committee during the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 23. LEGISLATIVE INTENT - STATE HOSPITAL INCOME - MEDICAID GRANTS. It is the intent of the legislative assembly that in the event the department of human services projects a deficiency appropriation relating to state hospital income or Medicaid grant funding that it report any anticipated general fund deficiencies to the budget section and seek its approval before it continues to spend at a level which would require a request for a deficiency appropriation from the next legislative assembly.

SECTION 24. LEGISLATIVE COUNCIL STUDY - IMPACT OF CHILD SUPPORT GUIDELINE MODELS. The legislative council shall consider studying the impact of various child support guideline models on family units, on the quality of the relationships among the persons in the families affected by the guidelines, and on children who receive child support. The study, if conducted, should address the impact of the various models and whether the various models provide adequate financial support for the children involved. The legislative council, if a study is conducted, shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-third legislative assembly.

SECTION 25. EFFECTIVE DATE. Section 15 of this Act is effective on July 1, 1992."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Summary of changes

SUBDIVISION 1 - EXECUTIVE DIRECTOR

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Changes the funding source of the salary compensation package		\$ (2,908)	\$ 2,908
2. Reduces out-of-state travel	\$ (1,807)	(236)	(1,571)
3. Reduces dues and professional development	(746)	(98)	(648)
Subtotal	\$ (2,553)	\$ (3,242)	\$ 689

SUBDIVISION 2 - DEPARTMENTWIDE AND MANAGERIAL SUPPORT

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Changes the funding		\$ (35,464)	\$ 35,464

source of the salary
compensation package

2. Deletes funds added by Senate for Governor's Council on Human Resources for 1 FTE administrative secretary III (\$116,000 remains, \$20,000 for each committee and \$36,000 for travel, per diem, and professional services)	\$ (35,000)		(35,000)
3. Reduces out-of-state travel	(15,604)	(7,178)	(8,426)
4. Reduces dues and professional development	(14,211)	(5,683)	(8,528)
5. Reduces data processing	<u>(125,668)</u>	<u>(21,013)</u>	<u>(104,655)</u>
Subtotal	\$ (190,483)	\$ (69,338)	\$ (121,145)

SUBDIVISION 3 - ECONOMIC ASSISTANCE

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. AFDC reprojction	\$ 1,400,476	\$ 1,802,470	\$ (401,994)
2. Changes the funding source of the salary compensation package		(26,740)	26,740
3. IV-D incentive reprojction	(1,006,295)	(1,006,295)	
4. Changes child care block grant funding allocation (adds 3 FTE and related expenses, reduces grants) \$1,140,250 is added in subdivision 6	(1,140,250)	(1,140,250)	
5. Reduces out-of-state travel	(10,968)	(5,758)	(5,210)
6. Reduces dues and professional development	(479)	(251)	(228)
7. Reduces data processing	<u>(739,075)</u>	<u>(586,943)</u>	<u>(152,132)</u>
Subtotal	\$ (1,496,591)	\$ (963,767)	\$ (532,824)

SUBDIVISION 4 - MEDICAL ASSISTANCE

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Adds funds for Medicaid grants reprojction	\$ 3,123,057	\$ 2,423,057	\$ 700,000
2. Adds funds for developmental disabilities grants reprojction	1,268,392	768,392	500,000

3. Changes the funding source of the salary compensation package		11,863	(11,863)
4. Adds funds for expansion of Medicaid waiver and coverage of personal care services under Medicaid for disabled persons not eligible for DD services and the frail and elderly functionally disabled. If a frail and elderly Medicaid program is not feasible, the related funds, \$75,000 is included, will be used in the other areas.	4,387,500	3,412,500	975,000
5. Adds funds for department payment of insurance premiums for AIDS patients	20,000		20,000
6. Reduces out-of-state travel	(8,066)	(4,513)	(3,553)
7. Reduces dues and professional development	(702)	(352)	(350)
8. Reduces data processing	(257,604)	(193,176)	(64,428)
9. Adjusts funds added by Senate to provide Medicaid coverage of pregnant women and children (to ages 0-7) with incomes up to 150 percent of poverty on January 1, 1992 (Senate provided at 150 percent - 1/1/92 and 170 percent - 1/1/93)	408,445	312,445	96,000
10. Deletes funds added by Senate for frail and elderly funded in No. 9 above	(600,000)	(450,000)	(150,000)
11. Adds funds for spousal impoverishment provisions on July 1, 1992	424,800	324,800	100,000
Subtotal	\$ 8,765,822	\$ 6,605,016	\$ 2,160,806

SUBDIVISION 5 - VOCATIONAL REHABILITATION

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Changes the funding source of the salary compensation package		\$ (1,035)	\$ 1,035
2. Reduces out-of-state travel	\$ (11,430)	(9,676)	(1,754)
3. Reduces dues and professional development	(992)	(864)	(128)
4. Reduces data processing	<u>(42,260)</u>	<u>(33,808)</u>	<u>(8,452)</u>
Subtotal	\$ (54,682)	\$ (45,383)	\$ (9,299)

SUBDIVISION 6 - FIELD SERVICES AND PROGRAM DEVELOPMENT

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Foster care caseload reprojections savings		\$ 229,338	\$ (229,338)
2. Adds funds for additional priority SMI program needs (allows a total of \$2,836,409, of which \$2,041,708 is from the general fund). The increase for SMI over the Governor's budget will provide for up to 27 FTE employees.	\$ 1,141,863	321,009	820,854
3. Add funds for 2 FTE and related costs to administer children's mental health programs	260,030	260,030	
4. Changes child care block grant funding (adds 1.5 FTE) offset by reduction in subdivision 3	1,140,250	1,140,250	
5. Reduces out-of-state travel	(29,312)	(12,044)	(17,268)
6. Reduces dues and professional development	(6,670)	(1,907)	(4,763)
7. Reduces data processing	(81,085)	(35,905)	(45,180)
8. Changes the funding source of the salary compensation package		(67,977)	67,977
Subtotal	\$ 2,425,076	\$ 1,832,794	\$ 592,282

SUBDIVISION 7 - HUMAN SERVICE CENTERS

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Changes the funding source of the salary compensation package		\$ (572,694)	\$ 572,694
2. Deletes funds for human service center rental contingently included in Section 11	\$ (661,389)		(661,389)
3. Reduces out-of-state travel	(4,846)	(2,562)	(2,284)
4. Reduces dues and professional development	(9,253)	(128)	(9,125)
5. Reduces data processing	<u>(2,170)</u>	<u>-----</u>	<u>(2,170)</u>
Subtotal	\$ (677,658)	\$ (575,384)	\$ (102,274)

SUBDIVISION 8 - STATE HOSPITAL

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Adds funds from lands and minerals trust fund for capital improvements for asbestos removal and utilities relocation	\$ 700,000	\$ 700,000	
2. Increase income of State Hospital to restore a portion of the income reduced by the Senate		1,234,682	\$(1,234,682)
3. Changes the funding source of the salary compensation package		(861,044)	861,044
4. Adds funds for 1 FTE psychiatrist to fund a total of 16 psychiatrists	350,000		350,000
5. Reduces operating expenses for locum tenens funding with the intent that full-time psychiatrists be hired if possible (\$258,948 remains for locum tenens)	(600,000)		(600,000)
6. Reduce operating expenses for utility savings from utility relocation	(25,000)		(25,000)
7. Reduces out-of-state travel	(9,347)	(356)	(8,991)
8. Reduces dues and professional development	(21,374)	(549)	(20,825)
9. Reduces data processing	<u>(122,983)</u>	<u> </u>	<u>(122,983)</u>
Subtotal	\$ 271,296	\$ 1,072,733	\$ (801,437)

SUBDIVISION 9 - STATE DEVELOPMENTAL CENTER

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
1. Adds funds for telemetry contract	\$ 5,000		\$ 5,000
2. Changes the funding source of the salary compensation package		\$ 355,999	(355,999)
3. Deletes funds for telemetry machine	(20,000)		(20,000)
4. Changes funding source of education program		350,000	(350,000)
5. Reduces out-of-state travel	(977)	(34)	(943)
6. Reduces dues and professional	(6,801)	(1,396)	(5,405)

development

7. Reduces operating expenses for conference expenses	(35,000)		(35,000)
8. Changes funding source to reflect additional Medicaid funds available by reducing client payments		150,000	(150,000)
Subtotal	\$ (57,778)	\$ 854,569	\$ (912,347)

SUBDIVISION 10 - CRITICAL NEEDS FUNDING POOL

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
Deletes funds for critical needs funding pool:			
Subtotal	\$(6,784,760)	\$(4,957,419)	\$(1,827,341)

Section 4 is increased by \$1,086,018 of other funds to allow the department to receive a total of \$2,854,382 from the Children's Services Coordinating Committee, the amount included in House Bill No. 1018. Section 8 regarding the use of moneys in the critical needs funding pool is deleted.

A new Section 11 is added which provides a contingent appropriation of up to \$661,389 from the general fund, which is reflected in the totals. This is for alternative appropriations for rental at the Southeast Human Service Center.

	TOTAL ALL FUNDS	TOTAL OTHER FUNDS	TOTAL GENERAL FUND
ENGROSSED SB 2002	\$840,357,142	\$588,209,477	\$252,147,665
GRAND TOTAL NET INCREASES (DECREASES) TO ENGROSSED SB 2002	<u>\$ 3,945,096</u>	<u>\$ 4,836,597</u>	<u>\$ (891,501)</u>
GRAND TOTAL SB 2002	\$844,302,238	\$593,046,074	\$251,256,164

OTHER AMENDMENTS

A new Section 8 regarding Medicaid funds transfer is added. A new Section 9 allowing the department to lease real property at the State Developmental Center and State Hospital is added. A new Section 10 is added regarding unanticipated federally mandated programs providing that if appropriations in subdivision 4 of Section 1 are insufficient, the department shall report to the Budget Section regarding any prospective deficiency to be introduced to the 1993 Legislative Assembly. A new Section 11 is added providing a contingent alternative appropriation regarding the Southeast Human Service Center related to House Bill No. 1511. Section 12 is added to allow the Developmental Center to sell surplus steam. Section 13 is added regarding the administration of the child care block grant program. Section 14 is added to provide a new section to Chapter 50-06 to allow the department to pay insurance premiums for AIDS patients if cost effective.

The following new sections are added:

- Section 15 amends Section 50-24.1-02.2 regarding community spouse resource allowance.
- Section 16 adds definitions to Section 50-24.4-01 regarding nursing home

reimbursement.

Section 17 adds efficiency incentives and operating margin provisions to Section 50-24.4-10.

Sections 18, 19, 20, 21, 22, and 23 provide intent regarding budget allotments, caseload reprojections during 1993 session, expanded children's mental health program, children's programs, and State Hospital income and Medicaid grant deficiencies.

Section 24 is added providing for a Legislative Council study of child support.

Summary of changes regarding the employee compensation package:

	<u>FUNDING SOURCE CHANGE</u>	
	GENERAL FUND INCREASE (DECREASE)	OTHER FUNDS INCREASE (DECREASE)
Executive office	\$ 2,908	\$ (2,908)
Managerial support	35,464	(35,464)
Economic assistance	26,740	(26,740)
Medical assistance	(11,863)	11,863
Vocational rehabilitation	1,035	(1,035)
Field services and program development	67,977	(67,977)
Human service centers	572,694	(572,694)
State hospital	861,044	(861,044)
State developmental center	<u>(355,999)</u>	<u>355,999</u>
Total change	\$1,200,000	\$(1,200,000)

Summary of selected operating expense reductions:

	TOTAL	GENERAL FUND	OTHER FUNDS
Out-of-state travel	\$ 92,357	\$ 50,000	\$ 42,357
Dues and professional development	61,228	50,000	11,228
Data processing	<u>1,370,845</u>	<u>500,000</u>	<u>870,845</u>
Total	\$1,524,430	\$600,000	\$924,430

The following is a listing of the projects included in the seriously mentally ill enhancement line which totals \$2,836,409, of which \$2,041,708 is from the general fund:

PROGRAMS AND SERVICES	START DATE	GENERAL FUND
Northeast Region - Grand Forks 8 bed long-term SMI facility	10/1/91	\$ 340,972
Southeast Region - Fargo 8 bed long-term facility - SMI/chemical dependent	7/1/92	194,841
1 psychiatrist	10/1/91	115,631
West Central - Bismarck 1 psychiatrist	10/1/91	115,631
Northwest - Williston 2 social workers - outreach	7/1/91	131,311
8 bed long-term facility	7/1/92	194,841
Badlands - Dickinson 2 social workers - outreach	7/1/91	131,311
Inpatient services	7/1/91	39,952
Statewide psychosocial centers	7/1/91	170,000
North Central - Minot Expand regional intervention service	10/1/91	243,852
Clubhouse demonstration project	10/1/91	150,000

Lake Region - Devils Lake
Crisis residential services

12/1/91

192,512

Total

\$2,020,854

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed SB 2002 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2002: A BILL for an Act making an appropriation for defraying the expenses of the department of human services, making an appropriation from the lands and minerals trust fund to the common schools trust fund, and providing an appropriation from the revolving loan fund maintained in the Bank of North Dakota; to provide authority for lease of real and personal property at the state developmental center and the state hospital; to provide alternative contingent appropriations; to allow the sale of surplus steam heat at the state developmental center; regarding administration of the child care block grant and at-risk child care programs; to create and enact a new section to chapter 50-06, three new subsections to section 50-24.4-01, and two new subsections to section 50-24.4-10 of the North Dakota Century Code, relating to insurance payments by the department of human services for persons with acquired immune deficiency syndrome, and operating margins and efficiency incentives for nursing homes; to amend and reenact section 50-24.1-02.2 of the North Dakota Century Code, relating to community spouse resource allowance; to provide legislative intent statements; to provide for a legislative council study; 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, 1 NAY, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Meyer; Mushik; Mutch; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

NAYS: Moore

ABSENT AND NOT VOTING: Naaden

SB 2002 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SB 2018, as engrossed: Your conference committee (Sens. Tallackson, Lindaas, Thane and Reps. Hausauer, Myrdal, Nowatzki) recommends that the SENATE ACCEDE to the House amendments on SJ page 1521 and then place it on the Seventh order.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed SB 2018 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2018: A BILL for an Act making an appropriation for defraying the expenses of the agricultural products utilization commission; and to provide a statement of legislative intent.

