

## JOURNAL OF THE SENATE

## Fifty-third Legislative Assembly

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Bismarck, February 16, 1993

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

The prayer was offered by Rev. David Baker, Nazarene Church, Mandan.

The roll was called and all members were present except Senators Lindgren and Tallackson.

A quorum was declared by the President.

## POINT OF PERSONAL PRIVILEGE

**SEN. WOGSLAND:** Madam President: I rise on a point of personal privilege and request that my remarks be printed in the Journal.

I request that the Senate Journal reflect that Senators absent for votes today are absent because of scheduling conflicts between the House and Senate. These Senators are absent because they are testifying on bills they have sponsored which are now being heard in the House.

## DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 8:22 a.m., February 16, 1993: SB 2075, SB 2112, SB 2121, SB 2268.

## CONSIDERATION OF AMENDMENTS

**SB 2056: SEN. W. STENEHJEM (Judiciary Committee) MOVED** that the amendments on SJ pages 469-470 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

## MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)

**MADAM PRESIDENT:** The House has passed and your favorable consideration is requested on: HB 1006, HB 1134, HB 1161, HB 1211, HB 1268, HB 1311, HB 1374, HB 1383, HB 1407, HB 1456, HCR 3031.

## MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)

**MADAM PRESIDENT:** The House has passed unchanged: SCR 4041.

## SECOND READING OF SENATE BILL

**SB 2056:** A BILL for an Act to amend and reenact section 53-06.1-01, subsection 1 of section 53-06.1-01.1, sections 53-06.1-01.2, 53-06.1-02, 53-06.1-02.1, 53-06.1-03, 53-06.1-03.3, 53-06.1-05, 53-06.1-05.1, 53-06.1-06, 53-06.1-07, 53-06.1-07.1, 53-06.1-07.2, 53-06.1-07.3, 53-06.1-07.4, 53-06.1-08, 53-06.1-08.1, 53-06.1-09, 53-06.1-10, 53-06.1-10.1, 53-06.1-11, 53-06.1-12, 53-06.1-12.2, 53-06.1-13, 53-06.1-13.1, 53-06.1-14, 53-06.1-15, 53-06.1-15.1, 53-06.1-15.4, 53-06.1-16, 53-06.1-16.1, 53-06.1-16.2, and 53-06.1-17 of the North Dakota Century Code, relating to games of chance and the gaming commission.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin;

Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjerm, B.; Stenehjerm, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Evanson; Tallackson

SB 2056 passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**SB 2222: SEN. W. STENEHJERM (Appropriations Committee) MOVED** that the amendments on SJ page 548 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**MOTION**

**SEN. MATHERN MOVED** that SB 2222 be placed third on the Eleventh order, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**SB 2378: SEN. GRABA (Appropriations Committee) MOVED** that the amendments on SJ page 554 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2378:** A BILL for an Act to create and enact a new section to chapter 12.1-32 and two new subsections to section 54-23.3-04 of the North Dakota Century Code, relating to the imposition, collection, allocation, and disbursement of funds generated from a sentencing surcharge and the powers and duties of the director of the department of corrections and rehabilitation; 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 33 YEAS, 13 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Goetz; Graba; Grindberg; Holmberg; Jerome; Keller; Kelly; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lips; Marks; Mathern; Mushik; Nalewaja; Nelson; Redlin; Robinson; Sand; Scherber; Schoenwald; Stenehjerm, B.; Thane; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Freborg; Heinrich; Kelsh; Lindgren; Maxson; Mutch; Naaden; Nething; O'Connell; Solberg; Stenehjerm, W.; Streibel; Tennefos

**ABSENT AND NOT VOTING:** Evanson; Tallackson; Tomac

SB 2378 passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**SB 2333: SEN. ANDRIST (Judiciary Committee) MOVED** that the amendments on SJ pages 519-520 be adopted and then be placed on the Eleventh order with **DO PASS**.

**SECOND READING OF SENATE BILL**

**SB 2333:** A BILL for an Act to amend and reenact section 16.1-12-02.2 of the North Dakota Century Code, relating to certificates of candidacy by write-in candidates and the counting of ballots.

**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, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Traynor; Urlacher; Yockim

ABSENT AND NOT VOTING: Tallackson; Tomac; Wogsland

SB 2333 passed and the title was agreed to.

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CONSIDERATION OF AMENDMENTS

SB 2006: SEN. KELLY (Appropriations Committee) MOVED that the amendments on SJ pages 601-604 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2006: A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health and consolidated laboratories; to provide a statement regarding the disbursement of domestic violence prevention grants; to provide for appropriations from the abandoned motor vehicle disposal fund, solid waste management fund, environment and rangeland protection fund, and domestic violence fund; and to amend and reenact sections 23-09-11, 23-09-18, and 23-09-19 of the North Dakota Century Code, relating to inspections by the department of health and consolidated laboratories.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 32 YEAS, 16 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: DeMers; Dotzenrod; Evanson; Goetz; Graba; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lips; Mathern; Maxson; Mushik; Nething; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, W.; Thane; Tomac; Traynor; Wogsland; Yockim

NAYS: Andrist; Bowman; Freborg; Grindberg; Lindgren; Marks; Mutch; Naaden; Nalewaja; Nelson; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos; Urlacher

ABSENT AND NOT VOTING: Tallackson

SB 2006 passed and the title was agreed to.

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CONSIDERATION OF AMENDMENTS

SB 2021: SEN. YOCKIM (Appropriations Committee) MOVED that the amendments on SJ pages 604-606 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2021: A BILL for an Act making an appropriation for defraying the expenses of the various divisions of the department of economic development and finance; providing for transfers of funds; 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 43 YEAS, 4 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, W.; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Mutch; Stenehjem, B.; Streibel; Tennefos

**ABSENT AND NOT VOTING:** Graba; Tallackson

SB 2021 passed, the title was agreed to, and the emergency clause was declared carried.

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## MOTION

**SEN. MATHERN MOVED** that SB 2053 be moved to the top of the calendar, which motion prevailed.

## CONSIDERATION OF AMENDMENTS

**SB 2053: SEN. YOCKIM (Appropriations Committee) MOVED** that the amendments on SJ page 608 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

## SECOND READING OF SENATE BILL

**SB 2053:** A BILL for an Act to provide an appropriation to the department of economic development and finance; to provide for a transfer of the earnings of the Bank of North Dakota; 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 44 YEAS, 4 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Stenehjem, W.; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Mutch; Solberg; Stenehjem, B.; Streibel

**ABSENT AND NOT VOTING:** Tallackson

SB 2053 passed, the title was agreed to, and the emergency clause was declared carried.

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## CONSIDERATION OF AMENDMENTS

**SB 2022: SEN. HOLMBERG (Appropriations Committee) MOVED** that the amendments on SJ pages 606-607 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

## SECOND READING OF SENATE BILL

**SB 2022:** A BILL for an Act making an appropriation for defraying the expenses of the state board of vocational education.

**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, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogslund; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2022 passed and the title was agreed to.

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**MOTION**

**SEN. MATHERN MOVED** that SB 2050 be moved to the bottom of the Sixth order, which motion prevailed.

**MOTION**

**SEN. MATHERN MOVED** that the Senate stand in recess until 10:25 a.m., which motion prevailed.

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

**CONSIDERATION OF AMENDMENTS**

**SB 2201: SEN. KREBSBACH (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 608-609 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**MOTION**

**SEN. SCHOENWALD MOVED** that the Senate reconsider its action whereby the amendments to SB 2201 were adopted, which motion lost.

**MOTION**

**SEN. MATHERN MOVED** that SB 2201 be placed at the bottom of the Eleventh order, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**SB 2243: SEN. SCHERBER (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ page 609 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**MOTION**

**SEN. MATHERN MOVED** that SB 2243 be placed thirteenth on the Eleventh order, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**SB 2277: SEN. W. STENEHJEM (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ page 610 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2277: A BILL** for an Act to amend and reenact section 23-02.1-27 of the North Dakota Century Code, relating to disclosure of certain vital records.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been

read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Robinson; Tallackson

SB 2277 passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**SB 2327: SEN. LINDGREN (Political Subdivisions Committee) MOVED** that the amendments on SJ page 610 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)**

**MADAM PRESIDENT:** The Speaker has signed and your signature is respectfully requested on: HCR 3051.

**MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)**

**MADAM PRESIDENT:** The Speaker has signed: SB 2136, SCR 4026.

#### SECOND READING OF SENATE BILL

**SB 2327:** A BILL for an Act to create and enact a new section to chapter 16.1-01 of the North Dakota Century Code, relating to reimbursement of county expenses for statewide special elections.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 37 YEAS, 9 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Jerome; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher

**NAYS:** DeMers; Heinrich; Holmberg; Kelly; Maxson; Mushik; Redlin; Stenehjem, W.; Yockim

**ABSENT AND NOT VOTING:** Robinson; Tallackson; Wogsland

SB 2327 passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**SB 2387: SEN. KELSH (Appropriations Committee) MOVED** that the amendments on SJ page 611 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

#### SECOND READING OF SENATE BILL

**SB 2387:** A BILL for an Act relating to an agricultural pesticide and pesticide container disposal program; to provide an appropriation; and to provide an expiration date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 48 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2387 passed and the title was agreed to.

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**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bill was delivered to the Governor for his approval at the hour of 11:18 a.m., February 16, 1993: SB 2136.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolution was delivered to the Secretary of State for his filing at the hour of 11:18 a.m., February 16, 1993: SCR 4026.

**CONSIDERATION OF AMENDMENTS**

**SB 2392: SEN. SCHERBER (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ page 611 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2392:** A BILL for an Act to amend and reenact subdivision a of subsection 3 of section 54-52-17 of the North Dakota Century Code, relating to normal retirement date for participating members of the public employees retirement system; 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 30 YEAS, 18 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Evanson; Graba; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Langley; Lindaas; Lips; Marks; Mathern; Maxson; Mushik; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, B.; Stenehjem, W.; Thane; Tomac; Wogsland; Yockim

**NAYS:** Andrist; Bowman; Freborg; Goetz; Grindberg; Krebsbach; Lindgren; Mutch; Naaden; Nalewaja; Nelson; Nething; Sand; Solberg; Streibel; Tennefos; Traynor; Urlacher

**ABSENT AND NOT VOTING:** Tallackson

SB 2392 passed and the title was agreed to.

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**MOTION**

**SEN. MATHERN MOVED** that SB 2409, which is on the Sixth order, be laid over one legislative day, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**SB 2418: SEN. SCHERBER (Education Committee) MOVED** that the amendments on

SJ pages 612-613 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**MOTION**

**SEN. SCHERBER MOVED** that Engrossed SB 2418 be amended as follows, which motion prevailed.

Page 3, line 18, replace "1993" with "1995"

Re-number accordingly

**SECOND READING OF SENATE BILL**

**SB 2418:** A BILL for an Act to amend and reenact sections 15-21-09, 15-36-01, 15-36-01.1, 15-36-08, 15-36-10, 15-36-11, 15-36-14.1, 15-36-15, 15-36-16, 15-36-17, 15-38-17, 15-38-18, 15-38-19, 15-47-28, 15-47-30, subdivision q of subsection 1 of section 28-32-01, and subsection 1 of section 54-07-01.2 of the North Dakota Century Code, relating to teachers' certificates and the duties of the education standards practices board; to provide an appropriation; 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 31 YEAS, 17 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Evanson; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krebsbach; Langley; Lindaas; Lindgren; Lips; Mathern; Mushik; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, B.; Stenehjem, W.; Thane; Tomac; Traynor; Wogsland; Yockim

**NAYS:** Andrist; Bowman; Freborg; Goetz; Krauter; Marks; Maxson; Mutch; Naaden; Nalewaja; Nelson; Nething; Sand; Solberg; Streibel; Tennefos; Urlacher

**ABSENT AND NOT VOTING:** Tallackson

SB 2418 passed and the title was agreed to.

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**MOTION**

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

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

**MESSAGE TO THE HOUSE FROM THE SENATE (CAROL SIEGERT, SECRETARY)**

**MR. SPEAKER:** The Senate has passed and your favorable consideration is requested on: SB 2290, SB 2426.

**CONSIDERATION OF AMENDMENTS**

**SB 2520: SEN. W. STENEHJEM (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 613-614 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2520:** A BILL for an Act to amend and reenact subsection 4 of section 37-19.1-02 of the North Dakota Century Code, relating to the veterans' employment preference; 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 48 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2520 passed, the title was agreed to, and the emergency clause was declared carried.

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#### CONSIDERATION OF AMENDMENTS

**SB 2536: SEN. MATHERN (Human Services Committee) MOVED** that the amendments on SJ page 615 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

#### SECOND READING OF SENATE BILL

**SB 2536:** A BILL for an Act to create and enact a new section to chapter 26.1-45 of the North Dakota Century Code, relating to adoption of long-term care benefits comparison guides by the commissioner of insurance.

#### 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, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2536 passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**SCR 4030: SEN. GRABA (Political Subdivisions Committee) MOVED** that the amendments on SJ page 615 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

#### SECOND READING OF SENATE CONCURRENT RESOLUTION

**SCR 4030:** A concurrent resolution designating the North Dakota Sports Hall of Fame in Jamestown as the official North Dakota Sports Hall of Fame.

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

SCR 4030 was declared adopted and the title was agreed to.

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## CONSIDERATION OF AMENDMENTS

SB 2433: SEN. KELLER (Natural Resources Committee) MOVED that the amendments on SJ page 613 be adopted and then be placed on the Eleventh order with DO NOT PASS, which motion prevailed.

## SECOND READING OF SENATE BILL

SB 2433: A BILL for an Act to create and enact a new section to chapter 15-08 of the North Dakota Century Code, relating to loans by the Bank of North Dakota for improvements to land of the board of university and school lands; and to amend and reenact section 15-08-26 of the North Dakota Century Code, relating to the removal of or payment for improvements upon leased lands under the control of the board of university and school lands.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 11 YEAS, 37 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bowman; Holmberg; Lindgren; Mathern; Mutch; Nalewaja; Sand; Stenehjem, B.; Streibel; Tennefos; Thane

NAYS: Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lips; Marks; Maxson; Mushik; Naaden; Nelson; Nething; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Solberg; Stenehjem, W.; Tomac; Traynor; Urlacher; Wogsland; Yockim

ABSENT AND NOT VOTING: Tallackson

SB 2433 lost.

