

## JOURNAL OF THE HOUSE

## Fifty-fourth Legislative Assembly

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Bismarck, April 6, 1995

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

The prayer was offered by Representative Gulleason.

The roll was called and all members were present except Representatives Henegar, D., Huether, and Payne.

A quorum was declared by the Speaker.

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

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

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2149.

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

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

HB 1007: Sens. Streibel; Holmberg; Robinson.

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

MR. SPEAKER: The Senate has rereferred Engrossed HB 1021 back to conference committee.

**REPORT OF CONFERENCE COMMITTEE**

REP. BATEMAN MOVED that the conference committee report on Engrossed HB 1001 as printed on HJ pages 1772-1774 be adopted, which motion prevailed.

Engrossed HB 1001, as amended, was placed on the Eleventh order of business on the calendar.

**SECOND READING OF HOUSE BILL**

HB 1001: A BILL for an Act providing an appropriation for defraying the expenses of the legislative branch of government; to amend and reenact the new section to chapter 54-35 of the North Dakota Century Code as created by section 1 of Senate Bill No. 2395, as approved by the fifty-fourth legislative assembly, relating to the authority of the legislative council to appoint or retain legal counsel to protect the interests of the legislative branch in actions and proceedings; to provide for a legislative council study; to provide for a technology applications committee of members from the budget section; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 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; Gulleason; Gunter; Hagle;

Hanson; Hausauer; Henegar, K.; Holm; Howard; 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:** Henegar, D.; Huether

Engrossed HB 1001, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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**MOTION**

**REP. DORSO MOVED** that the House reconsider its action whereby Engrossed HB 1021 passed, which motion prevailed.

**MOTION**

**REP. DORSO MOVED** that the House reconsider its action whereby the conference committee report was accepted and Engrossed HB 1021 was placed on the Seventh order of business on the calendar, which motion prevailed.

**MOTION**

**REP. DORSO MOVED** that the House Conference Committee on Engrossed HB 1021 be dissolved and that a new conference committee be appointed, which motion prevailed.

**THE SPEAKER APPOINTED** as a new Conference Committee on Engrossed HB 1021: Reps. Freier, Clayburgh, Kroeber.

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

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

**HB 1021:** Reps. Freier; Clayburgh; Kroeber

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1001.

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bill and resolution were engrossed and enrolled: HB 1178 and HCR 3017.

**MOTION**

**REP. DORSO MOVED** that the House be on the Seventh and Twelfth orders of business and at the conclusion of those orders, the House stand in recess until 11:30 a.m., which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2149, as reengrossed:** Your conference committee (Sens. Lee, Watne, Mathern and Reps. Maragos, Gunter, Glasheim) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 872, adopt amendments as follows, and place SB 2149 on the Seventh order:

That the House recede from its amendments as printed on page 872 of the Senate Journal and page 896 of the House Journal and that Reengrossed Senate Bill No. 2149 be amended as follows:

Page 2, line 1, after "~~other~~" insert "public", after "places" insert "and other places", and overstrike "numbers of" and insert immediately thereafter "fifty or more"

Page 2, line 9, replace "other" with "the state department of health"

Page 2, line 10, remove "agencies of state government", after "or" insert "any", and replace "subdivisions" with "subdivision"

Page 2, line 13, replace "accepting agency" with "state department of health"

Page 2, line 14, replace "agency of state government or any" with "delegation to the state department of health is limited to authority over basic care facilities. Any"

Page 2, line 16, replace "receive this delegation" with "be delegated authority under this section"

Renumber accordingly

Reengrossed SB 2149 was placed on the Seventh order of business on the calendar.

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

MR. SPEAKER: The Senate has overridden the Governor's veto on HB 1435. The vote was 40 YEAS, 7 NAYS, 2 ABSENT AND NOT VOTING.

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bills were engrossed and enrolled: HB 1003, HB 1256, and HB 1501.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills and resolution: HB 1003, HB 1006, HB 1178, HB 1256, HB 1392, HB 1501, HCR 3017.

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

MADAM PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1003, HB 1006, HB 1178, HB 1256, HB 1392, HB 1501, HCR 3017.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills and resolution: SB 2006, SB 2016, SB 2029, SB 2305, SB 2313, SB 2425, SB 2428, SB 2475, SB 2505, SCR 4012.

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

MADAM PRESIDENT: The Speaker has signed: SB 2006, SB 2016, SB 2029, SB 2305, SB 2313, SB 2425, SB 2428, SB 2475, SB 2505, SCR 4012.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1013, as engrossed:** Your conference committee (Sens. Goetz, Lips, Lindaas and Reps. Bernstein, Kunkel (refused to sign), Huether) recommends that the SENATE RECEDE from the Senate amendments on HJ pages 1453-1455, adopt amendments as follows, and place Engrossed HB 1013 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1453-1455 of the House Journal and pages 1261-1263 of the Senate Journal and that Engrossed House Bill No. 1013 be amended as follows:

Page 1, line 2, after "patrol" insert "; to establish a law enforcement training academy fee and provide for its collection and distribution; to authorize the industrial commission to issue and sell evidences of indebtedness for capital projects; to amend and reenact section 39-26-12 of the North Dakota Century Code, relating to the abandoned motor vehicle disposal fund; to provide an appropriation to the industrial commission for the retirement of the evidences of

indebtedness; to provide an effective date; to provide for application; and to provide an expiration date"

Page 1, line 9, replace "1,599,382" with "1,639,115"

Page 1, line 10, replace "17,797,238" with "18,264,623"

Page 1, line 11, replace "770,204" with "785,888"

Page 1, remove line 12

Page 1, line 14, after "FUNDS" insert "TRANSFER" and replace "There is hereby appropriated in the" with "The total"

Page 1, line 15, after "funds" insert "appropriation", replace the first "of" with "in", and after "Act" insert "includes"

Page 1, line 16, after "fund" insert "that may be transferred at the direction of the superintendent of the highway patrol"

Page 2, after line 13, insert:

**"SECTION 5. LAW ENFORCEMENT TRAINING ACADEMY FEE - COLLECTION.**

In addition to any other registration fee, a law enforcement training academy fee of two dollars is imposed on a passenger motor vehicle, a house car, and a truck weighing twelve thousand pounds or under that is subject to registration under title 39. The fee is payable when the registration under title 39 is payable. Each month the director of the department of transportation shall transfer to the highway fund the law enforcement training academy fees collected in accordance with this Act.

**SECTION 6. PROJECT AUTHORIZATION - APPROPRIATION.**

The industrial commission, acting as the state building authority, shall arrange for the funding of the project authorized in this section, hereby declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 1995, and ending June 30, 1997. There is hereby appropriated the proceeds of the evidences of indebtedness and other available funds, not otherwise appropriated, the sum of \$1,200,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of constructing and furnishing a building addition to the law enforcement training academy, to be used for law enforcement training, for the biennium beginning July 1, 1995, and ending June 30, 1997.

The industrial commission shall issue evidences of indebtedness authorized under this section with the condition that lease rental payments need not begin until July 1, 1996, and must end by June 30, 1997. This authority of the industrial commission to issue evidences of indebtedness ends on June 30, 1997, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and to comply with any covenants entered into before that date. Any unexpended balances from the sale of evidences of indebtedness must be placed in a sinking fund for the retirement of authorized evidences of indebtedness.

**SECTION 7. APPROPRIATION - INDUSTRIAL COMMISSION.**

There is hereby appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$1,200,000, or so much of the sum as may be necessary, which may be spent at the direction of the industrial commission, for the purpose of retiring evidences of indebtedness issued for constructing and furnishing a law enforcement training academy building addition for the biennium beginning July 1, 1995, and ending June 30, 1997.

**SECTION 8. AMENDMENT.** Section 39-26-12 of the North Dakota Century Code is amended and reenacted as follows:

**39-26-12. Tax on initial motor vehicle certificates of title - When tax is suspended.** There is hereby imposed a tax of two dollars on each initial North Dakota certificate of title issued to a passenger motor vehicle or a truck motor vehicle. The proceeds of such tax must be paid into the abandoned motor vehicle disposal fund in the state treasury. No registration plates or title certificate may be issued unless such tax is paid. Expenses of the fund arising from the provisions of this chapter must be paid from the fund within the limits of legislative appropriation. If on the first day of July in any year the amount of uncommitted money in the abandoned motor vehicle disposal fund is ~~five~~ two hundred ~~fifty~~ thousand dollars or more, the tax must be suspended and the amount in excess of ~~five~~ two hundred ~~fifty~~ thousand dollars must be transferred to the highway fund. If the tax has been suspended and on the first day of July in any year the amount of uncommitted money in the abandoned motor vehicle disposal fund is one hundred thousand dollars or less the tax must be reimposed on and after January first of the succeeding year.

**SECTION 9. EFFECTIVE DATE.** Section 8 of this Act becomes effective on July 1, 1996.

**SECTION 10. APPLICATION OF ACT.** Section 5 of this Act applies to vehicle registration periods beginning after December 31, 1995. A vehicle registration period begins on the first day of the month in which the vehicle becomes subject to registration in this state.