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, 1 NAY, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Meyer; Mushik; Mutch; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

NAYS: Moore

ABSENT AND NOT VOTING: Naaden

SB 2018 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SB 2282, as reengrossed: Your conference committee (Sens. Kelsh, Lindaas, Vosper and Reps. Hausauer, Jensen, Nowatski) recommends that the HOUSE RECEDE from the House amendments on SJ page 1476, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on pages 1575 and 1576 of the House Journal and page 1476 of the Senate Journal, and that Reengrossed Senate Bill No. 2282 be amended as follows:

Page 2, after line 3, insert:

"8. "Voting grower" means a grower who has paid the assessment under this Act, whether or not the grower has applied for a refund."

Page 2, line 18, after the period insert "Each candidate must be supported by a petition bearing the signatures of twenty-five growers from the candidate's district."

Page 2, line 28, after the period insert "Each candidate must be supported by a petition bearing the signatures of twenty-five growers from the candidate's district."

Page 3, line 2, after the period insert "When a member's office is vacant, the council, before beginning the nominating process, shall publish a conspicuous notice of the vacancy, in the official newspaper of every county in the district."

Page 5, line 2, replace "one-half" with "one-quarter"

Page 5, line 3, after "state" insert ", until a national corn checkoff is implemented"

Page 6, line 8, after "by" insert "voting"

Page 6, line 9, replace "participating" with "voting"

Page 6, line 12, replace "participating" with "voting"

Page 6, line 17, replace "participating" with "voting" and replace "Participating" with "Voting"

Page 6, line 18, replace "participating" with "voting"

Page 6, line 20, replace "participating" with "voting"

Page 6, line 21, replace "participating" with "voting"

Page 6, line 26, replace "participating" with "voting"

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. KELSH MOVED that the conference committee report on Reengrossed SB 2282 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2282: A BILL for an Act to provide for a North Dakota corn utilization council; to provide for an assessment on corn production; to provide a penalty; 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 49 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bowman; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Meyer; Moore; Mushik; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Wogsland; Yockim

NAYS: David; Mutch; Vosper

ABSENT AND NOT VOTING: Naaden

SB 2282 passed and the title was agreed to.

MOTION

SEN. WOGSLAND MOVED that the Senate stand in recess until 3:00 p.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2002, SB 2018, SB 2058, and SB 2282 and subsequently passed the same.

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

MR. PRESIDENT: The House has dissolved its Conference Committee on SB 2004 and has appointed a new committee to act with a like committee from the Senate on:

SB 2004: Reps. Thompson; Kloubec; Schneider

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2019 and SB 2324 and subsequently passed the same.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2596, subsequently passed the same and the emergency clause carried.

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

MR. PRESIDENT: The Speaker has signed: SB 2020, SB 2515, SB 2594, SCR 4073.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following resolution was delivered to the Secretary of State for his filing at the hour of 2:26 p.m., April 11, 1991: SCR 4073.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 2:34 p.m., April 11, 1991: SB 2020, SB 2234, SB 2515, SB 2594.

REPORT OF CONFERENCE COMMITTEE

SB 2016, as engrossed: Your conference committee (Sens. Yockim, Satrom, Ingstad and Reps. Myrdal, Wald, Nowatzki) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1409-1411, amend as follows, and then place on the Seventh order:

That the House recede from the House amendments as printed on pages 1520-1522 of the House Journal and pages 1409-1411 of the Senate Journal, and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 2, replace "tourism" with "recreation, department of tourism," and after the semicolon insert "providing a statement of legislative intent regarding historic site master plans;"

Page 1, line 9, replace "tourism" with "recreation, department of tourism,"

Page 1, line 13, replace "TOURISM" with "RECREATION"

Page 1, line 14, replace "4,113,089" with "3,401,516"

Page 1, line 15, replace "56,000" with "36,000"

Page 1, line 16, replace "5,226,480" with "1,831,851"

Page 1, line 17, replace "186,060" with "160,682"

Page 1, line 19, replace "3,706,080" with "3,646,080"

Page 1, line 21, replace "15,705,309" with "11,493,729"

Page 1, line 22, replace "5,609,905" with "5,429,905"

Page 2, line 1, replace "10,095,404" with "6,063,824"

Page 2, after line 1, insert:

"Subdivision 2.

DEPARTMENT OF TOURISM

Salaries and wages	\$ 711,573
Information services	20,000
Operating expenses	3,443,129
Equipment	25,378
Grants, benefits, and claims	60,000
Total all funds	\$4,260,080
Less estimated income	180,000
Total general fund appropriation	\$4,080,080"

Page 2, line 2, replace "2" with "3"

Page 2, line 13, replace "13,602,860" with "13,651,360"

Page 2, line 15, replace "21,023,183" with "21,071,683"

Page 2, line 25, remove "parks and"

Page 3, line 5, replace "tourism" with "recreation"

Page 3, line 8, replace "TOURISM" with "RECREATION"

Page 3, line 11, replace "tourism" with "recreation"

Page 3, line 13, replace "tourism" with "recreation"

Page 3, line 14, replace "transfer" with "make payments of"

Page 3, line 15, after "board" insert "for defraying the costs of parks and historic sites improvements conducted by the state historical board"

Page 3, line 19, replace "tourism" with "recreation, department of tourism,"

Page 3, after line 24, insert:

"SECTION 8. LEGISLATIVE INTENT - HISTORICAL BOARD - PLANNING. It is the intent of the legislative assembly that the state historical board develop master plans for the Fort Totten state historic site, the Fort Buford state historic site, and the Fort Seward state historic site by spending \$25,000 for each site's master plan from funds appropriated in subdivision 3 of section 1 of this Act during the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 9. FORT SEWARD MASTER PLAN. The state historical board shall provide a grant of \$25,000 to the city of Jamestown for the development of the Fort Seward state historic site master plan."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 701 - HISTORICAL SOCIETY

The estimated income line item which was increased by \$56,250 by the House with a corresponding decrease in general fund support for the Historical Society is reduced by \$56,250 and the general fund appropriation for the Historical Society is increased by \$56,250 to provide funding for the Fort Buford and Fort Seward historic site master plans of \$50,000 (\$25,000 for each master plan) and other operating costs of \$6,250. Funding of \$25,000 for the Fort Totten historic site master plan is included in the Historical Society's budget.

A section of legislative intent is added providing that the Historical Society develop master plans at Fort Totten, Fort Buford, and Fort Seward for \$25,000 each, and regarding the Fort Seward master plan a section is added that the Historical Society shall provide a grant of \$25,000 to the city of Jamestown for the development of the Fort Seward master plan.

DEPARTMENT 740 - DEPARTMENT OF TOURISM

This amendment separates the appropriation for the Department of Tourism from the Department of Parks and Recreation in an amount of \$4,322,580, of which \$4,142,580 is from the general fund and \$180,000 is from other funds, and providing 10 FTE positions, the same as the House version.

DEPARTMENT 750 - DEPARTMENT OF PARKS AND RECREATION

This amendment separates the appropriation for the Department of Tourism from the Department of Parks and Recreation and provides the Department of Parks and Recreation funding of \$11,645,229, of which \$6,115,324 is from the general fund, \$2,624,061 is from federal funds, and \$2,905,844 is from other funds, and includes 38 FTE positions, the same as the House version.

The operating expenses line item is increased by \$48,500 from the general fund for space rental payments of the Parks and Recreation Department because the department will not be collocating with the Department of Tourism in the Liberty Memorial Building, the same as the House version.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed SB 2016 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2016: A BILL for an Act making an appropriation for defraying the expenses of the department of parks and recreation, department of tourism, and the state historical board; providing a statement of legislative intent regarding historic site master plans; and providing a statement of legislative intent regarding interagency cooperation.

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, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Meyer; Moore; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

ABSENT AND NOT VOTING: Freborg; Jerome; Maxson

SB 2016 passed and the title was agreed to.

MOTIONS

SEN. WOGSLAND MOVED that the vote by which SB 2058, SB 2002, SB 2018, SB 2282, and SB 2016 passed be reconsidered and the motion to reconsider be laid on the table, which motion prevailed.

SEN. WOGSLAND MOVED that the Senate stand in recess until 5:00 p.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2016 and subsequently passed the same.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1016, HB 1019, HB 1558.

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

MR. PRESIDENT: The House has adopted the conference committee report on HB 1611 and HCR 3026 and subsequently passed the same.

REPORT OF CONFERENCE COMMITTEE

HB 1611, as engrossed: Your conference committee (Sens. Graba, Maxson (refused to sign), Holmberg and Reps. DeWitz, Martin, Gilmore) recommends that the HOUSE ACCEDE to the Senate amendments on SJ page 1296, further amend as follows, and then place on the Seventh order:

That the House accede to the Senate amendments as printed on page 1470 of the House Journal and page 1296 of the Senate Journal, and that Engrossed House Bill No. 1611 be further amended as follows:

Page 1, line 2, after "requirements" insert "; and to provide a statement of legislative intent"

Page 2, after line 5, insert:

"SECTION 2. LEGISLATIVE INTENT. It is the intent of the legislative assembly that any legislative council committee conducting a legislative apportionment study during the 1991-92 interim will consider apportionment plans that provide for at least forty-nine senatorial districts but not more than fifty-three senatorial districts."

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. GRABA MOVED that the conference committee report on Reengrossed HB 1611 be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1611: A BILL for an Act to amend and reenact section 54-03-01.5 of the North Dakota Century Code, relating to legislative apportionment requirements; and to provide a statement of legislative intent.

ROLL CALL

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

YEAS: Bowman; David; DeKrey; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Meyer; Mushik; Naaden; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

ABSENT AND NOT VOTING: Dotzenrod; Maxson; Moore; Mutch

HB 1611 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

HCR 3026: Your conference committee (Sens. Schoenwald, Mathern, Solberg and Reps. Kretschmar, Svedjan, Enget) recommends that the SENATE RECEDE from the Senate amendments on SJ pages 1073 and 1293, amend as follows, and then place on the Seventh order:

That the Senate recede from its amendments as printed on pages 1073 and 1293 of the Senate Journal and on pages 1447 and 1448 of the House Journal and that House Concurrent Resolution No. 3026 be amended as follows:

Page 1, line 16, replace "plan or plans developed by the" with "legislative council be encouraged to use the following criteria to develop a plan or plans:"

Page 1, remove line 17

Page 1, line 18, replace "The maximum population range may be only plus two percent and minus" with "Legislative districts and subdistricts must be compact and of contiguous territory except as is necessary to preserve county and city boundaries as legislative district boundary lines and so far as is practicable to preserve current legislative district boundaries;

2 Legislative districts may have a population variance from the largest to the smallest in population not to exceed nine percent of the population of the ideal district except as is necessary to preserve county and city boundaries as legislative district boundary lines and so far as is

practicable to preserve current legislative district boundaries;"

Page 1, remove line 19

Page 1, line 20, replace "2" with "3"

Page 1, remove lines 21 and 22

Page 2, line 2, replace "10" with "20"

ReNUMBER accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. SCHOENWALD MOVED that the conference committee report on Reengrossed HCR 3026 be adopted, which motion prevailed.

SECOND READING OF HOUSE CONCURRENT RESOLUTION

HCR 3026: A concurrent resolution directing the Legislative Council to study and develop a legislative reapportionment plan or plans.

The question being on the final adoption of the amended resolution, which has been read.

HCR 3026 was declared adopted.

RECONSIDERATION OF A VETOED MESSAGE

HB 1325: 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 the rate of sales taxes on sales of natural gas; to amend and reenact subsection 1 of section 57-39.2-02.1 of the North Dakota Century Code, relating to imposition of sales taxes; and to provide an effective date.

