

JOURNAL OF THE HOUSE

Fifty-fourth Legislative Assembly

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Bismarck, February 15, 1995

The House convened at 8:00 a.m., with Speaker Martin presiding.

The prayer was offered by the Rev. Walter Geisler, Good Shepherd Methodist Church, Mandan.

The roll was called and all members were present except Representatives Hagle, Laughlin, and Rydell.

A quorum was declared by the Speaker.

REQUEST

REP. DORSO REQUESTED that the amendments to Engrossed HB 1212, HB 1008, HB 1050, HB 1165, HB 1245, HB 1363, HB 1375, HB 1439 and HB 1486 be voted on as separate items, which request was granted.

SIXTH ORDER OF BUSINESS

REP. DORSO MOVED that the amendments on the Sixth order of business to HB 1038, HB 1155, HB 1168, HB 1289, HB 1316, HB 1347, HB 1365, HB 1381, HB 1399, HB 1428, and HB 1487 be adopted, which motion prevailed.

HB 1038, HB 1155, HB 1168, HB 1289, HB 1316, HB 1347, HB 1365, HB 1381, HB 1399, HB 1428, and HB 1487, as amended, were placed on the Eleventh order of business on the calendar.

SIXTH ORDER OF BUSINESS

HB 1212, as engrossed: REP. KRETSCHMAR (Judiciary Committee) MOVED that the amendments on HJ page 632 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1212: A BILL for an Act to amend and reenact subsection 3 of section 12.1-28-02 of the North Dakota Century Code, relating to the conducting of sports pools on professional athletic events; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 42 YEAS, 55 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Austin; Carlson; Clark; Coats; DeKrey; Delmore; DeWitz; Dobrinski; Glassheim; Gorman; Guleson; Gunter; Hausauer; Henegar, K.; Howard; Huether; Johnson; Keiser; Klein; Kliniske; Kretschmar; Kroeber; Kunkel; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Price; Schimke; Sitz; Stenehjem; Thoreson; Timm; Torgerson; Wald; Wardner; Wentz

NAYS: Aarsvold; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Christenson; Christopherson; Clayburgh; Dalrymple; Delzer; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Grosz; Grumbo; Hanson; Henegar, D.; Holm; Jacobs; Kaldor; Kelsch; Kempenich; Kerzman; Koppelman; Laughlin; Lloyd; Oban; Olson; Payne; Poolman; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schmidt; Shide; Skarphol; Soukup; Svedjan; Sveen; Thompson; Tollefson; Walker; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Reengrossed HB 1212 was declared lost.

SIXTH ORDER OF BUSINESS

HB 1008: REP. DALRYMPLE (Appropriations Committee) MOVED that the amendments on HJ page 620 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1008: A BILL for an Act making an appropriation for defraying the expenses of the aeronautics commission and the adjutant general for the civil air patrol.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 97 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glasheim; Gorder; Gorman; Grosz; Grumbo; Gulleon; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjelm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1008 passed and the title was agreed to.

MOTION

REP. FREIER MOVED that the House waive the reading of the titles to HB 1050, HB 1168, HB 1289, HB 1347, HB 1365, and HB 1428, which motion prevailed.

SIXTH ORDER OF BUSINESS

HB 1050: REP. DALRYMPLE (Appropriations Committee) MOVED that the amendments on HJ pages 621-626 be adopted and then be placed on the Eleventh order with DO PASS, which motion prevailed.

SECOND READING OF HOUSE BILL

Engrossed HB 1050: A BILL for an Act to create and enact two new sections to chapter 23-01, two new sections to chapter 23-17.5, a new chapter to title 26.1, two new sections to chapter 26.1-36, a new chapter to title 32, and two new sections to chapter 50-24.1 of the North Dakota Century Code, relating to the health council, cost and quality review program, modifying preexisting conditions limitations, providing for guaranteed issue and renewal of health insurance products, modified community rating, insurance reimbursement to advanced registered nurse practitioners, establishing a standard benefits package, establishing limits on damages and contingency fees and providing for alternative dispute resolution for medical malpractice claims, and expanding medical assistance; to amend and reenact sections 23-01-02, 23-17.5-01, 23-17.5-02, 23-17.5-03, 23-17.5-04, 23-17.5-07, 23-17.5-08, 23-17.5-10, 23-17.5-11, subdivision a of subsection 1 of section 26.1-08-05,

subsection 2 of section 26.1-08-05, subdivision a of subsection 1 of section 26.1-08-06, subsection 2 of section 26.1-08-06, subsection 9 of section 26.1-17-01, subsection 1 of section 26.1-36-04, section 26.1-36-22, subsections 11 and 23 of section 26.1-36.3-01, subsection 1 of section 26.1-36.3-04, subdivision a of subsection 3 of section 26.1-36.3-06 of the North Dakota Century Code, relating to membership of the health council, supervision of health care provider cooperatives, minimum benefits of a qualified health coverage plan, guaranteed issue and renewal of health insurance products, modified community rating, insurance reimbursement to advanced registered nurse practitioners, and expansion of medical assistance coverage; to repeal section 26.1-17-12.1 of the North Dakota Century Code, relating to insurance reimbursement for nurses; to provide a penalty; to provide an appropriation; to provide for application and retroactive application; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 97 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gulleeson; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Reengrossed HB 1050 passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

REP. DORSO MOVED that 500 copies of Reengrossed HB 1050 be reprinted, which motion prevailed.

SIXTH ORDER OF BUSINESS

HB 1165: REP. KRETSCHMAR (Judiciary Committee) MOVED that the amendments on HJ pages 627-631 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1165: A BILL for an Act to create and enact a new subsection to section 10-04-09, a new subsection to section 10-04-10.1, a new subsection to section 10-04-11, a new subsection to section 10-04-15, a new subsection to section 10-04-18, a new subsection to section 43-10.1-06.1, a new section to chapter 43-10.1, a new subsection to section 51-19-09, a new subsection to section 51-19-11, a new subsection to section 51-19-13, a new subsection to section 51-23-07, a new subsection to section 51-23-20, and a new section to chapter 51-23 of the North Dakota Century Code, relating to statutes of limitations and civil remedies for certain commodities activities; to amend and reenact subsection 1 of section 10-04-17, subsection 1 of section 43-10.1-06.2, section 43-10.1-08, subsection 5 of section 51-19-12, and subdivisions f and g of subsection 2 of section 51-19-13 of the North

Dakota Century Code, relating to statutes of limitations for certain securities and commodities activities and civil remedies for violations of certain pre-need funeral activities and franchise investment activities; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 97 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; DeWitz; Delzer; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glasheim; Gorder; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjelm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1165 passed and the title was agreed to.

SIXTH ORDER OF BUSINESS

HB 1245: REP. WARDNER (Government and Veterans Affairs Committee) MOVED that the amendments on HJ pages 632-633 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

MOTION

REP. DORSO MOVED that HB 1245, as amended, be rereferred to the Appropriations Committee, which motion failed.

SIXTH ORDER OF BUSINESS

HB 1363: REP. SOUKUP (Political Subdivisions Committee) MOVED that the amendments on HJ page 635 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1363: A BILL for an Act to amend and reenact section 16.1-10-04 of the North Dakota Century Code, relating to publication of false information in political advertisements; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 55 YEAS, 42 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Belter; Berg; Bernstein; Boucher; Carlisle; Christenson; Dalrymple; DeKrey; Delmore; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glasheim; Gorman; Grumbo; Gunter; Hanson; Hausauer; Henegar, D.; Holm; Kaldor; Kempenich; Kerzman; Klein; Kretschmar; Kroeber; Laughlin; Mahoney; Maragos; Martinson; Mutzenberger; Nichols; Oban; Price; Retzer; Sabby; Sandvig; Schimke; Schmidt; Sitz; Skarphol; Sveen; Thoreson; Tollefson; Torgerson; Wald; Wardner; Wentz; Wilkie

NAYS: Austin; Bateman; Boehm; Brown; Byerly; Carlson; Christopherson; Clark; Clayburgh; Coats; Delzer; Gorder; Grosz; Gulleson; Henegar, K.; Howard;

Huether; Jacobs; Johnson; Keiser; Kelsch; Kliniske; Koppelman; Kunkel; Lloyd; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Rennerfeldt; Rydell; Shide; Soukup; Stenehjem; Svedjan; Thompson; Timm; Walker; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1363 passed and the title was agreed to.

SIXTH ORDER OF BUSINESS

HB 1375: REP. OLSON (Natural Resources Committee) MOVED that the amendments on HJ pages 635-636 be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1375: A BILL for an Act to create and enact two new subsections to section 20.1-01-02 of the North Dakota Century Code, relating to definitions for the purpose of the regulation of boating; and to amend and reenact section 20.1-13-07 of the North Dakota Century Code, relating to the operation of motorboats, vessels, and personal watercraft.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of **DO PASS**, the roll was called and there were **80 YEAS, 17 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.**

YEAS: Aarsvold; Belter; Berg; Bernstein; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Gerntholz; Glassheim; Gorder; Gorman; Grumbo; Gulleston; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Martinson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Olson; Payne; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Walker; Wardner; Wilkie; Speaker Martin

NAYS: Austin; Bateman; Boehm; Delzer; Galvin; Grosz; Kerzman; Mahoney; Maragos; Mickelson; Oban; Poolman; Schimke; Schmidt; Timm; Wald; Wentz

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1375 passed and the title was agreed to.

MOTION

REP. KELSCH MOVED that HB 1439 be moved to the foot of the calendar, which motion prevailed.

SIXTH ORDER OF BUSINESS

HB 1486: REP. DALRYMPLE (Appropriations Committee) MOVED that the amendments on HJ page 638 be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1486: A BILL for an Act to provide a statement of legislative intent regarding state employee compensation.

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 40 YEAS, 57 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Boehm; Boucher; Carlisle; Christenson; Coats; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Galvin; Glasheim; Gorder; Grumbo; Gulleston; Hanson; Henegar, K.; Jacobs; Kaldor; Kelsch; Kerzman; Klein; Kroeber; Laughlin; Mahoney; Martinson; Mutzenberger; Nichols; Oban; Retzer; Rydell; Sabby; Sandvig; Schmidt; Sitz; Stenehjem; Thompson; Wilkie; Speaker Martin

NAYS: Austin; Bateman; Belter; Berg; Bernstein; Brown; Byerly; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; Dorso; Drovdal; Freier; Froseth; Gerntholz; Gorman; Grosz; Gunter; Hausauer; Henegar, D.; Holm; Howard; Huether; Johnson; Keiser; Kempenich; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Schimke; Shide; Skarphol; Soukup; Svedjan; Sveen; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1486 was declared lost.

MOTION

REP. DORSO MOVED that the House reconsider its action whereby the amendments were adopted on HB 1369, which motion prevailed.

MOTION

REP. DORSO MOVED that the House reconsider its action whereby the committee report was accepted and HB 1439 was placed on the Sixth order of business on the calendar, which motion prevailed.

MOTION

REP. DORSO MOVED that HB 1439 be rereferred to the Judiciary Committee, which motion prevailed. Pursuant to Rep. Dorso's motion, HB 1439 was rereferred.

SECOND READING OF HOUSE BILL

HB 1344: A BILL for an Act to amend and reenact section 57-15-37.1 of the North Dakota Century Code, relating to township levies for airport purposes; 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 PASS, the roll was called and there were 95 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Glasheim; Gorder; Gorman; Grosz; Grumbo; Gulleston; Gunter; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: DeKrey; Gerntholz; Hagle

Engrossed HB 1344 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1345: A BILL for an Act relating to elections regarding the selection of a time zone.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 14 YEAS, 80 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Bateman; Boehm; Christopherson; Clark; Glassheim; Gulleson; Keiser; Kretschmar; Kunkel; Lloyd; Retzer; Timm; Wald; Wardner

NAYS: Aarsvold; Austin; Belter; Berg; Bernstein; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gorder; Gorman; Grosz; Grumbo; Gunter; Hanson; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kroeber; Laughlin; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjøm; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Walker; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Gerntholz; Hagle; Hausauer; Kelsch

Engrossed HB 1345 lost.

HOUSE ENGROSSING REPORT

The following bill was engrossed: HB 1245.

HOUSE ENGROSSING REPORT

The following bill was reengrossed: HB 1050.

SECOND READING OF HOUSE BILL

HB 1355: A BILL for an Act to amend and reenact subsection 3 of section 53-06.1-03, section 53-06.1-06, and subsection 3 of section 53-06.1-11 of the North Dakota Century Code, relating to licensure of eligible organizations and allowable expenses for games of chance.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 10 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; Delmore; Delzer; Dobrinski; Dorso; Drovdal; Freier; Galvin; Glassheim; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Rydell; Sabby; Schimke; Schmidt; Sitz; Skarphol; Soukup; Stenehjøm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Belter; DeKrey; DeWitz; Froseth; Gorder; Hanson; Kroeber; Retzer; Sandvig; Shide

ABSENT AND NOT VOTING: Gerntholz; Hagle

Engrossed HB 1355 passed and the title was agreed to.

REPORT OF STANDING COMMITTEE

HB 1171: Education Committee (Rep. Rydell, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1171 was placed on the Sixth order on the calendar.

DIVISION A

Page 1, line 1, replace "two" with "three"

Page 1, line 3, replace the first "and" with a comma and after "schools" insert ", and increased weighting factors for students attending school out-of-state"

Page 1, line 15, after "membership" insert "in grades one through twelve"

Page 1, line 16, replace "according to the" with "based on"

Page 1, line 17, replace "contained in section 15.40.1-07" with "of less than two hundred fifty students, two hundred fifty students but less than eight hundred students, and eight hundred students or more"

Page 1, line 18, replace "1.65" with "1.50"

Page 1, line 19, remove "For purposes of this subsection, if a"

Page 1, remove lines 20 and 21

Page 2, remove lines 1 and 2

Page 2, line 15, replace "thirty" with "twenty-five" and replace "ninety" with "sixty-five"

Page 2, remove lines 18 through 25

Page 3, line 8, replace "fifteen-mile" with "ten-mile"

Page 3, line 16, replace "twenty-mile" with "fifteen-mile"

Page 3, after line 21, insert:

"SECTION 3. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Per student payments for students attending school out-of-state. For each student attending school out-of-state in accordance with section 15-40.2-09, the weighting factors provided in section 15-40.1-07 and 15-40.1-08 must be increased by twenty percent."

Page 4, line 14, overstrike "and" and insert immediately thereafter an underscored comma and after "15-40.1-08" insert ", and section 3 of this Act"

Page 15, line 8, remove the overstrike over "-50" and remove "1.00"

Page 15, line 9, remove the overstrike over "-50" and remove "1.00"

Page 15, line 19, remove the overstrike over "~~ninety~~" and remove "one hundred eighty"

DIVISION B

Page 1, line 1, replace "two" with "four" and after "15-40.1" insert "and a new section to chapter 57-38"

Page 1, line 3, replace the first "and" with a comma, after "schools" insert ", allocation of surtax revenue to school districts for tax relief, contingent separate and additional per student payments, and a surtax on income tax liability of individuals, estates, and trusts", and remove the second "and"

Page 1, line 7, after "fund" insert "; to provide an appropriation; and to provide an effective date"

Page 3, after line 21, insert:

"SECTION 3. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Allocation of surtax revenue to school districts for property tax relief. The amount generated by the surtax imposed in section 10 of this Act must be paid to the school district in which the taxpayer resided. These payments must be made at the same time and in the same manner as other state payments provided in section 15-40.1-05. The superintendent of public instruction shall certify to the county auditor, on or before November first, the amount the school district is entitled to receive. The county auditor shall deduct that amount from the general fund mill levy in dollars for the school district and, on or before November twentieth of each year, shall determine the adjusted general fund levy of each school district in dollars. The auditor shall use the adjusted general fund levy in mills of a school district as the general fund levy of that school district under section 57-15-02.

SECTION 4. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Contingent separate and additional per student payments. The superintendent of public instruction shall distribute a separate and additional per student payment from any unspent amount appropriated to the grants - foundation aid program in a foundation aid payment to school districts, on or before June 1 of the second year of the biennium. Any payment made under this section must be on a weighted basis, as determined under this chapter."

Page 18, after line 25, insert:

"SECTION 10. A new section to chapter 57-38 of the North Dakota Century Code is created and enacted as follows:

Surtax on income tax liability of individuals, estates, and trusts - Exception to withholding requirements. A surtax is imposed on the income of every individual, estate, and trust that is required to file an income tax return under this chapter. The revenue collected under this section must be paid to the school district in which the taxpayer resided. The tax imposed by this section is equal to ten percent of the taxpayer's income tax liability as determined under section 57-38-29 or 57-38-30.3. Notwithstanding any other provision of this chapter, calculation of withholding amounts and payments of estimated taxes may not be made on the basis of the tax imposed under this section and must be based only on tax liability as determined under section 57-38-29 or 57-38-30.3.

SECTION 11. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$14,000,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing payments to school districts beginning July 1, 1996. Any moneys collected through the surtax imposed by this Act that are not designated for a particular North Dakota school district must be transferred to the foundation aid line item and be distributed as part of the contingent separate and additional per student payments.

SECTION 12. EFFECTIVE DATE. Section 3 of this Act becomes effective July 1, 1996. Section 10 of this Act becomes effective for the taxable year beginning after December 31, 1994."

DIVISION C

Page 1, line 1, after "15-40.1" insert "and a new chapter to title 40"

Page 1, line 2, after "to" insert "exempting property from school taxes,"

Page 1, line 3, after "payments" insert a comma and remove the second "and"

Page 1, line 7, after "fund" insert "; and to provide an effective date"

Page 18, after line 25, insert:

"SECTION 8. A new chapter to title 40 of the North Dakota Century Code is created and enacted as follows:

School boards ability to grant property tax exemption. Notwithstanding any other provision of law, no school district property tax exemption may be granted by a municipality or political subdivision of the state in accordance with the provisions of title 40 or title 57 without the approval of the school board. If the school board approves a property tax exemption, the taxable valuation of the property exempted must be added to the taxable valuation of all other property of the school district before the calculation outlined in section 1 of this Act and subdivision a of subsection 3 of section 15-40.1-06.