**SECTION 11. EXPIRATION DATE.** Section 5 of this Act is effective through December 31, 1996, and after that date is ineffective."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 504 - HIGHWAY PATROL

CONFERENCE COMMITTEE - This amendment makes the following object-code changes:

	HOUSE VERSION	ADD CAPITAL IMPROVEMENTS <sup>1</sup>	TOTAL CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	CONFERENCE COMMITTEE INCREASE (DECREASE) TO SENATE VERSION
Salaries and wages	\$16,479,654			\$16,479,654	\$16,479,654	
Operating expenses	3,919,972			3,919,972	3,919,972	
Equipment	158,000			158,000	158,000	
Capital improvements	32,000	\$1,200,000	\$1,200,000	1,232,000	1,432,000	\$ (200,000)
Grants	<u>100,000</u>	<u></u>	<u></u>	<u>100,000</u>	<u>100,000</u>	<u></u>
Total	\$20,689,626	\$1,200,000	\$1,200,000	\$21,889,626	\$22,089,626	\$ (200,000)
General fund						
Special funds	<u>\$20,689,626</u>	<u>\$1,200,000</u>	<u>\$1,200,000</u>	<u>\$21,889,626</u>	<u>\$22,089,626</u>	<u>\$ (200,000)</u>
Total	\$20,689,626	\$1,200,000	\$1,200,000	\$21,889,626	\$22,089,626	\$ (200,000)
FTE	200		0	200	200	0

<sup>1</sup> Provides funding for the Law Enforcement Training Academy building addition from short-term financing through the State Building Authority. The financing will be repaid from collections of an additional \$2 fee for one year on passenger motor vehicles, trucks weighing 12,000 pounds or less, and house cars. The House did not provide funding for the addition and the Senate provided \$1.4 million of special funds for the addition, \$630,000 from the public transportation fund, \$250,000 from the abandoned motor vehicle disposal fund, and \$520,000 from the highway fund.

Sections added by the Senate relating to the public transportation fund are not included in the conference committee amendments.

The funding provided for each Highway Patrol program is as follows:

	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION
Administration	\$ 1,599,382	\$ 39,733	\$ 1,639,115
Field operations	17,797,238	467,385	18,264,623
Law enforcement	770,204	1,215,684	1,985,888
training academy			
Salary and benefit adjustment	<u>522,802</u>	<u>(522,802)*</u>	<u>                    </u>
Total	\$20,689,626	\$1,200,000	\$21,889,626

\* Funding in the salaries and benefit adjustment line item is allocated to the appropriate program line items to reflect each program's funding level.

The section added by the Senate is included which amends Section 39-26-12 to reduce the maximum balance allowed in the abandoned motor vehicle disposal fund before the \$2 motor vehicle title tax is suspended and any excess moneys in the fund are transferred to the highway fund by \$250,000, from \$500,000 to \$250,000. The section is effective on July 1, 1996.

#### DEPARTMENT 401 - INDUSTRIAL COMMISSION

CONFERENCE COMMITTEE - This amendment provides an appropriation of \$1,200,000 from the highway fund for repayment of the debt issued for the Law Enforcement Training Academy addition. The additional \$2 fee for one year on passenger motor vehicles, house cars, and trucks weighing 12,000 pounds or less is estimated to generate \$1,200,000 for the highway fund for the 1995-97 biennium.

Engrossed HB 1013 was placed on the Seventh order of business on the calendar.

#### PARTICIPANTS IN THE NORTH DAKOTA MEDICAL ASSOCIATION DOCTOR OF THE DAY PROGRAM FOR THE 1995 LEGISLATIVE ASSEMBLY

The following physicians have voluntarily participated in the 1995 Doctor of the Day Program during the Fifty-fourth Legislative Assembly:

Bipin R. Amin, M.D.	Bismarck
James Baumgartner, M.D.	Dickinson
Douglas D. Berglund, M.D.	Bismarck
A. Michael Booth, M.D.	Bismarck
Brad R. Buell, M.D.	Bismarck
Bradley J.W. Clark, M.D.	Fargo
John H. Dumbolton, D.O.	Fargo
Russell J. Emery, M.D.	Bismarck
George D. England, M.D.	Bismarck
Craig B. Fabel, M.D.	Fargo
Keith E. Folkert, M.D.	Minot
John W. Goven, M.D.	Valley City
Raymond S. Gruby, M.D.	Bismarck
Rance J. Hafner, M.D.	Grand Forks
Steven K. Hamar, M.D.	Bismarck
Karen E. Hanson, M.D.	Bismarck
Glen R. Hyland, M.D.	Bismarck
Robert L. Jennings, M.D.	Bismarck
Clayton E. Jensen, M.D.	Fargo
Warren C. Keene, M.D.	Minot

Ralph L. Kilzer, M.D.	Bismarck
Paul B. Knudson, M.D.	Bismarck
Tommy Ko, M.D.	Bismarck
Marylee S. Legried, M.D.	Fargo
Kermit Leonard, M.D.	Garrison
Fredrick Mitzel, M.D.	Velva
Dale C. Moquist, M.D.	Grand Forks
Ben W. Muscha, M.D.	Bismarck
Brian E. O Hara, M.D.	Dickinson
David J. Pengilly, M.D.	Bismarck
Wallace E. Radtke, M.D.	Fargo
David A. Rinn, M.D.	Cando
Richard A. Rohla, M.D.	Fargo
Stuart T. Smith, M.D.	Bismarck
C. Milton Smith, M.D.	Minot
Lindapearle P. Svec, M.D.	Fargo
Guy P. Tangedahl, M.D.	Bismarck
Ralph E. Tarnasky, M.D.	Bismarck
Anthony M. Tello, M.D.	Bismarck
Quinton K. Thomas, M.D.	Fargo
Dennis E. Wolf, M.D.	Dickinson

The Doctor of the Day Program is sponsored by the North Dakota Medical Association with additional support from the NDMA Alliance, Bismarck Family Practice Center, the North Dakota Pharmaceutical Association, and various pharmaceutical suppliers.

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

#### SIGNING OF BILLS AND RESOLUTIONS

The Chief Clerk announced that the Speaker was about to sign the certifications by which HB 1180 and HB 1251 failed to pass over the Governor's veto, and the Speaker signed the same in the presence of the House of Representatives.

#### REPORT OF CONFERENCE COMMITTEE

**REP. MARAGOS MOVED** that the conference committee report on Reengrossed SB 2149 be adopted, which motion prevailed.

Reengrossed SB 2149, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

**SB 2149:** A BILL for an Act to create and enact a new section to chapter 18-01 of the North Dakota Century Code, relating to the state fire marshal authorizing fire and safety inspections to be performed by other agencies of government; and to amend and reenact section 18-01-02, subsection 3 of section 18-01-05.1, and section 23-09.3-04 of the North Dakota Century Code, relating to the duties of the state fire marshal, release of information to the state fire marshal or a law enforcement officer, and fire safety inspections of basic care facilities.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 3 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; DeKrey; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Galvin; Gerntholz; Glassheim; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; 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; Sabby; Sandvig; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

NAYS: Froseth; Gorder; Schimke

ABSENT AND NOT VOTING: Henegar, D.; Huether; Rydell

Reengrossed SB 2149, as amended, passed and the title was agreed to.

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

MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2017, SB 2066, SB 2081, SB 2115, SB 2181, SB 2264, SB 2355, SB 2403, SB 2466, SCR 4026.

REPORT OF CONFERENCE COMMITTEE

HB 1284, as engrossed: Your conference committee (Sens. W. Stenehjem, Krebsbach, Heinrich and Reps. Wardner, Thoreson, Christenson) recommends that the SENATE RECEDE from the Senate amendments on HJ pages 1460-1462, adopt amendments as follows, and place Engrossed HB 1284 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1460-1462 of the House Journal and pages 1156 and 1157 of the Senate Journal and that Engrossed House Bill No. 1284 be amended as follows:

Page 2, line 11, replace "An emergency rule or" with "A"

Page 2, line 12, remove "nonemergency"

Page 2, line 13, after "rules" insert "is void from the time provided" and remove "is void from the time"

Page 2, line 14, remove "of adoption"

Page 3, line 16, replace "If the" with "The"

Page 3, line 17, replace "finds" with "may find" and replace "for any reason" with "if that finding is made within ninety days after the date of the administrative code supplement in which the rule change appears or, for rule changes appearing in the administrative code supplement from November first immediately preceding a regular session of the legislative assembly through the following May first, if that finding is made at the first meeting of the administrative rules committee following the regular session of the legislative assembly"

Page 3, remove lines 18 through 20

Page 3, line 21, remove "removed from the administrative code"

Page 3, line 27, after "with" insert "express", after "or" insert "to substantially meet", and replace "provisions" with "procedural requirements"

Page 3, line 28, after "chapter" insert "for adoption of the rule"

Page 4, remove lines 1 and 2

Page 4, line 3, replace "f" with "e", replace the first underscored comma with "and", and replace ", or imposition of an undue" with an underscored period

Page 4, remove line 4

Page 4, line 5, replace "g" with "f", replace "give proper" with "make a written record of its", and replace "to views of interested" with "of written and oral submissions respecting the rule"

Page 4, line 6, remove "persons"

Page 4, line 7, after "2." insert "Within three business days after the committee on administrative rules finds that a rule is void, the office of the legislative council shall provide written notice of that finding and the committee's specific finding under subdivisions a through f of subsection 1 to the adopting agency and to the chairman of the legislative council. Within fourteen days after receipt of the notice, the adopting agency may file a petition with the chairman of the legislative council for review by the legislative council of the decision of the committee on administrative rules. If the adopting agency does not file a petition for review, the rule becomes void on the fifteenth day after the notice from the office of the legislative council to the adopting agency. If within sixty days after receipt of the petition from the adopting agency the legislative council has not disapproved by motion the finding of the committee on administrative rules, the rule is void.

3."