ROLL CALL

The question being on the final passage of the bill, as enrolled over the Governor's veto, which has been read, the roll was called and there were 37 YEAS, 14 NAYS, 2 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heinrich; Holmberg; Ingstad; Kelly; Kinnoin; Krauter; Krebsbach; Lindgren; Lips; Marks; Mathern; Meyer; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; Peterson; Redlin; Solberg; Stenehjem; Streibel; Tennefos; Thane; Tomac; Traynor; Vosper

NAYS: Dotzenrod; Heigaard; Jerome; Keller; Kelsh; Langley; Lindaas; O'Connell; Robinson; Satrom; Schoenwald; Tallackson; Wogsland; Yockim

ABSENT AND NOT VOTING: Maxson; Moore

The Senate overrode the Governor's veto on Engrossed HB 1325.

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

MR. PRESIDENT: The House has adopted the conference committee report on HB 1006 and HB 1007 and subsequently passed the same.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1611 and HCR 3026 and subsequently passed the same.

REPORT OF CONFERENCE COMMITTEE

HB 1006, as engrossed: Your conference committee (Sens. Mushik, Redlin, Goetz and Reprs. R. Berg, Dalrymple, Wilkie) recommends that the SENATE

RECEDE from the Senate amendments on SJ pages 1432-1433, amend as follows, and then place on the Seventh order:

That the Senate recede from its amendments as printed on pages 1432 and 1433 of the Senate Journal and pages 1651 and 1652 of the House Journal, and that Engrossed House Bill No. 1006 be amended as follows:

Page 1, line 17, replace "20,895,109" with "21,212,609"

Page 1, line 18, replace "728,400" with "715,900"

Page 1, line 19, replace "9,247,504" with "9,527,504"

Page 1, replace line 22 with:

"Galactosemia equipment and testing program 280,000"

Page 2, line 2, replace "53,038,064" with "53,753,064"

Page 2, line 3, replace "39,090,105" with "39,565,105"

Page 2, line 4, replace "13,947,959" with "14,187,959"

Page 2, replace lines 15 through 20 with:

"SECTION 4. GALACTOSEMIA TESTING PROGRAM FUNDING. The estimated income line item in section 1 of this Act includes \$280,000 which the department of health and consolidated laboratories may spend from the department of health and consolidated laboratories operating account for the galactosemia testing program for the biennium beginning July 1, 1991, and ending June 30, 1993, as appropriated in section 1 of this Act."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Operating Expenses

These amendments add a net increase of \$317,500 to operating expenses consisting of a decrease of \$27,500 from the general fund and an increase of \$345,000 from other funds as follows:

1. A decrease of \$12,500 from the general fund for operating expenses.
2. A decrease of \$15,000 from the general fund to provide a total of \$10,000 from the general fund for the health task force. Senate funded \$50,000, the House funded \$25,000 for this purpose.
3. An increase of \$300,000 from other funds for the health task force, added by the Senate.
4. An increase of \$45,000 from other funds to implement Senate Bill No. 2589 relating to a directory of physicians, added by the Senate.

The health task force will study the health care delivery system in North Dakota and address health care cost containment and the uninsured and underinsured.

Equipment

This amendment decreases funding by \$12,500 from the general fund.

Grants, Benefits, and Claims

These amendments provide in the grants line item for emergency medical technician grants a total of \$400,000, the level recommended by the House.

In addition, the grants line item is also increased by \$280,000 from the general fund to increase funds for local health district grants to \$975,000. The House provided \$695,000 for this purpose.

Other Line Items

This amendment provides funding of \$280,000 from estimated income for a galactosemia equipment and testing program line item as required by Senate Bill No. 2522.

The amendment also eliminates the \$150,000 from special funds vaccination program and Section 4 related to the program added by the House.

These amendments provide a total of \$14,187,959 from the general fund, an increase of \$75,000 from the executive budget (\$14,112,959), an increase of \$240,000 from the House version (\$13,947,959), and a decrease of \$190,000 from the Senate version (\$14,377,959).

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed HB 1006 be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1006: A BILL for an Act making an appropriation for defraying the expenses of the department of health and consolidated laboratories of the state of North Dakota; to provide an appropriation from the solid waste management fund; and to provide for an appropriation from the abandoned motor vehicle disposal fund.

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, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Meyer; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

ABSENT AND NOT VOTING: Maxson; Moore

HB 1006 passed and the title was agreed to.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed and the emergency clause carried on HB 1439.

REPORT OF CONFERENCE COMMITTEE

HB 1007: Your conference committee (Sens. Yockim, Robinson, Ingstad and Reps. R. Berg, Dalrymple, Wilkie) recommends that the SENATE RECEDE from the Senate amendments on SJ page 996, amend as follows, and then place on the Seventh order:

That the Senate recede from its amendments as printed on page 996 of the Senate Journal and page 1263 of the House Journal, and that House Bill No. 1007 be amended as follows:

Page 1, line 13, replace "340,000" with "385,000"

Page 1, line 14, replace "480,870" with "525,870"

Page 1, after line 14, insert:

"SECTION 2. ALCOHOL AND DRUG ABUSE EDUCATION PROGRAM - EXPENDITURE LIMITATIONS. The moneys appropriated in the grants line item for the native American alcohol and drug abuse education program may not be spent for the services provided by the tribes to administer the program."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 316 - INDIAN AFFAIRS COMMISSION

This amendment increases the grants line item by \$45,000 from the general fund to provide additional funding for the Native American alcohol and drug abuse program.

In addition, a section is added to the bill providing that none of the \$385,000 appropriated in the grants line item for the Native American alcohol and drug abuse program may be spent for the services provided by the tribes to administer the program.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Reengrossed HB 1007 be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1007: A BILL for an Act making an appropriation for defraying the expenses of the Indian affairs commission of the state of 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 51 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Meyer; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

ABSENT AND NOT VOTING: Maxson; Moore

HB 1007 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

HB 1439, as engrossed: Your conference committee (Sens. Schoenwald, Heigaard, Nelson and Reps. Dorso, Tollefson, Skjerven) recommends that the SENATE RECEDE from the Senate amendments on SJ pages 1078-1079, amend as follows, and then place on the Seventh order:

That the Senate recede from its amendments as printed on pages 1078 and 1079 of the Senate Journal and page 1267 of the House Journal, and that Engrossed House Bill No. 1439 be amended as follows:

Page 4, remove lines 4 through 6

Page 7, line 6, remove "Any tariffs imposed by sections 16 and 17 of this Act;"

Page 7, line 7, remove "2." and replace "21" with "17"
 Page 7, line 8, replace "3" with "2" and replace "27" with "23"
 Page 7, line 10, replace "4" with "3"
 Page 7, line 11, replace "5" with "4"
 Page 7, remove lines 14 through 29
 Page 8, remove lines 1 through 28
 Page 9, remove lines 1 and 2
 Page 9, line 3, replace "dealer" with "tank owner"
 Page 9, line 7, replace "twenty" with "seventy-five"
 Page 9, line 8, replace "fifty" with "one hundred twenty-five"
 Page 10, line 7, replace "22" with "18"
 Page 10, line 23, replace "22" with "18"
 Page 13, line 23, replace "21" with "17"
 Page 13, line 24, replace "\$159,230" with "\$130,000"
 Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. LANGLEY MOVED that the conference committee report on Engrossed HB 1439 be adopted, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1439: A BILL for an Act to provide for cleanup of petroleum spills through the establishment of a petroleum release compensation fund; to repeal sections 1 through 31 and section 33 of chapter 341 of the 1989 Session Laws of North Dakota; to provide a penalty; to provide a continuing appropriation; to provide an appropriation; to provide an expiration date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 6 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Bowman; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Hanson, O.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Meyer; Mushik; Naaden; Nalewaja; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Stenehjerm; Tallackson; Thane; Tomac; Traynor; Wogsland; Yockim

NAYS: David; Mutch; Solberg; Streibel; Tennefos; Vosper

ABSENT AND NOT VOTING: Maxson; Moore

HB 1439 passed, the title was agreed to, and the emergency clause carried.

MOTION

SEN. WOGSLAND MOVED that the Senate stand in recess until 7:00 p.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has passed over the Governor's veto: HB 1325. The vote was 37 YEAS, 14 NAYS, 2 ABSENT AND NOT VOTING.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed: HB 1016, HB 1019, HB 1558.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2018.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2002 and SB 2016 and subsequently passed the same.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2058, subsequently passed and the emergency clause carried.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1006 and HB 1007 and subsequently passed the same.

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bill: SB 2017.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2017.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: the veto certifications of HB 1276 and HB 1462.

REPORT OF CONFERENCE COMMITTEE

SB 2005, as engrossed: Your conference committee (Sens. Satrom, Lindaas, Goetz and Reps. Howard, Wentz, DeMers) recommends that the HOUSE RECEDE from the House amendments on SJ page 1466, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on page 1540 of the House Journal and page 1466 of the Senate Journal, and that Engrossed Senate Bill No. 2005 be amended as follows:

Page 1, line 16, replace "2,116,230" with "1,813,861"

Page 1, line 17, replace "2,116,230" with "2,418,599"

Page 2, line 4, replace "552,369" with "250,000"

Page 2, after line 8, insert:

"SECTION 4. LEGISLATIVE INTENT. It is the intent of the legislative assembly that the office of management and budget study and develop a cost allocation plan for state radio communications to use to bill agencies for the cost of services provided by state radio communications. The cost allocation plan must be available for consideration by the fifty-third legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 506 - STATE RADIO COMMUNICATIONS

This amendment reduces the transfer from the game and fish fund by \$302,369 to a total of \$250,000. The amount from the general fund is increased by \$302,369.

A section is added to provide that the Office of Management and Budget study and develop a cost allocation plan for State Radio to charge for the cost of the use of its services.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed SB 2005 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2005: A BILL for an Act making an appropriation for defraying the expenses of the state radio communications department; and providing for transfers.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 46 YEAS, 0 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tennefos; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

ABSENT AND NOT VOTING: Hanson, O.; Kinnoin; Maxson; Meyer; Moore; Nalewaja; Tallackson

SB 2005 passed and the title was agreed to.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed the veto certification on HB 1276 and HB 1462.

REPORT OF CONFERENCE COMMITTEE

SB 2054, as engrossed: Your conference committee (Sens. Keller, Heinrich, Stenehjem and Reps. Martinson, Kelsch, Mutzenberger) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1105-1107, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on pages 1172-1174 of the House Journal and pages 1105-1107 of the Senate Journal, and that Engrossed Senate Bill No. 2054 be amended as follows:

Page 1, line 2, remove "and the parks and tourism advisory board"

Page 1, line 8, replace "sections" with "section"

Page 1, line 9, remove "54-34-01,"

Page 2, line 16, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", remove "tourism", and overstrike "department" and insert immediately thereafter "sites division"

Page 3, line 8, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", and replace "tourism department" with "sites division"

Page 4, line 13, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", and remove "tourism"

- Page 4, line 14, overstrike "department" and insert immediately thereafter "sites division"
- Page 4, line 26, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", remove "~~tourism~~", and overstrike "department" and insert immediately thereafter "sites division"
- Page 5, line 11, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", remove "~~tourism~~", and overstrike "department" and insert immediately thereafter "sites division"
- Page 5, line 23, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", remove "~~tourism~~", and overstrike "department" and insert immediately thereafter "sites division"
- Page 6, line 25, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", and replace "tourism department" with "sites division"
- Page 7, line 10, after the first "and" insert "outdoor", remove the overstrike over "~~recreation~~", remove "~~tourism~~", and overstrike "department" and insert immediately thereafter "sites division"
- Page 7, remove lines 18 through 29
- Page 8, line 14, after "development" insert "and preservation", replace the second "and" with an underscored comma, and after "areas" insert ", nature preserves,"
- Page 8, line 16, replace "Director" with "Directors"
- Page 8, line 20, remove "The governor shall appoint a director of the department"
- Page 8, line 21, remove "who shall serve at the will of the governor."
- Page 8, line 22, remove "under the supervision of the director"
- Page 8, line 23, remove "promotion" and after the underscored period insert "The governor shall appoint a director of each division who shall serve at the will of the governor."
- Page 8, line 24, replace "tourism department" with "outdoor recreation sites division"
- Page 8, line 25, replace "tourism department" with "outdoor recreation sites division"
- Page 9, line 4, replace "department" with "division"
- Page 9, line 10, remove "or tourism"
- Page 10, remove lines 13 through 25
- Page 11, line 6, replace "tourism department" with "outdoor recreation sites division"
- Page 12, line 7, after "director" insert "of the parks and outdoor recreation sites division"
- Page 16, line 20, after the second "and" insert "outdoor", remove the overstrike over "~~recreation~~", and replace "~~tourism~~" with "sites division"
- Page 16, line 21, remove "department"
- Page 20, line 6, after "and" insert "outdoor", remove the overstrike over "~~recreation~~", and replace "tourism department" with "sites division"