SECTION 9. EFFECTIVE DATE. Section 8 of this Act is effective for taxable years beginning after December 31, 1996."

Renumber accordingly

SIXTH ORDER OF BUSINESS

HB 1171: REP. RYDELL (Education Committee) MOVED that the amendments to HB 1171 be adopted and then be REREFERRED to the Appropriations Committee with DO PASS.

REQUEST

REP. RYDELL REQUESTED that the question of the adoption of the proposed amendments to HB 1171 be divided to have the sections voted on separately and that the House consider Division B of the proposed amendments to HB 1171, Division C of the proposed amendments to HB 1171, and finally Division A of the proposed amendments to HB 1171, and that the title be amended, and pages and sections be renumbered accordingly, which request was granted.

DIVISION B

Page 1, line 1, replace "two" with "four" and after "15-40.1" insert "and a new section to chapter 57-38"

Page 1, line 3, replace the first "and" with a comma, after "schools" insert ", allocation of surtax revenue to school districts for tax relief,

contingent separate and additional per student payments, and a surtax on income tax liability of individuals, estates, and trusts", and remove the second "and"

Page 1, line 7, after "fund" insert "; to provide an appropriation; and to provide an effective date"

Page 3, after line 21, insert:

"SECTION 3. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Allocation of surtax revenue to school districts for property tax relief. The amount generated by the surtax imposed in section 10 of this Act must be paid to the school district in which the taxpayer resided. These payments must be made at the same time and in the same manner as other state payments provided in section 15-40.1-05. The superintendent of public instruction shall certify to the county auditor, on or before November first, the amount the school district is entitled to receive. The county auditor shall deduct that amount from the general fund mill levy in dollars for the school district and, on or before November twentieth of each year, shall determine the adjusted general fund levy of each school district in dollars. The auditor shall use the adjusted general fund levy in mills of a school district as the general fund levy of that school district under section 57-15-02.

SECTION 4. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Contingent separate and additional per student payments. The superintendent of public instruction shall distribute a separate and additional per student payment from any unspent amount appropriated to the grants - foundation aid program in a foundation aid payment to school districts, on or before June 1 of the second year of the biennium. Any payment made under this section must be on a weighted basis, as determined under this chapter."

Page 18, after line 25, insert:

"SECTION 10. A new section to chapter 57-38 of the North Dakota Century Code is created and enacted as follows:

Surtax on income tax liability of individuals, estates, and trusts - Exception to withholding requirements. A surtax is imposed on the income of every individual, estate, and trust that is required to file an income tax return under this chapter. The revenue collected under this section must be paid to the school district in which the taxpayer resided. The tax imposed by this section is equal to ten percent of the taxpayer's income tax liability as determined under section 57-38-29 or 57-38-30.3. Notwithstanding any other provision of this chapter, calculation of withholding amounts and payments of estimated taxes may not be made on the basis of the tax imposed under this section and must be based only on tax liability as determined under section 57-38-29 or 57-38-30.3.

SECTION 11. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$14,000,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing payments to school districts beginning July 1, 1996. Any moneys collected through the surtax imposed by this Act that are not designated for a particular North Dakota school district must be transferred to the foundation aid line item and be distributed as part of the contingent separate and additional per student payments.

SECTION 12. EFFECTIVE DATE. Section 3 of this Act becomes effective July 1, 1996. Section 10 of this Act becomes effective for the taxable year beginning after December 31, 1994."

DIVISION C

Page 1, line 1, after "15-40.1" insert "and a new chapter to title 40"

Page 1, line 2, after "to" insert "exempting property from school taxes,"

Page 1, line 3, after "payments" insert a comma and remove the second "and"

Page 1, line 7, after "fund" insert "; and to provide an effective date"

Page 18, after line 25, insert:

"**SECTION 8.** A new chapter to title 40 of the North Dakota Century Code is created and enacted as follows:

School boards ability to grant property tax exemption. Notwithstanding any other provision of law, no school district property tax exemption may be granted by a municipality or political subdivision of the state in accordance with the provisions of title 40 or title 57 without the approval of the school board. If the school board approves a property tax exemption, the taxable valuation of the property exempted must be added to the taxable valuation of all other property of the school district before the calculation outlined in section 1 of this Act and subdivision a of subsection 3 of section 15-40.1-06.

SECTION 9. EFFECTIVE DATE. Section 8 of this Act is effective for taxable years beginning after December 31, 1996."

DIVISION A

Page 1, line 1, replace "two" with "three"

Page 1, line 3, replace the first "and" with a comma and after "schools" insert ", and increased weighting factors for students attending school out-of-state"

Page 1, line 15, after "membership" insert "in grades one through twelve"

Page 1, line 16, replace "according to the" with "based on"

Page 1, line 17, replace "contained in section 15.40.1-07" with "of less than two hundred fifty students, two hundred fifty students but less than eight hundred students, and eight hundred students or more"

Page 1, line 18, replace "1.65" with "1.50"

Page 1, line 19, remove "For purposes of this subsection, if a"

Page 1, remove lines 20 and 21

Page 2, remove lines 1 and 2

Page 2, line 15, replace "thirty" with "twenty-five" and replace "ninety" with "sixty-five"

Page 2, remove lines 18 through 25

Page 3, line 8, replace "fifteen-mile" with "ten-mile"

Page 3, line 16, replace "twenty-mile" with "fifteen-mile"

Page 3, after line 21, insert:

"SECTION 3. A new section to chapter 15-40.1 of the North Dakota Century Code is created and enacted as follows:

Per student payments for students attending school out-of-state. For each student attending school out-of-state in accordance with section 15-40.2-09, the weighting factors provided in section 15-40.1-07 and 15-40.1-08 must be increased by twenty percent."

Page 4, line 14, overstrike "and" and insert immediately thereafter an underscored comma and after "15-40.1-08" insert ", and section 3 of this Act"

Page 15, line 8, remove the overstrike over "-50" and remove "1.00"

Page 15, line 9, remove the overstrike over "-50" and remove "1.00"

Page 15, line 19, remove the overstrike over "ninety" and remove "one hundred eighty"

Renumber accordingly

The question being on the adoption of Division B of the proposed amendments to HB 1171, the motion failed on a verification vote.

Division B of the proposed amendments to HB 1171 failed on a verification vote.

The question being on the adoption of Division C of the proposed amendments to HB 1171, the motion failed on a verification vote.

Division C of the proposed amendments to HB 1171 failed on a verification vote.

The question being on the adoption of Division A of the proposed amendments to HB 1171, the motion passed on a verification vote.

Division A of the proposed amendments to HB 1171 was adopted on a verification vote.

The question then was on the adoption of the proposed amendments to HB 1171 including Division A and excluding Divisions B and C, with the title amended appropriately and lines, sections, and pages renumbered accordingly.

The proposed amendments to HB 1171, including Division A, and excluding Divisions B and C were adopted on a verification vote.

HB 1171, as amended, was rereferred to the Committee on Appropriations.

SECOND READING OF HOUSE BILL

HB 1360: A BILL for an Act to amend and reenact section 57-02.2-03 of the North Dakota Century Code, relating to the authority of cities and counties concerning property tax exemptions for improvements to commercial and residential buildings and structures; 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 PASS, the roll was called and there were 97 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark;

Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gulleston; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1360 passed and the title was agreed to.

MOTION

REP. DORSO MOVED that the House reconsider its action whereby the committee report was accepted and HB 1369 was placed on the Sixth order of business, which motion prevailed.

MOTION

REP. DORSO MOVED that HB 1369 be rereferred to the **Industry, Business and Labor Committee**, which motion prevailed. Pursuant to Rep. Dorso's motion, HB 1369 was rereferred.

MOTION

REP. DORSO MOVED that HB 1392 be placed before HB 1391 on the calendar, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1392: A BILL for an Act to create and enact a new chapter to title 39 of the North Dakota Century Code, relating to motor carrier regulation by the department of transportation and enforcement by the highway patrol; to provide a penalty; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 96 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gulleston; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle; Sabby

Engrossed HB 1392 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1391: A BILL for an Act to create and enact a new chapter to title 39 of

the North Dakota Century Code, relating to motor carriers of household goods; and to provide a contingent 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 0 YEAS, 96 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

NAYS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Glassheim; Gorman; Grosz; Grumbo; Gulleston; Gunter; Hanson; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Delmore; Hagle

Engrossed HB 1391 was declared lost.

SECOND READING OF HOUSE BILL

HB 1402: A BILL for an Act to create and enact four new sections to chapter 43-10.1 of the North Dakota Century Code, relating to pre-need funeral service contracts; to amend and reenact sections 43-10.1-01, 43-10.1-02, 43-10.1-03, 43-10.1-05, and 50-24.1-02.3 of the North Dakota Century Code, relating to pre-need funeral service contracts; and to repeal section 23-06-03.1 of the North Dakota Century Code, relating to the deposit of funds for a pre-need funeral service contract.

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 11 YEAS, 86 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bateman; Byerly; Delzer; Glassheim; Grosz; Hanson; Kaldor; Maragos; Oban; Wald

NAYS: Austin; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grumbo; Gulleston; Gunter; Hausauer; Henegar, D.; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Hagle

Engrossed HB 1402 was declared lost.

MOTION

REP. DORSO MOVED that the House stand in recess until 1:00 p.m., 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 1089, HB 1178, HB 1249, HB 1260, HB 1362, HB 1373, HB 1385, HB 1423, HB 1459, HB 1478, HB 1493.

REPORT OF STANDING COMMITTEE

HB 1002: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1002 was placed on the Sixth order on the calendar.

Page 1, line 15, replace "4,746,812" with "4,595,056"

Page 1, line 16, replace "1,735,355" with "1,564,240"

Page 1, line 17, replace "281,487" with "125,980"

Page 1, line 18, replace "330,957" with "311,326"

Page 1, line 19, replace "7,094,611" with "6,596,602"

Page 1, line 21, replace "7,038,939" with "6,540,930"

Page 2, line 2, replace "20,089,753" with "19,497,850"

Page 2, line 3, replace "6,990,553" with "6,502,487"

Page 2, line 4, replace "645,843" with "445,562"

Page 2, line 5, replace "996,975" with "950,431"

Page 2, line 6, replace "28,723,124" with "27,396,330"

Page 2, line 8, replace "28,463,583" with "27,136,789"

Page 2, line 17, replace "35,903,657" with "34,078,854"

Page 2, line 19, replace "36,290,870" with "34,466,067"

Page 3, line 12, replace "seventy-six" with "seventy-three", replace "eight" with "seven", and replace "sixty-eight" with "two"

Page 3, line 13, remove the overstrike over "~~through June 30,~~", after "1992" insert "1996", remove the overstrike over "~~, and~~", and replace ", which must increase to" with "seventy-five"

Page 3, line 14, remove "ninety-two", replace "eight" with "nine", replace "seven" with "thirteen", remove the overstrike over "~~thereafter~~", and remove "in"

Page 3, line 15, remove "equal annual increments" and remove the overstrike over "~~is entitled~~"

Page 3, line 16, remove the overstrike over "~~to receive~~", remove "receives", and replace "ninety-one" with "one"

Page 3, line 17, remove the overstrike over "~~through June 30,~~", after "1992" insert "1996", remove the overstrike over "~~, and~~", and remove ", which must increase to"

Page 3, line 18, replace "six" with "one", replace "forty-four" with "sixty-four", remove the overstrike over "~~per annum thereafter~~", and remove "in equal annual"

Page 3, remove line 19

Page 3, line 20, remove "occur on July 1, 1996; July 1, 1997, and July 1, 1998"

Page 3, line 25, replace "seventy" with "sixty-seven", replace "two" with "nine", and replace "forty" with "forty-nine"

Page 3, line 26, remove the overstrike over "~~through June 30,~~", after "1992" insert "1996", remove the overstrike over "~~, and~~", and replace ", which must increase to eighty-three" with "sixty-nine"

Page 3, line 27, remove the overstrike over "~~nine hundred~~", replace "fifty" with "eighty-seven", remove the overstrike over "~~thereafter~~", and remove "in equal annual"

Page 3, line 28, remove "increments"

Page 4, line 4, remove the overstrike over "~~is entitled to receive~~"

Page 4, line 5, remove "receives" and replace "eighty-three" with "twenty-nine"

Page 4, line 6, remove the overstrike over "~~through June 30,~~", after "1992" insert "1996", remove the overstrike over "~~, and~~", and remove "which must increase to"

Page 4, line 7, replace "nine" with "six", replace "eighty-nine" with "seventy-eight", remove the overstrike over "~~thereafter~~", and remove "in equal"

Page 4, remove line 8

Page 4, line 9, remove "must occur on July 1, 1996, July 1, 1997, and July 1, 1998"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 180 - SUPREME COURT

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	ADJUST JUDICIAL SALARY INCREASES TO 3%/3% ¹	REMOVE VACANT POSITIONS ²	REDUCE OPERATING EXPENSES	REDUCE EQUIPMENT FUNDING	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$4,746,812	\$(52,949)	\$(98,807)			\$(151,756)	\$4,595,056
Operating expenses	1,735,355			\$(171,115)		(171,115)	1,564,240
Equipment	281,487				\$(155,507)	(155,507)	125,980
Judges' retirement	<u>330,957</u>	<u>(19,631)</u>				<u>(19,631)</u>	<u>311,326</u>
Total all funds	\$7,094,611	\$(72,580)	\$(98,807)	\$(171,115)	\$(155,507)	\$(498,009)	\$6,596,602
Less estimated income	<u>55,672</u>						<u>55,672</u>
Total general fund	\$7,038,939	\$(72,580)	\$(98,807)	\$(171,115)	\$(155,507)	\$(498,009)	\$6,540,930
FTE	48.5		(1.5)			(1.5)	47

¹ Reduces judges' increases from 7.4 percent and 6.9 percent to 3 percent each year. The amendment provides for the following judicial salaries:

	<u>Chief Justice</u>	<u>Justices</u>
Current	\$73,595	\$71,555
July 1, 1995	\$75,803	\$73,702
July 1, 1996	\$78,077	\$75,913

² Removes 1.5 FTE vacant positions expected to be vacant for six months or more.

DEPARTMENT 185 - DISTRICT COURTS

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	ADJUST JUDICIAL SALARY INCREASES TO 3%/3% ¹	REMOVE VACANT POSITIONS ²	REDUCE OPERATING EXPENSES	REDUCE EQUIPMENT FUNDING	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$28,089,753	\$(507,806)	\$(84,097)			\$ (591,903)	\$19,497,850
Operating expenses	6,990,553			\$(488,066)		(488,066)	6,502,487
Equipment	645,843				\$(200,281)	(200,281)	445,562
Judges' retirement	<u>996,975</u>	<u>(46,544)</u>				<u>(46,544)</u>	<u>950,431</u>
Total all funds	\$28,723,124	\$(554,350)	\$(84,097)	\$(488,066)	\$(200,281)	\$(1,326,794)	\$27,396,330
Less estimated income	<u>259,541</u>						<u>259,541</u>
Total general fund	\$28,463,583	\$(554,350)	\$(84,097)	\$(488,066)	\$(200,281)	\$(1,326,794)	\$27,136,789
FTE	185.82		(1)			(1)	184.82

¹ Reduces judicial salary increases from 6.5 percent and 6.1 percent to 3 percent each year. The amendment provides for the following judges' salaries:

	Presiding Judge	Judge
Current	\$67,551	\$65,970
July 1, 1995	\$69,578	\$67,949
July 1, 1996	\$71,665	\$69,987

² Removes 1 FTE vacant position expected to be vacant for six months or more.

REPORT OF STANDING COMMITTEE

HB 1003: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (21 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "and" with a semicolon

Page 1, line 4, after "54-44.1-11" insert "; and to authorize an agreement for the operation and leasing of the North Dakota state art gallery"

Page 1, after line 18, insert:

"ADA projects	500,000
Small campus projects	500,000
Capital improvements - emergencies	200,000"

Page 1, line 20, replace "50,000" with "25,000"

Page 1, line 21, replace "1,168,756" with "1,326,756"

Page 2, line 2, replace "629,403" with "496,403"

Page 2, line 10, replace "11,648,881" with "12,848,881"

Page 2, line 12, replace "8,980,461" with "10,180,461"

Page 2, line 18, replace "55,000" with "150,000"

Page 2, line 19, replace "17,939,522" with "18,034,522"

Page 2, line 21, replace "11,179,522" with "11,274,522"

Page 2, line 24, replace "3,883,124" with "3,911,768"

Page 2, line 28, replace "5,240,112" with "5,268,756"

Page 3, line 2, replace "3,815,314" with "3,843,958"

Page 3, line 6, replace "1,356,159" with "1,386,159"

Page 3, line 9, replace "6,070,180" with "6,100,180"

Page 3, line 11, replace "3,841,612" with "3,871,612"

Page 3, line 14, replace "96,564,261" with "95,513,204"

Page 3, line 17, replace "525,000" with "1,225,000"

Page 3, line 19, replace "126,245,217" with "125,894,160"

Page 3, line 21, replace "78,722,990" with "78,371,933"

Page 3, line 24, replace "77,926,771" with "76,963,362"

Page 3, line 27, replace "454,950" with "929,950"

Page 3, line 28, replace "103,560,673" with "103,072,264"

Page 4, line 2, replace "62,335,709" with "61,847,300"

Page 4, line 8, replace "73,000" with "273,000"

Page 4, line 9, replace "27,311,603" with "27,511,603"

Page 4, line 11, replace "19,253,849" with "19,453,849"

Page 4, line 14, replace "12,160,101" with "12,197,565"
Page 4, line 15, replace "3,376,750" with "3,423,234"
Page 4, line 16, replace "225,700" with "229,700"
Page 4, line 17, replace "50,000" with "150,000"
Page 4, line 18, replace "15,812,551" with "16,000,499"
Page 4, line 20, replace "10,600,197" with "10,788,145"
Page 4, line 23, replace "7,283,584" with "7,321,084"
Page 4, line 26, replace "40,000" with "45,000"
Page 4, line 27, replace "9,455,584" with "9,498,084"
Page 4, line 29, replace "6,843,279" with "6,885,779"
Page 5, line 6, replace "144,162" with "669,162"
Page 5, line 7, replace "33,711,462" with "34,236,462"
Page 5, line 9, replace "19,389,362" with "19,914,362"
Page 5, line 15, replace "50,000" with "475,000"
Page 5, line 17, replace "12,608,541" with "13,033,541"
Page 5, line 19, replace "8,970,252" with "9,395,252"
Page 6, line 2, replace "1,611,750" with "1,510,732"
Page 6, line 5, replace "31,061" with "71,061"
Page 6, line 7, replace "2,203,652" with "2,142,634"
Page 6, line 9, replace "1,393,126" with "1,332,108"
Page 6, line 12, replace "55,739,754" with "55,586,409"
Page 6, line 13, replace "18,766,584" with "18,792,222"
Page 6, line 15, replace "75,446,525" with "75,318,818"
Page 6, line 17, replace "25,897,134" with "25,769,427"
Page 6, remove lines 18 through 23
Page 6, line 24, replace "264,457,842" with "266,663,743"
Page 6, line 25, replace "214,924,911" with "187,937,903"
Page 6, line 26, replace "479,382,753" with "454,601,646"
Page 6, line 29, replace "15" with "14"
Page 7, after line 5, insert:

"SECTION 3. CONTINGENT APPROPRIATION - NORTH DAKOTA STATE COLLEGE OF SCIENCE. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, and from

special funds derived from other income, the sum of \$500,000, or so much of the sum as may be necessary to the North Dakota state college of science for the purpose of remodeling Bute gymnasium for use as an allied health center for the biennium beginning July 1, 1995, and ending June 30, 1997. The general fund appropriation provided for in this section may be spent only upon certification to the state treasurer that the North Dakota state college of science has received commitments to provide the \$500,000 of special funds for the project."