Page 5, line 14, replace "3" with "4"

Page 5, line 24, after "meeting" insert "at which public comment on the agreed rule change must be allowed"

Page 6, line 1, replace "If the" with "The"

Page 6, line 2, replace "finds" with "may find"

Page 6, line 3, after the comma insert "and"

Page 6, line 5, after "subsection" insert "if the suspension is made within ninety days after the date of the administrative code supplement in which the rule change appears or, for rule changes appearing in the administrative code supplement from November first immediately preceding a regular session of the legislative assembly through the following May first, if that suspension is made at the first meeting of the administrative rules committee following the regular session of the legislative assembly"

Page 6, line 7, remove "regular"

Page 6, line 17, after "with" insert "express", after "or" insert "to substantially meet", and replace "provisions" with "procedural requirements"

Page 6, line 18, after "chapter" insert "for adoption of the rule"

Page 6, remove lines 20 and 21

Page 6, line 22, replace "f" with "e", replace the first underscored comma with "and", and replace ", or imposition of an undue" with an underscored period

Page 6, remove line 23

Page 6, line 24, replace "g" with "f", replace "give proper" with "make a written record of its", and replace "to views of interested" with "of written and oral submissions respecting the rule"

Page 6, line 25, remove "persons"

Page 6, line 26, after "2." insert "Within three business days after the committee on administrative rules suspends a rule, the office of the legislative council shall provide written notice of that suspension and the committee's specific finding under subdivisions a through f of subsection 1 to the adopting agency and to the chairman of the legislative council. Within fourteen days after receipt of the notice, the adopting agency may file a petition with the chairman of the legislative council for review by the legislative council of the decision of the committee on administrative rules. After receipt of the petition and before the next session of the legislative assembly, the legislative council by motion may lift the suspension and reinstate the rule's effectiveness.

3."

Page 8, line 3, replace "3" with "4"

Page 8, line 13, after "meeting" insert "at which public comment on the agreed rule change must be allowed"

Re-number accordingly

Engrossed HB 1284 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

REP. WARDNER MOVED that the conference committee report on Engrossed HB 1284 be adopted, which motion prevailed.

Engrossed HB 1284, as amended, was placed on the Eleventh order of business on the calendar.

#### SECOND READING OF HOUSE BILL

HB 1284: A BILL for an Act to amend and reenact subsection 1 of section 28-32-02 and sections 28-32-03 and 28-32-03.3 of the North Dakota Century Code, relating to the authority of the administrative rules committee over the effectiveness of administrative rules; and to provide an effective date.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 78 YEAS, 18 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

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

**NAYS:** Aarsvold; Boucher; Christenson; Delmore; Dobrinski; Glasheim; Gulleon; Hanson; Henegar, K.; Kaldor; Kerzman; Laughlin; Mahoney; Mutzenberger; Oban; Sandvig; Schmidt; Sitz

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed HB 1284, as amended, passed and the title was agreed to.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2063, SB 2085, SB 2211.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1001.

**REPORT OF CONFERENCE COMMITTEE**

**REP. BERNSTEIN MOVED** that the conference committee report on Engrossed HB 1013 be adopted.

**REQUEST**

**REP. BOUCHER REQUESTED** a recorded roll call vote on the motion to adopt the conference committee report on Engrossed HB 1013, which request was granted.

**ROLL CALL**

The question being on the motion to adopt the conference committee report on Engrossed HB 1013, the roll was called and there were 53 YEAS, 43 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Austin; Boucher; Brown; Byerly; Carlisle; Christenson; Christopherson; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Froseth; Galvin; Gerntholz; Glasheim; Gorman; Grumbo; Gulleon; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Keiser; Kelsch; Kerzman; Kliniske; Kretschmar; Kroeber; Laughlin; Mahoney; Maragos; Martinson; Mutzenberger; Nichols; Nottestad; Oban; Price; Retzer; Rydell; Sabby; Stenehjem; Svedjan; Sveen; Timm; Wald; Walker; Wardner; Wilkie; Speaker Martin

**NAYS:** Bateman; Belter; Berg; Bernstein; Boehm; Carlson; Clark; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Gorder; Grosz; Gunter; Jacobs; Johnson; Kaldor; Kempenich; Klein; Koppelman; Kunkel; Lloyd; Mickelson; Monson; Nicholas; Olson; Payne; Poolman; Rennerfeldt; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Thompson; Thoreson; Tollefson; Torgerson; Wentz

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

The conference committee report on Engrossed HB 1013 was adopted.

**SECOND READING OF HOUSE BILL**

**HB 1013:** A BILL for an Act to provide an appropriation for defraying the expenses of the highway patrol; to establish a law enforcement training academy fee and provide for its collection and distribution; to authorize the industrial commission to issue and sell evidences of indebtedness for capital projects; to amend and reenact section 39-26-12 of the North Dakota Century Code, relating to the abandoned motor vehicle disposal fund; to provide an appropriation to the industrial commission for the retirement of the evidences of indebtedness; to provide an effective date; to provide for application; and to provide an expiration date.

**ROLL CALL**

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

read, the roll was called and there were 79 YEAS, 17 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Austin; Belter; Berg; Bernstein; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Delzer; Dewitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorman; Grosz; Grumbo; Gullerson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Kliniske; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Mahoney; Maragos; Martinson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Price; Rennerfeldt; Retzer; Rydell; Sabby; Schmidt; Shide; Sitz; Soukup; Stenehjelm; Svedjan; Sveen; Thoreson; Timm; Tollefson; Wald; Walker; Wardner; Wilkie; Speaker Martin

**NAYS:** Bateman; Boehm; Clark; Gorder; Klein; Lloyd; Mickelson; Monson; Olson; Payne; Poolman; Sandvig; Schimke; Skarphol; Thompson; Torgerson; Wentz

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed HB 1013, as amended, passed and the title was agreed to.

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#### MOTION

**REP. DORSO MOVED** that all legislative action taken this morning be messaged to the Senate immediately, which motion prevailed.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2149.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1013, HB 1284.

#### MOTION

**REP. DORSO MOVED** that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 1:00 p.m., which motion prevailed.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2063, as engrossed:** Your conference committee (Sens. Wanzek, Schobinger, Kelsch and Reps. Rydell, Drovdal, Aarsvold) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 1419, adopt amendments as follows, and place Engrossed SB 2063 on the Seventh order:

That the House recede from its amendments as printed on page 1419 of the Senate Journal and pages 1505 and 1506 of the House Journal and that Engrossed Senate Bill No. 2063 be amended as follows:

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

Page 1, line 6, after "students" insert "; to provide legislative intent; and to provide for a legislative council study"

Page 1, line 17, after the underscored period insert "For purposes of this section, "special education" means the provision of special services to students who are disabled and to students who are gifted and talented."

Page 9, after line 11, insert:

**"SECTION 7. LEGISLATIVE INTENT.** It is the intent of the legislative assembly that the amount included in the grants - special

education line item in subdivision 1 of section 1 of Senate Bill No. 2013 be distributed as follows:

1. Ten million dollars must be used to reimburse school districts for excess costs incurred on contracts for students with disabilities as required in section 15-40.2-08 and for low incidence or severely disabled students as required in sections 15-59-06 and 15-59-07, and for boarding care reimbursements as required in section 15-59-07.2;
2. Four hundred thousand dollars must be used to reimburse school districts for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction;
3. Five hundred thousand dollars must be used to reimburse school districts with above-average incidence of moderately or severely disabled students upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction;
4. Any amount remaining in the line item must be distributed on a per student basis as required by law, except that during the 1995-96 school year a school district or special education unit may not receive less than ninety-five percent of the amount received during the 1993-94 school year from state special education funds, excluding reimbursements for student contracts, boarding care, and gifted and talented programs.

During the 1996-97 school year a district or special education unit may not receive less than ninety percent of the amount received during the 1993-94 school year from state special education funds, excluding reimbursements for student contracts, boarding care, and gifted and talented programs.

**SECTION 8. LEGISLATIVE COUNCIL STUDY.** During the 1995-96 interim, the legislative council shall consider studying the equitable provision of services to students who are gifted and talented, the equitable funding of such programs, and whether those services should be funded independently of or together with services provided to students who are disabled. If this study is conducted, the legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-fifth legislative assembly."

Renumber accordingly

Engrossed SB 2063 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2085, as engrossed:** Your conference committee (Sens. Mutch, Sand, Krauter (refused to sign) and Reps. Carlson, Keiser, Coats (refused to sign)) recommends that the HOUSE RECEDE from the House amendments on SJ page 1216, adopt amendments as follows, and place Engrossed SB 2085 on the Seventh order:

That the House recede from its amendments as printed on page 1216 of the Senate Journal and pages 1262 and 1263 of the House Journal and that Engrossed Senate Bill No. 2085 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 65-01 of the North Dakota Century Code, relating to the eligibility of

a full time paid firefighter or law enforcement officer for workers' compensation benefits; and to"

Page 2, line 17, replace "A" with "An employer shall require a physical examination upon employment, and annually thereafter, for any employee subject to this subdivision. Results of the examination must be used in rebuttal to a presumption afforded under this subdivision. For purposes of this subdivision, "law enforcement officer" means a person who is licensed to perform peace officer law enforcement duties under chapter 12-63 and is employed full time by the bureau of criminal investigation, the game and fish department, the state highway patrol, the parole and probation division, the North Dakota state university police department, the North Dakota state college of science police department, the university of North Dakota police department, a county sheriff's department, or a city police department. The presumption does not include a condition or impairment of health of a full-time paid firefighter or law enforcement officer, who has been employed for ten years or less, if the condition or impairment is diagnosed more than two years after the employment as a full-time paid firefighter or law enforcement officer ends. The presumption also does not include a condition or impairment of health of a full-time paid firefighter or law enforcement officer, who has been employed more than ten years, if the condition or impairment is diagnosed more than five years after the employment as a full-time paid firefighter or law enforcement officer ends."

**SECTION 2.** A new section to chapter 65-01 of the North Dakota Century Code is created and enacted as follows:

Yearly documentation required for firefighter and law enforcement officer. Except for benefits for exposure to infectious disease as defined by sections 23-07.3-01 and 23-07.3-02, a"

Page 2, line 18, remove "and who"

Page 2, line 19, remove "begins employment after June 30, 1995,"

Page 2, line 20, replace "benefit" with "benefits", remove "this", and after "subdivision" insert "d of subsection 18 of section 65-01-02"

Page 2, line 24, replace "three" with "two" and after the underscored period insert "Any full-time paid firefighter or law enforcement officer employed on June 30, 1995, is not subject to this section until July 1, 1997."