- Page 25, line 6, remove "parcs and" and replace "department" with "division"
- Page 25, line 7, remove "The director shall appoint a"
- Page 25, remove lines 8 through 12
- Page 25, line 13, after the second "of" insert "the" and after "tourism" insert "division"
- Page 25, line 14, remove "and subject to the approval of the"
- Page 25, line 15, remove "director of the parks and tourism department"
- Page 25, line 29, replace ", including" with ". Those means may include"
- Page 26, remove lines 25 through 29
- Page 27, remove lines 1 through 28
- Page 28, remove lines 1 through 4
- Page 28, line 16, after "and" insert "outdoor", remove the overstrike over "recreation", remove "tourism", and overstrike "department" and insert immediately thereafter "sites division"
- Page 29, line 12, after the second "and" insert "outdoor"
- Page 29, line 13, remove the overstrike over "recreation" and replace "tourism department" with "sites division"
- Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

SEN. KELLER MOVED that the conference committee report on Engrossed SB 2054 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2054: A BILL for an Act to provide for the establishment of the North Dakota parks and tourism department; to amend and reenact subdivision g of subsection 1 of section 6-09-15, subsection 3 of section 10-06-04.3, sections 24-02-37.1, 24-03-21, subdivision o of subsection 1 of section 28-32-01, section 37-03-14, paragraph 7 of subdivision a of subsection 2 of section 39-01-01, section 39-24-05, subsection 3 of section 39-24-08, sections 39-24-09.1, 39-29-01.1, subsection 2 of section 39-29-05, subsection 3 of section 39-29-08, section 39-29-10, subsection 2 of section 54-34-06, sections 55-08-02.1, 55-08-03.1, 55-08-07, 55-08-07.1, 55-08-07.2, 55-08-08, 55-08-09, 55-08-10, 55-08-11, 55-08-12, 55-08-13, 55-08-14.1, 55-08-15, 55-10-04, subsection 3 of section 55-11-02, section 55-11-09, subsection 6 of section 57-39.7-28, section 61-29-04, and subsection 1 of section 61-33-09 of the North Dakota Century Code, relating to the powers and duties of the North Dakota parks and tourism department; to repeal sections 55-08-01, 55-08-03, 55-11-04, and 55-11-10 of the North Dakota Century Code, relating to the duties of the director of the parks and recreation department and advisers to the parks and recreation department; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 10 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Holmberg; Ingstad; Jerome; Kelly; Kelsch; Krauter; Krebsbach; Lindaas; Lindgren; Lips; Marks; Mushik; Mutch; Naaden; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Solberg; Stenehjem; Streibel; Tallackson; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

NAYS: Hanson, E.; Heigaard; Heinrich; Keller; Kinnoin; Langley; Mathern; Satrom; Schoenwald; Tennefos

ABSENT AND NOT VOTING: Hanson, O.; Maxson; Meyer; Moore; Nalewaja

SB 2054 passed and the title was agreed to.

MOTION

SEN. WOGSLAND MOVED that the Senate stand in recess until 7:30 p.m., which motion prevailed.

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

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2005 and SB 2054 and subsequently passed the same.

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

MR. PRESIDENT: The Speaker has signed: SB 2017.

REPORT OF CONFERENCE COMMITTEE

SB 2004, as engrossed: Your conference committee (Sens. Tallackson, Heigaard, Nelson and Reps. Thompson, Kloubec, Schneider) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1465-1466, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed in pages 1538 and 1539 of the House Journal and pages 1465 and 1466 of the Senate Journal, and that Reengrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 5, after the semicolon insert "providing an appropriation to the state board of higher education for various higher education institutions; to provide legislative intent regarding tuition increases; to authorize and provide an appropriation for the disposition of san haven properties;"

Page 1, line 18, replace "4,764,490" with "4,829,177"

Page 1, line 20, replace "1,414,368" with "1,499,681"

Page 2, line 1, replace "24,339,180" with "26,039,180"

Page 2, line 5, replace "219,900" with "221,900"

Page 2, line 7, replace "35,697,246" with "37,549,246"

Page 2, line 8, replace "28,215,376" with "29,965,376"

Page 2, line 9, replace "7,481,870" with "7,583,870"

Page 3, line 8, replace "13,316,435" with "16,935,198"

Page 3, line 9, replace "71,641,398" with "73,741,398"

Page 3, line 10, replace "84,957,833" with "90,676,596"

Page 4, line 11, remove "There is hereby appropriated out of any"

Page 4, remove lines 12 through 15

Page 5, line 4, replace "\$700,000" with "\$500,000"

Page 5, after line 12, insert:

"SECTION 8. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$1,000,000, or so much thereof as may be necessary, to the board of higher education for the purpose of remodeling, renovation, and maintenance of buildings at the institutions under its control, including the following projects, for the biennium beginning July 1, 1991, and ending June 30, 1993:

University of North Dakota - Williston
 Physical plant operating expenses
 University of North Dakota
 Physical plant operating expenses
 North Dakota college of science
 Capital improvements
 NDSU-Bottineau - Interactive video
 network site

SECTION 9. APPROPRIATION. The funds provided in this section, or so much thereof as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the following institutions of higher learning under the supervision of the board of higher education for the purpose of defraying expenses which would otherwise be paid from tuition increases, for the biennium beginning July 1, 1991, and ending June 30, 1993:

University of North Dakota	\$1,165,215
North Dakota state university	902,037
Minot state university	331,991
Dickinson state university	118,154
Valley City state university	90,975
Mayville state university	64,613
University of North Dakota - medical center	73,778
Total general fund appropriation	<u>\$2,746,763</u>

SECTION 10. LEGISLATIVE INTENT - TUITION INCREASES. It is the intent of the legislative assembly that the amounts appropriated in section 9 of this Act are made available to reduce tuition rate increases proposed for the 1991-93 biennium in the executive budget and contained in House Bill No. 1003, as determined by the board of higher education. It is also the intent of the legislative assembly that the appropriations in section 9 of this Act will be the amounts by which the estimated income from tuition increases included in House Bill No. 1003 will not be collected.

SECTION 11. SAN HAVEN PROPERTIES - SALE, LEASE, EXCHANGE, OR TRANSFER. The director of the office of management and budget, with the approval of the governor, may sell, lease, exchange, or transfer title or use of any part or all of the san haven facilities and properties located in sections nineteen, twenty-nine, and thirty, township one hundred sixty-two north, range seventy-two west, located in Rolette County, North Dakota, under the following conditions:

1. By agreement with the governing body of the city of Dunseith, the director of the office of management and budget may designate up to eighty acres of the property authorized for sale by this section and, if the designated property is sold at auction, the city of Dunseith has the first right to purchase by matching the best bid received.
2. The portion of the property described in this section which is used as a golf course may be transferred for a nominal consideration to the city of Dunseith or a corporation or association of residents of the Dunseith community for use as a golf course. The transfer authorized by this subsection is exempt from the provisions of sections 54-01-05.2 and 54-01-05.5. A transfer under this subsection may be made

with an easement for the appurtenant use of water from any other property described in this section.

3. The property described in this section which is not otherwise disposed of under this section may be sold at auction, subject to the provisions of section 54-01-05.2. Any sale under this section is exempt from the provisions of section 54-01-05.5, except that one appraisal must be obtained before the sale of any property. If no satisfactory bid is received on property offered for sale at auction, the director of the office of management and budget, with the approval of the governor, may cause any buildings on the property to be demolished.
4. Any sale, use, or demolition of the property described in this section is subject to approval of the lienholder, the economic development administration.

SECTION 12. APPROPRIATION. There is hereby appropriated out of any moneys in the state fire and tornado fund, not otherwise appropriated, the sum of \$550,000, or so much thereof as may be necessary, to the office of management and budget, of which \$500,000 may be used for asbestos removal at the san haven facilities only if the facilities are sold, disposed of in any manner, or demolished during the period and \$50,000 may be used for removing fuel tanks, securing facilities, and preparing the facilities for sale or other disposition, for the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 13. STATE AID DISTRIBUTION FUND - AMERICAN DISABILITIES ACT. The amount of \$50,000 included in the estimated income line item in subdivision 1 of section 1 of this Act, may be spent by the office of intergovernmental assistance from the state aid distribution fund for the American Disabilities Act during the biennium beginning July 1, 1991, and ending June 30, 1993."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 113 - OFFICE OF MANAGEMENT AND BUDGET

The state memberships special line item is increased by \$2,000 for North Dakota's share of the Governmental Accounting Standards Board (GASB) accounting research costs. Pursuant to billings from GASB of \$1,000 per year, the Office of Management and Budget shall make such payments as payment in full for North Dakota's participation in the board's governmental accounting research effort.

A section is added to appropriate \$550,000 from the state fire and tornado fund, \$500,000 is to be used for asbestos removal and \$50,000 for removing fuel tanks, securing the facilities, and preparing the facilities for sale or other disposition at the san haven facilities. The asbestos may be removed only if the facilities are sold, disposed of, or demolished.

This amendment provides for an increase in grants and estimated income of \$1,700,000 for the Office of Intergovernmental Assistance to accept additional federal weatherization moneys anticipated for the 1991-93 biennium.

This amendment provides for one FTE for an American Disabilities Act/Building Code program beginning January 1, 1992, as follows:

	GENERAL FUND
Salaries and wages	\$ 64,687
Operating expenses	85,313
Total increase in general fund	<u>\$150,000</u>

Of the \$150,000, \$100,000 is from the state general fund and \$50,000 is from the state aid distribution fund.

The amendment reduces the funding for the supported employment program by \$430,000, \$230,000 from the general fund and \$200,000 from other funds.

DEPARTMENT 215 - BOARD OF HIGHER EDUCATION

This amendment adds a section appropriating \$2,746,763 from the general fund and provides a section of legislative intent that the amounts appropriated are in lieu of the tuition increase proposed in the executive budget.

INSTITUTION	TUITION INCOME REDUCTION/GENERAL FUND INCREASE
University of North Dakota	\$1,165,215
North Dakota State University	902,037
Minot State University	331,991
Dickinson State University	118,154
Valley City State University	90,975
Mayville State University	64,613
University of North Dakota - Medical Center	73,778
Total general fund appropriation	<u>\$2,746,763</u>

This amendment provides \$1,000,000 from the general fund for various remodeling, renovation, and maintenance projects at higher education institutions. The projects will include the institutions of UND-Williston, University of North Dakota, State College of Science, and NDSU-Bottineau.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Engrossed SB 2004 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2004: A BILL for an Act to make an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; to provide a statement of legislative intent relating to state employee compensation adjustments; providing an appropriation to the state board of higher education for various higher education institutions; to provide legislative intent regarding tuition increases; to authorize and provide an appropriation for the disposition of san haven properties; and to establish a committee to authorize public sector supported employment in state agencies and institutions.

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, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Bowman; David; DeKrey; Dotzenrod; Evanson; Freborg; Goetz; Graba; Hanson, E.; Heigaard; Heinrich; Holmberg; Ingstad; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Solberg; Stenehjem; Streibel; Tallackson; Tennefos; Thane; Tomac; Traynor; Vospser; Wogsland; Yockim

ABSENT AND NOT VOTING: Hanson, O.; Maxson; Meyer; Moore; Nalewaja

SB 2004 passed and the title was agreed to.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2282 and subsequently passed the same.

REMARKS OF SENATOR HEIGAARD

Thank you, Mr. President and members of the Senate. It will be some time until the amendments on SB 2001 are ready, we do not really know how long. If I might, Mr. President, I would like to make a few remarks at this time and address the chamber and you, Mr. President. We, as many of you realize, did not do the normal hearts and flowers ceremony this session, breaking with a long tradition. Maybe it will come back later on, but many of us felt it was time for that to be disbanded for a while.

I want to take this opportunity to thank everyone and to wish everyone well, particularly all of the people who work with us: all of our employees; the pages; the Sergeant-at-Arms; Mr. President, your page Darren; the tremendous job they have done for us in working for us; our office staff, who have been with us; the interns. I believe we have had just an absolute excellent staff that has kept the Senate running in a fine, fine manner.

I have been thinking about the winding down of this session, the 1991 Fifty-second Legislative Session. I have been through six now, and I think this has been one of the smoothest, most fun, easy winding down. I have not had to sit here and bite my fingernails waiting for the tax to pass, so it has been kind of relaxing for me, and it has been very, very nice. I want to thank all of the members of the Republican Party for the courtesies they have shown to me over the past years; I have been working together with many of you for some ten years. Senator Nelson, for your gentlemanly approach to the legislative process. I have appreciated working with you, and I thank you for the courtesies that you have extended to me and to our party. To all of the members of the Democrat party, my sincere thanks and appreciation to you for giving me this opportunity to serve and the privilege of being your leader over the past eight years.

I want to thank my friend, Senator Wogsland, for taking over the floor action as he has this session. I was thinking for a long time that he had some plans to move me out, but I soon got used to it. It has really been nice to be able to just come down here and sit and not worry about anything that is going on down on the floor. I thank you, Danny, for the tremendous hard work that you have put in this session and the way you have run the floor action here, and Jim, for all of your help with us.