Page 7, line 6, replace "All operating" with "Operating"

Page 7, line 8, replace "that" with "which"

Page 7, line 9, replace ". Any excess estimated income" with "and"

Page 7, line 16, replace "15" with "14"

Page 7, line 19, after "agency" insert "except that the board may not approve transfers from any capital improvements line item"

Page 7, line 24, replace "1991" with "1993"

Page 8, after line 5, insert:

"SECTION 8. STATE ART GALLERY - AUTHORITY TO OPERATE AND LEASE.

The state board of higher education may enter into an agreement with a private foundation headquartered within or outside of this state for the operation and lease of the North Dakota state art gallery.

SECTION 9. FOREST SERVICE - CENTENNIAL TREES PROGRAM TRUST FUND.

The estimated income line item in subdivision 13 of section 1 of this Act includes \$147,486 from the centennial trees program trust fund for providing grants to a nonprofit corporation or similar entity. The grants must be used for planting trees and other expenses associated with achieving the goal of planting 100 million trees by the year 2000, including promotional, educational, and fundraising activities for the biennium beginning July 1, 1995, and ending June 30, 1997."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 215 - NORTH DAKOTA UNIVERSITY SYSTEM

HOUSE - This amendment makes the following changes:

GENERAL FUND CHANGES

	1995-97 EXECUTIVE RECOMMENDATION	ADDITIONAL EXTRAORDINARY REPAIRS FUNDING ¹	REMOVE VACANT POSITIONS	CAPITAL IMPROVEMENTS FUNDING ²	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
System Office	\$ 8,980,461			\$1,200,000	\$ 0 ³	\$1,200,000	\$ 10,180,461
Bismarck State College	11,179,522	\$ 95,000				95,000	11,274,522
UND-Lake Region	3,815,314				28,644 ⁴	28,644	3,843,958
UND-Williston	3,841,612				30,000 ⁵	30,000	3,871,612
University of North Dakota	78,722,990	700,000	\$(1,051,057) ⁶			(351,057)	78,371,933
North Dakota State University	62,335,709	475,000	(963,409)			(488,409)	61,847,300
North Dakota State College of Science	19,253,049	200,000		500,000		700,000	19,953,049
Dickinson State University	10,600,197	100,000			87,948	187,948	10,788,145
Hayville State University	6,843,279	5,000			37,500	42,500	6,885,779
Minot State University	19,389,362	225,000		300,000		525,000	19,914,362
Valley City State University	8,970,252	175,000			250,000	425,000	9,395,252
NDSU-Bottineau	3,235,035						3,235,035
Forest Service	1,393,126		(101,018) ¹⁰	40,000		(61,018)	1,332,108
UND-Medical School	25,897,134		(167,375) ¹¹		39,660 ¹²	(127,707)	25,769,427
UND-Rehabilitation Hospital ¹³							
Total general fund - HB 1003	\$264,457,842	\$1,975,000	\$(2,282,859)	\$2,290,000	\$223,760	\$2,205,901	\$266,663,743

¹ Section 4 of the bill, which authorizes the Board of Higher Education to make line item transfers for agencies and institutions under its control, is amended to preclude the board from making transfers from any capital improvements line item.

² Provides capital improvement funding for:

System office - ADA projects - \$500,000
 Small campus projects - \$500,000
 Emergency capital improvement needs - \$200,000
 North Dakota State College of Science - Remodeling of Bute gym for use as an allied health center - This general fund appropriation is contingent on the State College of Science raising \$500,000 of matching funds for the project (either cash or pledges)
 Minot State University - Installation of an emergency exit in the west wing of Old Main
 Valley City State University - McFarland Hall project
 Forest Service - ADA and other projects

³ In the system office appropriation, the higher education contingency fund line item is reduced by \$25,000, from \$50,000 to \$25,000, the scholars program line item is reduced by \$133,000, from \$629,403 to \$496,403, and the professional student exchange program line item is increased by \$158,000, from \$1,168,756 to \$1,326,756.

⁴ Provides \$28,644 from the general fund for a .5 FTE facilities upkeep and maintenance position at UND-Lake Region.

⁵ Provides \$30,000 from the general fund for additional operating expense funding at UND-Williston.

⁶ Removes 13.44 FTE vacant positions at the University of North Dakota expected to be vacant for six months or more.

Removes 11.3 FTE vacant positions at North Dakota State University expected to be vacant for six months or more.

GENERAL FUND CHANGES

Provides \$87,948 from the general fund for operating costs of the Air Force facilities acquired by Dickinson State University as follows:

Salaries and wages	\$37,464 - Adds 1 FTE custodian position
Operating expenses	46,484
Equipment	<u>4,000</u>
Total	\$87,948

Provides \$37,500 from the general fund for additional salaries and wages funding for facility maintenance at Mayville State University.

- 10 Removes 1 FTE vacant position in the Forest Service expected to be vacant for six months or more.
- 11 Removes 2 FTE vacant positions at the UND-Medical School expected to be vacant for six months or more.
- 12 Provides funding for the fetal alcohol syndrome program at the UND-Medical Center as follows:

Salaries and wages	\$14,030
Operating expenses	<u>25,638</u>
Total general fund	\$39,668

- 13 Subdivision 15 of Section 1 of the bill, which contains the UND-Rehabilitation Hospital's 1995-97 special fund appropriation recommendation of \$27,487,008, is removed because the hospital has been leased to United Hospital of Grand Forks. United Hospital will now be operating the Rehabilitation Hospital.

A section is added authorizing the Board of Higher Education to contract with a private foundation to operate the North Dakota State Art Gallery at UND.

A section is added providing that the \$147,486 from the centennial trees program trust fund appropriated to the Forest Service for grants to be used for planting trees and other expenses associated with achieving the goal of planting 100 million trees by the year 2000.

REPORT OF STANDING COMMITTEE

HB 1006: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (18 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). HB 1006 was placed on the Sixth order on the calendar.

Page 1, line 2, after "laboratories" insert "and requiring the state department of health and consolidated laboratories to bill Indian health service for the cost of providing services on Indian reservations"

Page 1, line 11, replace "23,774,626" with "22,564,886"

Page 1, line 12, replace "31,488,874" with "31,384,002"

Page 1, line 13, replace "982,932" with "847,000"

Page 1, line 17, replace "100,000" with "100,000"

Page 1, remove line 18

Page 1, line 19, replace "75,314,297" with "70,863,753"

Page 1, line 20, replace "56,885,307" with "56,073,016"

Page 1, line 21, replace "18,428,990" with "14,790,737"

Page 2, line 13, replace "\$555,851" with "\$200,000"

Page 2, after line 22, insert:

"SECTION 6. HEALTH-RELATED SERVICES PROVIDED ON NORTH DAKOTA INDIAN RESERVATIONS. The state department of health and consolidated laboratories shall bill Indian health service for the cost of providing health-related services or activities on Indian reservations in North Dakota."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 301 - DEPARTMENT OF HEALTH AND CONSOLIDATED LABORATORIES

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	REMOVE VACANT POSITIONS	REINSTATE EXECUTIVE BUDGET REDUCTION FOR VACANT POSITIONS	EQUIPMENT REDUCTION	REMOVE HEALTH CARE PROGRAM	REMOVE REGISTRATION PROGRAM	TOTAL HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$23,774,626	\$(1,129,474)	\$218,533			\$(298,799)	\$(1,209,740)	\$22,564,886
Operating expenses	31,488,874					(104,872)	(104,872)	31,384,002
Equipment	982,932			\$(132,932)		(3,000)	(135,932)	847,000
Capital improvements	28,143							28,143
Grants	15,539,722							15,539,722
Abandoned motor vehicle	400,000							400,000
Physician loan program	100,000							100,000
Health care program	<u>3,000,000</u>				\$(3,000,000)		(3,000,000)	0
Total	\$75,314,297	\$(1,129,474)	\$218,533	\$(132,932)	\$(3,000,000)	\$(406,671)	\$(4,450,544)	\$70,863,753
Less estimated income	<u>56,885,307</u>	<u>(317,678)</u>		<u>(98,762)</u>		<u>(395,851)</u>	<u>(812,291)</u>	<u>56,073,016</u>
General fund	\$18,428,990	\$(811,796)	\$218,533	\$(34,170)	\$(3,000,000)	\$10,820	\$(3,638,253)	\$14,790,737
FTE	315	(12)	0			(5)	(17)	298

A new section is added to the bill requiring the department to bill Indian Health Service for the cost of health-related services provided on Indian reservations.

REPORT OF STANDING COMMITTEE

HB 1013: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1013 was placed on the Sixth order on the calendar.

Page 1, line 5, remove "out of any"

Page 1, remove line 6

Page 1, line 7, remove the first "and"

Page 1, line 11, replace "17,697,238" with "17,797,238"

Page 1, line 14, replace "all funds" with "special funds appropriation" and replace "20,589,626" with "20,689,626"

Page 1, remove lines 15 and 16

Page 1, line 18, replace "\$16,573,626" with "\$19,573,626"

Page 1, after line 21, insert:

SECTION 3. PAYMENTS TO HIGHWAY PATROL OFFICERS. Each patrol officer of the state highway patrol shall receive from funds appropriated in the field operations line item in section 1 of this Act an amount not to exceed one hundred twenty dollars per month for the biennium beginning July 1, 1995, and ending June 30, 1997. Such payments are in lieu of reimbursement for meals and other expenses, except lodging, while in travel status within the state of North Dakota or while at their respective home stations. Such amounts must be paid without the presentation of receipts or other memorandums at the time and in the same manner as salaries of members of the highway patrol are paid.

SECTION 4. LINE ITEM TRANSFERS. Upon approval of the emergency commission, the highway patrol may transfer between various line items in section 1 of this Act appropriation authority of up to ten percent of a given line item to adjust for changing circumstances in meeting established performance measures. Any further transfers must be approved by the budget section."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 504 - HIGHWAY PATROL

HOUSE - This amendment makes the following changes:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	FUNDING SOURCE CHANGE ¹	ADDITIONAL TROOPER POSITIONS	TOTAL CHANGES	HOUSE VERSION
Administration -	\$ 1,599,382			\$	\$ 1,599,382
Field operations	17,697,238		\$100,000 ²	100,000	17,797,238
Law enforcement training academy	770,204				770,204
Salary and benefit adjustment	<u>522,802</u>				<u>522,802</u>
Total	\$20,589,626	\$ 0	\$100,000	\$ 100,000	\$20,689,626
General fund	3,000,000	(3,000,000)		(3,000,000)	0
Special funds	<u>17,589,626</u>	<u>3,000,000</u>	<u>100,000</u>	<u>3,100,000</u>	<u>20,689,626</u>
Total	\$20,589,626	\$ 0	\$100,000	\$ 100,000	\$20,689,626
FTE	197		3	3	200

¹ Removes the \$3 million of general fund support for the Highway Patrol and increases funding from the highway fund by \$3 million, from \$16,573,626 to \$19,573,626.

² Provides \$100,000 of federal funds for three FTE Highway Patrol trooper positions.

A section is added authorizing the Highway Patrol to pay up to \$120 per month to each patrol officer in lieu of reimbursement for meals and other expenses. This section was inadvertently excluded from the printed bill.

A section is added authorizing the Highway Patrol to transfer funds between line items of up to 10 percent of the line item amount. Any further transfers require Budget Section approval. This section was inadvertently excluded from the printed bill.

REPORT OF STANDING COMMITTEE

HB 1014: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1014 was placed on the Sixth order on the calendar.

Page 1, line 14, replace "372,525,934" with "371,472,707"

Page 1, line 17, replace "449,544,734" with "448,491,507"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 801 - DEPARTMENT OF TRANSPORTATION

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	REMOVE VACANT POSITIONS ¹	TOTAL CHANGES	HOUSE VERSION
Administration	\$ 33,832,794			\$ 33,832,794
Motor vehicle	5,868,770			5,868,770
Drivers license	12,274,776			12,274,776
Highways	372,525,934	\$(1,053,227)	\$(1,053,227)	371,472,707
Fleet services	22,327,315			22,327,315
Salaries and benefit adjustment	<u>2,715,145</u>			<u>2,715,145</u>
Total special funds	\$449,544,734	\$(1,053,227)	\$(1,053,227)	\$448,491,507
Highway fund	\$176,654,043	\$ (577,959)	\$ (577,959)	\$176,076,084
Federal funds	243,054,116	(475,268)	(475,268)	242,578,848
Other special funds	<u>29,836,575</u>		<u>0</u>	<u>29,836,575</u>
Total special funds	\$449,544,734	\$(1,053,227)	\$(2,053,227)	\$448,491,507
FTE	1073	-16	-16	1057

¹ Reduces salaries and wages relating to the removal of 16 vacant FTE positions expected to be vacant for six months or more.

REPORT OF STANDING COMMITTEE

HB 1015: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1015 was placed on the Sixth order on the calendar.

Page 1, line 12, replace "2,385,832" with "2,347,125"

Page 1, line 13, replace "5,000,000" with "4,992,627"

Page 1, line 15, replace "7,443,200" with "7,397,120"

Page 1, line 16, replace "\$5,000,000" with "\$4,992,627"

Page 1, line 17, replace "estimated" with "total special funds appropriated"

Page 1, line 18, remove "income line item"

Page 1, line 20, after "grants" insert "and the administration of the oil and gas development impact grant program"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 226 - LAND DEPARTMENT

HOUSE - This amendment removes FTE positions anticipated to be vacant for six months or more. This amendment also removes the reference to the "estimated income line item" and replaces it with the "total special funds appropriated" to reflect the actual line items contained in the bill. This amendment also makes a correction in Section 2 allowing part of the \$4,992,627 appropriation to the Energy Development Impact Office to be used for the administration of the oil and gas development impact grant program, as has been done in past bienniums. The amendment is summarized as follows:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

(By program-based line item)

	1995-97 EXECUTIVE RECOMMENDATION	REMOVAL OF VACANT FTE POSITIONS	TOTAL CHANGES	HOUSE VERSION
Asset management	\$2,385,832	\$(38,707)	\$(38,707)	\$2,347,125
Energy Development Impact Office	5,000,000	(7,373)	(7,373)	4,992,627
Salary and benefit adjustment	<u>57,368</u>	<u> </u>	<u>0</u>	<u>57,368</u>
Total	\$7,443,200	\$(46,080)	\$(46,080)	\$7,397,120
General fund	\$ 0	\$ 0	\$ 0	\$ 0
Special funds	<u>7,443,200</u>	<u>(46,080)</u>	<u>(46,080)</u>	<u>7,397,120</u>
Total	\$7,443,200	\$(46,080)	\$(46,080)	\$7,397,120
FTE	20	-1	-1	19

(By object-code based line item)

	1995-97 EXECUTIVE RECOMMENDATION	REMOVAL OF VACANT FTE POSITIONS	TOTAL CHANGES	HOUSE VERSION
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Salaries and wages	\$1,643,264	\$(46,080)	\$(46,080)	\$1,597,184
Operating expenses	576,920			576,920
Equipment	62,090			62,090
Grants	5,110,926			5,110,926
Contingency	<u>50,000</u>	<u> </u>	<u> </u>	<u>50,000</u>
Total	\$7,443,200	\$(46,080)	\$(46,080)	\$7,397,120
General fund	\$ 0	\$ 0	\$ 0	\$ 0
Special funds	<u>7,443,200</u>	<u>(46,080)</u>	<u>(46,080)</u>	<u>7,397,120</u>
Total	\$7,443,200	\$(46,080)	\$(46,080)	\$7,397,120
FTE	20	-1	-1	19

REPORT OF STANDING COMMITTEE

HB 1017: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). HB 1017 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "and" with a semicolon and after "transfers" insert "; to amend and reenact subsection 2 of section 57-61-01.5 of the North Dakota Century Code, relating to deposits in the lignite research fund; to repeal section 14 of chapter 38 of the 1993 Session Laws, relating to transfers from the Bank of North Dakota; and to declare an emergency"

Page 2, line 3, replace "12,371,351" with "11,560,606"

Page 2, line 8, replace "23,936,358" with "23,125,613"

Page 2, line 24, replace "2,312,035" with "2,147,744"

Page 2, line 29, replace "22,806,799" with "22,642,508"

Page 3, line 2, replace "80,679,442" with "79,704,406"

Page 3, line 3, replace "105,368,628" with "104,393,592"

Page 3, line 25, after "during" insert "the"

Page 5, replace lines 22 through 27 with:

"SECTION 12. TRANSFERS. During the period of time beginning with the effective date of this Act and ending June 30, 1997, the industrial commission shall transfer to the state general fund up to \$31,900,000, an amount equivalent to the transfers not made but authorized by the fifty-third legislative assembly, and \$24,000,000 for the period beginning July 1, 1995, and ending June 30, 1997, from the earnings and accumulated and undivided profits of the Bank of North Dakota. The moneys shall be transferred in amounts and at such times as requested by the director of the office of management and budget.