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## CONSIDERATION OF AMENDMENTS

SB 2347: SEN. ANDRIST (Political Subdivisions Committee) MOVED that the amendments on SJ pages 610-611 be adopted and then be placed on the Eleventh order with DO NOT PASS, which motion prevailed.

## SECOND READING OF SENATE BILL

SB 2347: A BILL for an Act to establish a law enforcement training trust and agency fund for the purpose of providing training programs to peace officers and other emergency service providers; 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 24 YEAS, 24 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: DeMers; Dotzenrod; Evanson; Graba; Heinrich; Jerome; Keller; Kelsh; Kinnoin; Krauter; Langley; Lindaas; Marks; Mathern; Maxson; Nalewaja; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Thane; Tomac; Wogsland

NAYS: Andrist; Bowman; Freborg; Goetz; Grindberg; Holmberg; Kelly; Krebsbach; Lindgren; Lips; Mushik; Mutch; Naaden; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Traynor; Urlacher; Yockim

ABSENT AND NOT VOTING: Tallackson

SB 2347 lost.

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**CONSIDERATION OF AMENDMENTS**

**SB 2447: SEN. SCHERBER (Education Committee) MOVED** that the amendments on SJ page 526 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a verification vote.

**SECOND READING OF SENATE BILL**

**SB 2447: A BILL** for an Act to create and enact a new subsection to section 15-27.6-04 of the North Dakota Century Code, relating to negotiations between teachers and interim district school boards.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 26 YEAS, 22 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Evanson; Graba; Heinrich; Holmberg; Keller; Kelly; Kelsh; Krauter; Krebsbach; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, W.; Thane; Yockim

**NAYS:** Andrist; Bowman; Freborg; Goetz; Grindberg; Jerome; Kinnoin; Langley; Mutch; Naaden; Nalewaja; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos; Tomac; Traynor; Urlacher; Wogsland

**ABSENT AND NOT VOTING:** Tallackson

SB 2447 passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**SB 2450: SEN. B. STENEHJEM (Human Services Committee) MOVED** that the amendments on SJ pages 493-494 be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2450: A BILL** for an Act relating to hospital billing practices; 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 1 YEA, 47 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Grindberg

**NAYS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2450 lost.

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**CONSIDERATION OF AMENDMENTS**

**SB 2451: SEN. DOTZENROD (Finance and Taxation Committee) MOVED** that the amendments on SJ pages 529-530 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

## SECOND READING OF SENATE BILL

**SB 2451:** A BILL for an Act to amend and reenact subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to establishing a bracket system for individual income tax rates on the optional short-form return; 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 25 YEAS, 23 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Evanson; Graba; Heinrich; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Langley; Lindaas; Marks; Mathern; Maxson; Mushik; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Tomac; Wogsland; Yockim

**NAYS:** Andrist; Bowman; Freborg; Goetz; Grindberg; Holmberg; Krebsbach; Lindgren; Lips; Mutch; Naaden; Nalewaja; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Traynor; Urlacher

**ABSENT AND NOT VOTING:** Tallackson

SB 2451 lost for lack of two-thirds majority.

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## CONSIDERATION OF AMENDMENTS

**SB 2461:** SEN. O'CONNELL (Education Committee) MOVED that the amendments on SJ page 531 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

## SECOND READING OF SENATE BILL

**SB 2461:** A BILL for an Act to create and enact a new section to chapter 15-47 of the North Dakota Century Code, relating to nonrenewal of superintendents' contracts; and to amend and reenact section 15-47-26 and subsections 2 and 5 of section 15-47-38 of the North Dakota Century Code, relating to the definition of a teacher and nonrenewal or discharge of a teacher.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 32 YEAS, 16 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Bowman; Dotzenrod; Evanson; Goetz; Graba; Grindberg; Jerome; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Marks; Maxson; Mutch; Nalewaja; Nelson; O'Connell; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Streibel; Tomac; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Andrist; DeMers; Freborg; Heinrich; Holmberg; Kelly; Lips; Mathern; Mushik; Naaden; Nething; Redlin; Robinson; Stenehjem, W.; Tennefos; Thane

**ABSENT AND NOT VOTING:** Tallackson

SB 2461 passed and the title was agreed to.

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## CONSIDERATION OF AMENDMENTS

**SB 2519:** SEN. KELSH (Education Committee) MOVED that the amendments on SJ pages 495-496 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2519:** A BILL for an Act to create and enact two new sections to chapter 15-27.6 of the 1991 Supplement to the North Dakota Century Code, relating to employment recall rights of teachers whose contracts have not been renewed because of reorganizations.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 37 YEAS, 11 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; DeMers; Dotzenrod; Evanson; Goetz; Graba; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Nalewaja; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, W.; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Freborg; Grindberg; Mutch; Naaden; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos

**ABSENT AND NOT VOTING:** Tallackson

SB 2519 passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**SB 2526: SEN. GRABA (Human Services Committee) MOVED** that the amendments on SJ pages 496-500 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2526:** A BILL for an Act to amend and reenact sections 43-47-01, 43-47-02, 43-47-03, 43-47-04, 43-47-05, and 43-47-06 of the North Dakota Century Code, relating to clinical mental health counselors; 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 15 YEAS, 33 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Graba; Heinrich; Keller; Kelly; Mathern; Maxson; Mushik; Nalewaja; Scherber; Schoenwald; Stenehjem, W.; Tomac; Wogsland

**NAYS:** Andrist; Bowman; Evanson; Freborg; Goetz; Grindberg; Holmberg; Jerome; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mutch; Naaden; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos; Thane; Traynor; Urlacher; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2526 lost.

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**MOTION**

**SEN. KREBSBACH MOVED** that the Senate reconsider its action whereby SB 2347 failed to pass, which motion prevailed on a verification vote.

**SECOND READING OF SENATE BILL**

**SB 2347:** A BILL for an Act to establish a law enforcement training trust and agency fund for the purpose of providing training programs to peace

officers and other emergency service providers; 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 26 YEAS, 22 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Dotzenrod; Evanson; Graba; Heinrich; Jerome; Keller; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Marks; Mathern; Maxson; Nalewaja; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Thane; Tomac; Traynor; Wogsland

**NAYS:** Andrist; Bowman; Freborg; Goetz; Grindberg; Holmberg; Kelly; Lindgren; Lips; Mushik; Mutch; Naaden; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Urlacher; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2347 passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**SB 2531: SEN. JEROME (Human Services Committee) MOVED** that the amendments on SJ page 500 be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed.

#### SECOND READING OF SENATE BILL

**SB 2531: A BILL** for an Act to amend and reenact section 26.1-36-07 of the North Dakota Century Code, relating to health insurance coverage for newborn and adopted children.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 22 YEAS, 26 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Evanson; Graba; Grindberg; Heinrich; Holmberg; Keller; Kelsh; Kinnoin; Langley; Lindgren; Lips; Maxson; Mushik; O'Connell; Redlin; Scherber; Schoenwald; Stenehjem, W.; Thane; Yockim

**NAYS:** Bowman; Dotzenrod; Freborg; Goetz; Jerome; Kelly; Krauter; Krebsbach; Lindaas; Marks; Mathern; Mutch; Naaden; Nalewaja; Nelson; Nething; Robinson; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos; Tomac; Traynor; Urlacher; Wogsland

**ABSENT AND NOT VOTING:** Tallackson

SB 2531 lost.

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#### MOTION

**SEN. MATHERN MOVED** that SCR 4035 be moved from the Consent calender to Sixth order, which motion prevailed.

#### CONSIDERATION OF AMENDMENTS

**SCR 4035: SEN. KINNOIN (Agriculture Committee) MOVED** that the amendments on SJ page 557 be adopted and then be placed on the Tenth order with **DO PASS**, which motion prevailed.

#### MOTION

**SEN. MATHERN MOVED** that SB 2050 be moved to the top of the Sixth order, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SB 2050: SEN. KRAUTER (Natural Resources Committee) MOVED that the amendments on SJ pages 607-608 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

MOTION

SEN. KRAUTER MOVED that Engrossed SB 2050 be amended as follows, which motion prevailed.

Page 1, line 11, replace "for-profit" with "nonpublicly owned"

Renumber accordingly

SECOND READING OF SENATE BILL

SB 2050: A BILL for an Act to create and enact a new section to chapter 23-01 of the North Dakota Century Code, relating to employment of waste management facility inspectors by the state department of health and consolidated laboratories; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; Bowman; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

ABSENT AND NOT VOTING: Redlin; Tallackson

SB 2050 passed, the title was agreed to, and the emergency clause was declared carried.

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REQUEST

SEN. REDLIN REQUESTED that his vote on SB 2050 show as Yea as his voting light is not functioning, which request was granted.

MOTION

SEN. MATHERN MOVED that the Senate stand in recess until 3:15 p.m., which motion prevailed.

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

SECOND READING OF SENATE BILL

SB 2230: A BILL for an Act to amend and reenact subdivision h of subsection 1 of section 38-08-04, sections 38-08-20, and 64-02-13 of the North Dakota Century Code, relating to the authority of the industrial commission to test and approve oil and gas meters and measuring devices; and to repeal section 64-02-15.1 of the North Dakota Century Code, relating to the duty of the public service commission to test and certify oil and gas production meters.

MOTION

SEN. YOCKIM MOVED that Engrossed SB 2230 be amended as follows, which motion prevailed.

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 38-08 of the North Dakota Century Code, relating to testing of oil and gas meter and measuring devices;"

Page 2, after line 15, insert:

"SECTION 3. A new section to chapter 38-08 of the North Dakota Century Code is created and enacted as follows:

Testing upon request of a royalty owner. Upon request by a royalty owner to test an oil and gas meter or measuring device, the commission shall test the meter or measuring device or contract for the testing by a qualified meter tester who is independent of any operator or purchaser of production from the metered well."

Re-number accordingly

**SB 2230:** A BILL for an Act to create and enact a new section to chapter 38-08 of the North Dakota Century Code, relating to testing of oil and gas meter and measuring devices; to amend and reenact subdivision h of subsection 1 of section 38-08-04, sections 38-08-20, and 64-02-13 of the North Dakota Century Code, relating to the authority of the industrial commission to test and approve oil and gas meters and measuring devices; and to repeal section 64-02-15.1 of the North Dakota Century Code, relating to the duty of the public service commission to test and certify oil and gas production meters.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 35 YEAS, 12 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Evanson; Freborg; Goetz; Grindberg; Holmberg; Kelly; Kelsh; Kinnoin; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Traynor; Yockim

**NAYS:** Bowman; Dotzenrod; Graba; Heinrich; Jerome; Keller; Krauter; Mathern; Scherber; Schoenwald; Tomac; Urlacher

**ABSENT AND NOT VOTING:** Tallackson; Wogsland

SB 2230 passed and the title was agreed to.

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#### MOTION

**SEN. MATHERN MOVED** that SB 2216, SB 2222, and SB 2223, which are on the Eleventh order, be laid over one legislative day, which motion prevailed.

#### SECOND READING OF SENATE BILL

**SB 2052:** A BILL for an Act to create and enact a new section to chapter 57-38 and a new subsection to section 57-38-30.3 of the North Dakota Century Code, relating to a seed capital investment income tax credit; and to provide an effective date.

#### MOTION

**SEN. TRAYNOR MOVED** that SB 2052 be amended as follows, which motion prevailed.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subsection to section 57-38-30.3 and chapter 57-38.5 of the North Dakota Century Code, relating to a seed capital investment income tax credit; and to provide an effective date.

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

**SECTION 1.** A new subsection to section 57-38-30.3 of the 1991 Supplement to the North Dakota Century Code is created and enacted as follows:

Individuals, estates, and trusts are entitled to a credit against the tax due under this section as provided in section 57-38.5-03.

**SECTION 2.** Chapter 57-38.5 of the North Dakota Century Code is created and enacted as follows:

**57-38.5-01. Definitions.** As used in this chapter, unless the context otherwise requires:

1. "Director" means the director of the department of economic development and finance.
2. "New wealth" means revenues to a North Dakota business which are generated by sales of products or services to customers outside of the state. "New wealth" also includes revenues to a qualified business the customers of which previously were unable to acquire, or had limited availability of, the product or service from a North Dakota provider.
3. "Primary sector business" means a qualified business that through the employment of knowledge or labor adds value to a product, process, or service and which results in the creation of new wealth.
4. "Qualified business" means a primary sector business that:
  - a. Is incorporated in North Dakota as a for-profit corporation or is a partnership, limited partnership, or joint venture;
  - b. Is in compliance with the requirements for filings with the securities commissioner under the securities laws of this state;
  - c. Has North Dakota residents as a majority of its employees;
  - d. Has its principal office in this state and has the majority of its business activity performed in this state, except sales activity;
  - e. Has a majority of its ownership interests owned by one or more individuals for whom operation of the business is their full-time professional activity;
  - f. Had gross sales receipts of less than two million dollars in its most recently ended taxable year.
5. "Taxpayer" means an individual, estate, or trust.

**57-38.5-02. Certification - Investment reporting by qualified businesses.** The director shall certify whether a business that has requested to become a qualified business meets the requirements of subsection 4 of section 57-38.5-01. The director shall establish the necessary forms and procedures for certifying qualified businesses.