Renumber accordingly

Engrossed SB 2085 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

SB 2211, as engrossed: Your conference committee (Sens. Wanzek, Freborg, O'Connell and Reps. Clark, Torgerson, Aarsvold) recommends that the HOUSE RECEDE from the House amendments on SJ page 1165, adopt amendments as follows, and place Engrossed SB 2211 on the Seventh order:

That the House recede from its amendments as printed on page 1165 of the Senate Journal and page 1182 of the House Journal and that Engrossed Senate Bill No. 2211 be amended as follows:

Page 4, line 28, after the underscored comma insert "itinerant outreach teachers,"

Page 5, replace lines 4 through 26 with:

"2. The superintendent of public instruction for the school for the blind and the school for the deaf, and the director of the division of juvenile services with the approval of the director of the department of corrections and rehabilitation for the state industrial school in administering the schools under their authority shall develop contracts for employment of teachers in their departments and establish teacher personnel policies needed for administration of the schools. The contracts may include assignment of job duties, teacher salaries, hours, and job titles, a school calendar, and a salary schedule. The personnel policies adopted under this section must include job descriptions and nonrenewal, discipline, and dismissal procedures, and must seek to harmonize the rights of teachers with law governing state employees. The superintendent of public instruction and the director of the division of juvenile services with the approval of the director of the department of corrections and rehabilitation shall work together in the development of personnel policies for teachers employed by their respective departments."

Renumber accordingly

Engrossed SB 2211 was placed on the Seventh order of business on the calendar.

#### DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills and veto certifications were delivered to the Secretary of State for his filing at the hour of 12:30 p.m., April 6, 1995: HB 1180, HB 1251.

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

#### MOTION

REP. DORSO MOVED that because of the possibility of an error in the wording of the amendments proposed by the conference committee, that Engrossed SB 2063 be returned to the Senate for further conference committee action, which motion prevailed.

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

MADAM PRESIDENT: The House has rereferred SB 2063 back to Conference Committee.

#### REPORT OF CONFERENCE COMMITTEE

REP. CARLSON MOVED that the conference committee report on Engrossed SB 2085 be adopted, which motion prevailed.

Engrossed SB 2085, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

SB 2085: A BILL for an Act to create and enact a new section to chapter 65-01 of the North Dakota Century Code, relating to the eligibility of a full-time paid firefighter or law enforcement officer for workers' compensation benefits; and to amend and reenact subsection 18 of section 65-01-02 of the North Dakota Century Code, relating to the definition of "fairly traceable to the employment" for purposes of workers' compensation.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 6 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; Gulleson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Mickelson; Monson; Mutzenberger; Nicholas; Nichols; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schimke; Schmidt; Shide; Sitz; Skarphol; Soukup; Stenehjøm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie

**ABSENT AND NOT VOTING:** Henegar, D.; Huether; Kretschmar; Maragos; Martinson; Speaker Martin

Engrossed SB 2085, as amended, passed and the title was agreed to.

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#### REPORT OF CONFERENCE COMMITTEE

**REP. CLARK MOVED** that the conference committee report on Engrossed SB 2211 be adopted, which motion prevailed.

Engrossed SB 2211, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

**SB 2211:** A BILL for an Act to create and enact a new section to chapter 15-47 and a new subsection to section 54-44.3-20 of the North Dakota Century Code, relating to teachers employed by the state industrial school, school for the deaf, and school for the blind; and to amend and reenact sections 15-47-26, 15-47-27, and 15-47-27.1 of the North Dakota Century Code, relating to the definitions of teacher, renewal of teacher contracts, evaluation of first-year teachers, and nonrenewal of teacher contracts.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 94 YEAS, 0 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; Delmore; Delzer; DeWitz; Dobrinski; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Kliniske; Koppelman; 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; Stenehjøm; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wilkie; Speaker Martin

**ABSENT AND NOT VOTING:** Henegar, D.; Huether; Kretschmar; Wentz

Engrossed SB 2211, as amended, passed and the title was agreed to.

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#### REPORT OF CONFERENCE COMMITTEE

**HB 1007, as engrossed:** Your conference committee (Sens. Streibel, Holmberg,

Robinson and Reps. Carlisle, DeWitz, Wilkie) recommends that the SENATE RECEDE from the Senate amendments on HJ page 1380, adopt amendments as follows, and place Engrossed HB 1007 on the Seventh order:

That the Senate recede from its amendments as printed on page 1380 of the House Journal and page 1198 of the Senate Journal and that Engrossed House Bill No. 1007 be amended as follows:

Page 1, line 13, replace "250,000" with "150,000"

Page 1, remove lines 14 and 15

Page 1, line 16, replace "227,983" with "377,983"

Re-number accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 316 - INDIAN AFFAIRS COMMISSION

CONFERENCE COMMITTEE - This amendment makes the following changes:

	ENGROSSED BILL	REDUCE GRANTS AND CHANGE FUNDING SOURCE	TOTAL CHANGES	CONFERENCE COMMITTEE VERSION
Salaries and wages	\$195,099			\$195,099
Operating expenses	31,884			31,884
Equipment	1,000			1,000
Grants	<u>250,000</u>	<u>\$(100,000)</u>	<u>\$(100,000)</u>	<u>150,000</u>
Total all funds	\$477,983	<u>\$(100,000)</u>	<u>\$(100,000)</u>	\$377,983
Less estimated income	<u>250,000</u>	<u>(250,000)</u>	<u>(250,000)</u>	<u>          </u>
Total general fund	\$227,983	\$ 150,000	\$ 150,000	\$377,983
FTE	2.5		0	2.5

Engrossed HB 1007 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

REP. CARLISLE MOVED that the conference committee report on Engrossed HB 1007 be adopted.

#### REQUEST

REP. CARLISLE REQUESTED a recorded roll call vote on the motion to adopt the conference committee report on Engrossed HB 1007, which request was granted.

#### ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed HB 1007, the roll was called and there were 65 YEAS, 30 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Austin; Bateman; Belter; Berg; Bernstein; Boehm; Brown; Carlisle; Carlson; Christopherson; Clayburgh; Coats; Dalrymple; DeKrey; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Gorman; Grumbo; Gunter; Hagle; Hausauer; Howard; Jacobs; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Laughlin; Lloyd; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Retzer; Rydell; Sabby; Shide; Sitz; Skarphol; Soukup; Stenehjem; Svedjan; Thompson; Thoreson; Tollefson; Torgerson; Wald; Walker; Wardner; Speaker Martin

**NAYS:** Aarsvold; Boucher; Byerly; Christenson; Clark; Delmore; Delzer; Dobrinski; Glassheim; Grosz; Gulleson; Hanson; Henegar, K.; Holm; Johnson; Kaldor; Keiser; Kerzman; Kroeber; Mahoney; Maragos; Nichols; Oban; Rennerfeldt; Sandvig; Schimke; Schmidt; Sveen; Timm; Wilkie

**ABSENT AND NOT VOTING:** Henegar, D.; Huether; Wentz

The conference committee report on Engrossed HB 1007 was adopted.

#### SECOND READING OF HOUSE BILL

**HB 1007:** A BILL for an Act to provide an appropriation for defraying the expenses of the Indian affairs commission.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 70 YEAS, 25 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Austin; Bateman; Belter; Berg; Bernstein; Boehm; Carlisle; Carlson; Christopherson; Clark; Clayburgh; Coats; Dalrymple; DeKrey; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Grumbo; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Howard; Johnson; Keiser; Kelsch; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Laughlin; Lloyd; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nottestad; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Schimke; Schmidt; Shide; Sitz; Soukup; Stenehjem; Svedjan; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner

**NAYS:** Aarsvold; Boucher; Brown; Byerly; Christenson; Delmore; Delzer; Dobrinski; Glassheim; Gorman; Grosz; Gulleson; Holm; Jacobs; Kaldor; Kerzman; Kroeber; Mahoney; Nichols; Oban; Sandvig; Skarphol; Sveen; Wilkie; Speaker Martin

**ABSENT AND NOT VOTING:** Henegar, D.; Huether; Wentz

Engrossed HB 1007, as amended, passed and the title was agreed to.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2085, SB 2211.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1007.