If, by April 1, 1997, the director of the office of management and budget determines that a transfer is necessary for a July 1, 1997, general fund balance of \$10,000,000, an additional transfer of up to \$4,000,000 of earnings and accumulated and undivided profits at the request of the director of the office of management and budget shall be made to the general fund.

No transfers may be made that would reduce the Bank's capital structure below \$76,000,000.

If the revised projection for the July 1, 1997, general fund balance estimated by the director of the office of management and budget in November 1996 is \$30,000,000 or more, the Bank of North Dakota shall suspend such transfers to the general fund until the Bank's capital structure is \$100,000,000. Upon reaching a capitalization of \$100,000,000, the industrial commission may make further transfers at its discretion."

Page 6, after line 26, insert:

"SECTION 16. AMENDMENT. Subsection 2 of section 57-61-01.5 of the North Dakota Century Code is amended and reenacted as follows:

2. The state treasurer shall deposit in the lignite research fund, ~~fifty~~ seventy percent of the taxes collected and deposited subsequent to July 1, ~~1990~~ 1994, in the permanent trust fund established by section 21 of article X of the Constitution of North Dakota and shall, beginning in July 1991, no less than monthly, deposit in the lignite research fund ~~fifty~~ seventy percent of the taxes collected and deposited in the permanent trust fund. All moneys in the lignite research fund as well as any moneys received from federal and private sources for lignite research, development, and marketing, including interest on all such moneys, are hereby appropriated to the industrial commission, and may be spent only within limits of legislative appropriations, for the administration, development, and funding of the lignite research, development, and marketing program.

SECTION 17. REPEAL. Section 14 of chapter 38 of the 1993 Session Laws is repealed.

SECTION 18. EMERGENCY. Sections 12 and 17 of this Act are declared to be emergency measures."

Reumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 405 - INDUSTRIAL COMMISSION

HOUSE - This amendment amends subsection 2 of Section 57-61-01.5 of the North Dakota Century Code to make it compatible with the Constitution of North Dakota, as amended by the voters in the June 1994 primary election. The constitutional amendment passed by the voters in June 1994 allows for an additional 20 percent of the taxes collected and deposited in the permanent coal development trust fund during a biennium to be appropriated by the Legislative Assembly for clean coal demonstration projects approved by the Industrial Commission.

DEPARTMENT 471 - BANK OF NORTH DAKOTA

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	REMOVE VACANT POSITIONS	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$12,371,351	\$(810,745)	\$(810,745)	\$11,560,606
Operating expenses	9,945,307			9,945,307
Equipment	614,700			614,700
Capital improvements	205,000			205,000
Contingency	800,000			800,000

Total special funds	\$23,936,358	\$(810,745)	\$(810,745)	\$23,125,613
FTE	175	(7)	(7)	168

The amendment also repeals the Bank transfers to the general fund authorized by the Fifty-third Legislative Assembly. The amendment also provides for transfers in an amount equal to the transfers not made but authorized by the Fifty-third Legislative Assembly to be made to the general fund by June 30, 1997. The amount of the transfers not made but authorized is \$31.9 million. The amendment also reflects the \$2 million reduction in Bank transfers made in 1995 Senate Bill No. 2029.

The amendment also reduces the amount of the 1995-97 transfers from \$28 million to \$24 million and provides for an additional transfer of up to \$4 million if it is determined by April 1, 1997, that the general fund balance on July 1, 1997, will be less than \$10 million.

This amendment delays the transfer of funds from the Bank of North Dakota to the general fund as long as possible. The director of the Office of Management and Budget shall not request transfers until funds are necessary to maintain adequate cash needs of the general fund.

The amendment also provides that if the November 1996 projection for the July 1, 1997, general fund balance is \$30 million or more, Bank transfers to the general fund shall be suspended until the Bank's capital structure is \$100 million.

Total transfers to the general fund from the Bank are as follows:

	1993 SESSION LAWS AND 1995-97 EXECUTIVE RECOMMENDATION	THIS AMENDMENT	DIFFERENCE
1993-95 biennium transfers:			
Made through January 1995	\$14,100,000	\$14,100,000	\$ 0
Remaining balance	<u>33,900,000</u>	<u>0</u>	<u>(33,900,000)</u>
Total 1993-95 transfers	\$48,000,000	\$14,100,000	\$(33,900,000)
1995-97 biennium transfers	\$28,000,000	\$55,900,000*	\$ 27,900,000
Additional transfer	<u>0</u>	<u>4,000,000</u>	<u>4,000,000</u>
Total transfers	\$76,000,000	\$74,000,000	\$(2,000,000)

* The \$55,900,000 transfer to the general fund is as follows:

Original 1993-95 transfers	\$ 48,000,000
1995-97 transfers	24,000,000
Less:	
1993-95 transfers made through January 1995	(14,100,000)
SB 2029 effects on 1993-95 transfers	<u>(2,000,000)</u>
Total transfers	\$ 55,900,000

DEPARTMENT 473 - HOUSING FINANCE AGENCY

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	REMOVE VACANT POSITIONS	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$ 2,312,035	\$(164,291)	\$(164,291)	\$ 2,147,744
Operating expenses	602,937			602,937
Equipment	75,000			75,000
Grants	19,716,827			19,716,827
Contingency	<u>100,000</u>			<u>100,000</u>
Total special funds	\$22,806,799	\$(164,291)	\$(164,291)	\$22,642,508
FTE	32	(3)	(3)	29

DEPARTMENT 475 - MILL AND ELEVATOR ASSOCIATION

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	ADD BACK FTE POSITIONS NOT REQUESTED IN AGENCY BUDGET REQUEST ¹	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$10,765,469			\$10,765,469
Operating expenses	6,544,298			6,544,298
Contingency	250,000			250,000
Agriculture promotion	<u>50,000</u>	—	—	<u>50,000</u>
Total special funds	\$17,609,767	\$0	\$0	\$17,609,767
FTE	119	5	5	124

¹ Due to the K-mill conversion at the Mill and Elevator, the five FTEs not requested by the agency are being reinstated to the budget. This will keep the mill at the 1993-95 level of 124 FTEs.

REPORT OF STANDING COMMITTEE

HB 1018: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1018 was placed on the Sixth order on the calendar.

Page 1, line 22, replace "2,224,642" with "3,636,279"

Page 2, line 3, replace "5,394,297" with "6,805,934"

Page 2, line 4, replace "2,580,331" with "3,589,861"

Page 2, line 5, replace "2,813,966" with "3,216,073"

Page 2, line 8, replace "6,182,641" with "5,917,956"

Page 2, line 11, replace "298,321" with "598,321"

Page 2, line 13, replace "8,011,827" with "8,047,142"

Page 2, line 14, replace "4,164,057" with "3,581,166"

Page 2, line 15, replace "3,847,770" with "4,465,976"

Page 2, line 21, replace "362,700" with "550,700"

Page 2, line 23, replace "21,163,247" with "21,351,247"

Page 2, line 24, replace "2,637,864" with "2,825,864"

Page 2, line 28, replace "1,959,868" with "1,804,199"

Page 3, line 3, replace "7,010,441" with "6,854,772"

Page 3, line 8, replace "4,660,510" with "4,855,510"

Page 3, line 10, replace "6,824,322" with "7,019,322"

Page 3, line 11, replace "2,813,600" with "3,008,600"

Page 3, line 13, replace "29,750,053" with "30,770,366"

Page 3, line 14, replace "19,256,293" with "19,910,263"

Page 3, line 15, replace "49,006,346" with "50,680,629"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 532 - COMMUNITY SERVICES

HOUSE - This amendment increases operating expenses by \$1,411,637 for the day treatment program and the housing of violent juvenile offenders out of state as follows:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	HOUSING OF VIOLENT JUVENILES ¹	DAY TREATMENT PROGRAM ²	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$1,963,655				\$1,963,655
Operating expenses	2,224,642	\$800,000	\$611,637	\$1,411,637	3,636,279
Equipment	6,000				6,000
Grants	<u>1,200,000</u>				<u>1,200,000</u>
Total	\$5,394,297	\$800,000	\$611,637	\$1,411,637	\$6,805,934
General fund	\$2,813,966		\$402,107	\$ 402,107	\$3,216,073
Special funds	<u>2,580,331</u>	<u>\$800,000</u>	<u>209,530</u>	<u>1,009,530</u>	<u>3,589,861</u>
Total	\$5,394,297	\$800,000	\$611,637	\$1,411,637	\$6,805,934
FTE	27.50				27.50

¹ Federal Title IV A and other funds received from the Department of Human Services for the placement of violent juvenile offenders out of state.

² Funding for the day treatment program administered by the Community Services Division. Funding was previously received from the Department of Human Services and a corresponding decrease is anticipated for the Department of Human Services budget.

DEPARTMENT 533 - INDUSTRIAL SCHOOL

HOUSE - This amendment reduces salaries and wages by \$264,685 to remove four FTE positions which are anticipated to be vacant for six months or more and replaces other funds of \$701,400 with general fund authority due to the defeat of Senate Bill No. 2182, which would have allowed the Industrial School to charge local school districts for the cost of educating students at the Industrial School. This amendment also adds \$300,000 of anticipated federal corrections facility improvement funds to the State Industrial School capital improvements line item. The funds are to be used for electronic door locks in the Pine and Maple cottages, fire suppression sprinklers in the Hickory cottage, and the installation of lavatory facilities in the Brown cottage sleeping rooms. This amendment is summarized as follows:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	REMOVAL OF VACANT FTE POSITIONS	FUNDING SOURCE CHANGE	FEDERAL FUNDS FOR CAPITAL IMPROVEMENTS	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$6,188,641	\$(264,685)			\$(264,685)	\$5,917,956
Operating expenses	1,350,386					1,350,386
Equipment	80,479					80,479
Capital improvements	298,321			\$300,000	300,000	598,321
Institutional medical fees	<u>100,000</u>	<u> </u>	<u> </u>	<u> </u>	<u> </u>	<u>100,000</u>
Total	\$8,011,827	\$(264,685)	\$ 0	\$300,000	\$ 35,315	\$8,047,142
General fund	\$3,847,770	\$ (83,194)	\$ 701,400		\$ 618,206	\$4,465,976
Special funds	<u>4,164,057</u>	<u>(181,491)</u>	<u>(701,400)</u>	<u>\$300,000</u>	<u>(582,891)</u>	<u>3,581,166</u>
Total	\$8,011,827	\$(264,685)	\$ 0	\$300,000	\$ 35,315	\$8,047,142
FTE	86.77	(4)			(4)	82.77

DEPARTMENT 534 - STATE PENITENTIARY

HOUSE - This amendment adds \$188,000 of anticipated federal corrections facility improvement funds to the State Penitentiary capital improvements line item. The funds are to be used to construct a west guard tower. This amendment is summarized as follows:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	FEDERAL FUNDS FOR CAPITAL IMPROVEMENTS	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$13,765,642			\$13,765,642
Operating expenses	6,274,605			6,274,605
Equipment	60,300			60,300
Capital improvements	362,700	\$188,000	\$188,000	550,700
Institutional medical fees	700,000			700,000
Total	\$21,163,247	\$188,000	\$188,000	\$21,351,247
General fund	\$18,525,383			\$18,525,383
Special funds	<u>2,637,864</u>	<u>\$188,000</u>	<u>\$188,000</u>	<u>2,825,864</u>
Total	\$21,163,247	\$188,000	\$188,000	\$21,351,247
FTE	200		0	200

DEPARTMENT 535 - ROUGHRIDER INDUSTRIES

HOUSE - This amendment reduces salaries and wages by \$155,669 to remove two FTE positions anticipated to be vacant for six months or more. The amendment is summarized as follows:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	REMOVAL OF VACANT FTE POSITIONS	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$1,959,868	\$(155,669)	\$(155,669)	\$1,804,199
Operating expenses	4,779,573			4,779,573
Equipment	221,000			221,000
Capital Improvements	50,000			50,000
Total	\$7,010,441	\$(155,669)	\$(155,669)	\$6,854,772
General fund				\$ 0
Special funds	<u>\$7,010,441</u>	<u>\$(155,669)</u>	<u>\$(155,669)</u>	<u>6,854,772</u>
Total	\$7,010,441	\$(155,669)	\$(155,669)	\$6,854,772
FTE	25	(2)	(2)	23

DEPARTMENT 536 - PAROLE AND PROBATION

HOUSE - This amendment increases operating expenses by \$195,000 of federal funds for community offender services. This amendment is intended to provide the funds necessary to increase the number of local community service/restitution programs funded (output measure 203) from 12 programs in the 1993-95 biennium to 14 programs in the 1995-97 biennium. This output measure is listed under performance strategy number 02-01-03, which is to increase sentencing options available to judges so that offenders are held accountable for their actions. The amendment makes the following changes:

ANALYSIS OF HOUSE CHANGES TO THE 1995-97 EXECUTIVE BUDGET

	1995-97 EXECUTIVE RECOMMENDATION	LOCAL PROGRAM FUNDING	TOTAL CHANGES	HOUSE VERSION
Victims services	\$1,674,226			\$1,674,226
Institutional offender services	352,900			352,900
Community offender services	4,660,510	\$195,000	\$195,000	4,855,510
Salary and benefit adjustment	136,686			136,686
Total	\$6,824,322	\$195,000	\$195,000	\$7,019,322
General fund	\$4,010,722			\$4,010,722
Special funds	<u>2,813,600</u>	<u>\$195,000</u>	<u>\$195,000</u>	<u>3,008,600</u>
Total	\$6,824,322	\$195,000	\$195,000	\$7,019,322
FTE	46.75			46.75

REPORT OF STANDING COMMITTEE

HB 1369: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1369 was placed on the Sixth order on the calendar.

Page 1, line 4, replace "sections 32-03.2-01, 32-03.2-02, and" with "section"

Page 1, line 5, remove "comparative fault,"

Page 1, line 6, remove "assumption of risk, and"

Page 2, remove lines 12 through 29

Page 3, remove lines 1 through 26

Page 6, line 1, replace "Any federal statute" with "Federal statutes"

Page 6, line 3, replace "Any administrative regulation" with "Administrative regulations"

Page 6, line 4, replace the second "was" with "were"

Page 6, line 8, replace "Any premarket" with "Premarket"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1379: Human Services Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1379 was placed on the Sixth order on the calendar.

Page 1, line 7, after "Owner" insert "or board of directors member" and replace "For-profit companies" with "Companies"

Page 1, line 8, after "owners" insert "or members of a board of directors"

Page 1, line 9, after "owner" insert "or a member of a board of directors"

Page 1, line 17, after "owners" insert "or members of a board of directors"

Page 1, line 18, after the period insert "The compensation must be included as an allowable cost within each fiscal year's budget."

Page 1, line 19, after "For" insert "owners, members of a board of directors, and their"

Page 1, line 20, remove "highest"

Page 1, line 21, after "employee" insert ", with the same qualifications and experience,"

Page 1, line 22, after the period insert "The compensation paid must be included as an allowable cost within each fiscal year's budget."

Re-number accordingly

REPORT OF STANDING COMMITTEE

HB 1441: Industry, Business and Labor Committee (Rep. Berg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1441 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "four" with "a new section to chapter 6-03 and three"

Page 1, line 3, after "reenact" insert "sections 6-01-17, 6-01-17.2," and after "sections" insert "6-03-11,"

Page 1, line 4, remove "6-03-38," and after "6-07-04.2" insert a comma

Page 1, line 5, replace "57-35-04, and subsection 2 of section 57-35.1-01" with "57-35-02.1, and 57-35.2-02.2"

Page 1, after line 18, insert:

"SECTION 2. AMENDMENT. Section 6-01-17 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6-01-17. Yearly assessment of banks and interstate branches. Every state banking association and banking institution placed under the jurisdiction and control of the commissioner and the commissioner's deputy examiners by ~~the provisions of~~ this title, including the Bank of North Dakota, and every branch of an out-of-state depository institution established under chapter 6-08.3, shall pay a yearly assessment. This assessment is to be determined by the state banking board as necessary to fund that portion of the department's budget relating to the regulation of state-chartered banks and branches of out-of-state depository institutions. Assessment fees may not be computed on the combined assets of the bank and its trust department for those banks and branches exercising trust powers. Fees for the examination of the trust department must be computed in accordance with

section 6-05-28. The assessment must be paid to the state treasurer within thirty days of each June thirtieth. Institutions and branches that have not been examined by the commissioner or the state banking board for three years prior to any assessment date shall not be required to pay the assessment. The state treasurer shall report such payments of fees to the commissioner, and if any such corporation or institution ~~shall be~~ or branch is delinquent more than twenty days in making such payment, the board may make an order suspending the functions of such delinquent corporation or institution or branch until payment of the amount due. The commissioner may assess a penalty of five dollars for each day that the assessment fee is delinquent. All fees and penalties under this section must be paid to the state treasurer and deposited in the financial institutions regulatory fund.