**57-38.5-03. Seed capital investment tax credit.** If a taxpayer makes a qualified investment in a qualified business, the taxpayer is entitled to a credit against state income tax liability under section 57-38-29 or 57-38-30.3. The amount of the credit to which a taxpayer is entitled is thirty percent of the amount invested by the taxpayer in qualified businesses during the taxable year, subject to the following:

1. The aggregate annual investment for which a taxpayer may obtain a tax credit under this section is not less than five thousand dollars and not more than fifty thousand dollars. This subsection may not be interpreted to limit additional investment by a taxpayer for which that taxpayer is not applying for a credit.
2. In any taxable year, a taxpayer may claim no more than fifty percent of the credit under this section which is attributable to investments in a single taxable year. The amount of the credit allowed under this section for any taxable year may not exceed fifty percent of the taxpayer's tax liability as otherwise determined under this chapter.
3. Any amount of credit under this section not allowed because of the limitations in this section may be carried forward for up to fifteen taxable years after the taxable year in which the investment was made.
4. A partnership that invests in a qualified business must be considered to be the taxpayer for purposes of the investment limitations in this section and the amount of the credit allowed with respect to a partnership's investment in a qualified business must be determined at the partnership level. The amount of the total credit determined at the partnership level must be allowed to the partners, limited to individuals, estates, and trusts, in proportion to their respective interests in the partnership.
5. The investment must be at risk in the business. An investment for which a credit is received under this section must remain in the business for at least three years.
6. Tax credits for investments in one qualified business may not exceed the least of the following amounts:
  - a. Thirty percent of the total amount of investments in the qualified business during the taxable year.
  - b. Gross receipts from out-of-state sales of the business during the taxable year.
  - c. Two hundred fifty thousand dollars.
7. The entire amount of an investment for which a credit is claimed under this section must be expended by the qualified business for plant, equipment, research and development, marketing and sales activity, or working capital for the qualified business.
8. A taxpayer who owns a controlling interest in the qualified business or whose full-time professional activity is the operation of the business is not entitled to a credit under this section. A member of the immediate family of a taxpayer disqualified by this subsection is not entitled to the credit under this section. For purposes of this subsection, "immediate family" means the taxpayer's spouse, parent, sibling, or child or the spouse of any such person.

9. The tax commissioner may disallow any credit otherwise allowed under this section if any representation by a business in the application for certification as a qualified business proves to be false or if the taxpayer or qualified business fails to satisfy any conditions under this section or any conditions consistent with this section otherwise determined by the tax commissioner. The amount of any credit disallowed by the tax commissioner that reduced the taxpayer's income tax liability for any or all applicable tax years, plus penalty and interest as provided under section 57-38-45, must be paid by the taxpayer.

**57-38.5-04. Taxable year for seed capital investment tax credit.** The tax credit under section 57-38.5-03 must be credited against the taxpayer's income tax liability for the taxable year in which full consideration for the investment in the qualified business was received by the qualified business.

**57-38.5-05. Seed capital investment tax credit limits.** The aggregate amount of seed capital investment tax credit allowed for investments under this chapter in any taxable year is two hundred fifty thousand dollars. If investments in qualified businesses reported to the commissioner under section 57-38.5-07 exceed the limits on tax credits for investments imposed by this section, the credit must be allowed to taxpayers in the chronological order of their investments in qualified businesses as determined from the forms filed under section 57-38.5-07.

**57-38.5-06. Seed capital investment tax credit - Procedure - Rules.** To receive the tax credit provided by section 57-38.5-03, a taxpayer must claim the credit on the taxpayer's annual state income tax return in the manner prescribed by the tax commissioner and file with the return a copy of the form issued by the qualified business as to the taxpayer's investment in the qualified business under section 57-38.5-07.

**57-38.5-07. Investment reporting forms.** Within thirty days after the date on which an investment in a qualified business is purchased, the qualified business shall file with the tax commissioner and the director and provide to the investor completed forms prescribed by the tax commissioner which show as to each investment in the qualified business the following:

1. The name, address, and social security number of the taxpayer who made the investment.
2. The dollar amount paid for the investment by the taxpayer.
3. The date on which full consideration was received by the qualified business for the investment.

**57-38.5-08. Rules and administration.** The tax commissioner is charged with administration of this chapter as it relates to an income tax credit and has the same powers as provided under section 57-38-56 for purposes of this chapter. The director is charged with administration of this chapter as it relates to certification of qualified businesses and the director may adopt rules for that purpose.

**SECTION 3. EFFECTIVE DATE.** This Act is effective for taxable years beginning after December 31, 1992."

**SB 2052:** A BILL for an Act to create and enact a new subsection to section 57-38-30.3 and chapter 57-38.5 of the North Dakota Century Code, relating to a seed capital investment income tax credit; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 26 YEAS, 22 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Evanson; Freborg; Goetz; Grindberg; Holmberg; Krebsbach; Lindgren; Lips; Mutch; Naaden; Nalewaja; Nelson; Nething; Redlin; Robinson; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Traynor; Urlacher

**NAYS:** DeMers; Dotzenrod; Graba; Heinrich; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Langley; Lindaas; Marks; Mathern; Maxson; Mushik; O'Connell; Scherber; Schoenwald; Tomac; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2052 passed and the title was agreed to.

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**SECOND READING OF SENATE BILL**

**SB 2434:** A BILL for an Act to repeal sections 15-21-04.6 and 15-29-08.3 of the North Dakota Century Code, relating to student performance standards and assessments and participatory school decisionmaking.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 16 YEAS, 32 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Bowman; Freborg; Krauter; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Sand; Solberg; Stenehjem, B.; Streibel; Tennefos; Traynor; Urlacher

**NAYS:** Andrist; DeMers; Dotzenrod; Evanson; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Redlin; Robinson; Scherber; Schoenwald; Stenehjem, W.; Thane; Tomac; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Tallackson

SB 2434 lost.

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**SECOND READING OF SENATE BILL**

**SB 2443:** A BILL for an Act to amend and reenact subsection 3 of section 16.1-08-02 of the North Dakota Century Code, relating to political committee registration.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin;

Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

ABSENT AND NOT VOTING: Bowman; Tallackson

SB 2443 passed and the title was agreed to.

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SECOND READING OF SENATE BILL

SB 2457: A BILL for an Act to amend and reenact section 23-11-05 of the North Dakota Century Code, relating to eligibility of housing authority commissioners.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 1 NAY, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

NAYS: Tennefos

ABSENT AND NOT VOTING: Bowman; Naaden; Tallackson

SB 2457 passed and the title was agreed to.

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MOTION

SEN. MATHERN MOVED that SB 2511, SB 2537, and SB 2081 be moved to the top of the calendar, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2511: A BILL for an Act to amend and reenact section 53-02-08 of the North Dakota Century Code, relating to officers to be in attendance at public dances, music festivals, or concerts.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

ABSENT AND NOT VOTING: Bowman; Tallackson

SB 2511 passed and the title was agreed to.

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SECOND READING OF SENATE BILL

SB 2537: A BILL for an Act to amend and reenact subsection 6 of section

11-11.1-03 and sections 11-11.1-04 and 11-11.1-07 of the North Dakota Century Code, relating to authority of job development authorities.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Tallackson

SB 2537 passed and the title was agreed to.

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**SECOND READING OF SENATE BILL**

**SB 2081:** A BILL for an Act to amend and reenact section 31-01-16 of the North Dakota Century Code, relating to witness fees and expenses; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Maxson; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Tallackson

SB 2081 passed and the title was agreed to.

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**MOTION**

**SEN. MATHERN MOVED** that the Senate stand in recess until 5:05 p.m., which motion prevailed.

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

**SECOND READING OF SENATE BILL**

**SB 2470:** A BILL for an Act to amend and reenact subsection 4 of section 16.1-08-02, sections 16.1-08.1-02, 16.1-08.1-03, 16.1-08.1-03.1, and 16.1-08.1-04 of the North Dakota Century Code, relating to campaign contribution statements.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 32 YEAS, 13 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Andrist; Evanson; Freborg; Goetz; Graba; Grindberg; Holmberg; Jerome; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Lindgren; Lips; Marks; Mutch; Naaden; Nalewaja; Nelson; Nething; Robinson; Scherber; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher

NAYS: DeMers; Dotzenrod; Heinrich; Keller; Langley; Lindaas; Mathern; Mushik; O'Connell; Sand; Schoenwald; Wogsland; Yockim

ABSENT AND NOT VOTING: Bowman; Maxson; Redlin; Tallackson

SB 2470 passed and the title was agreed to.

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SECOND READING OF SENATE BILL

SB 2518: A BILL for an Act to amend and reenact sections 50-22-02, 50-22-02.1, 50-22-03, 50-22-04, 50-22-04.2, 50-22-05, 53-01-02, 53-01-03, 53-01-07, 53-01-09, 53-01-17, and 53-01-19 of the North Dakota Century Code, to transfer the regulation of charitable solicitations to the office of the attorney general and transfer of the duties of the state athletic commissioner to the office of the attorney general; and to provide an appropriation.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 6 YEAS, 40 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Heinrich; Kinnoin; Krauter; Mathern; Nalewaja; Tomac

NAYS: Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Holmberg; Jerome; Keller; Kelly; Kelsh; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mushik; Mutch; Naaden; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Traynor; Urlacher; Wogsland; Yockim

ABSENT AND NOT VOTING: Bowman; Maxson; Tallackson

SB 2518 lost.

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SECOND READING OF SENATE CONCURRENT RESOLUTION

SCR 4033: A concurrent resolution urging Congress to reject the Freedom of Choice Act.

REQUEST

SEN. MARKS REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 32 YEAS, 14 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Dotzenrod; Freborg; Goetz; Graba; Jerome; Keller; Kelsh; Krauter; Lindaas; Lindgren; Lips; Marks; Mathern; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Robinson; Sand; Scherber; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher

NAYS: DeMers; Evanson; Grindberg; Heinrich; Holmberg; Kelly; Kinnoin; Krebsbach; Langley; Mushik; Redlin; Schoenwald; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SCR 4033 was declared adopted and the title was agreed to.

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**SECOND READING OF SENATE BILL**

**SB 2243:** A BILL for an Act to provide for the donation of accumulated annual leave between state employees; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SB 2243 passed, the title was agreed to, and the emergency clause was declared carried.

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**SECOND READING OF SENATE BILL**

**SB 2078:** A BILL for an Act to amend and reenact section 54-06-14 of the North Dakota Century Code, relating to the adopting of rules for a leave donation program.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 0 YEAS, 46 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**NAYS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SB 2078 lost.

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**SECOND READING OF SENATE BILL**

**SB 2214:** A BILL for an Act to provide for cleanup of leaking municipal waste landfills through the establishment of a municipal waste landfill release compensation fund; to provide a penalty; to provide an appropriation; and to provide a continuing appropriation.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 44 YEAS, 2 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter;

Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; Redlin; Robinson; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Uriacher; Wogsland; Yockim

**NAYS:** O'Connell; Sand

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SB 2214 passed and the title was agreed to.

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#### MOTION

**SEN. MATHERN MOVED** that SB 2300 be moved to the bottom of the calendar, which motion prevailed.

#### SECOND READING OF SENATE CONCURRENT RESOLUTION

**SCR 4036:** A concurrent resolution directing the Legislative Council to study the doctrine of governmental immunity of the state.

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

SCR 4036 was declared adopted.

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#### SECOND READING OF SENATE BILL

**SB 2371:** A BILL for an Act relating to personal service contracts of the state.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 16 YEAS, 29 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

**YEAS:** DeMers; Graba; Heinrich; Keller; Kelly; Kelsh; Lindaas; Mathern; Mushik; O'Connell; Redlin; Robinson; Scherber; Schoenwald; Thane; Wogsland

**NAYS:** Andrist; Dotzenrod; Evanson; Goetz; Grindberg; Holmberg; Jerome; Kinnoin; Krauter; Krebsbach; Langley; Lindgren; Lips; Marks; Mutch; Naaden; Nalewaja; Nelson; Nething; Sand; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Tomac; Traynor; Uriacher; Yockim

**ABSENT AND NOT VOTING:** Bowman; Freborg; Maxson; Tallackson

SB 2371 lost.

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#### SECOND READING OF SENATE BILL

**SB 2403:** A BILL for an Act relating to the paying of an insurance deductible or offering of a rebate by a seller of goods or services; and to provide a penalty.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 41 YEAS, 5 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Lindaas; Lindgren; Lips; Marks; Mushik; Mutch; Naaden;

Nalewaja; Nelson; Nething; O'Connell; Robinson; Sand; Scherber; Solberg; Stenehjerm, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**NAYS:** Langley; Mathern; Redlin; Schoenwald; Stenehjerm, B.

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SB 2403 passed and the title was agreed to.

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#### SECOND READING OF SENATE BILL

**SB 2442:** A BILL for an Act to amend and reenact subsection 3 of section 5-02-02 of the North Dakota Century Code, relating to the qualifications for retail liquor licensure.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 2 YEAS, 44 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** O'Connell; Sand

**NAYS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; Redlin; Robinson; Scherber; Schoenwald; Solberg; Stenehjerm, B.; Stenehjerm, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson

SB 2442 lost.

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#### SECOND READING OF SENATE BILL

**SB 2491:** A BILL for an Act to create and enact three new sections to chapter 10-30.3 and chapter 54-34.4 of the North Dakota Century Code, relating to the regional rural development revolving loan fund and the economic development commission; 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, 10-24-40, subsection 6 of section 10-30-04, sections 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, subsection 1 of section 28-32-01, sections 40-57.1-04, 52-01-03, 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, relating to the duties of the agricultural products utilization commission, the duties of the agricultural mediation commission, the operation of the Bank of North Dakota, references to the department of economic development and finance, the economic development finance corporation, and the duties of regional councils; to repeal sections 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, chapter 10-30.4, sections 54-34-06.1, 54-34-11, 54-34-12, 54-34-13, 54-34-14, 54-34-15, and chapter 54-34.3 of the North Dakota Century Code, relating to the agricultural products utilization commission, farm loan programs, business loan programs, the primary sector development fund, the regional rural development revolving loan fund, the science and technology corporation, and the department of economic development and finance; to provide for transition; and to provide for transfers.

## ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 5 YEAS, 40 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

**YEAS:** Mutch; Naaden; Stenehjem, B.; Streibel; Tennefos

**NAYS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Kinnoin; Krauter; Krebsbach; Langley; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, W.; Thane; Tomac; Traynor; Urlacher; Yockim

**ABSENT AND NOT VOTING:** Bowman; Maxson; Tallackson; Wogsland

SB 2491 lost.

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## SECOND READING OF SENATE CONCURRENT RESOLUTIONS ON CONSENT CALENDAR

**SCR 4021:** A concurrent resolution directing the Legislative Council to study the feasibility of establishing a Department of Developmental Disabilities and Mental Health.

**SCR 4027:** A concurrent resolution directing the Legislative Council to study methods to improve the development of biennial revenue estimates.

**SCR 4035:** A concurrent resolution urging the Congress of the United States to allow self-employed farmers, ranchers, and small business owners an income tax deduction for health insurance premiums.

**SCR 4038:** A concurrent resolution directing the Legislative Council to study the feasibility of authorizing government self-insurance pools to provide workers' compensation coverage for political subdivisions.

**SCR 4040:** A concurrent resolution urging the Congress of the United States and the United States Army Corps of Engineers to assume responsibility for Missouri River bank erosion downstream from all Pick-Sloan Plan dams, including the Garrison Dam to Oahe Reservoir reach in North Dakota, and to continue a program of annually appropriating funds for the maintenance and construction of bank protection projects.

**SCR 4042:** A concurrent resolution directing the Legislative Council to study the feasibility and desirability of allowing all North Dakota residents to participate in the uniform group insurance program.

**SCR 4043:** A concurrent resolution directing the Legislative Council to study the feasibility and desirability of establishing a family court for the resolution of domestic relations cases for low income persons.

**SCR 4044:** A concurrent resolution directing the Legislative Council to study the implementation of the North Dakota historic sites, state parks, and tourism development plan and potential funding mechanisms for specific projects listed in the plan.

**SCR 4045:** A concurrent resolution directing the Legislative Council to study political subdivision record retention.

## ROLL CALL

The question being on the final adoption of the resolutions, which have been read, the roll was called and there were 44 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Andrist; DeMers; Dotzenrod; Evanson; Freborg; Goetz; Graba; Grindberg; Heinrich; Holmberg; Jerome; Keller; Kelly; Kelsh; Krauter; Krebsbach; Lindaas; Lindgren; Lips; Marks; Mathern; Mushik; Mutch; Naaden; Nalewaja; Nelson; Nething; O'Connell; Redlin; Robinson; Sand; Scherber; Schoenwald; Solberg; Stenehjem, B.; Stenehjem, W.; Streibel; Tennefos; Thane; Tomac; Traynor; Urlacher; Wogsland; Yockim

**ABSENT AND NOT VOTING:** Bowman; Kinnoin; Langley; Maxson; Tallackson

SCR 4021, SCR 4027, SCR 4035, SCR 4038, SCR 4040, SCR 4042, SCR 4043, SCR 4044, and SCR 4045 were declared adopted and the titles were agreed to.

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**MOTION**

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

**MOTION**

**SEN. MATHERN MOVED** that the Senate be on the Fifth, Ninth, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 9:00 a.m., Wednesday, February 17, 1993, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**SB 2014: Appropriations Committee (Sen. Tallackson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SB 2014 was placed on the Sixth order on the calendar.

Page 1, line 3, after "transportation" insert "; and to provide a statement of legislative intent"

Page 1, line 13, replace "74,517,548" with "73,794,462"

Page 1, line 14, replace "3,752,100" with "3,622,100"

Page 1, line 15, replace "56,682,441" with "56,564,582"

Page 1, line 16, replace "7,194,408" with "6,894,408"

Page 1, remove line 20

Page 1, line 22, replace "all funds" with "special funds appropriation" and replace "487,311,538" with "485,558,452"

Page 2, line 3, replace "2,416,921" with "2,399,384"

Page 2, line 7, replace "all funds" with "special funds appropriation" and replace "5,795,799" with "5,778,262"

Page 2, line 10, replace "1,532,528" with "1,523,024"

Page 2, line 14, replace "all funds" with "special funds appropriation" and replace "20,278,280" with "20,268,776"

Page 2, line 15, replace "513,385,617" with "511,605,490"

Page 2, replace lines 20 through 23 with:

**"SECTION 3. LEGISLATIVE INTENT - BUDGET SECTION REPORTING.** It is the intent of the legislative assembly that the department of transportation report at each meeting of the budget section of the legislative council its progress in matching federal highway

construction funds and on the status of its plan to complete a modern four-lane highway system throughout the state."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**DEPARTMENT 802 - DOT-TRANSPORTATION OPERATION DIVISION**

SENATE - This amendment makes the following changes, which were also recommended by Governor Schafer, to Governor Sinner's executive budget recommendation:

- The salaries and wages line item is decreased by \$383,071, \$73,701 of which is federal funds, for reduced employee health insurance costs.
- The operating expenses line item is increased by \$482,141 and the interagency legal fees line item of \$482,141 is deleted to reflect Governor Schafer's recommendation regarding legal fees charged by the Attorney General.
- The salaries and wages line item is reduced by \$340,015 from the highway fund, including eight FTE positions, relating to driver's license testing.
- The information services line item is reduced by \$130,000 from the highway fund relating to computer systems development in the central office.
- The operating expenses line item is reduced by \$600,000 from the highway fund, \$300,000 of which relates to engineering operations and \$300,000 to district operations.
- The equipment line item is reduced by \$300,000 from the highway fund relating to engineering operations.

Contrary to Governor Schafer's recommendations, this amendment does not reduce the salaries and wages line item by \$1,453,604, \$304,910 of which is federal funds relating to Governor Schafer's salary increase recommendation, nor does it reduce the capital improvements line item by \$73,500,000, \$57,200,000 of which is federal funds relating to the reduction of \$2,000,000 from the highway fund for highway maintenance and \$71,500,000, \$57,200,000 of which is federal funds for highway construction projects.

This amendment removes the section of legislative intent that the department add no major additional lane miles to the highway system and adds a section of legislative intent that the department report to the Budget Section on its progress in matching federal highway construction funds and on its plan to complete a modern four-lane highway system throughout the state.

In total, this amendment reduces funding for the DOT-Transportation Operation Division by \$1,753,086, \$73,701 of which is federal funds and \$1,679,385 of which is from the highway fund. Funding is provided for 1,013.73 FTE positions, a reduction of eight FTEs from Governor Sinner's recommendation and the same as Governor Schafer's recommendation.

**DEPARTMENT 803 - DOT-MOTOR VEHICLE**

SENATE - The salaries and wages line item is decreased by \$17,537 of special funds for reduced employee health insurance costs. This change was also included in Governor Schafer's recommendation.

**DEPARTMENT 804 - DOT-FLEET SERVICES**

SENATE - The salaries and wages line item is decreased by \$9,504 of special funds for reduced employee health insurance costs. This change was also included in Governor Schafer's recommendation.

The total change to Senate Bill No. 2014 is a reduction of \$1,780,127 of special funds.

#### REPORT OF STANDING COMMITTEE

**SB 2016: Appropriations Committee (Sen. Tallackson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2016 was placed on the Sixth order on the calendar.

Page 1, line 2, after "committee" insert "; and to provide an appropriation to the legislative council"

Page 1, line 11, replace "126,333" with "125,565"

Page 1, line 14, replace "2,337,000" with "987,000"

Page 1, remove line 15

Page 1, line 16, replace "2,489,186" with "1,137,918"

Page 1, line 17, replace "1,687,000" with "437,000"

Page 1, line 18, replace "802,186" with "700,918"

Page 1, after line 18, insert:

**"SECTION 2. PLANNING BOARDS.** The children's services coordinating committee shall assist each of the eight regions of the state to establish a local planning board to coordinate children's services in that region and monitor the coordination of the services being provided in each region for the biennium beginning July 1, 1993, and ending June 30, 1995.

**SECTION 3. LEGISLATIVE INTENT - STATE CHILDREN'S SERVICES PLAN.** It is the intent of the legislative assembly that during the biennium beginning July 1, 1993, and ending June 30, 1995, each of the eight regions of the state establish a local planning board consisting of representatives from local children's services agencies to coordinate children's services in that region. Each local planning board, based on the concept of the families first pilot projects in the Grand Forks and Devils Lake regions and in cooperation with the department of human services, should consider the following in developing comprehensive, coordinated children's services in that region:

1. Merging families first programs and other similar programs with family preservation services of other regional human service agencies.
2. Selecting and prioritizing available children's services that are most beneficial to that region. Services and programs to consider include family education, intensive in-home crisis intervention, respite care, parent aide, prime time day care, wraparound services, case management, high risk youth/drug free school program, neighbor's program, family support, juvenile diversion, and others.
3. Raising sufficient local funds to match available grants for the purpose of providing the children's services identified by the local planning board.

**SECTION 4. GRANTS.** Of the \$987,000 appropriated in the grants line item in section 1 of this Act, the children's services coordinating committee shall provide no less than \$250,000 to regions 3 and 4 (Devils Lake and Grand Forks), and no less than \$75,000 to each of the other six regions.

**SECTION 5. ADDITIONAL INCOME.** All income of the children's services coordinating committee in excess of the estimated income line item appropriated in section 1 of this Act is hereby appropriated to the children's services coordinating committee for the biennium beginning July 1, 1993, and ending June 30, 1995, and may be spent only upon authorization of the emergency commission.

**SECTION 6. APPROPRIATION.** There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, or so much of the sum as may be necessary, and \$25,000 from special funds to the legislative council for the purpose of hiring a consultant to assist with a legislative council interim study of children and youth services in the state.

**SECTION 7. CHILDREN'S SERVICES COORDINATING COMMITTEE - STATUS REPORTS TO LEGISLATIVE COUNCIL.** The children's services coordinating committee shall report to the legislative council or an interim committee designated by the legislative council on the status of the implementation of the state children's services plan included in section 3 of this Act."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**DEPARTMENT 160 - LEGISLATIVE COUNCIL**

SENATE - This amendment adds a section providing \$125,000, \$100,000 from the general fund and \$25,000 of other funds to the Legislative Council to hire a consultant to assist in a Legislative Council study of services to children and youth in North Dakota during the 1993-94 interim.

**DEPARTMENT 324 - CHILDREN'S SERVICES COORDINATING COMMITTEE**

SENATE - This amendment makes the following changes also recommended by Governor Schafer:

- The salaries and wages line item is decreased by \$768 from the general fund for reduced employee health insurance costs.
- The interagency legal fees line item of \$500 from the general fund is removed to reflect Governor Schafer's recommendation regarding legal fees charged by the Attorney General.

This amendment reduces the grants line item by \$1,350,000, \$100,000 from the general fund and \$1,250,000 in other funds from the Annie E. Casey Foundation. The other funds are not expected to be received and the \$100,000 from the general fund is provided to the Legislative Council to hire a consultant to assist with an interim study of children and youth services.

This amendment also adds sections providing that the Children's Services Coordinating Committee assist the eight regions of the state to establish local planning boards to coordinate children's services in each of the regions, that the Children's Services Coordinating Committee monitor the coordination of the services being provided in each region, and providing guidelines to each local planning board for the development of the services in each region.

A separate section is added providing that the Emergency Commission may approve the receipt and expenditure of additional other funds if available to the Children's Services Coordinating Committee.

A section is added providing that the Children's Services Coordinating Committee distribute its grants of \$250,000 of other funds from the Annie E. Casey Foundation to the local planning boards in Regions 3 and 4 (Devils Lake and Grand Forks) and \$450,000 from the general fund to the remaining six regions (\$75,000 each). The remaining \$287,000, \$100,000 from the general fund and \$187,000 of federal funds may be disbursed among the eight regions at the discretion of the Children's Services Coordinating Committee.

A section is added providing that the Children's Services Coordinating Committee report to a committee of the Legislative Council on the status of the implementation of the state children's services plan during the 1993-94 interim.

In total, this amendment reduces funding for the Children's Services Coordinating Committee by \$1,351,268, \$101,268 from the general fund and \$1,250,000 of other funds.

#### REPORT OF STANDING COMMITTEE

**SB 2038: Appropriations Committee (Sen. Mushik, Vice Chair ) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 4 NAYS, 3 ABSENT AND NOT VOTING). SB 2038 was placed on the Sixth order on the calendar.**

Page 1, line 3, remove the semicolon

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

Page 4, remove lines 22 through 26

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 329 - DHS - MEDICAL ASSISTANCE

SENATE - This amendment removes the \$11,000,000 general fund appropriation for the health services plan established by the bill.

#### REPORT OF STANDING COMMITTEE

**SB 2059: Appropriations Committee (Sen. Mushik, Vice Chair) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (9 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). SB 2059 was placed on the Sixth order on the calendar.**

Page 1, line 2, remove "50-25.2-04,"

Page 1, line 8, after the second "adult" insert "who is at least fifty-five years of age and has been abused, neglected, or exploited, or an adult"

Page 1, line 9, remove "or an adult who is at least fifty-five years"

Page 1, line 10, remove "of age"

Page 2, line 15, after "possible" insert "and"

Page 3, remove lines 1 through 14

Page 3, line 26, replace "Shall" with "May"

Page 3, line 27, replace "shall" with "may"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2064: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO NOT PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2064 was placed on the Sixth order on the calendar.

Page 1, line 4, after "program" insert "; and to provide an expiration date"

Page 1, line 9, replace "given" with "that"

Page 1, line 10, remove "the symptoms and"

Page 1, line 13, remove ", educational,"

Page 1, line 15, remove "specifically"

Page 2, line 10, after "is" insert "specific"

Page 2, line 11, after the second "individual" insert ", having been informed of the cost,"

Page 2, line 12, after "service" insert "that is determined not to be medically necessary"

Page 2, after line 12, insert:

"SECTION 3. EXPIRATION DATE. This Act is effective through July 31, 1995, and after that date is ineffective."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2065: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends **DO PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2065 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2066: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2066 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2091: Appropriations Committee (Sen. Tallackson, Chairman)** recommends **DO NOT PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2091 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2092: Appropriations Committee (Sen. Tallackson, Chairman)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2092 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "create and enact a new section to chapter 37-15 of the"

Page 1, remove line 2

Page 1, line 3, remove "in western North Dakota; to"

Page 1, remove lines 8 through 12

Page 4, line 16, replace "or" with "with the approval of"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 313 - VETERANS HOME

SENATE - This amendment removes the provision that an additional Veterans Home may be located in a city in western North Dakota.