#### MOTION

**REP. DORSO MOVED** that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 3:00 p.m., which motion prevailed.

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

**MR. SPEAKER:** The President has signed and your signature is respectfully requested on: SB 2003, SB 2009, SB 2136, SB 2231, SB 2455.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2012.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2012, as engrossed:** Your conference committee (Sens. St. Aubyn, Nalewaja, Mushik and Reps. Wentz, Byerly, Huether) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1468-1483, adopt

amendments as follows, and place Engrossed SB 2012 on the Seventh order:

That the House recede from its amendments as printed on pages 1468-1483 of the Senate Journal and pages 1526-1541 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 4, after the semicolon insert "to authorize the state of North Dakota to convey certain state-owned land to Community Housing, Inc.;"

Page 1, line 5, replace "and" with a comma and after "50-06" insert ", and a new subsection to section 50-06-05.1"

Page 1, line 7, remove "and"

Page 1, line 8, after "division" insert ", and to the duties of the department of human services"

Page 1, line 9, replace "and 50-24.5-06" with ", 50-01-13 as amended by section 10 of Senate Bill No. 2037, as approved by the fifty-fourth legislative assembly, and 50-06-14.3"

Page 1, line 12, after the second comma insert "county medical services for the poor,"

Page 1, line 17, replace "an effective date" with "for reports to the budget section regarding nursing home cost increases"

Page 2, line 5, replace "EXECUTIVE OFFICE" with "MANAGEMENT AND COUNCILS"

Page 2, line 6, replace "623,549" with "7,685,631"

Page 2, line 7, replace "516,562" with "13,350,915"

Page 2, after line 7, insert:

"Grants	667,278
Developmentally disabled facility loan fund	1,840,956"

Page 2, line 8, replace "4,874" with "105,684"

Page 2, line 9, replace "1,144,985" with "23,650,464"

Page 2, line 10, replace "425,248" with "15,890,069"

Page 2, line 11, replace "719,737" with "7,760,395"

Page 2, remove lines 12 through 28

Page 2, line 29, replace "4" with "2"

Page 3, line 2, replace "4,411,704" with "7,583,053"

Page 3, line 3, replace "20,747,136" with "25,275,668"

Page 3, line 4, replace "69,615" with "81,715"

Page 3, line 5, replace "1,724" with "2,543"

Page 3, after line 5, insert:

"Grants - assistance payments	125,460,565"
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Page 3, line 6, after "Grants" insert "- medical assistance" and replace "127,065,685" with "566,349,024"

Page 3, line 7, replace "152,295,864" with "724,752,568"

Page 3, line 8, replace "129,452,250" with "540,752,514"

Page 3, line 9, replace "22,843,614" with "184,000,054"

Page 3, remove lines 10 through 19

Page 3, line 20, replace "6" with "3"

Page 3, line 22, replace "5,355,667" with "9,952,704"

Page 3, line 23, replace "13,533,736" with "17,334,562"

Page 3, line 24, replace "293,185" with "583,968"

Page 3, after line 24, insert:

"Capital improvements 32,618"

Page 3, line 25, replace "78,217,413" with "94,083,413"

Page 3, line 26, replace "97,400,001" with "121,987,265"

Page 3, line 27, replace "68,646,723" with "88,517,873"

Page 3, line 28, replace "28,753,278" with "33,469,392"

Page 3, remove line 29

Page 4, remove lines 1 through 9

Page 4, line 10, replace "8" with "4" and after the period insert "FIELD SERVICES"

Page 4, line 12, replace "58,004,998" with "57,004,695"

Page 4, line 13, replace "10,570,530" with "10,142,411"

Page 4, line 14, replace "649,275" with "647,002"

Page 4, line 15, replace "230,213" with "200,221"

Page 4, line 16, replace "11,668,599" with "9,830,723"

Page 4, line 17, replace "81,123,615" with "77,825,052"

Page 4, line 18, replace "42,015,911" with "40,626,567"

Page 4, line 19, replace "39,107,704" with "37,198,485"

Page 4, remove line 20

Page 4, line 24, replace "352,987" with "352,987"

Page 4, after line 24, insert:

"Capital improvements 1,000,000"

Page 4, line 25, replace "51,697,738" with "52,697,738"

Page 4, line 26, replace "15,880,379" with "16,280,379"

Page 4, line 27, replace "35,817,359" with "36,417,359"

Page 4, remove line 28

Page 5, after line 7, insert:

"Total all funds - subdivision 4	\$168,014,952
Total estimated income - subdivision 4	\$ 84,027,218
Total general fund appropriation - subdivision 4	\$ 83,987,734"

Page 5, line 8, replace "309,011,625" with "309,217,575"

Page 5, line 9, replace "720,244,704" with "729,387,674"

Page 5, line 10, replace "1,029,256,329" with "1,038,605,249"

Page 5, line 13, remove "subdivision 3 of"

Page 5, line 23, remove "subdivision 3 of"

Page 5, line 28, replace "10" with "4"

Page 6, line 4, replace "in" with "within" and replace "subdivisions 8, 9, and 10" with "subdivision 4"

Page 6, after line 7, insert:

**"SECTION 6. TRANSFER OF LAND AUTHORIZED.**

1. The state of North Dakota may convey to Community Housing, Inc., two acres of land owned by the state from a parcel of land which is located in Walsh County and described as follows:

Part of Lot 1, Block 1, 7.06 acres, State School First Addition.

2. The conveyance authorized by this section must be made for thirty percent above the average price per acre of the property authorized to be transferred pursuant to section 1 of chapter 561 of the 1991 Session Laws.
3. Any conveyance of the land described in subsection 1 must include a provision that the land and any improvements on the land revert to the state of North Dakota if the land ceases to be used for the housing of seasonal migrant workers.
4. The conveyance authorized by this section is exempt from the provisions of sections 54-01-05.2 and 54-01-05.5.
5. The attorney general shall review and approve as to form and legality all legal documents required for the conveyance authorized by this section, including title opinions.
6. No state general fund moneys may be used for the construction or operation of housing units on this property."

Page 9, after line 2, insert:

**"SECTION 13. AMENDMENT.** Section 50-01-13 of the North Dakota Century Code as amended by section 10 of Senate Bill No. 2037, as approved by the fifty-fourth legislative assembly, is amended and reenacted as follows:

**50-01-13. Medical attention and hospitalization furnished poor.**  
~~In case of necessity~~ Within the limits of the county human services

appropriation, the county social service board promptly shall provide necessary medical attention services, covered in the written eligibility standards for general assistance, for any poor person in the county who is not provided for in a public institution. The county social service board shall cause to be furnished to the person the necessary covered medicines prescribed by a physician. In all cases where, in the opinion of the county social service board, Necessary covered hospitalization is necessary, it must be furnished by the county upon approval or subsequent ratification by the board. If the poor person is a nonresident of the state, the county furnishing the medical attention services must be reimbursed within the limits of funds appropriated for that purpose by the legislative assembly for eighty percent of the expenses incurred in carrying out this section. The reimbursement must be made upon vouchers having the approval of the department of human services.

**SECTION 14.** A new subsection to section 50-06-05.1 of the 1993 Supplement to the North Dakota Century Code is created and enacted as follows:

To provide those services necessary for the department and for county social service boards to comply with the provisions of any law, rule, order, or regulation of the United States or any federal agency or authority requiring civil service or merit standards or classifications as a condition for providing funds administered by the department."

Page 9, line 12, after "to" insert "implement and supervise a unified mental health delivery system and to"

Page 9, line 13, replace "human service centers' delivery and operation of" with "the" and replace "is" with "provided by the human service centers, the state hospital, and contracted services are"

Page 9, replace lines 15 through 28 with:

**"SECTION 16. AMENDMENT.** Section 50-06-14.3 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**50-06-14.3. Department of human services to develop basic care facility ratesetting methodology.** The department of human services shall develop a ratesetting methodology that provides for rates for all residents of basic care facilities. The methodology may not provide for different rates for similarly situated residents because of the source of payment for any resident's care. The department shall consult with representatives of the basic care industry in this state in developing the ratesetting methodology. Beginning July 1, ~~1995~~ 1997, the department shall establish rates for all residents of basic care facilities in accordance with the ratesetting methodology developed by the department. After June 30, ~~1995~~ 1997, no agency of the state or any political subdivision may make payments to a basic care facility that does not set rates at the levels established by the department.

**SECTION 17. NURSING HOME INFLATIONARY INCREASES - REPORTS TO THE BUDGET SECTION.** If the inflationary adjustments provided in section 1 of this Act are not adequate to fund the adjustments for nursing homes required by subsection 5 of section 50-24.4-10 of the North Dakota Century Code and sufficient savings are not available as a result of less than projected other nursing home costs, the department of human services shall report its plan for funding the additional cost to the budget section for its approval."

Page 10, replace lines 7 and 8 with:

"SECTION 19. CORRELATION OF RESOURCES - MENTAL HEALTH SERVICES. Notwithstanding section 4 of this Act, at the request of the mental health division, the director of the department of human services shall transfer appropriation authority which may include authorized positions from subdivision 3 to subdivision 4 of section 1 of this Act to provide mental health services through a unified mental health service delivery system."

Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 325 - DEPARTMENT OF HUMAN SERVICES

HOUSE - The attached schedule details the House changes to Senate Bill No. 2012.

	1995-97 EXECUTIVE BUDGET	TOTAL SENATE CHANGES	SENATE RECOMMENDED AMOUNTS	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION
SUBDIVISION 1 - EXECUTIVE OFFICE					
Salaries and wages	\$ 623,549		\$ 623,549		\$ 623,549
Operating expenses	516,562		516,562		516,562
Equipment	<u>4,874</u>		<u>4,874</u>		<u>4,874</u>
Total all funds	\$ 1,144,985		\$ 1,144,985		\$ 1,144,985
Less estimated income	425,248		425,248		425,248
Total general fund appropriation	\$ 719,737		\$ 719,737		\$ 719,737
FTE positions	5		5		5
SUBDIVISION 2 - DD COUNCIL					
Salaries and wages	\$ 119,695		\$ 119,695		\$ 119,695
Operating expenses	75,614		75,614		75,614
Grants	<u>667,278</u>		<u>667,278</u>		<u>667,278</u>
Total all funds	\$ 862,587		\$ 862,587		\$ 862,587
Less estimated income	840,240		840,240		840,240
Total general fund appropriation	\$ 22,347		\$ 22,347		\$ 22,347
FTE positions	1.5		1.5		1.5
SUBDIVISION 3 - MANAGERIAL SUPPORT					
Salaries and wages	\$ 6,956,881	\$(14,494)	\$ 6,942,387		\$ 6,942,387
Operating expenses	12,573,985	225,000	12,798,985	\$(40,246)	12,758,739
Equipment	100,810		100,810		100,810
DD loan fund	<u>1,840,956</u>		<u>1,840,956</u>		<u>1,840,956</u>
Total all funds	\$21,472,632	\$210,506	\$21,683,138	\$(40,246) <sup>1</sup>	\$21,642,892
Less estimated income	14,414,075	210,506	14,624,581		14,624,581
Total general fund appropriation	\$ 7,058,557	\$ 0	\$ 7,058,557	\$(40,246)	\$ 7,018,311
FTE positions	95.25	(.45)	94.8		94.8

<sup>1</sup> Reduces operating expenses by \$40,246 from the general fund.