The desk force is one of the finest we have had. Verna, thank you, and Bob, Sally, and Madam Secretary. It is hard for me to sit down here and keep a scowl on my face when I look up there and see the smiles and the pleasant countenances on all of you. You have served us well, and we truly appreciate all of the things that you have done to make this session run smoother.

Mr. President, we thank you. You have been with us now for two sessions. Your humor has been what has kept us going on many occasions. I do not know if what I read in the paper is correct or not, that you may not be back as the President of the Senate, but certainly the job that you have done over the past two sessions has been rewarding to all of us. You led the Senate, and you guided us through some pretty sticky squabbles. Mr. President, thank you, and if you are back in two years we welcome you. Again, I thank the members of the Senate for their courtesies.

REMARKS OF SENATOR NELSON

Mr. President and members of the Senate, I also would just take a second to say thank you. I thought we were going to have hearts and flowers in November, but this may be our only chance. To the majority leader, I also

would like to say thank you for your courtesies; it has been a pleasure working with you and working with members of the majority party. This has been a learning experience for me. There is some question in my caucus whether I learned much, but I think that I have. It has been a good session.

I agree with the majority leader that our employees are second to none. The desk force and pages from my staff and my office, we could not have gotten the job done without you. Mr President, I thank you for your courtesies, and I just want you to know that we all understand that all the rulings cannot be right. To members of my caucus, I had an opportunity yesterday to express my feelings. I am glad I have an opportunity to say it on the floor as well. I needed your support and cooperation, I got it, and I appreciate it very much. Thank you to the members of the majority party. Again, it has been a pleasure. I hope everybody has a safe, successful summer, and we will see you again in November.

REQUEST

SEN. WOGSLAND REQUESTED that Senator Heigaard's and Senator Nelson's remarks be printed in the Journal, which request was granted.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2004 and subsequently passed the same.

MOTION

SEN. WOGSLAND MOVED that the Senate stand in recess until 8:30 p.m., which motion prevailed.

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

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2005 and SB 2054 and subsequently passed the same.

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bills: SB 2019, SB 2324, SB 2596.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2019, SB 2324, SB 2596.

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

MR. PRESIDENT: The Speaker has signed: SB 2019, SB 2324, SB 2596.

REPORT OF CONFERENCE COMMITTEE

SB 2001, as reengrossed: Your conference committee (Sens. Tallackson, Robinson, Nething and Reps. Gerntholz, Schmidt, Laughlin) recommends that the HOUSE RECEDE from the House amendments on SJ pages 1479-1483, amend as follows, and then place on the Seventh order:

That the House recede from its amendments as printed on pages 1634-1639 of the House Journal and pages 1479-1483 of the Senate Journal, and that Reengrossed Senate Bill No. 2001 be amended as follows:

Page 1, line 2, after "officials" insert "and the state firemen's association; to create and enact two new sections to chapter 53-06.1 of the North Dakota Century Code, relating to the establishment of a state gaming commission" and replace the comma with "and"

Page 1, line 3, after the first comma insert "subsection 2 of section 27-20-49, sections", after the second comma insert "39-01-02.", and after the third comma insert "53-06.1-01, 53-06.1-03, 53-06.1-06, 53-06.1-12, 53-06.1-12.1, 53-06.1-12.2, 53-06.1-13, 53-06.1-14, 53-06.1-17,"

- Page 1, line 4, remove "and", after "57-01-04" insert ", 57-39.2-26.1, and 57-58-01", and after "Code" insert "and section 54 of Senate Bill No. 2058, as approved by the fifty-second legislative assembly"
- Page 1, line 5, after "to" insert "motor vehicles owned or leased by the state,"
- Page 1, line 8, after "commissioner" insert ", prosecution witness fees paid by the attorney general, to the state aid distribution fund, to definitions and the conducting of games of chance, and to the appropriation for the science and technology corporation" and remove the second "and"
- Page 1, line 9, after "intent" insert "; to provide an appropriation; and to declare an emergency"
- Page 1, line 15, after "officials" insert "and the state firemen's association"
- Page 1, line 16, after "officials" insert "and the state firemen's association"
- Page 2, line 7, replace "25,000" with "10,000"
- Page 2, line 8, replace "15,000" with "10,000"
- Page 2, line 10, replace "1,596,603" with "1,576,603"
- Page 3, line 1, replace "10,072,743" with "10,199,243"
- Page 3, line 3, replace "2,008,662" with "2,084,412"
- Page 3, line 5, replace "311,449" with "314,949"
- Page 3, line 7, replace "4,585,000" with "4,530,000"
- Page 3, after line 8, insert:
- | | |
|--------------------|---------|
| "Gaming commission | 20,000" |
|--------------------|---------|
- Page 3, line 11, replace "17,875,681" with "18,046,431"
- Page 3, line 12, replace "9,584,107" with "9,406,407"
- Page 3, line 13, replace "8,291,574" with "8,640,024"
- Page 3, line 21, replace "2,038,795" with "1,919,733"
- Page 3, line 22, replace "3,151,156" with "3,270,218"
- Page 4, line 17, replace "485,639" with "484,039"
- Page 4, line 21, replace "583,158" with "581,558"
- Page 4, line 23, replace "540,158" with "538,558"
- Page 5, line 6, replace "2,343,112" with "2,351,112"
- Page 5, line 8, replace "1,496,224" with "1,402,922"
- Page 5, after line 9, insert:
- | | |
|----------------------|---------|
| "Ag in the classroom | 25,000 |
| Waterbank program | 50,000" |
- Page 5, line 10, replace "250,000" with "150,000"

Page 5, line 13, replace "6,474,496" with "6,364,194"

Page 5, line 14, replace "2,743,728" with "1,806,279"

Page 5, line 15, replace "3,730,768" with "4,557,915"

Page 5, after line 22, insert:

"Subdivision 12.

STATE FIREMEN'S ASSOCIATION	
Grants, benefits, and claims	\$55,000
Total appropriation from the state fire and tornado fund	<u>\$55,000</u> "

Page 5, line 23, replace "38,906,529" with "40,454,588"

Page 5, line 24, replace "22,767,015" with "21,607,804"

Page 5, line 25, replace "61,673,544" with "62,062,392"

Page 6, line 3, replace "\$679,393" with "\$624,393"

Page 6, line 6, remove "and the state firemen's association grants of \$55,000"

Page 6, line 10, remove "counties or other" and after "subdivisions" insert "and Indian tribes"

Page 6, line 12, after the period insert "The maximum of \$400,000 authorized in this section for administrative fees may include income of up to \$25,000 collected by the tax commissioner under House Bill No. 1061, as approved by the fifty-second legislative assembly."

Page 8, line 10, replace "\$1,470,906" with "\$1,351,844"

Page 8, after line 25, insert:

"SECTION 16. AMENDMENT. Subsection 2 of section 27-20-49 of the 1989 Supplement to the North Dakota Century Code is amended and reenacted as follows:

2. The supreme court shall pay reasonable compensation for services and related expenses of counsel appointed by the court for a party and reasonable compensation for a guardian ad litem. The attorney general shall pay the ~~expense of service of summons, notices, subpoenas,~~ travel expense of witnesses, ~~and other like expenses~~ incurred in the proceedings under this chapter. Expenses of the state include the cost of any necessary transportation for medical and other examinations and treatment of a child ordered by the court if the child is in the legal custody of a state agency in which case the cost must be borne by that state agency at the state mileage rate excluding meals and lodging."

Page 9, line 7, remove the overstrike over "~~forty-nine~~" and remove "fifty-one"

Page 9, line 8, replace "two" with "nine", remove "seventy-two", and after "dollars" insert "through June 30, 1992, and fifty-one thousand two hundred seventy-two dollars thereafter"

Page 9, after line 8, insert:

"SECTION 18. AMENDMENT. Section 39-01-02 of the 1989 Supplement to the North Dakota Century Code as amended in section 1 of House Bill No. 1167, as approved by the fifty-second legislative assembly, is amended and reenacted as follows:

39-01-02. Motor vehicles owned or leased by the state to display name on side of vehicles - Exceptions - Penalty. All motor vehicles owned and operated by the state, except vehicles under the control of the central vehicle management system and the official vehicle for use by the governor, must have displayed on each front door the words NORTH DAKOTA. The words must be in letters four inches [10.16 centimeters] in height. Two and one-half inches [6.35 centimeters] directly below those words there must be printed in letters one and one-half inches [3.81 centimeters] in height the name of the state agency owning or leasing the motor vehicle. The width of the display required by this section must be proportionate to the required height. The color of the lettering must be in clear and sharp contrast to the background. The state auditor shall include in the auditor's report to the governor and the legislative assembly any instance of noncompliance with this section. The above requirements do not apply to vehicles operated by the attorney general's office, the highway patrol, or vehicles used principally in juvenile, parole, and placement service. The central vehicle management system vehicles must display a window decal designed by the director. The state highway patrol and all peace officers of this state shall enforce this section."

Page 9, after line 16, insert:

"SECTION 20. AMENDMENT. Section 53-06.1-01 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-01. Definitions.

1. "Adjusted gross proceeds" means, except in the case of the games of draw poker and stud poker authorized under section 53-06.1-07.2, gross proceeds less cash prizes or the price of merchandise prizes. In the games of draw poker and stud poker, "adjusted gross proceeds" means the time buy-ins or tournament fees collected by the eligible organization.
2. "Bona fide guest" means a person who is not a member of an eligible organization, but who is allowed to use the facilities of the organization when invited by a member or the organization in accordance with the eligible organization's bylaws, articles of incorporation, charter, rules, or other written statement.
3. "Charitable gaming ticket" means the game piece used in pull tab games or jar ticket games.
4. "Charitable organization" means any nonprofit organization operated for the relief of poverty, distress, or other condition of public concern within this state, which has been so engaged within this state for two years.
5. "Civic and service club" means any branch, lodge, or chapter of a nonprofit national or state organization which is authorized by its written constitution, charter, articles of incorporation, or bylaws to engage in a civic or service purpose within this state, which shall have existed in this state for two years. "Civic and service club" also means a similar local nonprofit organization, not affiliated with a state or national organization, which is recognized by resolution adopted by the governing body of the city in which the organization conducts its principal activities, or by the governing body of a county if such organization conducts its principal activities outside the limits of a city but within a county. Such club shall have existed in this state for two years.
6. "Commission" means the state gaming commission.

7. "Distributor" means a person, firm, corporation, association, or organization which sells, markets, or otherwise distributes raffle tickets, bingo equipment, or any other implements of gambling usable in the lawful conduct of games of chance under this chapter, to an organization licensed or authorized to conduct such games of chance under this chapter. "Distributor" does not include a resident printer who prints raffle tickets at the request of a licensed or authorized organization, and who sells or otherwise distributes such raffle tickets to such organization.
- ~~7.~~ 8. "Educational, charitable, patriotic, fraternal, religious, or other public-spirited uses" are:
- a. To the extent used for purposes enumerated in subdivisions c through j, uses benefiting those organizations that are exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code.
 - b. To the extent used for purposes enumerated in subdivisions c through j, uses benefiting an organization registered with the North Dakota secretary of state under chapter 50-22.
 - c. Uses benefiting an indefinite number of persons either by bringing them under the influence of education, cultural programs, or religion or relieving them of disease, suffering, or constraint.
 - d. Fraternal uses specified by an organization's constitution, charter, or bylaws not of direct benefit to the eligible organization or any member thereof.
 - e. Uses increasing comprehension of and devotion to the principles upon which the nation was founded, not of direct benefit to the eligible organization or any member thereof.
 - f. The erection or maintenance of public buildings or works.
 - g. Uses otherwise lessening the burden of government.
 - h. Uses benefiting a definite number of persons who are the victims of loss of home or household possessions through explosion, fire, flood, or storm and the losses uncompensated by insurance.
 - i. Uses benefiting a definite number of persons suffering from a seriously disabling disease or injury causing severe loss of income or incurring extraordinary medical expense which is uncompensated by insurance.
 - j. Uses, for community service projects, by chambers of commerce exempt from federal income tax under section 501(c)(6) of the Internal Revenue Code. A project qualifies as a community service project if it promotes the common good, enhances the social welfare of the community, and benefits an indefinite number of persons. The specific goals of a community service project may be to develop or promote public services in areas such as education, housing, transportation, recreation, crime prevention, fire protection and prevention, safety, and health. Uses that directly benefit a chamber of commerce do not qualify.

Such uses do not include the erection, acquisition, improvement, maintenance, or repair of real, personal, or

mixed property unless it is used exclusively for one or more of the stated uses. Uses do not include any activities consisting of attempts to influence legislation, promote or oppose referendums or initiatives, or participation in any political campaign on behalf of any active official or person who is or has been a candidate for public office.