SECTION 3. AMENDMENT. Section 6-01-17.2 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6-01-17.2. Additional assessment of banks and interstate branches. Where the commissioner determines that more than one visit, inspection, or examination is necessary to promote the safety and soundness of a state banking association or a branch of an out-of-state depository institution established under chapter 6-08.3 during a twelve-month period, ~~such the~~ the state banking association or branch shall pay to the state treasurer a fee for the time used by the commissioner or other person designated by the commissioner in supervising, filing, and corresponding in connection with each additional visit, inspection, or examination and report of examination and for time used by each deputy examiner, or other person ~~or persons~~ in making and otherwise preparing and typing the reports of examination herein provided for. Fees for ~~such the~~ the visit, inspection, or examination must be charged by the department of banking and financial institutions at an hourly rate to be set by the commissioner, sufficient to cover all reasonable expenses of the department associated with the visit, inspection, or examination provided for by this section. A state banking association or branch of an out-of-state depository institution shall pay such assessment or fee within ten days of receiving a billing from the commissioner. Fees must be deposited in the financial institutions regulatory fund. The state treasurer shall report ~~such the~~ the payments of fees to the commissioner, and if any ~~such~~ such corporation or institution or branch is delinquent more than twenty days in making ~~such the~~ the payment, the board may make an order suspending the functions of ~~such the~~ the delinquent corporation or institution or branch until payment of the amount due. The commissioner may assess a penalty of five dollars a day additional for the delay. The state banking board may waive or postpone the collection of this special assessment if ~~such the~~ the assessment would place an undue burden on the state banking association or branch."

Page 2, after line 29, insert:

"SECTION 5. AMENDMENT. Section 6-03-11 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6-03-11. Conversion, consolidation, or merger. Any two or more banking institutions as defined in section 6-01-02 or out-of-state depository institutions as defined in section 6-08.3-01 upon making application to the state banking board may consolidate or merge if authorized by the board into one banking institution under the charter of either existing banking institution on ~~such~~ such terms and conditions as lawfully ~~may be~~ may be agreed upon by a majority of the board of directors of each banking institution proposing to consolidate or merge subject to rules adopted by the state banking board. Before becoming final, ~~such the~~ the consolidation or merger must be ratified and confirmed by the vote of the shareholders of each ~~such~~ such banking institution owning at least two-thirds of its capital stock outstanding or, with respect to an

out-of-state depository institution the lesser percentage as may be required by the law governing the institution, at a meeting to be held on the call of the directors. Notice of such the meeting and of the purpose thereof must be given to each shareholder of record by registered or certified mail at least ten days prior to before the meeting. The shareholders may unanimously waive such the notice and may consent to such the meeting and consolidation or merger in writing. The capital stock and surplus of such the consolidated banking institution must may not be less than that required under this title for the organization of a banking institution of the class of the largest consolidating banking institution. Immediately after the consolidation or merger, a full report thereof including a statement of the assets and liabilities of the consolidated banking institution must be made to the commissioner by the surviving banking institution. Any banking institution may without approval by any state authority convert into or merge or consolidate with a national banking association as provided by federal law. Subject to chapter 6-08.3, any banking institution, without approval by any state authority, may convert into or merge or consolidate with an out-of-state depository as provided by federal law and, with respect to a state-chartered out-of-state depository institution, the law of the state in which its executive office is located. A national bank or an out-of-state depository institution proposing to merge into a state-chartered bank shall grant the commissioner discretionary authority to conduct an examination. The commissioner shall set fees for such the examination at an hourly rate sufficient to cover all reasonable expenses of the department of banking and financial institutions associated with the examination. Fees must be collected by the commissioner, transferred to the state treasurer, and deposited in the financial institutions' regulatory fund.

SECTION 6. A new section to chapter 6-03 of the North Dakota Century Code is created and enacted as follows:

Subsidiary depository institutions as agents. Any bank subsidiary of a bank holding company may receive deposits, renew time deposits, close loans, service loans, and receive payments on loans and any other obligations as an agent for a depository institution affiliate. Notwithstanding any other law, a bank acting as an agent under this section may not be considered to be a branch of the affiliate. However, a depository institution may not conduct any activity as an agent that it is prohibited from conducting as a principal under any federal or state law."

Page 4, remove lines 14 through 29

Page 5, remove lines 1 through 19

Page 10, line 18, after "limitation" insert "- Community reinvestment considerations", after the underscored period insert:

"1." and after the underscored comma insert "neither"

Page 10, line 20, after "company" insert "nor a depository institution or depository institution holding company whose home state is North Dakota and remove "not"

Page 10, line 27, replace "thirty" with "twenty-three" and after "deposits" insert "before August 1, 1996, and more than twenty-five percent of North Dakota deposits on or after August 1, 1996"

Page 11, line 3, replace "1. Community reinvestment compliance." with:

"2."

Page 11, line 9, replace "2. Exceptions." with:

"3."

Page 11, remove lines 19 through 28

Page 12, line 13, replace the first underscored comma with "and" and remove ", and 103".

Page 12, line 16, remove ", without regard to whether the branch is established de novo, by means"

Page 12, line 17, remove "of a merger or other consolidation transaction, or otherwise"

Page 13, after line 2, insert:

"SECTION 18. AMENDMENT. Section 57-35-02.1 of the North Dakota Century Code is amended and reenacted as follows:

57-35-02.1. Imposition of tax after merger or consolidation, or branching. Any banking institution or national bank that enters a consolidation or merger with one or more other such institutions or banks after June 30, 1987, shall continue to pay taxes due under this chapter after the consolidation or merger in the manner and on the basis taxes would have been paid had the consolidation or merger not occurred. If a bank establishes one or more separate facilities in this state pursuant to sections 6-03-13.1 through 6-03-13.3 after June 30, 1995, the bank shall pay taxes due under this chapter after the establishment of the separate facility or facilities in the manner and on the basis taxes would have been paid if the separate facility or facilities were created by merger or consolidation pursuant to section 6-03-14.1."

Page 13, remove lines 3 through 29

Page 14, remove lines 1 through 5

Page 14, after line 5, insert:

"SECTION 19. AMENDMENT. Section 57-35.2-02.2 of the North Dakota Century Code is amended and reenacted as follows:

57-35.2-02.2. Payment of taxes after merger or consolidation, or branching. Any banking institution or national bank that enters a consolidation or merger with one or more other such institutions or banks after June 30, 1987, shall continue to pay taxes due under this chapter after the consolidation or merger in the manner and on the basis taxes would have been paid had the consolidation or merger not occurred. If a bank establishes one or more separate facilities in this state pursuant to sections 6-03-13.1 through 6-03-13.3 after June 30, 1995, the bank shall pay taxes due under this chapter after the establishment of the separate facility or facilities in the manner and on the basis taxes would have been paid if the separate facility or facilities were created by merger or consolidation pursuant to section 6-03-14.1."

Page 14, line 12, replace "Sections 16 and 17 of this Act are" with "Section 13 of this Act becomes effective with respect to all consolidation transactions other than mergers or consolidations of depository institutions located in different states under section 18(c) of the Federal Deposit Insurance Act [12 U.S.C. 1828(c)] on August 1, 1995; section 13 becomes effective with respect to consolidation transactions involving the merger or consolidation of depository institutions located in different states on May 1, 1997; and

sections 4, 7, 8, 9, 10, and 17 of this Act become effective January 1, 1996"

Page 14, line 13, remove "effective for taxable years beginning after December 31, 1994"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1439: Judiciary Committee (Rep. Kretschmar, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (10 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1439 was placed on the Sixth order on the calendar.

Page 1, line 11, replace "may" with "shall"

Page 1, line 12, after "no" insert "that are selected by the affected entity and are licensed to practice law in this state"

Page 1, line 21, overstrike "Any" and after "such" insert "An"

Page 1, line 22, overstrike "at the pleasure of" and insert immediately thereafter "by" and after "general" insert "only if the assistant or special assistant attorney general is not licensed to practice law in this state"

Page 2, line 13, remove "and" and after "insurance" insert ", and the securities commissioner" and after "employ" insert "attorneys licensed to practice law in this state. The attorney general shall appoint as"

Page 2, line 14, replace "upon written appointment by the attorney general" with "the attorneys employed by those entities"

Renumber accordingly

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Martin presiding.

HOUSE ENGROSSING REPORT

The following bills were engrossed: HB 1008, HB 1038, HB 1155, HB 1165, HB 1168, HB 1289, HB 1316, HB 1347, HB 1363, HB 1365, HB 1375, HB 1381, HB 1399, HB 1428, HB 1486, and HB 1487.

HOUSE ENGROSSING REPORT

The following bill was reengrossed: Engrossed HB 1212.

SECOND READING OF HOUSE BILL

HB 1416: A BILL for an Act to amend and reenact section 54-35-01 of the North Dakota Century Code, relating to the composition of the North Dakota legislative council; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 71 YEAS, 24 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grosz; Gunter; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Martinson; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Schimke; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Speaker Martin

NAYS: Aarsvold; Boucher; Christenson; Coats; Delmore; Glassheim; Grumbo; Gulleston; Hanson; Huether; Kaldor; Kerzman; Kroeber; Laughlin; Mahoney; Maragos; Mutzenberger; Nichols; Oban; Sandvig; Schmidt; Sitz; Wentz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

Engrossed HB 1416 passed, the title was agreed to, and the emergency clause was declared carried.

SECOND READING OF HOUSE BILL

HB 1418: A BILL for an Act to amend and reenact section 32-12.1-08, subsection 3 of section 52-09-08, sections 57-15-06, 57-15-06.4, 57-15-06.6, 57-15-10.1, 57-15-27.2, 57-15-28.1, and 61-04.1-26 of the North Dakota Century Code, relating to increased county general fund levy authority and consolidation of several county mill levies into the general fund; and to repeal subsections 18, 19.1, 20, and 21 of section 57-15-06.7 of the North Dakota Century Code, relating to county mill levies.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 42 YEAS, 52 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Berg; Christenson; Coats; DeKrey; Delmore; DeWitz; Froseth; Galvin; Gerntholz; Glassheim; Grumbo; Gulleston; Howard; Jacobs; Johnson; Keiser; Kelsch; Kerzman; Klein; Koppelman; Kretschmar; Kroeber; Kunkel; Lloyd; Maragos; Monson; Mutzenberger; Nicholas; Oban; Olson; Retzer; Rydell; Sabby; Sandvig; Schmidt; Shide; Soukup; Stenehjem; Sveen; Thoreson; Wentz; Speaker Martin

NAYS: Aarsvold; Austin; Bateman; Belter; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; Delzer; Dorso; Drovdal; Freier; Gorder; Gorman; Grosz; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Huether; Kaldor; Kempenich; Kliniske; Laughlin; Mahoney; Martinson; Mickelson; Nichols; Nottestad; Payne; Poolman; Rennerfeldt; Schimke; Sitz; Skarphol; Svedjan; Thompson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Price

Engrossed HB 1418 was declared lost.

SECOND READING OF HOUSE BILL

HB 1426: A BILL for an Act to amend and reenact section 15-21-01 of the North Dakota Century Code, relating to gubernatorial appointment of the superintendent of public instruction; to repeal section 15-21-01.1 of the North Dakota Century Code, relating to the office of the superintendent of public instruction; and to provide a contingent 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 PASS, the roll was called and there were 69 YEAS, 26 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz;

Gorman; Grosz; Gunter; Hausauer; Holm; Howard; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Martinson; Mickelson; Monson; Nicholas; Nichols; Olson; Payne; Poolman; Price; Rennerfeldt; Rydell; Schimke; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Aarsvold; Boucher; Christenson; Coats; Delmore; Glassheim; Gorder; Grumbo; Guleson; Hanson; Henegar, K.; Huether; Kaldor; Kerzman; Kroeber; Laughlin; Mahoney; Mutzenberger; Nottestad; Oban; Retzer; Sabby; Sandvig; Schmidt; Sitz; Thompson

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

Engrossed HB 1426 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1465: A BILL for an Act relating to the deposit of the records of boards and commissions with the secretary of state.

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 19 YEAS, 76 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Boucher; Christenson; Coats; Delmore; Glassheim; Grumbo; Guleson; Hanson; Huether; Kaldor; Kroeber; Laughlin; Mahoney; Mutzenberger; Nichols; Oban; Sitz; Wilkie

NAYS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grosz; Gunter; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Martinson; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Speaker Martin

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

Engrossed HB 1465 was declared lost.

REPORT OF STANDING COMMITTEE

HB 1021: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (20 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1021 was placed on the Sixth order on the calendar.

Page 1, line 2, remove the second "and"

Page 1, line 3, after "funds" insert "; providing for the reallocation of funds; to provide for wage requirements for economic development projects; to create and enact a new chapter to title 10 of the North Dakota Century Code, relating to the establishment of the North Dakota development fund; to amend and reenact section 54-34.3-08 of the North Dakota Century Code, relating to patent and royalty rights of the North Dakota development fund; and to repeal chapter 10-30.3 of the North Dakota Century Code, relating to the North Dakota future fund"

Page 1, replace lines 12 through 14 with:

"Total economic development and finance operations \$15,435,462"

Page 1, line 15, replace "71,339" with "6,071,339"

Page 1, line 16, replace "9,734,123" with "9,364,123"

Page 1, line 17, after "the" insert "general fund"

Page 1, line 18, replace "\$2,718,750" with "\$3,218,750"

Page 1, line 19, replace "future" with "North Dakota development", after "fund" insert "for nonrural projects", and replace "\$1,500,000" with "\$1,454,000"

Page 1, after line 21, insert:

SECTION 3. REGIONAL RURAL DEVELOPMENT REVOLVING LOAN FUND TRANSFERS. The state treasurer shall transfer \$6,000,000 from the regional rural development revolving loan fund to the North Dakota development fund on July 1, 1995. Any loan and related interest of the regional rural development revolving loan fund is transferred to the North Dakota development fund on July 1, 1995, and is deemed to be an asset of the North Dakota development fund.

SECTION 4. NORTH DAKOTA DEVELOPMENT FUND ALLOCATIONS. Of the \$9,218,750 to be available in the North Dakota development fund, \$6,000,000 must be dedicated for the purpose of providing financial assistance, research and development assistance, and loans or equity or debt financing on a matching basis to new or expanding primary sector businesses in areas in the state which are not within five miles [8.05 kilometers] of any city with a population of more than eight thousand. These funds must be allocated for the benefit of each of the areas delineated as regions by executive order of the governor pursuant to section 54-40.1-02. The balance, or \$3,218,750, must be dedicated for projects in the other areas of the state. The director of the department of economic development and finance may reallocate up to twenty percent of any region's allocation to another region or regions for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 5. REALLOCATION OF ECONOMIC DEVELOPMENT FUNDS. The director of the department of economic development and finance may reallocate among the technology transfer, inc., fund and the North Dakota development fund for rural and nonrural development projects up to ten percent of the amounts appropriated for these purposes for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 6. NORTH DAKOTA FUTURE FUND TRANSFERS. Any moneys in the North Dakota future fund and any investment, contract, partnership, or any other business transaction of the North Dakota future fund is transferred to the North Dakota development fund on the effective date of this Act and is deemed to be an asset of the North Dakota development fund.

SECTION 7. ECONOMIC DEVELOPMENT FUNDS - WAGE REQUIREMENTS. Any political subdivision or economic development authority may adopt a minimum wage requirement for any new business or business expansion in which a majority of the capital is provided by the North Dakota development fund and their own local development funds. These wage requirements may be imposed on all or any portion of the employees and may exceed federal minimum wage requirements.

SECTION 8. A new chapter to title 10 of the North Dakota Century Code is created and enacted as follows:

Definitions. As used in this chapter, unless the context otherwise requires:

1. "Board of directors" means the board of directors of the corporation.
2. "Corporation" means the North Dakota development fund, incorporated, established under this chapter.
3. "North Dakota business" means a business owned by a North Dakota resident, partnership, association, corporation, or limited liability company domiciled in this state or a corporation or limited liability company, including a wholly owned subsidiary of a foreign corporation or limited liability company that does business primarily in this state or does substantially all of its production in this state.
4. "Primary sector business" means an individual, corporation, limited liability company, partnership, or association which through the employment of knowledge or labor, adds value to a product, process, or service that results in the creation of new wealth. The term includes tourism, but does not include production agriculture.

Purpose and fund uses.

1. It is the purpose of this chapter to create a statewide nonprofit development corporation that will have the authority to take equity positions in, to provide loans to, or to use other innovative financing mechanisms to provide capital for new or expanding businesses in this state, or relocating businesses to this state. The corporation's principal mission is the development and expansion of primary sector business in this state. The corporation may form additional corporations, limited liability companies, partnerships, or other forms of business associations in order to further its mission of primary sector economic development.
2. The exclusive focus of this corporation is business development in this state; however, it is not excluded from participation with other states or organizations in projects that have a clear economic benefit to state residents in the creation of jobs or secondary business. Emphasis should be to develop jobs that provide an income adequate to support a family above the poverty level.
3. Moneys in the development fund may be used to provide working capital or for financing the purchase of fixed assets, but not to refinance existing debt. Moneys may also be used to make matching grants to county-authorized or city-authorized development corporations for the acquisition, leasing, or remodeling of real estate facilities for locating a prospective new primary sector business. A grant must be made as part of a package of financing in which the state is a participant.
4. The director of the department of economic development and finance shall adopt rules, subject to the approval of the board of directors, necessary to implement the administration of the fund. The rules to implement the grant program must be developed to encourage local fundraising initiatives for developing locations for businesses financed by the corporation.

Organization. A board of directors shall manage the corporation. The board of directors shall adopt and amend articles of incorporation and bylaws consistent with the purposes detailed in this chapter. The board of directors consists of eight members who shall serve three-year terms. The terms must be staggered so that no more than three positions require reappointment in any one year. The governor shall appoint the members and shall only consider representatives who serve in executive capacities from the following areas in making the selections: private sector manufacturing, finance, exported services, including tourism, and industrial technology and research. There must be at least one member who is enrolled in a federally recognized North Dakota Indian tribe who need not serve in an executive capacity, the director of economic development and finance, and one member from a rural area, on the board of directors. Members may be reappointed for additional terms.