SUBDIVISION 4 - ECONOMIC ASSISTANCE

Salaries and wages	\$ 4,411,704		\$ 4,411,704		\$ 4,411,704
Operating expenses	20,747,136		20,747,136		20,747,136
Equipment	69,615		69,615		69,615
Grants	126,129,922	\$935,763	127,065,685	\$(1,605,120) <sup>2</sup>	125,460,565
Capital improvements	<u>1,724</u>		<u>1,724</u>		<u>1,724</u>
Total all funds	\$151,360,101	\$935,763	\$152,295,864	\$(1,605,120)	\$150,690,744
Less estimated income	129,244,000	208,250	129,452,250	(257,630)	129,194,620
Total general fund	\$ 22,116,101	\$727,513	\$ 22,843,614	\$(1,347,490)	\$ 21,496,124
appropriation					
FTE positions	55.3		55.3		55.3

<sup>2</sup> Reduces funding (\$766,956, of which \$461,910 is from the general fund) added by the Senate that would have allowed for basic care rate equalization on July 1, 1995, and would have changed the state's share of the basic care program from 70 percent to 80 percent on January 1, 1996. Funding is provided at the 80th percentile rather than the 70th percentile. Statutory changes are also included to defer rate equalization to July 1, 1997, and the statutory provisions changing the state/county share to 80/20 are removed. Also reduces AFDC funding by a total of \$838,164, of which \$215,242 is from the general fund, to reflect a change in the reduction in AFDC caseload from eight per month to 10 per month. Reflects savings from House Bill Nos. 1031 and 1032, relating to child support enforcement - \$670,338 general fund reduction, other funds increase.

SUBDIVISION 5 - MEDICAL ASSISTANCE

Salaries and wages	\$ 3,171,349		\$ 3,171,349		\$ 3,171,349
Operating expenses	4,528,532		4,528,532		4,528,532
Equipment	12,100		12,100		12,100
Grants	556,349,256	\$1,328,822	557,678,078	\$ 8,670,946 <sup>3</sup>	566,349,824
Capital improvements	<u>819</u>		<u>819</u>		<u>819</u>
Total all funds	\$564,062,056	\$1,328,822	\$565,390,878	\$ 8,670,946	\$574,061,824
Less estimated income	403,485,391	849,568	404,334,959	7,222,935	411,557,894
Total general fund	\$160,576,665	\$ 479,254	\$161,055,919	\$ 1,448,011	\$162,503,930
appropriation					
FTE positions	46		46		46

<sup>3</sup> This amendment:

Adds funds to provide a 2.9 percent rather than 2.6 percent inflationary increase for nursing homes (general fund cost \$391,050 - other funds \$1,056,919);

Adds funds related to House Bill No. 1050 to expand Medicaid eligibility for children born before September 30, 1983, to 100 percent of poverty and to increase the medically needy income levels by nine percent (\$11,110,630, of which \$3,000,451 is from the general fund);

Reduces the increase in Medicaid eligibles from 50 per month to zero (savings of \$3,887,653, of which \$1,268,569 is from the general fund); and

Reduces state funding for developmental disabilities grants to reflect projected federal financial participation rates (general fund savings \$674,921 - other funds increase \$674,921).

SUBDIVISION 6 - PROGRAM  
AND POLICY

Salaries and wages	\$ 4,321,637	\$ 1,034,030	\$ 5,355,667	\$1,000,303	\$ 6,355,970
Operating expenses	12,958,373	575,363	13,533,736	1,140,328	14,674,064
Equipment	269,705	23,480	293,185	2,273	295,458
Grants	56,984,073	21,233,340	78,217,413	2,249,007	80,466,420
Aging home/community service	20,031,375	(20,031,375)			
Capital improvements				29,992	29,992
Aging protective service	226,787	(226,787)			
Aging administration	<u>1,266,478</u>	<u>(1,266,478)</u>			
Total all funds	\$96,058,428	\$ 1,341,573	\$97,400,001	\$4,421,903 <sup>4</sup>	\$101,821,904
Less estimated income	68,610,106	36,617	68,646,723	2,967,009	71,613,732
Total general fund appropriation	\$27,448,322	\$ 1,304,956	\$28,753,278	\$1,454,894	\$ 30,208,172
FTE positions	68.15	(.5)	67.65	15.7	83.35

<sup>4</sup> Adds \$712,209 of federal funds for substance abuse assessment.

Reduces funding (totaling \$956,078 - \$908,274 from the general fund) added by the Senate to provide service payments for elderly and disabled funding of \$7,507,200, of which \$7,131,840 is from the general fund.

Adds funding for foster care rejections (\$1,367,209, of which \$467,463 is from the general fund).

Reflects savings from House Bill Nos. 1031 and 1032, relating to child support enforcement - \$13,514 general fund savings - other funds increase.

Also adds funding for SMI partial care, work activity, and psychosocial clubs totaling \$3,298,563, of which \$1,909,219 is from the general fund.

#### SUBDIVISION 7 - VOCATIONAL

##### REHABILITATION

Salaries and wages		\$ 3,596,734	\$ 3,596,734	\$ 3,596,734
Operating expenses		2,660,498	2,660,498	2,660,498
Equipment		288,510	288,510	288,510
Grants		13,616,993	13,616,993	13,616,993
Capital improvements		2,626	2,626	2,626
Vocational rehabilitation services	<u>\$20,198,854</u>	<u>(20,198,854)</u>		
Total all funds	\$20,198,854	\$ (33,493)	\$20,165,361	\$20,165,361
Less estimated income	17,033,634	(129,493)	16,904,141	16,904,141
Total general fund appropriation	\$ 3,165,220	\$ 96,000	\$ 3,261,220	\$ 3,261,220
FTE positions	53	(1.5)	51.5	51.5

#### SUBDIVISION 8 - HUMAN

##### SERVICE CENTERS

Salaries and wages	\$57,504,807	\$ 500,191	\$58,004,998	\$(1,000,303)	\$57,004,695
Operating expenses	10,475,748	94,782	10,570,530	(428,119)	10,142,411
Equipment	649,275		649,275	(2,273)	647,002
Grants	11,648,079	20,520	11,668,599	(1,837,876)	9,830,723
Capital improvements	230,213		230,213	(29,992)	200,221
Northeast aging services	85,208	(85,208)			
Northeast vocational rehabilitation	<u>798,766</u>	<u>(798,766)</u>			

Total all funds	\$81,392,096	\$ (268,481)	\$81,123,615	\$(3,298,563) <sup>5</sup>	\$77,825,052
Less estimated income	42,284,392	(268,481)	42,015,911	(1,389,344)	40,626,567
Total general fund	\$39,107,704	\$ 0	\$39,107,704	\$(1,909,219)	\$37,198,485
appropriation					
FTE positions	817.75	(5)	812.75	(15.7)	797.05

<sup>5</sup> Removes funding for SMI partial care/work activity/psychosocial clubs transferred to Program and Policy - Mental Health Division. A section is added to allow the appropriation authority to be transferred to the centers as necessary. See the attached schedule detailing the transfer.

## SUBDIVISION 9 - STATE

## HOSPITAL

Salaries and wages	\$43,941,975	\$ (678,503)	\$43,263,472		\$43,263,472
Operating expenses	8,081,279		8,081,279		8,081,279
Equipment	352,987		352,987		352,987
Capital improvements				<u>\$ 1,000,000</u>	<u>1,000,000</u>
Total all funds	\$52,376,241	\$ (678,503)	\$51,697,738	\$ 1,000,000 <sup>6</sup>	\$52,697,738
Less estimated income	17,758,882	(1,878,503)	15,880,379	400,000	16,280,379
Total general fund	\$34,617,359	\$ 1,200,000	\$35,817,359	\$ 600,000	\$36,417,359
appropriation					
FTE positions	639.6	(9.5)	630.1		630.1

<sup>6</sup> This amendment adds \$1 million from the general fund for a capital improvements line item to repair tunnels at the State Hospital (previously included in Senate Bill No. 2030) and reduces the general fund enhancement of \$1.2 million added by the Senate to \$800,000 to replace estimated income, a \$400,000 reduction from the Senate version. Estimated income is increased by \$400,000 also. The general fund savings of \$147,276 relating to House Bill No. 1376 are intended to be used in other areas of the State Hospital budget.

## SUBDIVISION 10 -

## DEVELOPMENTAL CENTER

Salaries and wages	\$ 29,392,308		\$ 29,392,308		\$ 29,392,308
Operating expenses	7,644,021		7,644,021		7,644,021
Equipment	132,558		132,558		132,558
Capital improvements	<u>323,275</u>		<u>323,275</u>		<u>323,275</u>
Total all funds	\$ 37,492,162		\$ 37,492,162		\$ 37,492,162
Less estimated income	27,120,272		27,120,272		27,120,272

Total general fund appropriation	\$ 10,371,890		\$ 10,371,890		\$ 10,371,890
FTE positions	501.8		501.8		501.8
GRAND TOTAL DEPARTMENT OF HUMAN SERVICES					
Salaries and wages	\$ 150,443,905	\$ 4,437,958	\$ 154,881,863		\$ 154,881,863
Operating expenses	77,601,250	3,555,643	81,156,893	\$ 671,963	81,828,856
Equipment	1,591,924	311,990	1,903,914		1,903,914
Grants	751,778,608	37,135,438	788,914,046	7,476,957	796,391,003
DD loan fund	1,840,956		1,840,956		1,840,956
Capital improvements	556,031	2,626	558,657	1,000,000	1,558,657
Other line items/sections	<u>42,607,468</u>	<u>(42,607,468)</u>	<u>200,000*</u>		<u>200,000</u>
Total all funds	\$1,026,420,142	\$ 2,836,187	\$1,029,456,329	\$ 9,148,920	\$1,038,605,249
Less estimated income	721,216,240	(971,536)	720,444,704	8,942,970	729,387,674
Total general fund appropriation	\$ 305,203,902	\$ 3,807,723	\$ 309,011,625	\$ 205,950	\$ 309,217,575
FTE positions	2,283.35	(16.95)	2,266.4		2,266.4

\* Represents authority provided to continue \$200,000 appropriation from the lands and minerals trust fund in Section 8 of Engrossed Senate Bill No. 2012.