This amendment also provides that the Veterans Home must obtain the approval of the Emergency Commission to accept and spend other funds in addition to its appropriated funds.

**REPORT OF STANDING COMMITTEE**

SB 2194: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends **DO NOT PASS** (6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2194 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

SB 2245: Appropriations Committee (Sen. Tallackson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2245 was placed on the Sixth order on the calendar.

Page 1, line 4, replace "a continuing" with "an"

Page 7, line 22, remove "- Continuing appropriation"

Page 7, line 25, replace ". The fees deposited under this chapter and section" with "and may be spent only pursuant to legislative appropriations"

Page 7, remove line 26

Page 7, line 27, remove "association"

Page 7, after line 27, insert:

"SECTION 14. APPROPRIATION. There is hereby appropriated from the North Dakota stockmen's association general fund, \$35,000, or so much of the sum as may be necessary, to the North Dakota stockmen's association for the purpose of defraying the expenses of the brand recording program for the biennium beginning July 1, 1993, and ending June 30, 1995."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 611 - STOCKMEN'S ASSOCIATION

SENATE - This amendment removes the continuing appropriation allowing the Stockmen's Association to spend funds collected from the brand recording program and provides a specific appropriation of \$35,000 from the funds collected to operate the program for the 1993-95 biennium.

**REPORT OF STANDING COMMITTEE**

SB 2267: Judiciary Committee (Sen. Maxson, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2267 was placed on the Sixth order on the calendar.

Page 1, line 13, after the period insert "However, notice of a meeting, keeping of minutes, and recording of votes of a public body that is not

a policy and decision making body is encouraged, but is optional in the discretion of the presiding officer of the public body."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2272: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2272 was placed on the Sixth order on the calendar.

Page 1, line 22, after "home" insert "for use only for basic care services that are funded in the same manner as privately-owned basic care facilities in the state"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**SB 2275: Agriculture Committee (Sen. Kelsh, Chairman)** recommends DO NOT PASS (5 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2275 was placed on the Eleventh order on the calendar.

**REPORT OF STANDING COMMITTEE**

**SB 2282: Appropriations Committee (Sen. Mushik, Vice Chair)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). SB 2282 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "military bases and"

Page 1, line 17, remove ". military bases."

Page 3, line 14, remove "military bases." and remove the second underscored comma

Page 7, line 4, remove "military bases." and remove the second underscored comma

Page 7, line 18, remove "military bases."

Page 7, line 19, remove the underscored comma

Page 8, line 28, remove "military bases."

Page 8, line 29, remove the underscored comma

Page 9, line 4, replace "\$3,000,000" with "\$1,000,000"

Page 9, line 12, remove "military bases,"

Page 9, line 13, remove the first comma

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 601 - DEPARTMENT OF ECONOMIC DEVELOPMENT AND FINANCE

SENATE - This amendment removes reference to military bases and reduces the transfer from the Bank of North Dakota earnings to the defense economic conversion fund by \$2,000,000, from \$3,000,000 to \$1,000,000.

## REPORT OF STANDING COMMITTEE

SB 2317: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2317 was placed on the Sixth order on the calendar.

Page 1, line 18, after the first "a" insert "nonprofit."

Page 1, line 20, after "a" insert "nonprofit."

Page 1, line 22, replace "the provisions of" with "sections 49-21-01.4 and 49-21-08 and is subject to"

Page 2, line 1, after the first underscored comma insert "49-21-01.3."

Page 2, line 2, remove "49-21-08."

Page 2, line 4, after the period insert "Nothing in this section limits the authority of the commission under chapter 49-03.1 or sections 49-04-05 and 49-04-06."

Renumber accordingly

## REPORT OF STANDING COMMITTEE

SB 2320: Agriculture Committee (Sen. Kesh, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (4 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). SB 2320 was placed on the Sixth order on the calendar.

Page 1, line 1, after "to" insert "create and enact three new sections to chapter 4-12.2 of the North Dakota Century Code, relating to Africanized honeybee areas, mating yards, and semen certification; to"

Page 2, line 3, overstrike "honey bee" and insert immediately thereafter "honeybee"

Page 2, after line 3, insert:

4. "Certified breeder queen" means a queen bee whose progeny can be certified as being European by use of the fast Africanized bee identification system, the universal system for the detection of Africanized honeybees, or any other identification procedure approved by the animal and plant health inspection service.
5. "Certified production queen" means a queen bee with larvae obtained from a certified breeder queen. The term includes the queen emerging from a certified queen cell.
6. "Certified queen cell" means a cell containing the immature stage from a certified breeder queen."

Page 2, line 4, replace "4." with "7."

Page 2, line 6, replace "5." with "8."

Page 2, line 8, replace "6." with "9."

Page 2, line 12, replace "7." with "10."

Page 2, line 15, replace "8." with "11."

Page 6, after line 7, insert:

"SECTION 8. A new section to chapter 4-12.2 of the North Dakota Century Code is created and enacted as follows:

Africanized honeybees - Regulated areas. If a swarm of bees is captured, positively identified as being Africanized honeybees, and determined to be present as a result of natural migration, rather than human intervention, the commissioner may designate a limited geographic area as an Africanized honeybee area. The commissioner shall allow beekeepers to transport managed colonies out of the Africanized honeybee area for a period of three months from the date of designation. Thereafter, the commissioner shall allow managed colonies to be transported out of the designated area only if the queens were marked or clipped prior to the date of designation, or if the colonies have been requeened with certified breeder queens, certified production queens, or certified queen cells. A beekeeper may not use a swarm of honeybees positively identified as being Africanized in a beekeeping operation.

SECTION 9. A new section to chapter 4-12.2 of the North Dakota Century Code is created and enacted as follows:

Mating yard procedures - Certification of queens. A beekeeper shall establish sixty European drone colonies for each one thousand or fewer mating nuclei and shall place the colonies within one-quarter mile [402.34 meters] of the mating nuclei yard. A beekeeper may not introduce drones into colonies or mating nuclei unless the drones originate from colonies with certified breeder queens or certified production queens. Producers of certified breeder queens and certified production queens shall annually requeen their drone producing colonies with certified breeder queens. Queens to be used in drone colonies may be certified by location, provided that the queens are produced in areas not designated as Africanized honeybee areas, or by progeny testing of worker bees using the fast Africanized bee identification system or the universal system for the detection of Africanized honeybees. A beekeeper shall use certified breeder queens and certified queens for drone source colonies in the production of certified production queens, certified queen cells, or drone semen.

SECTION 10. A new section to chapter 4-12.2 of the North Dakota Century Code is created and enacted as follows:

Semen certification. The semen of honeybee drones from Africanized honeybee areas may be certified by progeny tests of worker bees. The commissioner may not require the certification of semen obtained from areas other than designated Africanized honeybee areas."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

SB 2322: Appropriations Committee (Sen. Tallackson, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (8 YEAS, 6 NAYS, 0 ABSENT AND NOT VOTING). SB 2322 was placed on the Sixth order on the calendar.

Page 4, line 10, overstrike "two" and insert immediately thereafter "one" and after "million" insert "five hundred thousand"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

SB 2348: Appropriations Committee (Sen. Tallackson, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION (7 YEAS, 2 NAYS, 5 ABSENT AND NOT VOTING). SB 2348 was placed on the Sixth order on the calendar.

Page 1, line 3, after the semicolon insert "and"

Page 1, line 8, remove "; and to provide an appropriation"

Page 23, remove lines 3 through 8

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 485 - WORKERS COMPENSATION BUREAU

SENATE - This amendment removes the general fund appropriation of \$231,030 from the bill. It is expected that any increased costs to the bureau associated with this bill will be reflected in amendments to the bureau's appropriation bill.

**REPORT OF STANDING COMMITTEE**

SB 2351: Judiciary Committee (Sen. Maxson, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2351 was placed on the Sixth order on the calendar.

Page 1, line 1, remove "a new subsection to section 28-01-18"

Page 1, line 2, remove "and" and remove "actions"

Page 1, line 3, remove "having two-year limitations and"

Page 1, line 4, remove "32-03.1-01,"

Page 1, line 5, remove the first comma

Page 1, remove lines 19 through 22

Page 2, remove lines 1 through 14

Page 2, line 17, remove "Assumption of risk"

Page 2, line 18, remove "1."

Page 3, line 10, remove the overstrike over "~~assumption of risk,~~"

Page 3, remove lines 15 through 19

Page 3, line 24, remove the overstrike over "~~when the defendant has been guilty by clear and~~"

Page 3, remove the overstrike over line 25

Page 3, line 26, remove the overstrike over "~~presumed,~~"

Page 4, remove lines 10 through 13

Page 4, line 14, replace "3." with "2."

Page 4, line 21, replace "4." with "3."

Page 4, line 23, replace "5." with "4."

Page 5, line 3 replace "6." with "5."

Page 5, line 23, replace "7." with "6."

Page 6, line 6, replace "8." with "7." and replace "7" with "6"

Page 6, remove lines 15 through 25

Page 6, remove line 28

Page 7, remove lines 1 through 28

Page 8, remove lines 1 through 29

Page 9, remove lines 1 and 2

Page 9, line 3, replace "28-01.3-03" with "28-01.3-01"

Page 9, remove lines 11 through 28

Page 10, remove lines 1 and 2

Page 10, line 3, replace "28-01.3-05" with "28-01.3-02"

Page 10, line 10, remove "This"

Page 10, remove lines 11 through 29

Page 11, remove lines 1 through 29

Page 12, remove lines 1 and 2

Page 12, line 3, replace "28-01.3-10" with "28-01.3-03"

Page 13, remove lines 3 through 6

Page 13, line 7, replace "28-01.3-11" with "28-01.3-04"

Page 13, line 19, replace "28-01.3-12" with "28-01.3-05"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**SB 2385: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2385 was placed on the Sixth order on the calendar.

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

Page 1, after line 12, insert:

"SECTION 2. EXPIRATION DATE. This Act is effective through July 31, 1999, and after that date is ineffective."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**SB 2393: Government and Veterans Affairs Committee (Sen. Tomac, Chairman)** recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2393 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "membership and staffing of"

Page 1, line 3, after "commission" insert "and compensation of the members of the commission"

Page 1, line 7, after "Appointments" insert "- Compensation"

Page 1, line 9, overstrike "subsection 2 of section 49-02-01, section"

Page 1, overstrike lines 10 and 11

Page 1, line 12, overstrike "49-21-09, and 49-21-22" and insert immediately thereafter "North Dakota telecommunications law"

Page 1, line 13, overstrike "1989, 1991, 1993, and 1995" and insert immediately thereafter "1993 and 1999"

Page 1, line 14, overstrike "1990, 1992,"

Page 1, line 15, overstrike "and 1994" and insert immediately thereafter "1996 and 1998"

Page 2, line 2, after "The" insert "legislative members of the regulatory reform review commission are entitled to the same compensation as provided for members of committees of the legislative council under section 54-35-10. The legislative council shall pay the compensation for the legislative members of the regulatory reform review commission. The public service commission shall pay the", after "the" insert "member of the public service commission serving on the" and after the second "commission" insert "and of the public service commission staff providing technical assistance"

Page 2, line 3, overstrike "its" and insert immediately thereafter "their" and overstrike "under subsection 2 of section 49-02-01, section"

Page 2, overstrike lines 4 through 6

Page 2, line 7, overstrike "preparing reports", remove "must" and overstrike ", upon the order of the public service"

Page 2, overstrike lines 8 through 11

Page 2, line 12, overstrike "provided in section 49-02-02"

Re-number accordingly

#### REPORT OF STANDING COMMITTEE

SB 2436: Agriculture Committee (Sen. Kelsh, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2436 was placed on the Sixth order on the calendar.

Page 1, line 11, after the period insert "This section does not apply to city zoning ordinances."

Re-number accordingly

#### REPORT OF STANDING COMMITTEE

SB 2440: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2440 was placed on the Sixth order on the calendar.

Page 1, line 5, after the fourth comma, insert "49-21-01.4,"

Page 2, line 15, replace "Fifty" with "41.6667"

Page 2, line 18, replace "two" with "2.75"

Page 2, line 21, replace "Sixty-two and one-half" with "52.0834"

Page 2, line 24, replace "one and one-half" with "2.0625"

Page 3, line 5, after "and" insert "necessary for"

Page 3, line 11, overstrike "new" and overstrike ", not existing on July 1, 1989, but"

Page 3, line 18, after "listing" insert ", including nonlisted and nonpublished service,"

Page 4, line 6, after "service" insert "necessary for the connection"

Page 4, line 8, replace "which" with "that", remove the underscored comma, and after "and" insert "necessary"

Page 7, line 17, remove "location and"

Page 7, line 25, replace the first underscored comma with "and" and remove ", and"

Page 7, line 26, remove "nonlisted or nonpublished services"

Page 8, line 23, remove "commission action or by"

Page 10, line 8, replace "1" with "first"

Page 10, after line 13, insert:

"SECTION 5. AMENDMENT. Section 49-21-01.4 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

49-21-01.4. Purchase of essential telecommunications service  
Customers of any telecommunications company must be permitted to purchase essential telecommunications services separate from all other telecommunications services. A telecommunications company may disconnect local exchange or essential telecommunications services only pursuant to rules adopted by the commission."