Powers. The corporation must be organized as a nonprofit corporation under chapter 10-24. In addition to the powers in chapter 10-24, the corporation may:

1. Cooperate and contract with any private or public entity.
2. Receive appropriations from the legislative assembly and other public moneys as well as contributions from other private or public contributors.

Management. The deputy director of the finance division of the department must be the chief executive officer of the corporation. The board of directors shall determine minimum qualifications of all other staff positions.

All investments, contracts, partnerships, limited liability companies, and business transactions of the corporation are the responsibility of the deputy director and the board of directors. The board may provide that normal operating costs anticipated in an approved budget may be incurred and paid without prior board approval.

Divestiture. The board of directors shall establish a policy for divesting the corporation's interest in any business when certain levels of profitability are obtained.

Confidentiality of corporation records. The following records of the corporation are confidential:

1. Commercial or financial information, whether obtained by the corporation directly or indirectly, of any entity in which an equity interest is purchased or considered for purchase, to which a loan has been made, or capital otherwise provided, under this chapter.
2. Internal or interagency memorandums or letters which would not be available by law to a party other than in litigation with the corporation.

Annual audit. The board of directors shall contract with a certified public accounting firm to audit annually the financial statements of the corporation in accordance with generally accepted auditing standards. The cost of the audit must be borne by the corporation.

Annual report. The corporation shall prepare and publish an annual report of its activities for the information of the governor, the legislative assembly, and the public. The report must include audited financial statements of the corporation for the fiscal year covered by the report and must specify:

1. The investment strategy and workplan approved by the board of directors.
2. The total investments made annually by the corporation in North Dakota businesses.
3. An estimate of jobs created and jobs preserved by investments of the corporation in North Dakota businesses.

North Dakota development fund - Continuing appropriation. The North Dakota development fund is established from moneys appropriated from the general fund and transfers from other funds. This is a revolving fund, and all moneys transferred into the fund, interest upon fund moneys, and payments to the fund are hereby appropriated for the purposes of this chapter. This fund is not subject to section 54-44.1-11.

SECTION 9. AMENDMENT. Section 54-34.3-08 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-34.3-08. Patents. The department of economic development and finance, technology transfer, incorporated, the North Dakota ~~future~~ development fund, incorporated, and the North Dakota agricultural products utilization commission may hold or assign for remuneration all or a portion of their interest in patents or royalty rights acquired in the course of their operation and performance of duties as provided by law.

SECTION 10. REPEAL. Chapter 10-30.3 of the 1993 Supplement to the North Dakota Century Code is repealed."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 601 - ECONOMIC DEVELOPMENT AND FINANCE

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE BUDGET	REMOVE VACANT POSITIONS	REMOVE ADDITIONAL POSITIONS	DEVELOPMENT FUND CHANGES	OPERATING EXPENSE REDUCTION	TOTAL HOUSE CHANGES	HOUSE RECOMMENDATION
GENERAL FUND							
Department operations	\$5,015,373	\$(157,698)	\$ (66,302)		\$(100,000)	\$ (324,000)	\$ 4,691,373
Future fund	2,718,750			\$(2,718,750)		(2,718,750)	0
North Dakota development fund - nonrural projects				3,218,750		3,218,750	3,218,750
Technology Transfer, Inc.	1,500,000		(46,000)			(46,000)	1,454,000
General allocation	<u>500,000</u>			<u>(500,000)</u>		<u>(500,000)</u>	<u>0</u>
Total general fund	\$9,734,123	\$(157,698)	\$(112,302)	\$ 0	\$(100,000)	\$ (370,000)	\$ 9,364,123
OTHER FUNDS							
North Dakota development fund - rural projects (a transfer from the regional rural development revolving loan fund)				\$ 6,000,000		\$ 6,000,000	\$ 6,000,000
Other special funds	\$ 71,339						71,339
Total special funds	\$ 71,339			\$ 6,000,000		\$ 6,000,000	\$ 6,071,339
Grand total appropriations - HB 1021	\$9,805,462	\$(157,698)	\$(112,302)	\$ 6,000,000	\$(100,000)	\$ 5,630,000	\$15,435,462
FTE positions	30	(2)	(2)				26

This amendment also:

Establishes a North Dakota development fund.

Transfers \$3,218,750 from the general fund to the North Dakota development fund.

Transfers \$6 million from the regional rural development revolving loan fund to the North Dakota development fund.

The total provided for the North Dakota development fund of \$9,218,750 is to be allocated \$6,000,000 for rural development and \$3,218,750 for nonrural development.

Allows the director of economic development and finance to reallocate up to 20 percent of any region's project funding to another region or regions.

Allows the director of economic development and finance to reallocate among Technology Transfer, Inc., and the North Dakota development fund rural and nonrural projects up to 10 percent of the appropriations.

Provides for wage requirements for economic development projects.

Repeals North Dakota Century Code Chapter 10-30.3 regarding the North Dakota Future Fund.

REPORT OF STANDING COMMITTEE

HB 1121: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO NOT PASS (19 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1121 was placed on the Sixth order on the calendar.

Page 1, line 22, overstrike "thirty-five cents per mile based upon air mileage" and insert immediately thereafter "coach rate or the lowest available fare"

Page 2, line 19, after "payable" insert "either monthly or", remove the overstrike over "~~every six months~~", and replace "monthly" with "at the member's option"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 150 - LEGISLATIVE ASSEMBLY

HOUSE - This amendment allows legislators the option of receiving payment for their monthly compensation each month or every six months.

In addition, this amendment replaces the 35-cent-per-mile limitation for legislators' reimbursement for travel by common carrier during a legislative session with a limitation of coach rate or the lowest available fare.

REPORT OF STANDING COMMITTEE

HB 1131, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (19 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1131 was placed on the Sixth order on the calendar.

Page 1, line 4, replace "declare an emergency" with "provide an expiration date"

Page 1, line 20, replace "cost" with "costs"

Page 2, after line 8, insert:

"SECTION 2. AMENDMENT. Section 29-26-22 of the North Dakota Century Code is amended and reenacted as follows:

29-26-22. Judgment for fines, costs, and court administration fee - Statement to be filed by court - Docketing and enforcement. In all criminal cases of conviction upon a plea or finding of guilt, a court administration fee of up to ~~twenty-five~~ thirty percent of the maximum allowable fine for the offense may be taxed against the defendant in lieu of the assessment of court costs. If the court does assess costs as part of its sentence, the court shall include in the judgment the facts justifying the amount assessed. ~~When a fine is imposed and suspended or the imposition of a sentence is deferred under subsection 4 of section 12-1-32-02, the court administration fee may be taxed against the defendant and twenty-five percent of the fee collected must be added to the fund for the maintenance of common schools pursuant to section 2 of article IX of the Constitution of North Dakota~~ District court costs, administration fees, and forfeitures must be deposited in the state general fund. A judgment that the defendant pay a fine, costs, or court administration fee, or any combination thereof, may be docketed, and thereafter constitutes a lien upon the real estate of the defendant in like manner as a judgment for money rendered in a civil action. The court may allow the defendant to pay any assessed costs or administrative fee in installments. When a defendant is assessed costs or administrative fees, the court may not

impose at the same time an alternative sentence to be served if the costs are not paid."

Page 3, line 4, replace "This" with "Section 2 of this"

Page 3, line 5, replace "1995" with "1997"

Page 3, replace lines 6 and 7 with:

"SECTION 6. EXPIRATION DATE. Section 1 of this Act is effective through June 30, 1997, and after that date is ineffective."

Renumber accordingly

SECOND READING OF HOUSE BILL

HB 1479: A BILL for an Act relating to landfill capacity limits and a solid waste management committee; to provide an effective date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and is PLACED ON THE CALENDAR WITHOUT RECOMMENDATION, the roll was called and there were 40 YEAS, 54 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Boucher; Carlisle; Christenson; Coats; Delmore; Drovdal; Galvin; Gerntholz; Glassheim; Gorder; Grumbo; Gulleson; Hanson; Henegar, K.; Huether; Kaldor; Keiser; Kerzman; Koppelman; Kroeber; Laughlin; Mahoney; Maragos; Mickelson; Mutzenberger; Nichols; Oban; Price; Retzer; Sabby; Sandvig; Schimke; Schmidt; Sitz; Sveen; Thompson; Wentz; Wilkie; Speaker Martin

NAYS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Freier; Froseth; Gorman; Grosz; Gunter; Holm; Howard; Jacobs; Johnson; Kelsch; Kempenich; Klein; Kliniske; Kretschmar; Kunkel; Lloyd; Martinson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Rennerfeldt; Rydell; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner

ABSENT AND NOT VOTING: Dobrinski; Hagle; Hausauer; Henegar, D.

Engrossed HB 1479 was declared lost.

SECOND READING OF HOUSE BILL

HB 1501: A BILL for an Act to create and enact a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to exceptions from categories of positions in the state service; and to amend and reenact sections 54-44.3-03, 54-44.3-07, and 54-44.3-12.2 of the North Dakota Century Code, relating to the composition and duties of the state personnel board and appeal procedures for state employee complaints.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 69 YEAS, 26 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grosz; Gulleson; Gunter; Hausauer; Holm; Howard; Huether; Jacobs; Johnson; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Mickelson; Monson; Nicholas;

Nottestad; Olson; Payne; Poolman; Rennerfeldt; Sabby; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjelm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Speaker Martin

NAYS: Aarsvold; Boucher; Carlisle; Christenson; Coats; Delmore; Glassheim; Grumbo; Hanson; Henegar, K.; Kaldor; Keiser; Kerzman; Kroeber; Laughlin; Mahoney; Martinson; Mutzenberger; Nichols; Oban; Price; Retzer; Rydell; Sandvig; Wentz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

Engrossed HB 1501 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1502: A BILL for an Act to amend and reenact subsection 12 of section 63-01.1-02 of the North Dakota Century Code, relating to the definition of noxious weeds and pests.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 82 YEAS, 13 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Carlisle; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dorso; Drovdal; Freier; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Gullerson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kroeber; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Nicholas; Nichols; Nottestad; Olson; Poolman; Price; Retzer; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjelm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wilkie; Speaker Martin

NAYS: Byerly; Carlson; Froseth; Grumbo; Huether; Kretschmar; Kunkel; Mutzenberger; Oban; Payne; Rennerfeldt; Rydell; Wentz

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

Engrossed HB 1502 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1352: A BILL for an Act to provide an appropriation for defraying expenses of the North Dakota university system and the various agencies and institutions under the supervision of the state board of higher education.

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 24 YEAS, 71 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Christenson; Clark; Clayburgh; Coats; Delmore; Glassheim; Grumbo; Kaldor; Keiser; Kelsch; Kerzman; Kliniske; Kroeber; Maragos; Martinson; Mutzenberger; Oban; Poolman; Price; Rydell; Sandvig; Stenehjelm; Sveen

NAYS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlson; Carlisle; Carlson; Christopherson; Dalrymple; DeKrey; Delzer;

DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grosz; Gulleson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kempenich; Klein; Koppelman; Kretschmar; Kunkel; Laughlin; Lloyd; Mahoney; Mickelson; Monson; Nicholas; Nichols; Nottestad; Olson; Payne; Rennerfeldt; Retzer; Sabby; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Svedjan; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.

HB 1352 was declared lost.

SECOND READING OF HOUSE BILL

HB 1442: A BILL for an Act to require a minimum ending balance for the state general fund.

ROLL CALL

The question being on the final passage of the bill, which has been read, and is PLACED ON THE CALENDAR WITHOUT RECOMMENDATION, the roll was called and there were 32 YEAS, 62 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Bateman; Berg; Bernstein; Boehm; Boucher; Christenson; Coats; Delmore; Delzer; Dorso; Galvin; Grosz; Gulleson; Gunter; Hausauer; Jacobs; Keiser; Kretschmar; Kroeber; Lloyd; Monson; Payne; Poolman; Retzer; Sandvig; Schimke; Schmidt; Thoreson; Tollefson; Torgerson; Walker; Wilkie

NAYS: Aarsvold; Austin; Belter; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; DeWitz; Drovdal; Freier; Froseth; Gerntholz; Glassheim; Gorder; Gorman; Grumbo; Hanson; Henegar, K.; Holm; Howard; Huether; Johnson; Kaldor; Kelsch; Kempenich; Kerzman; Kliniske; Koppelman; Kunkel; Laughlin; Mahoney; Maragos; Martinson; Mickelson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Price; Rennerfeldt; Rydell; Sabby; Shide; Sitz; Skarphol; Soukup; Stenehem; Svedjan; Sveen; Thompson; Timm; Wald; Wardner; Wentz; Speaker Martin

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Klein

HB 1442 was declared lost.

SECOND READING OF HOUSE BILL

HB 1038: A BILL for an Act to create and enact a new section to chapter 15-35 of the North Dakota Century Code, relating to the inspection of schools; to amend and reenact subsection 1 of section 15-35-01.1 and section 18-01-14 of the North Dakota Century Code, relating to the approval of school construction and renovation plans and the abatement of fire hazards; and to provide for legislative intent regarding a joint safety and inspection program for schools.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 46 YEAS, 48 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Berg; Boucher; Carlisle; Christenson; Coats; Dalrymple; Delmore; DeWitz; Freier; Gerntholz; Glassheim; Grumbo; Gulleson; Hanson; Henegar, K.; Howard; Huether; Johnson; Kaldor; Keiser; Kelsch; Kerzman; Klein; Kliniske; Kretschmar; Kroeber; Kunkel; Laughlin; Mickelson; Mutzenberger; Nicholas; Nottestad; Oban; Poolman;

Price; Rydell; Sandvig; Schmidt; Sveen; Tollefson; Wald; Wardner; Wilkie; Speaker Martin

NAYS: Bateman; Belter; Bernstein; Boehm; Brown; Byerly; Carlson; Christopherson; Clark; Clayburgh; DeKrey; Delzer; Dorso; Drovdal; Froseth; Galvin; Gorder; Gorman; Grosz; Gunter; Hausauer; Holm; Jacobs; Kempenich; Koppelman; Lloyd; Mahoney; Maragos; Monson; Nichols; Olson; Payne; Rennerfeldt; Retzer; Sabby; Schimke; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Thompson; Thoreson; Timm; Torgerson; Walker; Wentz

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson

Engrossed HB 1038 was declared lost.

SECOND READING OF HOUSE BILL

HB 1155: A BILL for an Act to create and enact chapter 26.1-33.1 of the North Dakota Century Code, relating to viatical settlements.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 88 YEAS, 6 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; DeImore; Delzer; DeWitz; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gullerson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Dorso; Payne; Poolman; Price; Wald; Walker

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson

Engrossed HB 1155 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1168: A BILL for an Act to create and enact a new section to chapter 53-06.1 of the North Dakota Century Code, relating to interest and penalty for licensed gaming organizations; to amend and reenact section 53-06.1-01, subsection 2 of section 53-06.1-01.1, sections 53-06.1-02, 53-06.1-03, 53-06.1-03.1, 53-06.1-03.2, 53-06.1-03.3, 53-06.1-05.1, 53-06.1-06, 53-06.1-06.1, 53-06.1-07, 53-06.1-07.1, 53-06.1-07.2, 53-06.1-07.3, 53-06.1-08, 53-06.1-09, 53-06.1-10, 53-06.1-10.1, 53-06.1-11, 53-06.1-11.1, 53-06.1-12, 53-06.1-12.1, 53-06.1-12.2, 53-06.1-13, 53-06.1-14, 53-06.1-15, 53-06.1-15.1, 53-06.1-15.2, 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 definitions under the games of chance laws, qualifications of gaming commission members, use of net proceeds, allowable games and prize limitations, conditional site authorization, two organizations conducting games on a site, license fees, rent limits, regulation of the number of twenty-one tables and sites, persons restricted from being involved in gaming equipment, history background checks, local work permits, allowed games of chance,

limitations on hours and participation in games, poker, calcuttas, punchboards, pull tabs, sports pools, twenty-one, raffles, gross proceeds and expenses, organizations using money in certain political activities, gaming taxes, deposits, examination of books and records, distributors and manufacturers, form and display of a license and local permit, reimbursing the attorney general for inspection costs, the statute of limitations, conditional licenses, violation of a law or rule, thefts and fraudulent schemes, ineligibility for local permits and rules; to repeal sections 53-06.1-02.1, 53-06.1-04, 53-06.1-05, and 53-06.1-08.1 of the North Dakota Century Code, relating to waiver of the two-year activity requirement for local permits, local permits, and pull tab prizes; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 85 YEAS, 8 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dorso; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Payne; Poolman; Price; Rennerfeldt; Rydell; Sabby; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wilkie; Speaker Martin

NAYS: Bernstein; Christenson; Drovdal; Gorder; Olson; Retzer; Sandvig; Svedjan

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Wentz

Engrossed HB 1168 passed and the title was agreed to.

MOTION

REP. DORSO MOVED that the House stand in recess until 3:25 p.m., which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1001: Appropriations Committee (Rep. Dalrymple, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). HB 1001 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to create and enact sections 23-12-10.4 and 48-08-04.1 of the North Dakota Century Code, relating to smoking in state-owned or leased buildings and control over certain legislative committee rooms; to provide for a technology applications committee of members from the budget section;"

Page 1, line 13, replace "4,345,789" with "4,013,977"

Page 1, line 14, replace "1,857,319" with "2,189,131"

Page 2, after line 14, insert:

"**SECTION 3.** Section 23-12-10.4 of the North Dakota Century Code is created and enacted as follows:

23-12-10.4. Smoking in state buildings prohibited. Smoking is prohibited in every building or other enclosed structure owned or leased by the state, its agencies, or its institutions. A smoking area may not be designated within a building or other enclosed structure owned or leased by the state, its agencies, or institutions. This section does not apply to private areas in university- or college-owned housing or to outdoor arenas or other open-air outdoor facilities.