This amendment also:

Provides for transfer of land at the Developmental Center.

Allows the Department of Human Services to provide merit system services.

Delays basic care rate equalization to July 1, 1997.

Amends Section 50-01-13 to limit county responsibility for medical costs of the poor to the limits of county human services appropriations.

Allows for the correlation of resources for mental health services.

Requires the Department of Human Services to report to the Budget Section if nursing home cost increases funded are not sufficient.

After making the above changes the amendment combines the subdivisions as follows:

	ENGROSSED SB 2012	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION
Total funding -			
New Subdivision 1 -			
Management Council			
Subdivision 1 -	\$ 1,144,985		
Executive Office			
Subdivision 2 -	862,587		
Developmental			
Disabilities			
Council			
Subdivision 3 -	<u>21,683,138</u>		
Managerial Support			
Total	\$ 23,690,710	\$ (40,246)	\$ 23,650,464
Total funding - New			
Subdivision 2 -			
Economic Assistance			
Subdivision 4 -	\$ 152,295,864		
Economic Assistance			
Subdivision 5 -	<u>565,390,878</u>		
Medical Assistance			
Total	\$ 717,686,742	\$ 7,065,826	\$ 724,752,568
Total funding - New			
Subdivision 3 -			
Program and Policy			
Subdivision 6 -	\$ 97,400,001		
Program and			
Policy			
Subdivision 7 -	<u>20,165,361</u>		
Vocational			
Rehabilitation			
Total	\$ 117,565,362	\$ 4,421,903	\$ 121,987,265
Total funding - New			
Subdivision 4 -			
Field Services			
Subdivision 8 -	\$ 81,123,615		
Human service center			
Subdivision 9 -	51,697,738		
State Hospital			
Subdivision 10 -	<u>37,492,162</u>		
Developmental			
Center			

Total	\$ 170,313,515	\$(2,298,563)	\$ 168,014,952
Amount in Section 8 of Engrossed Senate Bill No. 2012	<u>200,000</u>	<u>          </u>	<u>200,000</u>
Engrossed Senate Bill No. 2012 - Total funds	\$1,029,456,329	\$ 9,148,920	\$1,038,605,249

The amendment also transfers SMI partial care, work activity, and psychosocial clubhouse from the human service centers to the Mental Health Division as shown on the attached schedule.

TRANSFER FROM HUMAN SERVICE CENTERS TO PROGRAM AND POLICY -  
MENTAL HEALTH SERVICES

	PARTIAL CARE	WORK ACTIVITY	PSYCHOSOCIAL CLUBHOUSE	TOTAL
By Line Item				
Salaries and wages	\$ 937,846	\$ 62,457		\$1,000,303
Operating expenses	365,952	62,167		428,119
Equipment	2,273			2,273
Grants	112,876	377,770	\$1,347,230	1,837,876
Capital improvements	<u>29,992</u>	<u>          </u>	<u>          </u>	<u>29,992</u>
Total all funds	\$1,448,939	\$502,394	\$1,347,230	\$3,298,563
Less estimated income	<u>894,753</u>	<u>144,705</u>	<u>349,886</u>	<u>1,389,344</u>
General fund	\$ 554,186	\$357,689	\$ 997,344	\$1,909,219
FTE	14.7	1		15.7
By Human Service Center				
Northwest	\$ 227,202		\$ 119,598	\$ 346,800
North Central	312,184		275,000	587,184
Lake Region	0		115,000*	115,000
Northeast	194,603	\$172,624	275,000*	642,227
Southeast	399,190		123,945*	523,135
South Central	66,622	272,650	143,687*	482,959
West Central	115,087	57,120	145,000	317,207
Badlands	<u>134,051</u>	<u>          </u>	<u>150,000*</u>	<u>284,051</u>
Total all funds	\$1,448,939	\$502,394	\$1,347,230	\$3,298,563
Less estimated income	<u>894,753</u>	<u>144,705</u>	<u>349,886</u>	<u>1,389,344</u>
General fund	\$ 554,186	\$357,689	\$ 997,344	\$1,909,219

TRANSFER FROM HUMAN SERVICE CENTERS TO PROGRAM AND POLICY -  
MENTAL HEALTH SERVICES

\* Funded entirely from the general fund. Other programs remain as funded between special funds and the general fund as included in the executive budget.

Engrossed SB 2012 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1089, as engrossed: Your conference committee (Sens. Traynor, W. Stenehjem, C. Nelson and Reps. Kelsch, DeKrey, Mahoney) recommends that the SENATE RECEDE from the Senate amendments on HJ pages 1215-1221, adopt amendments as follows, and place Engrossed HB 1089 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1215-1221 of the House Journal and pages 1081-1087 of the Senate Journal and that Engrossed House Bill No. 1089 be amended as follows:

Page 1, line 1, after "28-32" insert ", a new subdivision to subsection 2 of section 51-19-09, and a new subsection to section 51-23-20"

Page 1, line 2, replace "hearing officers" with "administrative law judges and hearings held by the securities commissioner"

Page 1, line 3, after "reenact" insert "section 10-04-12, subsection 1 of section 10-04-16, subsection 5 of section 28-32-01, subsection 1 of section 28-32-08.1, subsections 3 and 5 of section 54-57-01," and remove "subsection 1 of section"

Page 1, line 4, remove "section" and after "to" insert "administrative hearings and the"

Page 1, line 5, replace "hearing officers" with "law judges", remove "and", and replace "section" with "sections 10-04-13 and"

Page 1, line 6, after "to" insert "appeals from orders of the securities commissioner and to"

Page 1, line 7, after "hearings" insert "; and to provide for a legislative council study"

Page 1, after line 8, insert:

"SECTION 1. AMENDMENT. Section 10-04-12 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**10-04-12. Hearings.** Before entering an order revoking the registration of any securities as provided in section 10-04-09, the commissioner shall send to the issuer of ~~such the~~ securities, and if the application for registration of ~~such the~~ securities was filed by a registered dealer, to ~~such the~~ registered dealer, a notice of opportunity for hearing. Before entering an order refusing to register any person as a dealer, salesman, investment adviser, or investment adviser representative, as provided in section 10-04-10, or revoking the registration of any person as a registered dealer, salesman, investment adviser, or investment adviser representative as provided in section 10-04-11, the commissioner shall send to ~~such that~~ person, and if ~~such that~~ person is a salesman or investment adviser representative or an applicant for registration as a salesman or investment adviser representative, to the registered dealer or investment adviser who employs or proposes to employ ~~such that~~ salesman or investment adviser representative, a notice of opportunity for hearing.

1. Notices of opportunity for hearing must be sent by registered ~~or certified~~ mail, returned receipt requested, to the addressee's business address, and ~~such the~~ notice ~~shall~~ must state:

- a. The order which the commissioner proposes to issue.
  - b. The grounds for issuing such the proposed order.
  - c. That the person to whom such the notice is sent will may be afforded a hearing upon request to the commissioner if such the request is made within ten days after receipt of the notice.
2. Whenever a person requests a hearing in accordance with ~~the provisions—of this section,~~ the commissioner shall immediately set a date, time, and place for such the hearing and shall forthwith notify the person requesting such the hearing thereof. The date set for such the hearing must be within fifteen days, but not earlier than five days, after the request for hearing has been made, unless otherwise agreed to by both the commissioner and the person requesting such the hearing.
  3. ~~For the purpose of conducting any hearing as provided in this section, the commissioner shall have the power to call any party to testify under oath at such hearings, to require the attendance of witnesses, the production of books, records, and papers, and to take the depositions of witnesses; and for that purpose the commissioner is authorized, at the request of the person requesting such hearing or upon his own initiative, to issue a subpoena for any witness or a subpoena duces tecum to compel the production of any books, records, or papers, directed to the sheriff of the county where such witness resides or is found, which shall be served and returned. The fees and mileage of the sheriff and witnesses must be paid from the fund in the state treasury for the use of the commissioner in the same manner that other expenses of the commissioner are paid.~~
  4. ~~At any Any hearing conducted under this section, a party or an affected person may appear in his own behalf or may be represented by an attorney. A stenographic record of the testimony and other evidence submitted must be taken unless the commissioner and the person requesting such hearing shall agree that such a stenographic record of the testimony shall not be taken. The commissioner shall pass upon the admissibility of evidence, but a party may at any time make objections to the rulings of the commissioner thereon, and if the commissioner refuses to admit evidence the party offering the same shall make a proffer thereof and such proffer must be made a part of the record of such hearing.~~
  5. ~~In any hearing under this section, the commissioner may conduct such hearing or he may appoint a referee who shall have the same powers and authority in conducting such hearings as are in this section granted to the commissioner. Such referee shall have been admitted to the practice of law in this state and be possessed of such additional qualifications as the commissioner may require. If a hearing is conducted by a referee such referee shall submit to the commissioner a written report setting forth his findings of fact and conclusions of law and a recommendation of the action to be taken by the commissioner. A copy of such written report and recommendations must within five days of the time of filing thereof be served upon the person who requested the hearing, or his attorney or other representative of record, by registered or certified mail. That person or his attorney may, within ten days of receipt of the copy of such written report and recommendations, file~~