- ~~6-~~ 9. "Educational organization" means any nonprofit public or private elementary or secondary school, two-year or four-year college, or university in this state which has been in existence for two years.
- ~~9-~~ 10. "Eligible organization" means bona fide nonprofit veterans, charitable, educational, religious, and fraternal organizations, civic and service clubs, and other public-spirited organizations as defined by this chapter, which may be licensed by the attorney general or authorized by the governing body of a city or county to conduct games of chance under this chapter.
- ~~10-~~ 11. "Entire net proceeds" or "net proceeds" means the adjusted gross proceeds less such expenses, charges, fees, taxes, and deductions as are specifically authorized under this chapter.
- ~~11-~~ 12. "Fraternal organization" means a nonprofit organization within this state, except college and high school fraternities, which is a branch, lodge, or chapter of a national or state organization and exists for the common business, brotherhood, or other interests of its members. Such organization shall have existed within this state for two years.
- ~~12-~~ 13. "Gross proceeds" means all moneys collected or received from games of chance and admissions thereto.
- ~~13-~~ 14. "Licensee" means an eligible organization licensed under ~~the~~ **provisions** of this chapter.
- ~~14-~~ 15. "Licensing authority" means the attorney general.
- ~~15-~~ 16. "Manufacturer" means a person who designs, assembles, fabricates, produces, constructs, or who otherwise prepares a product or a component part of a product of any implement of gambling usable in the lawful conduct of games of chance under this chapter. "Manufacturer" does not include a resident printer who prints raffle tickets at the request of a licensed or authorized organization, and who sells or otherwise distributes such raffle tickets to such an organization.
- ~~16-~~ 17. "Member" means a person who has qualified for and been admitted to membership in an eligible organization pursuant to its bylaws, articles of incorporation, charter, rules, or other written statement, and who pays regular monthly, annual, or other periodic dues or is a fully paid life member of the eligible organization. "Member" includes auxiliary members, but excludes social and honorary members.
- ~~17-~~ 18. "Other public-spirited organization" means a nonprofit organization which has been in existence within this state for two years and is recognized by the governing body of a city or county by resolution as public-spirited and eligible to conduct games of chance under this chapter.
- ~~18-~~ 19. "Person" means any person, firm, corporation, association, or organization.

- ~~19-~~ 20. "Religious organization" means any nonprofit organization, church, body of communicants, or group gathered in common membership for mutual support and edification in piety, worship, and religious observances which has been so gathered or united in this state for two years.
- ~~20-~~ 21. "Veterans organization" means any congressionally chartered organization within this state, or any branch or lodge or chapter of a nonprofit national or state organization within this state, the membership of which consists of individuals who were members of the armed services or forces of the United States. Such organizations shall have been in existence in this state for two years.

SECTION 21. Two new sections to chapter 53-06.1 of the North Dakota Century Code are created and enacted as follows:

Gaming commission - Members - Appointment - Term - Qualifications - Compensation.

1. The state gaming commission consists of the chairman and four other members appointed by the governor, with the consent of the senate. The members serve three-year terms and until a successor is appointed and qualified. A member appointed to fill a vacancy arising from other than the natural expiration of a term serves only for the unexpired portion of the term. The terms of the commissioners must be staggered so that one term expires each July first.
2. A person is ineligible for appointment to the commission if that person has not been a resident of this state for at least two years before the date of appointment. A person is also ineligible if that person is not of such character and reputation as to promote public confidence in the administration of gaming in this state. A person who has a financial interest in gaming cannot be a member of the commission and cannot be employed by the commission. Failure to maintain compliance with this subsection is grounds for removal from the commission or from employment with the commission.
3. Commission members are entitled to forty dollars per day for compensation for each day spent on commission duties, and mileage and expense reimbursement as allowed to other state employees.

Duty of attorney general to participate in certain hearings - Employment of private counsel by commission. The attorney general shall represent the state in all hearings before the commission and shall prosecute all criminal proceedings arising from violations of chapters 53-06.1 and 53-06.2. The commission may employ private counsel for adoption of rules and to ensure that its hearings are conducted fairly.

SECTION 22. AMENDMENT. Section 53-06.1-03 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-03. Licensure - Exceptions for raffles, sports pools, and bingo - City and county authorization - Fees - Suspension and revocation.

1. Except as otherwise provided in this section, eligible organizations desiring to conduct games of chance shall ~~annually~~ apply annually for a license from the attorney general before July first on forms provided by the attorney general and shall include with the application a one hundred fifty dollar license fee, except for those organizations

whose average annual gross proceeds do not exceed twenty-five thousand dollars, for which the fee is one hundred dollars.

2. a. Any nonprofit organization recognized as public-spirited by the governing body of a city or county may obtain local authorization to conduct raffles or bingo in which the primary prize does not exceed one thousand dollars, and the aggregate does not exceed six thousand dollars annually, or to conduct sports pools in which the total wagers do not exceed five hundred dollars for each pool.
 - b. A nonprofit organization that conducts a city or county festival or celebration; ~~or a centennial committee organized by a city or county for the purpose of celebrating the North Dakota centennial~~ may obtain local authorization to conduct raffles in which the primary prize does not exceed one thousand dollars and the aggregate does not exceed two thousand dollars. For purposes of this subdivision, a "city or county festival or celebration" means an event:
 - (1) In celebration of local heritage, anniversary of establishment of the political subdivision, or other significant local event recognized as public-spirited by the governing body of the city or county; and
 - (2) Supported by significant community participation.
 - c. To obtain local authorization, the organization shall apply directly to the governing body of the city in which it conducts its principal activities or, if its principal activities are conducted in a county but outside the limits of a city, it shall apply to the board of county commissioners. Applications for the conduct of games of chance subject to authorization by a city or county must be made on forms provided by the attorney general. The governing body may by ordinance or resolution establish authorization fees not to exceed twenty-five dollars for each authorization.
 - d. For purposes of this subsection, the determination of what is a "public-spirited" organization is within the sole discretion of the governing body of the city or county.
3. The attorney general shall license ~~such~~ organizations ~~which~~ that conform to the requirements of this chapter by issuing licenses as follows:
 - a. A class A license to an eligible organization licensed as a retail alcoholic beverage dealer in North Dakota that maintains a building for the use of its members and guests, and that offers meals or liquor, or both, as part of its operation.
 - b. A class B license to any other eligible organization. The attorney general may deny a class B license to an otherwise eligible organization if the organization is connected, directly or indirectly, to the holder of a North Dakota retail alcoholic beverage license. An eligible organization that qualifies for a class A license may not also be issued a class B license.
 - c. A class C license to an eligible organization that conducts games of chance on not more than two occasions per year, regardless of whether that organization is

- licensed as a retail alcoholic beverage dealer in this state.
- d. The attorney general shall establish by rule no more than two additional classes of licenses based on the frequency of gaming, the types of games of chance conducted by the eligible organization, and the adjusted gross proceeds collected or expected to be collected by the eligible organization.
4. Games of chance may be operated or conducted only on premises or sites set forth in the application as follows:
- a. Class A license applicants are limited to one location. A special permit for an alternate location may be granted by the attorney general for a single specific occasion per licensing year upon written request.
 - b. License applicants shall first secure approval of the proposed site or sites on which it intends to conduct games of chance under this chapter from the governing body of the city, if within city limits, or the county, if outside city limits, where the site or sites are located. This approval or permit, which may be granted at the discretion of the governing body, must accompany the license application to the attorney general. The governing body may charge a one hundred dollar fee for this permit.
 - c. Rented premises are subject to rules adopted by the attorney general.
 - d. Only one eligible organization at a time may be authorized to conduct games of chance at a specific location, except that a raffle drawing may be conducted for special occasions when one of the following conditions are met:
 - (1) When the area for the raffle drawing is physically separated from the area where gaming is conducted by the regular licensee.
 - (2) Upon request of the licensee, the license is suspended for that specific day by the attorney general
 - e. Licenses, rules of play, and state identification devices must be displayed on forms and in the manner specified in rules adopted by the attorney general.
5. The attorney general may, by motion, based on reasonable ground or upon written complaint, suspend or revoke, under chapter 28-32, any license granted under this chapter for violations by the licensee, or any officer, director, agent, member, or employee of the licensee, of this chapter or any rule adopted under this chapter.
6. The attorney general or the commission may impose monetary fines on licensed organizations, distributors, and manufacturers for failure to comply with any provision of this chapter or any rule adopted under this chapter. The monetary fine for each violation by an organization is a minimum of twenty-five dollars and may not exceed two percent of the organization's average quarterly gross proceeds, or five thousand dollars, whichever is greater. The monetary fine for each violation by a distributor or manufacturer is a minimum of one hundred dollars and may not exceed five

thousand dollars. This fine may be in addition to or in lieu of license suspensions or revocations.

SECTION 23. AMENDMENT. Section 53-06.1-06 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-06. Persons permitted to conduct games of chance - Premises - Equipment - Compensation.

1. No person, except a member or employee of an eligible organization or a member of an organization auxiliary to an eligible organization, may assist in the holding, operating, or conducting of any game of chance under this chapter.
2. Except when authorized by the attorney general, no games of chance may be conducted with any gaming equipment other than gaming equipment owned by an eligible organization or rented at a reasonable rate by an eligible organization from a licensed distributor.
3. The governing board of an eligible organization is primarily responsible for the proper determination and distribution of the entire net proceeds of any game of chance held in accordance with this chapter.
4. The premises where any game of chance is being held, operated, or conducted, or where it is intended that ~~such the~~ game will be held, must be open to inspection by the ~~licensing authority attorney general, its the attorney~~ general's agents and employees, by representatives of the governing body authorizing games of chance, and by peace officers of any political subdivision of this state.
5. When any merchandise prize is awarded in a game of chance, its value is its current retail price.
6. Equipment, prizes, and supplies for games of chance may not ~~be~~ purchased or sold at prices in excess of the usual price thereof.
7. The entire net proceeds derived from the holding of games of chance must be devoted within three months from the date such proceeds were earned to the uses permitted by this chapter. Any organization desiring to hold the net proceeds of games of chance for a period longer than three months from the date such proceeds were earned must apply to the licensing authority or governing body, as the case may be, for special permission, and upon good cause shown, the licensing authority or governing body may grant the request.
8. Except at the temporary alternate site provided by subdivision a of subsection 3 4 of section 53-06.1-03, only the members of an organization licensed as a class A licensee by the attorney general under this chapter and their spouses and bona fide guests may participate in playing games of chance conducted by such licensed organization.
9. No person convicted of a felony within the last two years, or determined by the attorney general to have participated in organized crime or unlawful gambling, may be permitted to sell or distribute equipment, or conduct or assist in games of chance under this chapter.
10. Any person involved with the conduct of games of chance must be:
 - a. A person of good character, honesty, and integrity.

- b. A person whose prior activities, criminal record, reputation, habits, and associations do not pose a threat to the public interest of this state or to the effective regulation and control of gaming, or create or enhance the dangers of unsuitable, unfair, or illegal practices, methods, and activities in the conduct of gaming or the carrying on of the business and financial arrangements incidental to the conduct of gaming.
11. The attorney general may prohibit a person from playing games of chance if the person violates any provision of this chapter or any rule adopted under this chapter.

SECTION 24. AMENDMENT. Section 53-06.1-12 of the North Dakota Century Code is amended and reenacted 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 must be paid to the ~~licensing authority~~ attorney general on a quarterly basis in the manner and upon the forms as prescribed by the ~~licensing authority~~ attorney general 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 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 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 25. AMENDMENT. Section 53-06.1-12.1 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-12.1. Allocation of games of chance tax - Appropriation. The state treasurer, at the direction of the ~~licensing authority~~ attorney general, shall pay 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. In addition, two hundred thousand dollars per biennium, must be deposited in the attorney general's operating fund and must be used only for the enforcement of gaming as appropriated. Any remaining taxes collected under this chapter must be deposited by the state treasurer in the general fund.

SECTION 26. AMENDMENT. Section 53-06.1-12.2 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-12.2. 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~~ attorney general at the time returns are made and taxes are paid by the eligible organization under section 53-06.1-12.

SECTION 27. AMENDMENT. Section 53-06.1-13 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-13. Examination of books and records. The ~~licensing authority attorney general~~ and ~~its~~ the attorney general's agents, and representatives of the governing body of a city or county with respect to eligible organizations authorized by that governing body, ~~shall have the power to may~~ examine or cause to be examined the books and records of any eligible organization licensed or authorized to conduct games of chance under this chapter to the extent that such books and records relate to any transaction connected with holding, operating, or conducting any game of chance.

SECTION 28. AMENDMENT. Section 53-06.1-14 of the 1990 Special Supplement to the North Dakota Century Code is amended and reenacted as follows:

53-06.1-14. Distributors and manufacturers - Licensure.