SECTION 4. Section 48-08-04.1 of the North Dakota Century Code is created and enacted as follows:

48-08-04.1. Control over certain legislative committee rooms. The legislative study room located west of the senate chamber on the first floor of the legislative wing of the state capitol is designated as a committee room under the jurisdiction of the senate during a legislative session. The Red River room on the ground floor of the state capitol is a committee room under the jurisdiction of the house of representatives during a legislative session.

SECTION 5. INTERIM TECHNOLOGY APPLICATIONS COMMITTEE. It is the intent of the legislative assembly that the legislative council appoint a technology applications committee during the 1995-96 interim from members of the budget section. The technology applications committee shall make recommendations on expenditures for and installation of computers for the legislative assembly."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 150 - LEGISLATIVE ASSEMBLY

HOUSE - Funding of up to \$995,644 may be used to begin converting the legislative branch computer system to a personal computer-based system which when completed will include providing a portable personal computer for each legislator and a wireless local area network for accessing legislative data systems. Funding included in the operating expenses line item is provided by:

Reallocating funding relating to the estimated number of legislative days provided for the 1997 legislative session. The estimated number is reduced by 12 legislative days, from 77 to 65 which provides \$550,644 (\$331,812 from salaries and wages and \$218,832 from operating expenses).

Reallocating mainframe program maintenance and enhancement and central processing unit funding if available of up to \$445,000 for the 1997 legislative session due to the installation of the personal computer-based system.

A section is added prohibiting smoking in buildings owned or leased by the state.

A section is added designating the legislative study room located west of the Senate chamber as a Senate committee room and the Red River Room as a House committee room during legislative sessions.

A section is added providing for a Legislative Council interim Technology Applications Committee with members from the Budget Section.

REPORT OF STANDING COMMITTEE

HB 1461, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 10 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1461 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "a" with "two" and replace "section" with "sections"

Page 1, line 3, after "licensure" insert "and the development of annual licensure fees"

Page 3, line 15, after "services" insert ", including meal preparation"

Page 3, remove lines 16 through 20

Page 3, line 21, replace "c" with "b"

Page 3, line 23, replace "d" with "c"

Page 3, line 24, replace the underscored comma with an underscored period

Page 3, remove lines 25 and 26

Page 3, line 27, replace "e" with "d"

Page 3, line 28, replace "f" with "e"

Page 4, line 5, remove ", which is exempted from licensure"

Page 4, remove line 6

Page 4, line 7, remove "this Act"

Page 7, after line 7, insert:

"SECTION 4. A new section to chapter 23-17.3 of the North Dakota Century Code is created and enacted as follows:

Department shall adopt fee schedule. The department shall adopt a schedule of annual licensure fees to generate funding to be used to pay for the cost of surveys required under this chapter."

Renumber accordingly

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Martin presiding.

SECOND READING OF HOUSE BILL

HB 1289: A BILL for an Act to create and enact two new sections to chapter 10-30.4 of the North Dakota Century Code, relating to the establishment of the technology transfer economic development fund and the authority of technology transfer, incorporated; to amend and reenact sections 4-01-19, 6-09.10-02.1, 10-30.3-11, and 10-30.4-03 of the North Dakota Century Code, relating to an agriculture marketing bureau, the duties of the credit review board, the income level requirement of the North Dakota future fund, and the organization and management of technology transfer, incorporated; to provide a continuing appropriation; to provide an effective date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 65 YEAS, 28 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; Dorso; Drowdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Gunter; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Kretschmar; Kunkel; Lloyd; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Schmidt; Shide; Skarphol; Soukup; Stenehjem; Svedjan;

Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Speaker Martin

NAYS: Aarsvold; Bernstein; Boucher; Christenson; Coats; DeKrey; Delmore; Delzer; DeWitz; Glassheim; Grosz; Grumbo; Gulleson; Hanson; Kaldor; Kerzman; Koppelman; Kroeber; Laughlin; Mahoney; Maragos; Mutzenberger; Nichols; Oban; Sandvig; Schimke; Sitz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1289 passed, the title was agreed to, and the emergency clause failed.

SECOND READING OF HOUSE BILL

HB 1316: A BILL for an Act to create and enact a new chapter to title 23 of the North Dakota Century Code, relating to regulation of access of minors to tobacco; to amend and reenact sections 12.1-31-03 and 57-36-04 of the North Dakota Century Code, relating to the sale of tobacco products to minors and licensure for the sale of tobacco products; and to provide a penalty.

MOTION

REP. MARAGOS MOVED the previous question, which motion prevailed.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 48 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bernstein; Boucher; Byerly; Christenson; Dalrymple; Delmore; Drovda; Gerntholz; Glassheim; Gorder; Grumbo; Gulleson; Gunter; Hanson; Huether; Jacobs; Kaldor; Keiser; Kerzman; Kliniske; Koppelman; Kroeber; Laughlin; Lloyd; Maragos; Mutzenberger; Nichols; Nottestad; Oban; Price; Retzer; Rydell; Sandvig; Schmidt; Shide; Sitz; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Wentz; Wilkie

NAYS: Austin; Bateman; Belter; Berg; Boehm; Brown; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Coats; DeKrey; Delzer; DeWitz; Dorso; Freier; Froseth; Galvin; Gorman; Grosz; Hausauer; Henegar, K.; Holm; Howard; Johnson; Kelsch; Kempenich; Klein; Kretschmar; Kunkel; Mahoney; Mickelson; Monson; Nicholas; Olson; Payne; Poolman; Rennerfeldt; Schimke; Skarphol; Soukup; Stenehjem; Timm; Wald; Walker; Wardner; Speaker Martin

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1316 was declared lost.

SECOND READING OF HOUSE BILL

HB 1347: A BILL for an Act to create and enact three new sections to chapter 26.1-36 of the North Dakota Century Code, relating to limits on preexisting conditions, renewability of insurance coverage, and modified community rating for accident and health insurance; and to amend and reenact subsection 5 of section 26.1-36-05, subsection 4 of section 26.1-36-22, subsection 11 of section 26.1-36.3-01, and subsection 1 of section 26.1-36.3-04 of the North Dakota Century Code, relating to the applicable period for an exclusion or limitation, coverage for dependents, premium rates, and loss ratios for accident and health insurance.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 49 YEAS, 43 NAYS, 0 EXCUSED, 6 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Belter; Boucher; Christenson; Christopherson; Clark; Coats; Dalrymple; Delmore; Glassheim; Grosz; Grumbo; Gullerson; Hausauer; Huether; Johnson; Kaldor; Kelsch; Kerzman; Klein; Kliniske; Kroeber; Kunkel; Laughlin; Maragos; Mickelson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Poolman; Price; Rennerfeldt; Rydell; Sandvig; Schmidt; Shide; Sitz; Soukup; Stenehjem; Svedjan; Sveen; Timm; Tollefson; Wentz; Wilkie; Speaker Martin

NAYS: Bateman; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Gunter; Hanson; Henegar, K.; Holm; Howard; Jacobs; Keiser; Kempenich; Koppelman; Kretschmar; Lloyd; Mahoney; Monson; Olson; Payne; Retzer; Schimke; Skarphol; Thompson; Thoreson; Torgerson; Wald; Walker; Wardner

ABSENT AND NOT VOTING: Clayburgh; Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1347 was declared lost for want of a Constitutional majority.

SECOND READING OF HOUSE BILL

HB 1365: A BILL for an Act to amend and reenact subsection 2 of section 53-06.2-11 of the North Dakota Century Code, relating to uses of racing funds in excess of expenses.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 7 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorman; Grosz; Grumbo; Gullerson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Rydell; Schimke; Schmidt; Sitz; Skarphol; Soukup; Stenehjem; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Christenson; Gorder; Koppelman; Retzer; Sandvig; Shide; Svedjan

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1365 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1381: A BILL for an Act to amend and reenact subsection 21 of section 43-17-31 of the North Dakota Century Code, relating to grounds for disciplinary action by the state board of medical examiners.

MOTION

REP. AUSTIN MOVED the previous question, which motion prevailed.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 35 YEAS, 58 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Bateman; Boehm; Brown; Carlisle; Christenson; Coats; DeKrey; DeWitz; Froseth; Galvin; Glassheim; Gorder; Gulleston; Henegar, K.; Holm; Jacobs; Kerzman; Koppelman; Lloyd; Mahoney; Maragos; Mickelson; Oban; Sandvig; Schimke; Schmidt; Sitz; Skarphol; Thompson; Tollefson; Torgerson; Wald; Walker; Wentz; Speaker Martin

NAYS: Aarsvold; Austin; Belter; Berg; Bernstein; Boucher; Byerly; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; Delmore; Delzer; Dorso; Drovdal; Freier; Gerntholz; Gorman; Grosz; Grumbo; Gunter; Hanson; Hausauer; Howard; Huether; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Klein; Kliniske; Kretschmar; Kroeber; Kunkel; Laughlin; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Shide; Soukup; Stenehjem; Svedjan; Sveen; Thoreson; Timm; Wardner; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1381 was declared lost.

SECOND READING OF HOUSE BILL

HB 1399: A BILL for an Act limiting claims by community service workers.

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 56 YEAS, 37 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Clark; Delzer; Drovdal; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grosz; Grumbo; Gulleston; Gunter; Henegar, K.; Holm; Huether; Jacobs; Kaldor; Keiser; Klein; Koppelman; Laughlin; Lloyd; Monson; Nichols; Nottestad; Olson; Price; Rennerfeldt; Retzer; Rydell; Schimke; Shide; Sitz; Skarphol; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Belter; Boucher; Christenson; Christopherson; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; DeWitz; Dorso; Freier; Gorman; Hanson; Hausauer; Howard; Johnson; Kelsch; Kempenich; Kerzman; Kliniske; Kretschmar; Kroeber; Kunkel; Mahoney; Maragos; Mickelson; Mutzenberger; Nicholas; Oban; Payne; Poolman; Sandvig; Schmidt; Soukup; Stenehjem; Svedjan

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1399 passed and the title was agreed to.

MOTION

REP. CLAYBURGH MOVED that the House reconsider its action whereby HB 1347 failed to pass for want of a Constitutional majority.

REQUEST

REP. CLAYBURGH REQUESTED a verification vote on the motion to reconsider the action whereby HB 1347 failed to pass for want of a Constitutional majority, which request was granted.

The motion that the House reconsider its action whereby HB 1347 failed to pass for want of a Constitutional majority failed on a verification vote.

POINT OF PERSONAL PRIVILEGE

REP. BELTER: Mr. Speaker: I rise on a point of personal privilege.

REMARKS OF REPRESENTATIVE BELTER

Today it was brought to our attention that we had an example of a state agency using state funds to lobby for a bill. I would hope that the legislative branch of government would come down hard on this type of abuse. We have talked about ethics and misuse of government funds - this is an example. It was stated that the agency should be applauded for their actions. I realize that there is a philosophical difference between the house majority and minority on how to govern best. But woe the day we relinquish our legislative responsibilities to state agencies. We represent the people, and if we allow state agencies to influence legislators other than through the legislative hearing process, we will have abdicated our constitutional responsibility. I hope we stop this abuse of taxpayer money today.

REQUEST

REP. SKARPHOL REQUESTED that the remarks of Representative Belter be printed in the Journal, which request was granted.

SECOND READING OF HOUSE BILL

HB 1428: A BILL for an Act to create and enact a new subdivision to subsection 1 of section 28-32-01 and a new chapter to title 65 of the North Dakota Century Code, relating to establishing the North Dakota workers compensation fund to provide workers' compensation coverage; to amend and reenact sections 19-20.2-07, 21-10-01, 21-10-06, 23-01.1-02, 23-17.5-01, 26.1-23-08, subsection 2 of section 28-32-08, sections 28-32-14, 37-11-02, 43-07-01, 43-07-04, 43-07-11, 43-07-25, subsection 3 of section 51-04-08, sections 52-01-02, 52-01-03, 54-03-25, subsection 1 of section 54-06-04, section 54-16-10, subsection 7 of section 54-52-01, section 54-52-02, subsection 4 of section 54-52.1-01, section 54-52.2-04, subsection 1 of section 54-57-03, subsection 4 of section 57-38-57, section 57-39.2-23, subsections 7 and 12 of section 65-01-02, section 65-02-01.1, 65-02-08, 65-02-11, 65-02-15, 65-04-10, 65-04-30, 65-04-31, 65-06-05, 65-06.1-04, 65-08.1-03, 65-08.1-04, 65-08.1-05, and 65-08.1-06 of the North Dakota Century Code, relating to references to the workers compensation bureau and to employment benefits for employees of the North Dakota workers compensation fund; to repeal sections 65-01-12, 65-01-13, 65-02-01, 65-02-02, 65-02-06, 65-02-07, 65-02-08.1, and 65-02-09 of the North Dakota Century Code, relating to the administration of the workers compensation bureau; 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 PASS, the roll was called and there were 40 YEAS, 53 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Bateman; Belter; Bernstein; Boehm; Brown; Carlson; Clark; Dalrymple; DeKrey; Droydal; Freier; Galvin; Gerntholz; Grosz; Howard; Huether; Jacobs; Kempenich; Klein; Koppelman; Kretschmar; Lloyd; Mickelson; Nicholas; Poolman; Rennerfeldt; Retzer; Schimke; Shide; Skarphol; Soukup; Svedjan; Thompson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Speaker Martin

NAYS: Aarsvold; Austin; Berg; Boucher; Byerly; Carlisle; Christenson; Christopherson; Clayburgh; Coats; Delmore; Delzer; DeWitz; Dorso; Froseth; Glassheim; Gorder; Gorman; Grumbo; Gulleston; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Johnson; Kaldor; Keiser; Kelsch; Kerzman; Kliniske; Kroeber; Kunkel; Laughlin; Mahoney; Maragos; Monson;

Mutzenberger; Nichols; Nottestad; Oban; Olson; Payne; Price; Rydell; Sandvig; Schmidt; Sitz; Stenehjelm; Sveen; Thoreson; Wentz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1428 was declared lost.

MOTION

REP. DORSO MOVED that the House stand in recess until 5:45 p.m., which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1245, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 10 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1245 was placed on the Sixth order on the calendar.

Page 1, line 1, replace the second "and" with a comma and after 54-03-20 insert ", and 54-06-09"

Page 5, after line 6, insert:

"SECTION 3. AMENDMENT. Section 54-06-09 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

54-06-09. Mileage and travel expense of state officers and employees. State officials, whether elective or appointive, and their deputies, assistants, and clerks, or other state employees, entitled by law to be reimbursed for mileage or travel expense, must be allowed and paid for mileage and travel expense the following amounts:

1. The sum of ~~twenty~~ twenty-five cents per mile [1.61 kilometers] for each mile [1.61 kilometers] actually and necessarily traveled in the performance of official duty when such travel is by motor vehicle or twenty-seven cents per mile [1.61 kilometers] if the travel is by truck, the use of which is required by the employing subdivision, agency, bureau, board, or commission. The sum of thirty-five cents per mile [1.61 kilometers] for each mile [1.61 kilometers] actually and necessarily traveled in the performance of official duty when such travel is by private airplane. Mileage by private aircraft must be computed by actual air mileage when only one state employee or official is traveling; if two or more state employees or officials are traveling by private aircraft, the actual mileage must be based on the road mileage between the geographical points. Reimbursement for private airplane travel must be calculated as follows:
 - a. If reimbursement is for one properly authorized and reimbursable passenger, reimbursement must be paid on a per-mile basis as provided in this subsection.
 - b. If reimbursement is claimed for a chartered private aircraft, reimbursement may not exceed the cost of regular coach fare on a commercial flight, if one is scheduled between the point of departure, point of destination, and return, for each properly authorized and reimbursable passenger on the charter flight; or, where there is no such regularly scheduled commercial flight, the actual cost of the charter.

No reimbursement may be paid for leased private aircraft, except for leased or rented private aircraft from a recognized fixed base aviation operator who is in the business of leasing and renting private aircraft and is located on an airport open for public use. If only one person shall engage in such travel in a motor vehicle exceeding at any geographical point one hundred fifty miles [241.40 kilometers] beyond the borders of this state, reimbursement must be limited to eighteen cents per mile [1.61 kilometers] for the out-of-state portion of the travel beyond the first one hundred fifty miles [241.40 kilometers]. When official travel is by motor vehicle or airplane owned by the state or by any department or political subdivision thereof, no allowance may be made or paid for such mileage.

2. Except as provided in subsection 1, when travel is by rail or certificated air taxi commercial operator or other common carrier, including regularly scheduled flights by airlines, the amount actually and necessarily expended therefor in the performance of official duties.
3. Notwithstanding the other provisions of this section, state employees permanently located outside the state or on assignments outside the state for an indefinite period of time, exceeding at least thirty consecutive days, must be allowed and paid ~~twenty~~ twenty-five cents per mile [1.61 kilometers] for each mile [1.61 kilometers] actually and necessarily traveled in the performance of official duty when such travel is by motor vehicle, and the one-hundred-fifty-mile [241.40-kilometer] restriction imposed by subsection 1 does not apply.

Before any allowance for any such mileage or travel expenses may be made, the official, deputy, assistant, clerk, or other employee shall file with the employee's department, institution, board, commission, or agency an itemized statement showing the mileage traveled, the hour of departure and return, the days when and how traveled, the purpose thereof, and such other information and documentation as may be prescribed by rule of the employee's department, institution, board, commission, or agency. The statement must be submitted to the employee's department, institution, board, commission, or agency for approval and must be paid only when approved by the employee's department, institution, board, commission, or agency."

Renumber accordingly

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Martin presiding.

SECOND READING OF HOUSE BILL

HB 1487: A BILL for an Act to create and enact a new section to chapter 47-16 of the North Dakota Century Code, relating to the definition of dwelling unit.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Austin; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; DeWitz; Dorso; Drovda; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Henegar, K.; Holm; Howard; Huether; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel;

Laughlin; Lloyd; Mahoney; Maragos; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1487 passed and the title was agreed to.