Page 12, line 28, replace "thirty" with "sixty" and replace "prior to" with "before"

Page 13, line 3, replace "prior to" with "before"

Page 16, line 18, after "general" insert "- Continuing appropriation"

Page 18, line 2, replace "an" with "a"

Page 18, line 3, remove "essential"

Page 18, line 6, after the underscored comma insert "has discriminated unreasonably, or has otherwise violated a statute, rule, or order,"

Page 18, line 7, replace "therefor" with "or reparations"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

SB 2465: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends DO NOT PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2465 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

SB 2478: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends DO NOT PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2478 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SB 2486: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends DO NOT PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2486 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SB 2487: Political Subdivisions Committee (Sen. Graba, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2487 was placed on the Sixth order on the calendar.

Page 1, line 13, remove the overstrike over "~~changes in county boundaries including~~"

Page 1, line 15, replace "offices" with "officials" and after the period insert "The commission may also expend funding directly on behalf of county and city governments for defraying the expenses of research and studies."

Renumber accordingly

## REPORT OF STANDING COMMITTEE

SB 2492: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2492 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SB 2498: Agriculture Committee (Sen. Kelsh, Chairman) recommends DO PASS (4 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SB 2498 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SB 2502: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2502 was placed on the Sixth order on the calendar.

Page 3, line 7, remove "or any"

Page 3, line 8, remove "committee designated by the legislative council"

Page 3, line 20, remove "confidentially"

Page 21, line 17, remove "provide for and"

Page 21, line 18, remove "make every reasonable effort to"

Page 21, line 19, remove ", as nearly"

Page 21, line 20, remove "as possible,"

Page 21, line 21, after the period insert "Negotiations on items that do not affect the operating budget of the employer are not required to be concluded before the period during which the legislative assembly may act on those budgets."

Page 21, line 24, remove ", within ten days of agreement" and remove "If"

Page 21, remove lines 25 through 29

Page 22, remove lines 1 through 12

Page 27, remove lines 13 through 24

Page 27, line 27, replace "as provided in subsection 12, except that the" with ". The"

Page 27, line 28, after "reviewable" insert "in district court"

Page 28, line 12, replace "Within ten working days of the filing of an arbitration order, the" with "The"

Page 28, line 16, remove "The governing body shall review the monetary terms decided by the"

Page 28, remove lines 17 through 28

Page 29, remove lines 1 and 2

Page 29, line 3, remove "14."

Page 29, remove lines 7 through 10

Page 29, line 13, remove "other law," and remove the second comma

Page 29, line 15, remove ", or any collective"

Page 29, line 16, remove "bargaining agreement negotiated under this Act,"

Page 29, line 20, remove "statutes,"

Page 30, remove lines 9 and 10

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**SB 2505: Natural Resources Committee (Sen. Keller, Chairman)** recommends **BE PLACED ON THE CALENDAR WITHOUT RECOMMENDATION** (3 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). SB 2505 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**SB 2512: Judiciary Committee (Sen. Maxson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SB 2512 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact seven new sections to chapter 53-06.1 of the North Dakota Century Code, relating to legalizing video gaming devices as a game of chance; to amend and reenact section 53-06.1-01, subsection 6 of section 53-06.1-03, subsection 1 of section 53-06.1-06, sections 53-06.1-07, 53-06.1-07.1, 53-06.1-11, 53-06.1-12, 53-06.1-14, 53-06.1-15.1, 53-06.1-16.1, and 53-06.1-17 of the North Dakota Century Code, relating to legalizing video gaming devices as a game of chance; and to provide an appropriation.

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

**SECTION 1. AMENDMENT.** Section 53-06.1-01 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

##### 53-06.1-01. Definitions.

1. "Adjusted gross proceeds" means, except in the ease cases of the games of draw poker and stud poker authorized under section 53-06.1-07.2 and video gaming devices, gross proceeds less cash prizes or the price of merchandise prizes and the charitable gaming tickets excise tax imposed by

section 53-06.1-12.2 and less the amount of federal excise tax and interest imposed under section 4401 of the Internal Revenue Code [26 U.S.C. 4401]. 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. For video gaming devices, "adjusted gross proceeds" means the value of currency validated by the device less the value of paper credit vouchers issued, and plus or minus any adjustments authorized by the attorney general.

2. "Associated equipment" means any proprietary device, or part used in the manufacture or maintenance of a video gaming device, including integrated circuit chips, printed wired assembly, printed wired boards, printing mechanisms, video display monitor, and metering devices.
3. "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-~~ 4. "Charitable gaming ticket" means the game piece used in pull tab games or jar ticket games.
- 4- 5. "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-~~ 6. "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-~~ 7. "Commission" means the state gaming commission.
8. "Credit" as it relates to a video gaming device means a value of twenty-five cents.
- ~~7-~~ 9. "Distributor" means a person, firm, corporation, association, or organization which sells, markets, or otherwise distributes raffle tickets, bingo equipment, video gaming devices or associated equipment, or any other implements of gambling usable in the lawful conduct of games of chance under this chapter and which may service video gaming devices or associated equipment. "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.
- ~~8-~~ 10. "Educational, charitable, patriotic, fraternal, religious, or other public-spirited uses" are:

- a. To the extent used for purposes enumerated in subdivisions c through l, 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 l, uses benefiting an organization registered with the North Dakota secretary of state under chapter 50-22.
- c. Uses benefiting an indefinite number of persons by bringing them under the influence of education, cultural programs, or religion which include disbursements to provide:
  - (1) Scholarships for students, if the disbursement is deposited in a scholarship fund for defraying the cost of education to students and the scholarships are awarded through an open and fair selection process.
  - (2) Supplementary assistance to a public or private nonprofit educational institution registered with or accredited by any state.
  - (3) Assistance to libraries and museums.
  - (4) Assistance for the performing arts and humanities.
  - (5) Preservation of cultural heritage.
  - (6) Youth community and athletic activities.
  - (7) Adult athletic activities, such as softball, including uniforms and equipment.
  - (8) Maintenance of places of public worship or support of a body of communicants, gathered in common membership for mutual support and edification in piety, worship, or religious observances.
  - (9) Scientific research.
- d. Uses benefiting an indefinite number of persons by relieving them of disease, suffering, or constraint which include disbursements to provide:
  - (1) Relief to an individual or family suffering from poverty or homelessness.
  - (2) Encouragement and enhancement of the active participation of the elderly in our society.
  - (3) Services to the abused.
  - (4) Services to persons with an addicted behavior toward alcohol, gambling, or drugs.
  - (5) Funds to combat juvenile delinquency and rehabilitate ex-offenders.
  - (6) Relief for the sick, diseased, and terminally ill and their physical well-being.

- (7) Funds for emergency relief and volunteer services.
  - (8) Funds to nonprofit nursing homes and other nonprofit medical facilities.
  - (9) Social services and education programs aimed at aiding the emotionally and physically distressed, handicapped, and underprivileged.
- e. (1) Fraternal uses, consistent with uses and priorities enumerated in subdivisions c through l and section 53-06.1-02, specified by an organization's constitution, charter, or bylaws not of direct benefit to the eligible organization.
  - (2) Fraternal uses or disbursements to perpetuate the memory and history of the dead.
- f. 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 which include disbursements to aid in teaching the principles of liberty, truth, justice, and equality. However, beauty pageants are excluded from receiving charitable gaming funds under this subdivision or any other provision of this chapter.
  - g. The erection or maintenance of public buildings or works, public utilities, or public waterworks.
  - h. Uses otherwise lessening the burden of government which include disbursements to any entity that is normally funded by the city, county, state, or United States government and disbursements directly to a city, county, state, or the United States government, or any agency, political subdivision, or instrumentality thereof.
  - i. 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.
  - j. 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.
  - k. 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.
  - l. Uses for or of benefit to efforts in support of the health, comfort, or well-being of the community which include disbursements to provide:

- (1) Funds for adult bands, including drum and bugle corps.
- (2) Funds for trade shows and conventions conducted in this state.
- (3) Funds for nonprofit organizations that operate a humane society, zoo, or fish or wildlife propagation and habitat enhancement program.

Such uses do not include the erection, acquisition, improvement, maintenance, or repair of real, personal, or mixed property owned or leased by an organization unless it is used exclusively for one or more of the stated eligible uses. Eligible 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. In addition, the licensing authority may adopt rules to limit or restrict eligible use disbursements to ensure that funds are best utilized for educational, charitable, fraternal, religious, patriotic, or other public-spirited purposes.

- ~~9-~~ 11. "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.
- ~~10-~~ 12. "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.
- ~~11-~~ 13. "Entire net proceeds" or "net proceeds" means the adjusted gross proceeds less such expenses and taxes as are specifically authorized under this chapter.
- ~~12-~~ 14. "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.
- ~~13-~~ 15. "Gross proceeds" means all moneys collected or received from games of chance and admissions thereto.
- ~~14-~~ 16. "Licensee" means an eligible organization licensed under this chapter.
- ~~15-~~ 17. "Licensing authority" means the attorney general.
- ~~16-~~ 18. "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, including video gaming devices and associated equipment, 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.

- ~~17-~~ 19. "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.
- ~~18-~~ 20. "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.
- ~~19-~~ 21. "Person" means any person, firm, corporation, association, or organization.
- ~~20-~~ 22. "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.
- ~~21-~~ 23. "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.
24. "Video gaming device" means an electronic video gaming device that, upon insertion of currency, simulates the play of a game of chance, utilizing a video display and microprocessors in which, by chance, the player may win credits that can be redeemed for cash through the redemption of a paper credit voucher. The term does not include a machine that directly dispenses coins, cash, or tokens.

**SECTION 2. AMENDMENT.** Subsection 6 of section 53-06.1-03 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6. The attorney general or the commission may impose monetary fines on retail licensed alcoholic beverage establishments, 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 retail licensed alcoholic beverage establishment, 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 3.** A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Video gaming devices - Limit on rent. For the purpose associated with the privilege of conducting video gaming devices at a site other than a site where bingo is the primary game of chance conducted, the monthly rent may be participatory and may range from zero to seven percent of the adjusted gross proceeds of the video gaming device located at the site or the rent may be for a fixed amount not to exceed one hundred twenty-five dollars for each video gaming device located at the site. This rent is in addition to any rent the organization may pay an establishment for the purposes associated with the organization's conduct of twenty-one, paddlewheels, and charitable gaming tickets at the site. This section does not authorize violations of the rent limitations contained in this chapter.

**SECTION 4. AMENDMENT.** Subsection 1 of section 53-06.1-06 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

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. In the conduct of pull tabs and video gaming devices, the attorney general may allow employees of licensed alcoholic beverage establishments to provide limited assistance, such as redeeming winning pull tabs or paper credit vouchers, to an authorized class B license-holding eligible organization the adjusted gross proceeds of which do not exceed sixty thousand dollars per quarterly reporting period of operation or to any class A license-holding eligible organization. However, a volunteer of an organization may sell raffle tickets.

**SECTION 5. AMENDMENT.** Section 53-06.1-07 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-07. Games of chance allowed.**

1. Eligible organizations licensed by the attorney general shall be permitted to conduct bingo, raffles, calcuttas, charitable gaming tickets, punchboards, twenty-one, paddlewheels, and sports pools for professional sports only.
2. College fraternities or sororities may conduct raffles, sports pools, and bingo.
3. Eligible organizations shall be permitted to conduct draw poker in accordance with section 53-06.1-07.2.
4. Eligible organizations licensed by the attorney general may conduct bingo, charitable gaming tickets, punchboards, twenty-one, poker, and paddlewheels through video gaming devices. However, except at an authorized site where the game bingo is the primary game of chance conducted, if a licensed organization operates video gaming devices, the organization shall first discontinue operating charitable gaming tickets, bingo, punchboards, twenty-one, poker, and paddlewheels at that site. In electronic video gaming device play of any game of chance permitted by this section, the maximum prize per play is five hundred dollars.
5. Any game using charitable gaming tickets may be conducted only through use of commingled games after June 30, 1991.

**SECTION 6. AMENDMENT.** Section 53-06.1-07.1 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-07.1. Limitations on hours and participation in games of chance.** A person under twenty-one years of age may not participate in placing a wager in the games of charitable gaming tickets, punchboards, twenty-one, calcuttas, sports pools, paddlewheels, ~~or~~ poker, or video gaming devices. A person under eighteen years of age not accompanied by an adult may not participate in the game of bingo unless the bingo game is locally authorized under section 53-06.1-03 or the game's prize structure does not exceed those allowed under section 53-06.1-03 for locally authorized games. The games of charitable gaming tickets, punchboards, twenty-one, paddlewheels, ~~or~~ sports pools, and video gaming devices may be conducted only during the hours when alcoholic beverages may be dispensed in accordance with applicable regulations of the state or the political subdivision.

**SECTION 7.** A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Video gaming devices - Management and control - Limitation - Disclosure - Voiding of contracts.

1. A licensed organization may place a video gaming device at an authorized site that is a retail licensed alcoholic beverage establishment that serves alcoholic beverages for consumption on the establishment or at an authorized site where the game bingo is the primary game of chance conducted. If a minor is permitted at the authorized site, a permanent wall of at least four feet [1.22 meters] in height must separate the area reserved for video gaming devices from the other areas of the premises. The wall may provide for one entrance to the area where video gaming devices are located. The entrance to the area where video gaming devices are located must display a sign that the area is restricted to persons twenty-one years of age or older. The authorized site must be physically secure to prevent or detect unauthorized entry onto the site. The licensed organization shall control and manage the operation of a licensed video gaming device regardless if the organization leases the device or has entered into a service contract on the device. No organization may employ or contract with an independent contractor for controlling or managing the operation of a licensed video gaming device. The licensed organization shall acquire, maintain, and safeguard a telephone line for the authorized site for use by a central computer communications and management information system. No more than seven video gaming devices may be placed at the authorized site. The odds of winning a certain prize of a game must be posted on or near each video gaming device. The commission by rule shall establish the manner in which the odds are calculated and posted. All specific provisions related to video gaming devices that are contained in written agreements or contracts executed before May 3, 1993, are void.
2. The commission may review and approve or disapprove any written agreements or contracts relating to video gaming devices and associated equipment.
3. The legislative assembly finds that gaming is a highly regulated industry and that public policy demands that contracts affecting this industry be subject to the scrutiny of the legislative and executive branches of government and

their designees. Because video gaming devices are illegal before the effective date of this Act, the legislative assembly, exercising its police powers to regulate gaming, declares that all provisions related to video gaming devices in contracts or agreements executed before ninety days before the effective date of this Act to be null and void.