1. Every manufacturer of charitable gaming tickets, every manufacturer of paper bingo cards, and every distributor shall ~~annually~~ annually apply for a license upon a form prescribed by the attorney general before the first day of April in each year and shall submit the appropriate license fee. Each applicant shall provide such necessary and reasonable information as the attorney general may require. The license fee for a distributor is one thousand five hundred dollars, and the license fee for a manufacturer of charitable gaming tickets or a manufacturer of paper bingo cards is two thousand dollars.
2. No distributor may sell, market, or otherwise distribute raffle tickets or equipment for games of chance except to other licensed distributors, licensed organizations, or organizations that have been issued a local permit. A manufacturer of charitable gaming tickets or paper bingo cards may not sell, market, or otherwise distribute charitable gaming tickets or paper bingo cards, other than to a licensed distributor. A distributor of charitable gaming tickets or paper bingo cards must purchase or otherwise receive charitable gaming tickets or paper bingo cards only from a licensed manufacturer or licensed distributor.
3. Every eligible organization shall acquire all raffle tickets or equipment for games of chance from a distributor licensed under this chapter, unless the raffle tickets or equipment for games of chance are printed, manufactured, or constructed by the eligible organization or unless the raffle tickets are obtained from a resident printer who has printed the raffle tickets at the request of the organization. No game of charitable gaming tickets, punchboards, sports pool boards, or a series of raffle wheel ticket cards may be sold without a North Dakota gaming stamp being affixed to them. North Dakota licensed distributors shall purchase the North Dakota

gaming stamps from the attorney general's office and the cost for each stamp may not exceed twenty-five cents.

4. 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.
5. The attorney general or commission may, by motion based on reasonable grounds or on written complaint, suspend or revoke a distributor's or manufacturer's license in accordance with chapter 28-32 for violation, by the licensee or any officer, director, agent, member, or employee of the licensee, of this chapter or any rule adopted under this chapter.

SECTION 29. AMENDMENT. Section 53-06.1-17 of the 1990 Special Supplement to the North Dakota Century Code is amended and reenacted as follows:

53-06.1-17. Rules. The licensing authority commission shall adopt rules in accordance with chapter 28-32, relating to, but not limited to, methods of play, conduct, and promotion of games of chance; methods, procedures, and minimum standards for accounting and recordkeeping; requiring reports by licensees and authorized organizations; methods of competition and doing business by distributors; marking or identification of raffle tickets, charitable gaming tickets, bingo equipment, ticket receptacles, punchboards, or any other implements of gambling used or distributed in this state to implement or effectuate the provisions and purpose of this chapter; quality standards for the manufacture of charitable gaming tickets; to ensure that the entire net proceeds of games of chance are devoted to educational, charitable, patriotic, fraternal, religious, or other public-spirited uses as defined by this chapter; to protect and promote the public interest; to ensure fair and honest games of chance; to ensure that fees and taxes are paid; to impose monetary fines and establish appeal procedures; and to seek to prevent or detect unlawful gambling activity."

Page 10, after line 22, insert:

"SECTION 37. AMENDMENT. Section 57-39.2-26.1 of the 1989 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-39.2-26.1. Allocation of sales, use, and motor vehicle excise tax revenues to revenue sharing and personal property tax replacement. Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections equal to sixty percent of an amount determined by multiplying the quotient of one percent divided by the general sales tax rate, that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections under chapters 57-39.2, 57-40.2, and 57-40.3 must be deposited by the state treasurer in the state aid distribution fund. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund as determined under this section. The state aid distribution fund must be allocated, subject to legislative appropriation, as follows:

1. Fifty percent of the revenues must be allocated in the ~~last~~ first month of subsequent to each quarterly period for state revenue sharing as provided in sections 54-27-20.2 and 54-27-20.3.
2. Fifty percent of the revenues must be allocated for personal property tax replacement as provided in section 57-58-01.

SECTION 38. AMENDMENT. Section 57-58-01 of the 1989 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-58-01. Distribution to counties and local subdivisions. It is hereby provided that any political subdivision which has an existing bonded indebtedness for which a tax levy must be made in 1970 or any year thereafter, shall reduce its levy in each such year for current operating purposes by the amount which its tax levy on taxable property in that year for retirement of the bonded indebtedness is increased because of the exemption of personal property by subsection 25 of section 57-02-08. On or before February 1, 1971, the county auditor of each county shall certify to the state tax commissioner the total amount of taxes levied in the year 1968 for the state, county, cities, park boards, school districts, airport authorities, townships, and all other units of government having the authority to levy taxes, and levies voted by the people, new or present levies increased by legislative action of such county on those items of personal property exempt under the provisions of section 57-02-08, and, in addition, the total valuation of real estate and taxes levied on real estate for the year 1968. On or before the fifth working day following June 30, ~~1990~~ 1991, and each year thereafter, the state tax commissioner shall certify for payment to the state treasurer an amount, for payment by the state treasurer to each chief county and city fiscal officer, determined to be due such county and city based upon the personal property taxes levied in the year 1968 for the political subdivisions herein mentioned on the items of personal property exempt from the personal property tax under the provisions of section 57-02-08, the per capita school tax under the provisions of former section 57-15-23, and the grain tax under the provisions of former chapter 57-03, together with any adjustments to be made in the manner hereinafter provided. Within sixty days after the receipt of the revenue as provided by this section, the county treasurer shall allocate and remit to the county, park boards, school districts, airport authorities, townships, and all other units of government having the authority to levy taxes that amount of revenue which is received from the state in the same ratio as he would have distributed the revenue from the personal property tax, adjusting such amount by any increase or decrease in real property taxes as levied by each taxing authority according to the formula hereinafter provided. Any amount that would be apportioned and credited to the retirement of a bonded indebtedness existing in 1970 for which a tax levy was made in 1970 and in any year thereafter, must be credited to the general fund of the political subdivision. In the years after 1971, payments to the counties under this section must be made based upon ninety-five percent of such payment for 1971 together with a growth factor which must be based upon the dollar amount of increase or decrease in real property taxes levied within each county. For each seven dollar increase in real property taxation within a county, the state shall contribute an additional one dollar over that amount which equals ninety-five percent of such payment in the base year. For each seven dollar decrease in real property taxation within a county, the state shall contribute one dollar less than that amount which equals ninety-five percent of such payment in the base year.

On or before the fifth working day following June 30, ~~1990~~ 1991, and each year thereafter, the state tax commissioner shall certify to the state treasurer the amount determined to be due to the state based upon the personal property taxes levied in the year 1968 for the North Dakota state medical center. The amount so certified must be computed in accordance with the formula provided in this section for computing the amounts to be certified and paid to the counties. The state treasurer upon receiving the certification from the tax commissioner shall transfer from the general fund to the credit of the North Dakota state medical center the amount so certified.

Any political subdivision which levied taxes on taxable property in the year 1970 for a specific fund or purpose for which a levy was not made by it in the year 1968 shall be entitled to a distribution of

revenue from the state in the year 1971 for any such levy. The amount of such distribution must be determined as follows: the county auditor shall certify to the state tax commissioner as soon as possible after March 30, 1971, the amount of each such levy made by and spread for each political subdivision on taxable real property in the county in the year 1970; the tax commissioner shall forthwith determine the correctness of such amounts and certify to the state treasurer for immediate payment to the county and cities an amount that is determined by dividing the total of such levies made and spread in 1970 on taxable real property in the county by the growth factor that is provided in the first paragraph of this section; the county treasurer within fifteen days after the receipt of such revenue from the state treasurer shall allocate and remit to each political subdivision its proportionate amount of that revenue.

If the classification of any property for taxation purposes is changed from real to personal property or from personal to real property because of legislative or judicial action, the county auditor of the county in which the property is located shall forthwith certify to the tax commissioner the amount of real estate taxes or personal property taxes that was levied on all such property by each taxing district in the year 1968 and in any other year thereafter that the tax commissioner may request. The tax commissioner, in determining the amount to be certified to the state treasurer for payment to the political subdivisions pursuant to this section, shall adjust the amounts of taxes certified by the county auditor as levied on real property and on personal property in 1968 and in any other year as may be necessary by adding to or subtracting from each such amount the taxes on the reclassified property so that the distribution by the state to the county will be determined as though such property had been taxed in 1968 and all later years in the classification into which it was reclassified.

Notwithstanding the other provisions of this section, personal property tax replacement is an amount as determined under section 57-39.2-26.1, subject to legislative appropriation. If moneys appropriated by the legislative assembly for personal property tax replacement are not in the amount that would be provided under this section for distribution, the tax commissioner and the state treasurer shall provide for pro rata distribution of available funds on the basis of the formula contained in this section.

SECTION 39. AMENDMENT. Section 54 of House Bill No. 2058, as approved by the fifty-second legislative assembly, is amended and reenacted as follows:

SECTION 54. APPROPRIATION - TRANSFER. The amount of ~~\$5,500,000~~ \$3,000,000 is hereby appropriated from the general fund in the state treasury, not otherwise appropriated, and shall be transferred to the science and technology corporation for the purposes of North Dakota Century Code chapter 10-30.4 for the biennium beginning July 1, 1991, and ending June 30, 1993. Of this appropriation, \$500,000 must be used to investigate and research potential value-added opportunities for livestock and crops and examine alternatives that can produce a system of agriculture which can sustain the state's present agriculture population. No more than \$300,000 of the moneys appropriated in this section may be used for administrative costs. The science and technology corporation may not duplicate, and shall coordinate with, existing programs at the university of North Dakota and North Dakota state university."

Page 11, replace lines 1 through 7 with:

"SECTION 41. AGRICULTURE COMMISSIONER - ENVIRONMENT AND RANGELAND PROTECTION FUND. The estimated income line item in subdivision 10 of section 1 of this Act includes \$50,000, or so much thereof as may be necessary, from the environment and rangeland protection fund, for the

purpose of paying a portion of the costs related to a noxious weed program administrator position in the agriculture department for the biennium beginning July 1, 1991, and ending June 30, 1993."

Page 11, after line 12, insert:

"SECTION 43. APPROPRIATION. There is hereby appropriated out of any moneys in the petroleum tank release compensation fund in the state treasury, not otherwise appropriated, the sum of \$20,000, or so much thereof as may be necessary, to the commissioner of insurance for the purpose of administering the fund for the period beginning with the effective date of this Act and ending June 30, 1991.

SECTION 44. ATTORNEY GENERAL - CONTINGENT APPROPRIATION. If House Bill No. 1515 or House Bill No. 1579 of the fifty-second legislative assembly becomes effective, there is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$275,000, or so much thereof as may be necessary, to the attorney general for the purpose of defraying the expenses relating to the state's defense in court of the provisions of this legislation for the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 45. STATE AUDITOR - PERFORMANCE REVIEWS. The state auditor shall conduct performance reviews of divisions or programs of the department of human services utilizing at least one full-time equivalent position. The state auditor shall present the resulting reports to the legislative council's interim budget committee on human services and other committees as selected by the legislative council during the biennium beginning July 1, 1991, and ending June 30, 1993.

SECTION 46. EMERGENCY. Section 43 of this Act is declared to be an emergency measure."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 85 - PAYMENTS TO POLITICAL SUBDIVISIONS

The amendment provides that the state revenue sharing payments are delayed by one month so that the exact amount to be distributed is known on the payment due date.

DEPARTMENT 101 - GOVERNOR'S OFFICE

One FTE position in the Governor's office for which funding was not provided in the executive budget is eliminated. However, funding of \$75,097 from the general fund removed by the House for an economic development coordinator position is restored by the conference committee.

The Governor's transition in line item is reduced by \$15,000 from the general fund, from \$25,000 to \$10,000. The Governor's transition out line item is reduced by \$5,000 from the general fund, from \$15,000 to \$10,000.

DEPARTMENT 117 - STATE AUDITOR

This amendment provides funding of \$119,062 for one FTE audit director in the political subdivisions program from the general fund rather than from other funds as provided in the executive budget, the same as the House version.

A section is added providing that the equivalent of at least one FTE position in the State Auditor's office conduct performance reviews of divisions or programs of the Department of Human Services. The resulting reports must be presented to the interim Budget Committee on Human Services and other committees as selected by the Legislative Council, the same as the House version.

DEPARTMENT 125 - ATTORNEY GENERAL

A section is added amending Section 27-20-49 to provide that the Attorney General will not pay prosecution witness fees for expenses relating to the service of summons, notices, subpoenas, and other like expenses, the same as the House version.

Funding of \$115,750 from the general fund removed in the Senate for prosecution witness fees is restored in the amount of \$75,750 from the general fund to the operating expenses line item. The \$40,000 reduction is as a result of the amendment to Section 27-20-49 referred to above, the same as the House version.

The grants line item is reduced by \$55,000 of special funds from the fire and tornado fund for the State Firemen's Association grants which is being appropriated in a separate subdivision of Section 1 of this bill, due to the defeat of House Bill No. 1124, which would have allowed the appropriation in the Attorney General's budget, the same as the House version.

As a result of the passage of Senate Bill No. 2541, which authorizes additional gaming sites, the conference committee increased the salaries and wages line item by \$107,000 from the general fund for two FTE gaming auditor II positions.

As a result of the passage of Senate Bill No. 2574, relating to registering and monitoring crimes against children information, the conference committee increased the salaries and wages line item by \$19,500 from the general fund for a .5 FTE clerical position and the equipment line item is increased by \$3,500 from the general fund for a computer.

The conference committee establishes a state gaming commission and appropriates \$20,000 from the general fund for commission expenses.

The conference committee adds a section exempting the Attorney General's office vehicles from displaying "North Dakota" on the side of the vehicle.