MOTION

REP. DORSO MOVED that HB 1439 be placed at the top of the calendar, which motion prevailed.

SIXTH ORDER OF BUSINESS

HB 1439: REP. KRETSCHMAR (Judiciary Committee) MOVED that the amendments to HB 1439 be adopted and placed on the Eleventh order with **DO PASS**.

REQUEST

REP. MAHONEY REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to HB 1439, which request was granted.

ROLL CALL

The question being on the motion to adopt the amendments to HB 1439, the roll was called and there were 67 YEAS, 26 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Freier; Froseth; Gerntholz; Gorder; Gorman; Grosz; Gunter; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Mickelson; Monson; Nicholas; Nottestad; Olson; Poolman; Price; Rennerfeldt; Retzer; Rydell; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Speaker Martin

NAYS: Aarsvold; Boucher; Christenson; Coats; Delmore; Drovdal; Galvin; Glassheim; Grumbo; Gulleon; Hanson; Huether; Kaldor; Kerzman; Kroeber; Laughlin; Mahoney; Mutzenberger; Nichols; Oban; Payne; Sandvig; Schimke; Schmidt; Sitz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

HB 1439, as amended, was placed on the Eleventh order of business on the calendar.

MOTION

REP. DORSO MOVED that with reference to Engrossed HB 1439, that House Rule 329 be suspended, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1439: A BILL for an Act to amend and reenact sections 54-12-08 and 65-02-06 of the North Dakota Century Code, relating to assistant attorneys general employed by agencies.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of **DO PASS**, the roll was called and there were 71 YEAS, 22 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Byerly; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grosz; Gunter; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Maragos; Mickelson; Monson; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Schimke; Shide; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Speaker Martin

NAYS: Aarsvold; Boucher; Christenson; Coats; Delmore; Glassheim; Grumbo; Gulleston; Hanson; Huether; Kaldor; Kerzman; Kroeber; Laughlin; Mahoney; Mutzenberger; Nichols; Oban; Sandvig; Schmidt; Sitz; Wilkie

ABSENT AND NOT VOTING: Dobrinski; Hagle; Henegar, D.; Martinson; Sabby

Engrossed HB 1439 passed and the title was agreed to.

MOTION

REP. DORSO MOVED that the votes by which all bills passed today, February 15, 1995, be reconsidered and the motion to reconsider be laid on the table and that all bills which passed today be messaged to the Senate immediately, which motion prevailed.

MOTION

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

MOTION

REP. FREIER MOVED that the House be on the Fifth, Twelfth, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Thursday, February 16, 1995, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1005: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (20 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1005 was placed on the Sixth order on the calendar.

Page 1, line 3, after "station" insert "; and to declare an emergency"

Page 1, line 15, replace "18,949,731" with "19,039,731"

Page 1, line 16, replace "3,330,300" with "3,340,300"

Page 1, line 18, replace "22,705,031" with "22,805,031"

Page 1, line 19, replace "12,879,180" with "12,979,180"

Page 2, line 9, replace "32,403,892" with "32,152,867"

Page 2, line 14, replace "38,790,518" with "38,539,493"

Page 2, line 16, replace "21,685,572" with "21,434,547"

Page 4, line 5, replace "654,379" with "679,379"

Page 4, line 6, replace "209,932" with "284,932"

Page 4, line 8, replace "928,211" with "1,028,211"

Page 4, line 10, replace "578,386" with "678,386"

Page 4, after line 26, insert:

"Subdivision 12.	
	LAND RECLAMATION RESEARCH CENTER
Salaries and wages	\$735,000
Operating expenses	80,000
Equipment	<u>20,000</u>
Total special funds appropriation	\$835,000"

Page 4, line 27, replace "36,924,414" with "37,233,389"

Page 4, line 28, replace "34,367,848" with "35,382,848"

Page 4, line 29, replace "71,292,262" with "72,616,237"

Page 5, line 22, replace "11" with "12"

Page 5, after line 26, insert:

SECTION 6. LEGISLATIVE INTENT - SEPARATE BUDGETS. It is the intent of the legislative assembly that funds appropriated in this Act not be commingled with the funds appropriated to North Dakota state university in House Bill No. 1003 for the biennium beginning July 1, 1995, and ending June 30, 1997. Further, it is the intent of the legislative assembly that appropriation requests to defray the expenses of the North Dakota state university extension service, the northern crops institute, and the entities of the North Dakota agricultural experiment station for the 1997-99 biennium be separate from the appropriation request for funding the higher education institutions under the control of the board of higher education.

SECTION 7. INTENT. It is the intent of the legislative assembly that the North Dakota state university extension service put special emphasis on maintaining and promoting its 4-H programs for youth for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 8. LEGISLATIVE INTENT - COUNTY FUNDING. It is the intent of the legislative assembly that any board of county commissioners may continue county cooperative extension programs by supplementing state and federal funds with additional county funds, or reduce county cooperative extension programs to the extent that adequate matching funds are not available for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 9. 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 agricultural experiment station for the purpose of conducting cereal grain disease research and potato breeding research to meet the needs of North Dakota agriculture for the period beginning with the effective date of this Act and ending June 30, 1997, as follows:

Salaries and wages	\$257,000
Operating expenses	253,000
Equipment	<u>30,000</u>
Total all funds	\$540,000
Less estimated income	<u>80,000</u>
Total general fund appropriation	\$460,000

SECTION 10. EMERGENCY. Section 9 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 630 - NDSU EXTENSION SERVICE

HOUSE - This amendment makes the following changes:

	1995-97 EXECUTIVE RECOMMENDATION	REMOVE VACANT POSITIONS	HETTINGER HEALTH PROJECT ²	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$18,949,731		\$ 90,000	\$ 90,000	\$19,039,731
Operating expenses	3,330,300		10,000	10,000	3,340,300
Equipment	<u>425,000</u>	—	—	—	<u>425,000</u>
Total	\$22,705,031	\$0	\$100,000	\$100,000	\$22,805,031
General fund	\$ 9,825,851				\$ 9,825,851
Special funds	<u>12,879,180</u>	—	<u>\$100,000</u>	<u>\$100,000</u>	<u>12,979,180</u>
Total	\$22,705,031	\$0	\$100,000	\$100,000	\$22,805,031
FTE	230.5	(4.5) ¹	1	(3.5)	227

¹ Removes 4.5 FTE vacant positions for which the agency did not request funding.

² Provides funding for the West River Community Health Project for Rural Research and Education at the Hettinger Area Resource Center and adds one FTE area specialist. Funding is provided from local matching funds of \$25,000 and other funds of \$75,000.

A section of legislative intent is added providing that the NDSU Extension Service emphasize its 4-H programs for youth during the 1995-97 biennium.

A section of legislative intent is added providing that counties may continue county extension programs by supplementing state and federal funds with additional county funds or reduced extension programs if adequate matching funds are not available.

DEPARTMENT 640 - AGRICULTURAL EXPERIMENT STATION

HOUSE - This amendment makes the following changes:

	ALL FUNDS CHANGES						HOUSE VERSION
	1995-97 EXECUTIVE RECOMMENDATION	GRAIN DISEASE AND POTATO RESEARCH	LRRF FUNDING	REMOVE VACANT POSITIONS	OTHER CHANGES	TOTAL CHANGES	
Main Research Station	\$38,798,518	\$540,000 ¹		\$(251,025) ²		\$ 288,975	\$39,079,493
Dickinson Research Center	1,662,650						1,662,650
Central Grasslands Research Center	1,009,604						1,009,604
Hettinger Research Center	819,140						819,140
Langdon Research Center	777,816						777,816
North Central Research Center	811,830						811,830
Williston Research Center	928,211				\$100,000 ⁴	100,000	1,028,211
Carrington Research Center	2,014,046						2,014,046
Agronomy Seed Farm	861,485						861,485
Land Reclamation Research Center			\$835,000 ²			835,000	835,000
Total all funds	\$47,666,300	\$540,000	\$835,000	\$(251,025)	\$100,000	\$1,223,975	\$48,890,275
FTE	406.27	3	6	(6.5)	(.5)	3	409.27

GENERAL FUND CHANGES

	1995-97 EXECUTIVE RECOMMENDATION	GRAIN DISEASE AND POTATO RESEARCH	LRRC FUNDING	REMOVE VACANT POSITIONS	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
Main Research Station	\$21,685,572	\$460,000 ¹		\$(251,025) ³		\$208,975	\$21,894,547
Dickinson Research Center	1,130,974						1,130,974
Central Grasslands Research Center	549,204						549,204
Hettinger Research Center	518,201						518,201
Langdon Research Center	603,474						603,474
North Central Research Center	482,730						482,730
Williston Research Center	578,386				\$100,000 ⁴	100,000	678,386
Carrington Research Center	946,648						946,648
Agronomy Seed Farm							
Land Reclamation Research Center							
Total general fund	\$26,495,189	\$460,000	\$0	\$(251,025)	\$100,000	\$308,975	\$26,804,164

¹ Provides \$367,000 from the general fund for cereal grain disease research as follows:

Salaries and wages	\$152,000	- Adds 2 FTE technical support positions
Operating expenses	200,000	
Equipment	15,000	
Subtotal	\$367,000	

Provides \$173,000 from the general fund for potato breeding research as follows:

Salaries and wages	\$105,000	- Adds 1 FTE potato breeder position
Operating expenses	53,000	
Equipment	15,000	
Subtotal	\$173,000	

Total	\$540,000	
Less estimated income	(80,000)	- Includes funding from North Dakota Wheat Commission - \$50,000 North Dakota Potato Council - \$30,000

Total general fund \$460,000

² Provides funding from special funds derived from the lignite research fund and federal and other funds for Land Reclamation Research Center operations as follows:

Salaries and wages	\$735,000
Operating expenses	80,000
Equipment	20,000
Total special funds	\$835,000

³ Removes 6.5 FTE vacant positions in the Main Research Station.

⁴ Provides \$100,000 from the general fund to the Williston Research Center for the following:

Salaries and wages	\$ 25,000	- Increases .5 FTE secretary position to 1 FTE secretary position
Operating expenses	75,000	- Provides additional funding for operations of the Williston Research Center
Total	\$100,000	

A section of legislative intent is added providing that funds appropriated in House Bill No. 1005 not be commingled with funds appropriated to North Dakota State University and that the funding requests for the NDSU Extension Service, Northern Crops Institute, and the entities of the Agricultural Experiment Station for the 1995-97 biennium be separate from funding requests for higher education institutions under the control of the Board of Higher Education.

REPORT OF STANDING COMMITTEE

HB 1171, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (14 YEAS, 9 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1171 was placed on the Sixth order on the calendar.

Page 2, line 16, after the underscored period insert "The superintendent of public instruction shall make reasonable adjustments to the payments provided in this section to reduce the impact to a school district that moves from one size category to another.

5."

Page 4, line 5, replace "sixty-two" with "fifty-two"

Page 4, line 7, remove the overstrike over "~~six~~", remove "seven", and replace "thirty-four" with "sixty-eight"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

HOUSE - This amendment allows the Superintendent of Public Instruction to adjust tax base equalization payments to lessen the negative impact to a district that is moved from one size category to another. This amendment also adjusts the per student foundation aid payments to the levels included in the executive recommendation (\$1,652 in 1996 and \$1,668 in 1997).

REPORT OF STANDING COMMITTEE

HB 1432, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 11 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1432 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "a" with "two" and replace "section" with "sections"

Page 1, line 3, remove the first "and"

Page 1, line 5, after "primary" insert "; to provide an appropriation; and to provide an expiration date"

Page 2, after line 13, insert:

"SECTION 4. A new section to chapter 16.1-11 of the North Dakota Century Code is created and enacted as follows:

Presidential preference primary - Requirements. Notwithstanding any other provision of law, the following provisions apply to a presidential preference primary:

1. No more than three poll workers may be appointed per precinct.
2. Polls may not be opened for more than ten hours.
3. County auditors must reduce the number of precincts by at least twenty-five percent.
4. The arrangement of the names of candidates on the official ballot for a presidential preference primary ballot may not be changed after the initial order of names has been made by lot by the county auditor or responsible election official.
5. A sample presidential preference primary ballot and notice of time and place of election under section 16.1-11-21 must be

published in the official county newspaper one week before the election.

6. The secretary of state may adopt rules allowing persons to vote in any precinct within the person's city or county of this state."

Page 4, after line 15, insert:

"SECTION 9. APPROPRIATION. There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$275,000, or so much of the sum as may be necessary, to the secretary of state for the purpose of conducting the presidential preference primary election for the biennium beginning July 1, 1995, and ending June 30, 1997.

SECTION 10. EXPIRATION DATE. Section 4 of this Act is effective through June 30, 1997, and after that date is ineffective."

Renumber accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)

MR. SPEAKER: The Senate has passed and your favorable consideration is requested on: SB 2004, SB 2008, SB 2011, SB 2016, SB 2061, SB 2090, SB 2104, SB 2111, SB 2113, SB 2121, SB 2154, SB 2265, SB 2352, SB 2415, SB 2430, SB 2444, SB 2452, SB 2475, SB 2491, SB 2495, SB 2533.

FIRST READING OF SENATE BILLS

SB 2004: A BILL for an Act to provide an appropriation for defraying the expenses of the state auditor; and to amend and reenact section 54-10-10 of the North Dakota Century Code, relating to the salary of the state auditor.

Was read the first time and referred to the Appropriations Committee.

SB 2008: A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; and to amend and reenact section 49-01-05 of the North Dakota Century Code, relating to the salary of public service commissioners.

Was read the first time and referred to the Appropriations Committee.

SB 2011: A BILL for an Act to provide an appropriation for defraying the expenses of the office of the securities commissioner.

Was read the first time and referred to the Appropriations Committee.

SB 2016: A BILL for an Act to provide an appropriation for defraying the expenses of the division of emergency management.

Was read the first time and referred to the Appropriations Committee.

SB 2061: A BILL for an Act to amend and reenact subsection 3 of section 15-40.1-06 and sections 15-40.1-08 and 15-44-03 of the North Dakota Century Code, relating to the distribution of proportionate foundation program payments and the distribution of moneys from the state tuition fund.

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

SB 2090: A BILL for an Act to create and enact a new subdivision to subsection 1 of section 27-20-51 of the North Dakota Century Code, relating to persons who may inspect juvenile court records; and to amend and reenact section 50-11-02 of the North Dakota Century Code, relating to background checks of persons present in licensed foster care facilities while services are being provided.

Was read the first time and referred to the Judiciary Committee.

SB 2104: A BILL for an Act to amend and reenact sections 16.1-11-08, 34-05-01.2, and subsection 2 of section 54-06-01 of the North Dakota

Century Code, relating to the appointment of the labor commissioner by the governor; and to provide an effective date.

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

SB 2111: A BILL for an Act to amend and reenact section 44-04-07 of the North Dakota Century Code, relating to property inventories by state agencies.

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

SB 2113: A BILL for an Act to create and enact a new section to chapter 39-01 of the North Dakota Century Code, relating to university system number plates; and to amend and reenact section 39-01-02 of the North Dakota Century Code, relating to the display of window decals on vehicles owned or leased by the state.

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

SB 2121: A BILL for an Act to amend and reenact section 37-19.1-04 of the North Dakota Century Code, relating to hearing procedures for veterans' preference grievance hearings.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

SB 2154: A BILL for an Act to create and enact a new section to chapter 23-01 of the North Dakota Century Code, relating to environmental permit hearings conducted for purposes of receiving public comment.

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

SB 2265: A BILL for an Act to amend and reenact sections 39-18-07 and 39-18-08 of the North Dakota Century Code, relating to the sale by real estate brokers or salespeople of used mobile homes and to penalties; and to provide a penalty.

Was read the first time and referred to the **Finance and Taxation Committee**.

SB 2352: A BILL for an Act to amend and reenact sections 32-19-06.1 and 32-19.1-07 of the North Dakota Century Code, relating to deficiency judgments on commercial real estate loans.

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

SB 2415: A BILL for an Act to create and enact a new section to chapter 51-07 of the North Dakota Century Code, relating to refunds on leased vehicles; and to amend and reenact section 51-07-16, subsection 1 of section 51-07-18, subsection 1 of section 51-07-19, and section 51-07-22 of the North Dakota Century Code, relating to repair, replacement, sale, and lease of returned passenger motor vehicles.

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

SB 2430: A BILL for an Act to create and enact a new chapter to title 25 of the North Dakota Century Code, relating to individual treatment plans; and to amend and reenact section 25-03.1-24 of the North Dakota Century Code, relating to the right to treat.

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

SB 2444: A BILL for an Act to amend and reenact section 15-28-02 of the North Dakota Century Code, relating to definitions of rural and urban areas for purposes of school board membership elections; and to declare an emergency.

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

SB 2452: A BILL for an Act to repeal chapter 57-36.1 of the North Dakota Century Code, relating to the imposition of the controlled substance tax.

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

SB 2475: A BILL for an Act providing an appropriation for adjusted compensation to certain veterans; and to declare an emergency.

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

SB 2491: A BILL for an Act to create and enact a new section to chapter 15-29 and a new section to chapter 15-38 of the North Dakota Century Code, relating to the provision of teaching services by persons certified as instructors in the areas of North Dakota American Indian languages and culture; and to amend and reenact subsection 10 of section 15-29-08, section 15-36-12, subsection 11 of section 15-39.1-04, sections 15-41-25, 15-47-42, and 15-47-46 of the North Dakota Century Code, relating to teacher certification.

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

SB 2495: A BILL for an Act to amend and reenact subsection 4 of section 54-52.1-01 of the North Dakota Century Code, relating to participation by temporary employees in the uniform group insurance program.

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

SB 2533: A BILL for an Act to amend and reenact section 43-33-04 and subsection 2 of section 43-33-15 of the North Dakota Century Code, relating to exceptions to the licensure requirement for hearing aid dealers and composition of the board of hearing instrument dispensers.

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

The House stood adjourned pursuant to Representative Freier's motion.

ROY GILBREATH, Chief Clerk