SECTION 8. A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Requirements of a video gaming device. Each video gaming device licensed:

1. Must meet the manufacturing specification standards of the rules adopted by the commission.
2. Must be linked under a central computer communications and management information system to monitor performance and provide security, audit, management, accounting, and other information as required by the attorney general. No central computer communications and management information system approved by the attorney general may limit participation to only one manufacturer of video gaming devices by either the cost in implementing the necessary program modifications to communicate or the inability to communicate with the central computer communications system. The central computer communications system must use dedicated lines and a dial-up network based on rules adopted by the commission.
3. May not allow more than two dollars (eight credits) to be played on a game or award credits in excess of the value of sixty-two dollars and fifty cents per credit value of twenty-five cents played. The maximum prize per play is five hundred dollars. The potential prize payback structure must be at least eighty percent and not more than ninety-six percent of the value of the credits played. Free games are prohibited.
4. Must, at the conclusion of play by a person, issue a paper credit voucher representing the value of any credits remaining on the device. The credit voucher must contain information based on rules adopted by the commission.
5. Must have resettable and nonresettable electronic meters housed in a readily accessible locked device area that keep an interim period and permanent record of all transactions to provide for a full accounting. The device must issue a paper audit report each time any door to the interior of the device is opened, electrical power to the device is interrupted, and when the device is keyed to audit mode.
6. Must retain an exact and legible duplicate copy of issued paper credit vouchers and audit reports.
7. Must automatically suspend itself from operation should the device detect any tampering or attempted tampering.
8. Must have the device's license prominently displayed thereon. Any device which does not display the license is contraband and subject to confiscation by any law enforcement officer. A violation of this subsection is a class C felony.

SECTION 9. A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Investigation of vendors - Competitive bidding required before entering into contract.

1. Before a contract for a central computer communications and management information system is awarded, the attorney general shall conduct a background investigation of the vendor, any parent or subsidiary corporation of the vendor, all shareholders of five percent or more interest in the vendor or parent or subsidiary corporation of the vendor, and all officers and directors of the vendor or parent or subsidiary corporation of the vendor to whom the contract is to be awarded. The attorney general may rely on background investigation information obtained by other states or Canadian provinces. The information must be held confidential except in the proper administration of this chapter or any rule adopted under this chapter, to an authorized law enforcement agency, or to a state or Canadian province.
2. When entering into a contract with a vendor of video gaming devices for the purpose of leasing, procuring, or otherwise obtaining a central computer communications and management information system, the attorney general shall use an open and competitive bid process that reflects the best interest of the state. The attorney general shall consider all relevant factors including background investigation, security, competence, experience, timely performance, and state of the art technology.

SECTION 10. A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Analyzing, testing, evaluating, and approval of video gaming devices and source of payment. The attorney general shall analyze, test, and evaluate prototypes of video gaming devices and associated equipment of manufacturers seeking to have such devices approved. The attorney general shall require the manufacturer seeking the approval of a video gaming device to pay the anticipated actual costs of the analyzing, testing, and evaluation in advance and, after completion of the analyzing, testing, and evaluation, shall refund any overpayment or charge and collect an amount sufficient to reimburse the attorney general for any underpayment of actual costs. The attorney general may contract for the analyzing, testing, and evaluation of video gaming devices. The attorney general may require a manufacturer to provide the attorney general with specialized equipment for regulatory and enforcement purposes free of any charge.

SECTION 11. AMENDMENT. Section 53-06.1-11 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

53-06.1-11. Statement of receipts - Expenses - Allocation of video gaming device adjusted gross proceeds.

1. All moneys collected or received from games of chance and admissions thereto, except cash prizes of one hundred dollars or less paid immediately, must be deposited in a special account of the eligible organization which contains only that money. Cash prizes of an amount to be determined by the attorney general, the purchase prices of merchandise prizes, and all expenses for such games of chance must be withdrawn from such account by consecutively numbered checks duly signed by a specified officer or officers of the eligible organization and payable to a specific person or organization. There must also be written on the check the

nature of the expense or prize for which the check is drawn. No check may be drawn to "cash" or a fictitious payee. In the case of a cash prize of more than one hundred dollars, the prize may also be issued by an accountable receipt or nonnegotiable instrument approved by the attorney general.

2. No part of the net proceeds after they have been given over to another organization may be used by the donee organization to pay any person for services rendered or materials purchased in connection with the conducting of games of chance by the donor organization.
3. Subject Except for video gaming devices and subject to the limitations of this subsection, expenses incurred for games of chance may be deducted from adjusted gross proceeds, to the extent that total expenses for games of chance do not exceed fifty percent of the first two hundred thousand dollars of adjusted gross proceeds per quarter and forty-five percent of the adjusted gross proceeds in excess of two hundred thousand dollars per quarter. After December 31, 1989, cash shorts incurred in games of chance are classified as expenses toward the expense limitation. Notwithstanding the limitations of this subsection, in addition to the expenses allowed to be deducted from adjusted gross proceeds, an eligible organization may deduct as an expense federal excise taxes and interest imposed under section 4401 of the Internal Revenue Code [26 U.S.C. 4401] and incurred or paid by the organization for the period beginning January 1, 1986, and ending as of July 1, 1991. The figure used for adjusted gross proceeds is as determined in subsection 1 of section 53-06.1-01 before any reduction for taxes. This subsection does not authorize violations of the rent limitations contained in this chapter.
4. For video gaming devices, and subject to the limitations of this subsection, the adjusted gross proceeds must be allocated as follows:
  - a. If the licensed organization owns the video gaming device or is leasing the device with a purchase option, the adjusted gross proceeds allocation is:
    - (1) Thirty percent is gaming tax, as provided by subsection 2 of section 53-06.1-12, and is remitted to the attorney general.
    - (2) Seventy percent is provided to the licensed organization to be divided as:
      - (a) Forty-five percent for expenses.
      - (b) Twenty-five percent for net proceeds which must be devoted to educational, charitable, patriotic, fraternal, religious, or other public-spirited uses as defined by this chapter.
  - b. If the licensed organization is leasing the video gaming device without a purchase option, the adjusted gross proceeds allocation is:
    - (1) Thirty percent is gaming tax, as provided by subsection 2 of section 53-06.1-12, and is remitted to the attorney general.

- (2) Thirty percent is provided to the licensed distributor which owns the video gaming device.
- (3) Forty percent is provided to the licensed organization to be divided as:
- (a) Fifteen percent for expenses.
- (b) Twenty-five percent for net proceeds which must be devoted to educational, charitable, patriotic, fraternal, religious, or other public-spirited uses as defined by this chapter.

This subsection does not authorize violations of the rent limitations contained in this chapter.

SECTION 12. AMENDMENT. Section 53-06.1-12 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-12. Tax based on adjusted gross proceeds.**

1. Except for video gaming devices, a tax as provided in this section subsection upon the total adjusted gross proceeds received by a licensed eligible organization must be paid to the attorney general on a quarterly basis in the manner and upon the forms as prescribed by the 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- a. On adjusted gross proceeds not in excess of two hundred thousand dollars per quarter, a tax of five percent.
- 2- b. 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- c. 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- d. On adjusted gross proceeds in excess of six hundred thousand dollars per quarter, a tax of twenty percent.
2. For video gaming devices, a tax computed at the rate of thirty percent is imposed upon the adjusted gross proceeds received by a licensed organization and the tax must be paid to the attorney general on a monthly basis. This tax must be paid from adjusted gross proceeds and is not charged against the percentage limitation of expenses. The attorney general shall compute the state's tax amount based on the licensed organization's video gaming device activity recorded by the central computer communications and management information system. The attorney general shall send a report, containing at least the video gaming device's license number, total

value of currency validated, total value of credit vouchers issued, adjusted gross proceeds, and the tax amount due the state to the licensed organization within seven days after the end of each month. The commission shall adopt rules by which the licensed organization shall pay the taxes due from a special, separate video gaming device tax account. The attorney general shall collect the tax from the licensed organization's tax account by electronic funds transfer within fifteen days after the end of each month. If the licensed organization's tax account has insufficient funds, the attorney general shall assess a penalty of five percent per month on the unpaid balance until the tax is paid, up to a maximum of twenty-five percent, plus assess interest at the rate of one and one-half percent per month on the unpaid balance until the tax is paid. Also, the attorney general shall suspend the operation of the organization's video gaming devices and keep the devices inoperable until the organization has made full payment of tax, penalty, and interest. The organization shall file a gaming tax return in the manner and upon the forms prescribed by the attorney general.

**SECTION 13.** A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Video gaming device tax is in lieu of sales and use taxes. The adjusted gross proceeds of a video gaming device is subject to taxation under section 53-06.1-12. Except for income tax, the video gaming device tax is in lieu of all other state or local taxation, including sales and use taxes, that would otherwise be based on the gaming activity of the devices.

**SECTION 14. AMENDMENT.** Section 53-06.1-14 of the 1991 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 apply annually 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. However, effective for the licensing period beginning April 1, 1994, every manufacturer of charitable gaming tickets, every manufacturer of paper bingo cards, and every distributor shall apply for a license for the three-month licensing period of April 1, 1994, through June 30, 1994, and then prospectively annually apply for a license before the first day of July in each year and submit the appropriate license fee. Every manufacturer of video gaming devices shall apply annually for a license upon a form prescribed by the the attorney general before the first day of July of 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 which does not sell, market, or otherwise distribute video gaming devices or associated equipment, or service video gaming devices or associated equipment is one thousand five hundred dollars, and the except that for the licensing period April 1, 1994, through June 30, 1994, the license fee is three hundred seventy-five dollars. The license fee for a distributor which does sell, market, or otherwise distribute video gaming devices or associated equipment, or service video gaming devices or associated

equipment is five thousand dollars. The license fee for a manufacturer of charitable gaming tickets, paper bingo cards, or both, is two thousand dollars, except that for the licensing period April 1 1994, through June 30, 1994, the license fee is five hundred dollars. The license fee for a manufacturer of video gaming devices is twenty-five 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, organizations that have been issued a local permit, gaming schools, or other persons authorized by the attorney general. However, no distributor of video gaming devices and associated equipment may sell, market, or otherwise distribute video gaming devices and associated equipment, or service video gaming devices or associated equipment except to licensed organizations or other persons authorized by the attorney general. A manufacturer of charitable gaming tickets ~~or~~, paper bingo cards, or video gaming devices may not sell, market, or otherwise distribute charitable gaming tickets ~~or~~, paper bingo cards, or video gaming devices or associated equipment 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. A distributor of video gaming devices and associated equipment shall purchase or otherwise receive video gaming devices and associated equipment only from a licensed manufacturer of video gaming devices.
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. However, a licensed organization shall acquire video gaming devices and associated equipment, or service or maintenance of video gaming devices or associated equipment only from a distributor that is licensed to sell, market, or otherwise distribute video gaming devices or associated equipment or service or maintain video gaming devices or associated equipment. The licensed organization may acquire video gaming devices and associated equipment by a direct purchase, lease, or lease with a purchase option. No game of charitable gaming tickets, punchboards, sports pool boards, calcutta boards, or a series of paddlewheel 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. No licensed organization may own, lease, or be in possession of a video gaming device unless the device is licensed by the attorney general.
4. No licensed or authorized eligible organization may be a distributor or have any financial interest in a distributor. No North Dakota wholesaler of liquor or alcoholic beverages may be a distributor or have any financial interest in a distributor. No North Dakota licensed manufacturer may be a distributor or have any financial interest in a distributor. No retail licensed alcoholic beverage establishment or owner, officer, or manager thereof may be a distributor or

manufacturer or have any financial interest in a distributor or manufacturer.

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 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.
6. In addition to the basic license fee, the attorney general may require payment of any additional fee necessary to defray the actual costs of a background investigation of applicants. This includes each partner of a partnership, and each director and officer and all stockholders owning five percent or more of the voting common stock of a corporation, parent, or subsidiary corporation of a video gaming device manufacturer and distributor. The attorney general may require payment of the estimated additional fee in advance as a condition precedent to beginning the investigation. The attorney general shall notify the applicant as soon as possible after a determination is made that the additional fee is necessary and shall also notify the applicant of the attorney general's best estimate of the amount of the additional license fee. Any applicant may then withdraw the application in lieu of paying the additional cost. The estimated cost must be placed into the attorney general's refund fund for use to defray the actual expenses of the background investigation. The remainder of such funds must be returned to the applicant within thirty days of the conclusion of the investigation.

**SECTION 15.** A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Video gaming devices - Licensure. Every licensed organization that owns, leases, or is in possession of a video gaming device shall apply annually for a license for each video gaming device upon a form prescribed by the attorney general before the first day of July in each year and shall submit the license fee. The license fee for each video gaming device is one hundred dollars.

**SECTION 16. AMENDMENT.** Section 53-06.1-15.1 of the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-15.1. Powers and duties of the attorney general.** The attorney general or the agents of the attorney general may:

1. Inspect and examine all premises in which gaming is conducted or gaming devices or equipment are manufactured, sold, or distributed.
2. Inspect all equipment and supplies in, upon, or about such premises.
3. Seize and remove from such premises and impound any gaming related equipment, supplies, games of chance, or books and records for the purpose of examination and inspection. When books or records are seized, the attorney general shall provide copies of those records or books within twenty-four hours of a specific request by the organization or retail licensed alcoholic beverage establishment for a copy of the books or records seized.