The estimated income line item is reduced by \$122,700 of fees collected from state agencies and the general fund appropriation is increased by \$122,700 to provide general fund support for one FTE attorney, due to the defeat of House Bill No. 1214, which would have made the Securities Commissioner a special fund agency rather than a general fund agency, the same as the House version.

A section is added providing a contingent appropriation of \$275,000 from the general fund if House Bill No. 1515 or 1579 becomes effective to provide funding for the state's defense of the provisions of this legislation, the same as the House version.

The total change to the Attorney General's budget is a general fund increase of \$623,450, from \$8,291,574 to \$8,915,024, and a special fund decrease of \$177,700, from \$9,584,107 to \$9,406,407.

DEPARTMENT 127 - TAX COMMISSIONER

The conference committee added language authorizing the Tax Commissioner to include up to \$25,000 collected pursuant to House Bill No. 1061, which relates to solid waste management, in the administrative fees collected by the department and appropriated in subdivision 7 of Section 1.

DEPARTMENT 401 - INSURANCE COMMISSIONER

A section is added providing a deficiency appropriation of \$20,000 from the petroleum tank release compensation fund for the administrative costs relating to the fund for the remainder of the 1989-91 biennium, the same as the House version.

DEPARTMENT 406 - LABOR COMMISSIONER

This amendment reduces the proposed four percent annual salary increase for the Labor Commissioner by \$1,372, from \$1,972 to \$600 for the first year of the biennium and provides the remaining \$1,372 increase the second year of the biennium. The salaries and wages line item is reduced by \$1,600 from the general fund as a result of this change, the same as the House version.

DEPARTMENT 601 - ECONOMIC DEVELOPMENT COMMISSION

A section is added by the conference committee reducing the appropriation in Senate Bill No. 2058 for the Science and Technology Corporation by \$500,000, from \$3,500,000 to \$3,000,000.

DEPARTMENT 602 - AGRICULTURE COMMISSIONER

This amendment makes the following changes to the Agriculture Department's budget:

Funding for the Ag in the Classroom program (\$25,000) and the waterbank program (\$50,000) of other funds included in the operating expenses line item in the executive budget are listed as separate line items, and therefore, removed from the operating expenses line item, the same as the House version.

The two FTE positions added in the executive budget for the farmer/rancher demonstration project are contingent upon federal funds received through Job Service being available to pay the salary and fringe benefits of the two FTE positions, the same as the House version.

The conference committee adds \$24,000 from the general fund, \$8,000 to salaries and wages and \$16,000 to operating expenses for the additional costs to the Apiary Division as a result of House Bill No. 1571, which requires additional regulation of bees in the state.

Funding for one FTE noxious weed program administrator position and related expenses added in the executive budget from the general fund and eliminated in the House version is included as follows:

Salaries and wages - 1 FTE	\$62,551
Information services	1,800
Operating expenses	<u>18,200</u>
Total general fund reduction	\$82,551
Funding from the environment and rangeland protection fund	\$50,000
Funding from other funds raised by the Agriculture Commissioner	12,551
Funding from the general fund	<u>20,000</u>
Total	\$82,551

The noxious weed program administrator position is authorized only for the 1991-93 biennium.

Funding for noxious weed control in addition to the \$458,368 from the general fund included in this bill will be provided in Senate Bill No. 2451.

The conference committee reduces the Pride of Dakota line item by \$250,000 of other funds from Bank of North Dakota profits and provides \$150,000 from the general fund for the Pride of Dakota program in accordance with the provisions of Senate Bill No. 2058.

The funding source for \$750,000 of the agriculture mediation services program is changed from Bank of North Dakota profits to the general fund by the conference committee in accordance with the provisions of Senate Bill No. 2058.

Increased funding for operating expenses included in the executive budget from the general fund for the predatory animal control program is reduced by \$74,302 as follows:

- Operating fees are reduced by \$72,912, from \$526,189 to \$453,277, relating to the removal of three cost-of-living increases for the 10 full-time animal damage control specialists, as same as the House version.
- Lease rental equipment for aerial coyote hunting is reduced by \$1,390, from \$79,890 to \$78,500, the same as the House version.

Funding of \$40,000 from the general fund added to the operating expenses line item by the House to provide funding to the Agriculture Department to initiate a bounty system for coyotes of \$25 per coyote and the section authorizing the Agriculture Commissioner to administer the program for the 1991-93 biennium is removed, and the \$40,000 is added to operating expenses for lease rental equipment for aerial coyote hunting in addition to the \$78,500 amount referred to in the paragraph above.

The total change to the Agriculture Department's budget is a general fund increase of \$827,147, from \$3,730,768 to \$4,557,915, and a special fund decrease of \$937,449, from \$2,743,728 to \$1,806,279.

Senate Bill No. 2001 in total is increased by \$388,848 over the Senate version, a \$1,548,059 increase from the general fund and a \$1,159,211 decrease in other funds.

Senate Bill No. 2001 in total is increased by \$211,648 over the House version, a \$1,149,097 increase from the general fund and a \$937,449 decrease in other funds.

Senate Bill No. 2001 in total is increased by \$39,884 over the executive budget recommendation, a \$1,223,875 increase from the general fund and a \$1,183,991 decrease in other funds.

REMARKS OF SENATOR NETHING

Mr. President and ladies and gentlemen of the Senate, I would like to direct the Senate's attention to the amendment on page 18, department 101, the Governor's office, and to offer an explanation as to what the intent was in arriving at the funding. The purpose of the funding was to allocate and appropriate \$75,097 to a remaining FTE position, but to not identify that position. The language itself indicates that the funding was from a previous position removed by the House for an economic development coordinator position, and the funding was then restored by the conference committee. It was the intent of the House and the Senate conferees that we would place the money in the budget, but as we did in the Growing North Dakota budget, Senate Bill 2058, we would not specifically identify the position. The House had requested that this clarification be made.

REQUEST

SEN. NELSON REQUESTED that Senator Nething's remarks be printed in the Journal, which request was granted.

REPORT OF CONFERENCE COMMITTEE

SEN. TALLACKSON MOVED that the conference committee report on Reengrossed SB 2001 be adopted, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2001: A BILL for an Act making an appropriation for defraying the expenses of various elected state officials and the state firemen's association; to create and enact two new sections to chapter 53-06.1 of the North Dakota Century Code, relating to the establishment of a state gaming commission; to amend and reenact sections 4-01-21, 26.1-01-09, subsection 2 of section 27-20-49, sections 34-05-01.2, 39-01-02, 49-01-05, 53-06.1-01, 53-06.1-03, 53-06.1-06, 53-06.1-12, 53-06.1-12.1, 53-06.1-12.2, 53-06.1-13, 53-06.1-14, 53-06.1-17, 54-07-04, 54-08-03, 54-09-05, 54-10-10, 54-11-13, 54-12-11, 57-01-04, 57-39.2-26.1, and 57-58-01 of the North Dakota Century Code and section 54 of Senate Bill No. 2058, as approved by the fifty-second legislative assembly, relating to motor vehicles owned or leased by the state, to the salaries of the commissioner of agriculture, commissioner of insurance,

commissioner of labor, public service commissioners, governor, lieutenant governor, secretary of state, state auditor, state treasurer, attorney general, tax commissioner, to prosecution witness fees paid by the attorney general, to the state aid distribution fund, to definitions and the conducting of games of chance, and to the appropriation for the science and technology corporation; to provide a statement of legislative intent; to provide an appropriation; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 40 YEAS, 6 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

YEAS: Bowman; DeKrey; Dotzenrod; Evanson; Fnebrog; Goetz; Graba; Hanson, E.; Heigaard; Heinrich; Ingstad; Jerome; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Nelson; Nething; O'Connell; Peterson; Redlin; Robinson; Satrom; Schoenwald; Stenehjerm; Tallackson; Thane; Tomac; Traynor; Vosper; Wogsland; Yockim

NAYS: David; Mutch; Naaden; Solberg; Streibel; Tennesof

ABSENT AND NOT VOTING: Hanson, O.; Holmberg; Keller; Maxson; Meyer; Moore; Nalewaja

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

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

MR. PRESIDENT: The House has reconsidered its action whereby it did not concur with the Senate amendments to HB 1575 and wishes to inform you that the House does now concur with the Senate amendments to HB 1575 and subsequently passed the same. Also, the House has dissolved the House Conference Committee on HB 1575.

MOTIONS

SEN. DOTZENROD MOVED that the Senate dissolve the Conference Committee on HB 1575, which motion prevailed.

SEN. WOGSLAND MOVED that the President appoint a committee of three to notify the House that the Senate has completed its business and is about to adjourn sine die, which motion prevailed.

THE PRESIDENT APPOINTED as such committee: Sens. Yockim, O'Connell, Evanson.

SEN. WOGSLAND MOVED that the President appoint a committee of three to notify the Governor that the Senate has completed its business and is about to adjourn sine die, which motion prevailed.

THE PRESIDENT APPOINTED as such committee: Sens. E. Hanson, Lindaas, DeKrey.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on SB 2001, subsequently passed and the emergency clause carried.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The Senate has adopted the conference committee report on HB 1439 and subsequently passed the same.

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

MR. PRESIDENT: The House has adopted the conference committee report on SB 2004 and subsequently passed the same.

ANNOUNCEMENT

SEN. E. HANSON ANNOUNCED that the committee appointed to inform the Governor that the Senate has completed its business and is about to adjourn sine die, has completed its task, and requested that the committee be discharged, which request was granted.

COMMUNICATION FROM GOVERNOR GEORGE A. SINNER

Mr. President and members of the Senate: You have worked hard...and the progress is clear...in education, in business growth and in the care for and service of those in need.

I thank you all. I wish you Godspeed in your lives at home.

For my part, I will do my level best to administer the laws we have approved to serve the people of this great state.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1611, HCR 3026.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1006, HB 1007.

ANNOUNCEMENT

SEN. EVANSON ANNOUNCED that the committee appointed to inform the House that the Senate has completed its business and is about to adjourn sine die, has completed its task, and requested that the committee be discharged, which request was granted.

A committee from the House was received and announced that the House had completed its business and was ready to adjourn sine die.

MOTIONS

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

SEN. WOGSLAND MOVED that the Senate be on the Fourth order of business, and at the conclusion of the Fourth order, the Senate be on the Twelfth order of business, and at the conclusion of the Twelfth order, the Senate be on the Fifteenth order of business, and at the conclusion of the Fifteenth order, Senate be on the Sixteenth order of business, and at the conclusion of the Sixteenth order, the Senate stand adjourned sine die, which motion prevailed.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed and the emergency clause carried on SB 2001.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed: HB 1006, HB 1007, HB 1611, HCR 3026.

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bills: SB 2002, SB 2005, SB 2016, SB 2018, SB 2054, SB 2058, SB 2282.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2002, SB 2005, SB 2016, SB 2018, SB 2054, SB 2058, SB 2282.

SIGNING of BILLS and RESOLUTIONS

The President signed the following enrolled bills: SB 2001, SB 2004.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2001, SB 2004.

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

MR. PRESIDENT: The Speaker has signed: SB 2001, SB 2002, SB 2004, SB 2005, SB 2016, SB 2018, SB 2054, SB 2058, SB 2282.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 10:58 a.m., April 12, 1991: SB 2017, SB 2019, SB 2324, SB 2596.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 11:22 a.m., April 12, 1991: SB 2002, SB 2005, SB 2016, SB 2018, SB 2054, SB 2058, SB 2282.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1439, HB 1575.

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

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on the veto certification of HB 1325.

COMMUNICATION FROM GOVERNOR GEORGE A. SINNER

April 12, 1991

This is to inform you that on April 11, 1991, I signed the following: SB 2007, SB 2008, SB 2023, SB 2067, SB 2083, SB 2118, SB 2249, SB 2259, SB 2272, SB 2422, SB 2425, SB 2169, SB 2346, SB 2384.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed: HB 1439, HB 1575.

MESSAGE to the HOUSE from the SENATE (Marion Houn, Secretary)

MR. SPEAKER: The President has signed the veto certification on HB 1325.

SIGNING OF BILLS AND RESOLUTIONS

The President has signed the veto certification on SB 2294.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bill and veto certification was delivered to the Secretary of State for his filing at the hour of 3:15 p.m., April 12, 1991: SB 2294.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 3:19 p.m., April 12, 1991: SB 2001, SB 2004.

APPOINTMENTS BY THE PRESIDENT OF THE SENATE

Legislative Council

Senator Heigaard
 Senator Mushik
 Senator Robinson
 Senator Tomac
 Senator Nelson
 Senator Streibel
 Senator Holmberg

Capitol Grounds Planning Commission

Senator Mathern
 Senator Kelsh
 Senator Tennefos

Multistate Tax Compact Advisory Committee

Senator Dotzenrod
 Senator Moore

Medical Center Advisory Council

Senator Wogsland

Regulatory Reform Review Commission
Senator Redlin
Senator Nething

Comprehensive Health Association of North Dakota Board
Senator Mushik

Education Commission of the States
Senator Heinrich

North Dakota Heritage Foundation
Senator Redlin

Pursuant to Senator Wogsland's motion, the Senate adjourned sine die.

MARION HOUN, Secretary