4. Demand access to and inspect, examine, photocopy, and audit all books and records of applicants, licensees, lessors, manufacturers, and distributors, including any affiliated companies on their premises and in the presence of the licensees, lessors, manufacturers, distributors, or agents concerning any income or expense resulting from any gaming business, and require verification of income or expense, and all other matters affecting the enforcement of the policy and provisions of this chapter.
5. Audit and inspect any other books and records of eligible organizations conducting games of chance for the purpose of determining compliance with applicable statutes, rules, and constitutional provisions regarding distribution of proceeds from games of chance.
6. Enter into a reciprocal agreement with the commissioner of the internal revenue service of the United States for exchange of information for state tax administration purposes.
7. Enter into a written agreement with a state or Canadian province to obtain central computer communications and management information system services to aid the attorney general in efficiently managing and controlling video gaming devices in North Dakota and to reduce the financial resources required of the state of North Dakota.

**SECTION 17. AMENDMENT.** Section 53-06.1-16.1 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-16.1. Bogus chips, marked cards, cheating devices, or fraudulent schemes unlawful - Penalty.** It is unlawful for any person playing or conducting any authorized game of chance conducted by a licensed organization:

1. To use bogus or counterfeit chips, currency, credit vouchers, or charitable gaming tickets, or to substitute or use any game, cards, credit vouchers, or charitable gaming tickets that have been marked or tampered with.
2. To employ or have on one's person any cheating device to facilitate cheating in any game of chance.
3. To willfully use any fraudulent scheme or technique, including when an operator or player of games of charitable gaming tickets directly or indirectly solicits, provides, or receives inside information of the status of a game for the benefit of either person.
4. To alter or counterfeit a site authorization, gaming license, or North Dakota gaming stamp.
5. To knowingly cause, aid, abet, or conspire with another person or to cause any person to violate any provision of this chapter or any rule adopted under this chapter.
6. To knowingly permit a person under the age of twenty-one years to make a wager on a video gaming device.
7. To tamper or attempt to tamper with a video gaming device with the intent to interfere with the proper operation of the device, attempt or conspire to manipulate the outcome or the determination of credits or operation of a device, cause

physical damage to the device, or physically tamper with the device by any other means.

8. To vandalize, misuse, abuse, or damage a video gaming device.

A person violating this section is guilty of a class A misdemeanor unless the amount gained through the use of these items, schemes, or techniques resulted in a person obtaining over five hundred dollars, then the offense is a class C felony. However, if a person uses a fraudulent scheme regarding soliciting, providing, or receiving inside information or if a person is involved in any unlawful activity referenced by this section involving a video gaming device, regardless of the amount gained, then the offense is a class C felony.

**SECTION 18. AMENDMENT.** Section 53-06.1-17 of the 1991 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**53-06.1-17. Rules.** The 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, distributors, and manufacturers~~; methods of competition and doing business by distributors and manufacturers; marking or identification of raffle tickets, charitable gaming tickets, bingo equipment, ticket receptacles, punchboards, video gaming devices and associated equipment, 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; hardware and software specifications of video gaming devices and associated equipment; maintenance and repair of video gaming devices; analyzing, testing, evaluation, and approval of video gaming devices and associated equipment; licensing of organizations, distributors, manufacturers, and video gaming devices; 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.

**SECTION 19. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, to the office of attorney general for the purpose of the administration, enforcement, and regulation of video gaming devices as a game of chance for the biennium beginning July 1, 1993, and ending June 30, 1995.

Salaries and wages	\$ 300,000
Information services	300,000
Operating	400,000
Equipment	<u>1,000,000</u>
Total general fund appropriation	\$2,000,000

In addition, five full-time equivalent positions are authorized to the office of attorney general.

**SECTION 20. CONSTITUTIONALITY.** If any provision of any section of this Act is determined to be unconstitutional, all provisions in this Act shall be suspended."

Renumber accordingly

## REPORT OF STANDING COMMITTEE

SB 2522: Agriculture Committee (Sen. Kelsh, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2522 was placed on the Sixth order on the calendar.

Page 1, line 2, after "aquaculture" insert "; to amend and reenact subsection 27 of section 20.1-01-02, subsection 3 of section 20.2-02-15, subsection 3 of section 20.1-03-04, section 20.1-03-08, subsection 29 of section 20.1-03-12, subsection 4 of section 20.1-06-10, and section 20.1-06-12 of the North Dakota Century Code, relating to private fish ponds"

Page 1, underscore lines 7 and 8

Page 1, after line 8, insert:

"1. "Aquacultural product" means any marketable or unmarketable portion of the cultured aquatic stock."

Page 1, line 9, replace "1." with "2." and underscore "'Aquaculture" means the controlled propagation, growth, and harvest"

Page 1, line 10, underscore "of, and subsequent commerce in, cultured aquatic stock", after "stock" insert "for human consumption or the ornamental pet industry", and underscore "including"

Page 1, underscore line 11

Page 1, line 12, replace "2." with "3." and underscore "'Aquaculture facility" means a facility, structure, lake, pond,"

Page 1, underscore lines 13 and 14

Page 1, line 15, replace "3." with "4." and underscore "'Aquaculturist" means a person, other than an employee of a state"

Page 1, underscore lines 16 and 17

Page 1, line 18, replace "4." with "5." and underscore "'Aquatic disease" means any departure from a normal state of health"

Page 1, underscore line 19

Page 1, line 20, replace "5." with "6." and underscore "'Aquatic farming" means the business of producing, hatching,"

Page 1, underscore lines 21 and 22

Page 2, line 1, replace "6." with "7." and underscore "'Board" means the aquaculture advisory board."

Page 2, line 2, replace "7." with "8." and underscore "'Commissioner" means the commissioner of agriculture."

Page 2, line 3, replace "8." with "9." and underscore "'Cultured aquatic stock" means aquatic organisms raised from"

Page 2, underscore lines 4 through 13

Page 2, line 14, underscore "public-owned aquatic animals", after the first "animals" insert "or the bait fish industry" and underscore ". Public-owned aquatic animals are under the"

Page 2, underscore lines 15 through 19

Page 2, line 20, underscore "industry. The" and replace "commissioner shall appoint the members of the board, except" with "board members consist of the lead official of each respective agency, or that official's designated representative."

Page 2, line 21, replace "the" with "The" and underscore "aquaculture industry shall appoint the aquaculture industry"

Page 2, underscore lines 22 through 27

Page 2, line 28, underscore "industry and its markets." and after the period insert "The rules must be designed to protect public-owned aquatic animals by ensuring that diseased or injurious organisms are not imported into or cultured in this state. The rules must also ensure that adequate safeguards are in place at each facility to prevent accidental escape of potentially injurious aquatic organisms or pathogens and to ensure proper disposition of aquacultural products."

Page 3, underscore lines 1 through 29

Page 4, underscore lines 1 through 29

Page 5, underscore lines 1 through 19

Page 5, line 20, underscore "transport any", after "any" insert "aquaculturally raised", and underscore "aquatic species between drainage basins without first obtaining"

Page 5, underscore lines 21 through 23

Page 5, line 24, underscore "Disease prevention", after "prevention" insert "- Rules", underscore ". The commissioner", replace "may" with "shall", and underscore "prevent and control the"

Page 5, line 25, underscore "dissemination of disease among", after "among" insert "aquaculturally raised" and underscore "aquatic species of this state. The"

Page 5, underscore lines 26 through 28

Page 5, line 29, underscore "section." and after the period insert "The commissioner by rule shall address disease testing at each aquaculture facility."

Page 6, underscore lines 1 through 9

Page 6, after line 9, insert:

"SECTION 2. AMENDMENT. Subsection 27 of section 20.1-01-02 of the North Dakota Century Code is amended and reenacted as follows:

27. "Private fish hatchery pond" means a body of water, whether natural or artificial, and any other facilities used, maintained, or operated by any private person, firm, or corporation for the propagation and production of fish for sale fishing purposes, the bait industry, or planting in other waters. ~~Except in the case of trout, walleye, northern pike, and crappie, which may be raised in a private fish hatchery without the director's approval, the~~ The term does not include the propagation and sale of fish for human consumption or the ornamental pet industry. The director may, by rule, regulate the species of fish which that may be raised in a private fish hatchery pond. No waters stocked

by any state or federal governmental agency may be considered a private fish hatchery pond.

**SECTION 3. AMENDMENT.** Subsection 3 of section 20.1-02-15 of the North Dakota Century Code is amended and reenacted as follows:

3. To regulate dealers in green furs, propagation or possession of live protected wildlife, taxidermists, shooting preserves, guides and outfitters, commercial fishing operations, private fish hatcheries ponds and commercial bait vendors. In the regulation of these licensed activities, the premises used to conduct the business and records required by law must be open for inspection at reasonable hours by game and fish law enforcement officers.

**SECTION 4. AMENDMENT.** Subsection 3 of section 20.1-03-04 of the North Dakota Century Code is amended and reenacted as follows:

3. Residents may fish at a private fish hatchery pond without a resident fishing license.

**SECTION 5. AMENDMENT.** Section 20.1-03-08 of the North Dakota Century Code is amended and reenacted as follows:

**20.1-03-08. When licenses to fish not required of nonresident.** Subject to other provisions of this title, any nonresident under the age of sixteen years may fish without a nonresident fishing license if accompanied by an adult possessing a valid fishing license. Any nonresident may fish in the waters of a private fish hatchery pond without a nonresident fishing license.

**SECTION 6. AMENDMENT.** Subsection 29 of section 20.1-03-12 of the North Dakota Century Code is amended and reenacted as follows:

29. For an annual license to operate a private fish hatchery pond, thirty dollars.

**SECTION 7. AMENDMENT.** Subsection 4 of section 20.1-06-10 of the North Dakota Century Code is amended and reenacted as follows:

4. Any person operating a private fish hatchery pond may sell fish owned or raised for market or for stocking waters.

**SECTION 8. AMENDMENT.** Section 20.1-06-12 of the North Dakota Century Code is amended and reenacted as follows:

**20.1-06-12. Regulations governing private fish hatcheries ponds.** Any person operating a private fish hatchery pond is not subject to fishing seasons, limits, legal size restrictions, or other methods of taking fish as provided in any governor's proclamation. The director may adopt rules governing the operation of private fish hatcheries ponds. No license is required of any person for taking fish by angling at a licensed private fish hatchery pond operated in accordance with the rules of the director. The hatchery pond operator shall furnish to each person taking fish a written certificate in the form the director prescribes, giving the number and description of the fish taken and other information as the director requires, whereupon the fish may be possessed, shipped, or transported within the state in like manner as fish taken by residents under a license. The director shall issue an annual license to operate the hatchery pond during a calendar year or a portion of a year upon application and payment of the appropriate fee by the owner or operator. The license may be suspended for noncompliance with the director's regulations rules."

## REPORT OF STANDING COMMITTEE

SB 2523: Agriculture Committee (Sen. Kelsh, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2523 was placed on the Sixth order on the calendar.

Page 2, line 2, after "and" insert: "pursuant to the county weed board's authorization"

Page 13, line 23, remove the overstrike over "~~and~~"

Page 13, remove the overstrike over lines 24 and 25

Page 13, line 26, remove the overstrike over "~~care is exercised~~" and remove "Any control authority, or anyone authorized by"

Page 13, remove lines 27 through 29

Page 14, remove lines 1 and 2

Page 15, line 18, replace "five" with "the time period prescribed by the county weed control officer"

Page 15, line 19, remove "days of the receipt of the letter"

Page 15, line 21, replace "fifteen days of receipt of" with "the time period prescribed by" and replace "letter" with "county weed control officer"

Re-number accordingly

## REPORT OF STANDING COMMITTEE

SB 2532: Finance and Taxation Committee (Sen. Dotzenrod, Chairman) recommends DO NOT PASS (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2532 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SB 2538: Appropriations Committee (Sen. Mushik, Vice Chair) recommends DO PASS (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). SB 2538 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SCR 4028: Government and Veterans Affairs Committee (Sen. Tomac, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4028 was placed on the Eleventh order on the calendar.

## REPORT OF STANDING COMMITTEE

SCR 4032: Agriculture Committee (Sen. Kelsh, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). SCR 4032 was placed on the Sixth order on the calendar.

Page 1, after line 23, insert:

"BE IT FURTHER RESOLVED, that the North Dakota conservation reserve program coalition be authorized to define disaster conditions, and to recommend regulations and the price for the emergency use of conservation reserve program lands; and"

Re-number accordingly

## REPORT OF STANDING COMMITTEE

SCR 4049: Human Services Committee (Sen. Mathern, Chairman) recommends DO PASS (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4009 was placed on the Eleventh order on the calendar.

**FIRST READING OF SENATE CONCURRENT RESOLUTIONS**

Sens. Mushik, DeMers, Mathern, Scherber and Reps. Oban, D. Olsen introduced:

**SCR 4050:** A concurrent resolution directing the Legislative Council to study the placement of students with developmental disabilities in regular classroom settings and the teacher training curricula or specific study courses designed to assist teachers in accepting and teaching students with mental retardation and other developmental disabilities.

Was read the first time and referred to the **Education Committee**.

Sens. Bowman, Evanson, Goetz introduced:

**SCR 4051:** A concurrent resolution directing the Legislative Council to study the various forms of education and the environments in which education is provided and the flexibility of legislative and administrative systems for reviewing and evaluating different methods of providing education.

Was read the first time and referred to the **Education Committee**.

Sens. Holmberg, Evanson, Maxson introduced:

**SCR 4052:** A concurrent resolution directing the Legislative Council to study accusations of child abuse or child sexual abuse by one parent against the other during contested custody and visitation cases.

Was read the first time and referred to the **Human Services Committee**.

Sens. Holmberg, Heinrich, Evanson and Reps. Gates, Kroeber, Kunkel introduced:

**SCR 4053:** A concurrent resolution directing the Legislative Council to study the application of federal law prohibiting discrimination against the handicapped to school districts.

Was read the first time and referred to the **Education Committee**.

Sens. Evanson, Marks, Nelson and Reps. Glasheim, Stenson, Thorpe introduced:

**SCR 4054:** A concurrent resolution directing the Legislative Council to study the feasibility and desirability of state regulation of the cable television industry.

Was read the first time and referred to the **Industry, Business and Labor Committee**.

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

**CAROL SIEGERT, Secretary**