~~with the commissioner written objections to the report and recommendations which must be considered by the commissioner before entering an order. No recommendations of the referee may be approved, modified, or disapproved by the commissioner until after ten days after service of such report and recommendations as herein provided. The recommendations of the referee may be approved, modified, or disapproved by the commissioner. The commissioner may order additional testimony to be taken or permit the introduction of further documentary evidence. A transcript of testimony and evidence, objections, if any, of the parties, and additional testimony and evidence, if any, shall have the same force and effect as if such hearing or hearings had been conducted by the commissioner. All recommendations of the referee to the commissioner are advisory only and do not have the effect of an order of the commissioner must be conducted in accordance with chapter 28-32.~~

- ~~6- 4. If the commissioner does not receive a request for a hearing within the prescribed time, he the commissioner may enter the proposed a final order. If a hearing is requested and conducted with respect to a proposed order, the commissioner shall issue a written order which must set forth his findings with respect to the matters involved and enter an order in accordance with his findings.~~

SECTION 2. AMENDMENT. Subsection 1 of section 10-04-16 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. Issue any order including, ~~but not limited to,~~ cease and desist, stop, and suspension orders, which the commissioner deems necessary or appropriate in the public interest or for the protection of investors. The commissioner may, in addition to any other remedy authorized by this chapter, impose by order and collect a civil penalty against any person found in an administrative action to have violated any provision of this chapter, or any ~~regulation,~~ rule, or order adopted or issued under this chapter, in an amount not to exceed ten thousand dollars for each violation. The attorney general, upon the commissioner's request, may bring actions to recover penalties pursuant to this section in district court. However, any person aggrieved by an order issued pursuant to this subsection may request a hearing before the commissioner if ~~such~~ the request is made within ten days after receipt of the order. The provisions of subsections 2, 3, ~~and 4,~~ and 5 of section 10-04-12 apply to any hearing conducted ~~hereunder~~ under this subsection. If, after a hearing, the commissioner ~~shall sustain~~ sustains an order previously issued, the sustaining order is subject to appeal to the district court of Burleigh County by serving on the commissioner within twenty days after the date of entry of the sustaining order a written notice of appeal signed by the appellant stating:
  - a. The order of the commissioner from which the appeal is taken.
  - b. The grounds upon which a reversal or modification of ~~such~~ the order is sought.
  - c. A demand for a certified transcript of the record of ~~such~~ the order.

~~The provisions of subdivisions a and b of subsection 3 of section 10-04-13 apply to an appeal hereunder."~~

Page 2, after line 17, insert:

"SECTION 4. AMENDMENT. Subsection 5 of section 28-32-01 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

5. "Hearing officer" means any agency head or one or more members of the agency head when presiding in an administrative proceeding, or, unless prohibited by law, one or more other persons designated by the agency head to preside in an administrative proceeding, an administrative law judge from the office of administrative hearings, or any other person duly assigned, appointed, or designated to preside in an administrative proceeding pursuant to statute or rule.

SECTION 5. AMENDMENT. Subsection 1 of section 28-32-08.1 of the North Dakota Century Code is amended and reenacted as follows:

1. Any person or persons presiding for the agency in an administrative proceeding must be referred to individually or collectively as hearing officer. Any person from the office of administrative hearings presiding for the agency as a hearing officer in an administrative proceeding must be referred to as an administrative law judge.

SECTION 6. A new subdivision to subsection 2 of section 51-19-09 of the North Dakota Century Code is created and enacted as follows:

If a hearing is requested or ordered under this section, it must be conducted in accordance with chapter 28-32.

SECTION 7. A new subsection to section 51-23-20 of the North Dakota Century Code is created and enacted as follows:

If a hearing is requested or ordered under this section, it must be conducted in accordance with chapter 28-32.

SECTION 8. AMENDMENT. Subsections 3 and 5 of section 54-57-01 of the 1993 Supplement to the North Dakota Century Code are amended and reenacted as follows:

3. The director of administrative hearings may preside as an administrative law judge at administrative hearings and may employ or appoint additional administrative ~~hearings officers~~ law judges to serve in the office as necessary to fulfill the duties of office as described in section 54-57-04 and section 3 of this Act and to provide administrative ~~hearings officers~~ law judges to preside at administrative hearings as requested by agencies. After the effective date of this Act, the director of administrative hearings may employ or appoint only such additional administrative law judges who are attorneys at law in good standing, admitted to the bar in the state, and currently licensed by the state bar board. The director may delegate to an employee the exercise of a specific statutory power or duty as deemed advisable, subject to the director's control, including the powers and duties of a deputy director. All administrative ~~hearings officers~~ law judges must be classified employees, except that the director of administrative hearings must be an unclassified employee who only may be removed, during a term of office, for cause. Each administrative ~~hearing officer~~ law judge must have a

demonstrated knowledge of administrative practices and procedures and must be free of any association that would impair the ~~officer's~~ person's ability to function officially in a fair and objective manner.

5. The director of administrative hearings shall develop categories of positions in the classified service under class titles for the appointment or employment of ~~hearings officers~~ administrative law judges and support staff in consultation with and approved by the director of the central personnel division, including the salary to be paid for each position or category of position."

Page 2, line 20, overstrike "~~hearings officers~~" and insert immediately thereafter "law judges"

Page 2, line 21, overstrike "~~hearings officers~~" and insert immediately thereafter "law judges"

Page 2, line 23, overstrike "~~hearings officers~~" and insert immediately thereafter "law judges"

Page 2, line 24, replace "hearing officers" with "law judges"

Page 2, line 28, overstrike "~~hearings officers~~" and insert thereafter immediately thereafter "law judges"

Page 3, line 26, overstrike "a hearings officer" and insert immediately thereafter "an administrative law judge"

Page 3, line 27, overstrike "a"

Page 3, line 28, overstrike "hearings officer" and insert immediately thereafter "an administrative law judge"

Page 4, line 5, overstrike "a hearings officer" and insert immediately thereafter "an administrative law judge"

Page 4, line 11, overstrike "hearings officer" and insert immediately thereafter "administrative law judge"

Page 4, line 14, overstrike "a hearings"

Page 4, line 15, overstrike "officer" and insert immediately thereafter "an administrative law judge"

Page 4, line 16, overstrike "hearings officers" and insert immediately thereafter "law judges"

Page 4, line 18, overstrike "a hearings officer" and insert immediately thereafter "an administrative law judge"

Page 4, line 21, overstrike "hearings officer" and insert immediately thereafter "law judge"

Page 5, line 1, overstrike "~~hearings officers~~" and insert immediately thereafter "law judges"

Page 5, line 2, overstrike "~~hearings officers~~" and insert immediately thereafter "law judges"

Page 6, line 3, replace "1" with "3"

Page 6, line 7, replace "Subsection 1 of section" with "Section"

Page 6, after line 9, insert:

"54-57-05. Uniform rules of administrative practice or procedure - Effective date - ~~Hearings officer~~ Administrative law judge rules."

Page 6, after line 21, insert:

"2. The director of administrative hearings may adopt rules to further establish qualifications for ~~hearings officers~~ administrative law judges; to establish procedures for requesting and designating ~~hearings officers~~ administrative law judges; and to facilitate the performance of duties and responsibilities conferred by this chapter. Any rules adopted by the director of administrative hearings pursuant to this subsection must be adopted in accordance with chapter 28-32."

Page 6, line 24, overstrike "~~hearings officers~~" and insert immediately thereafter "administrative law judges"

Page 6, line 27, overstrike "hearings officer" and insert immediately thereafter "law judge"

Page 7, line 4, overstrike "hearings officer" and insert immediately thereafter "administrative law judge"

Page 7, line 9, overstrike the second "hearings"

Page 7, line 10, overstrike "officer" and insert immediately thereafter "law judge"

Page 7, line 15, overstrike "hearings officer" and insert immediately thereafter "law judge"

Page 8, line 2, overstrike "hearings officers" and insert immediately thereafter "law judges"

Page 8, line 6, overstrike "hearings officer" and insert immediately thereafter "law judge"

Page 8, line 11, overstrike "hearings officers" and insert immediately thereafter "law judges"

Page 8, line 13, overstrike "hearings officers" and insert immediately thereafter "law judges"

Page 8, line 17, overstrike "hearings officers" and insert immediately thereafter "administrative law judges"

Page 8, line 19, after "Section" insert "10-04-13 of the North Dakota Century Code and section"

Page 8, line 20, replace "is" with "are"

Page 8, after line 20, insert:

"SECTION 15. LEGISLATIVE COUNCIL STUDY OF ADMINISTRATIVE VERSUS COURT PROCEEDINGS IN DRIVING OFFENSES. The legislative council shall consider studying the proper role of the administrative hearings process in suspension or revocation of motor vehicle operators' licenses in light of recent court decisions on double jeopardy issues. The legislative council shall report its findings and recommendations, and any legislation necessary to implement the recommendations, to the fifty-fifth legislative assembly."

Renumber accordingly

Engrossed HB 1089 was placed on the Seventh order of business on the calendar.

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

**REPORT OF CONFERENCE COMMITTEE**

**REP. KELSCH MOVED** that the conference committee report on Engrossed HB 1089 be adopted, which motion prevailed.

Engrossed HB 1089, as amended, was placed on the Eleventh order of business on the calendar.

**SECOND READING OF HOUSE BILL**

**HB 1089:** A BILL for an Act to create and enact a new section to chapter 28-32, a new subdivision to subsection 2 of section 51-19-09, and a new subsection to section 51-23-20 of the North Dakota Century Code, relating to duties of administrative law judges and hearings held by the securities commissioner; to amend and reenact section 10-14-12, subsection 1 of section 10-04-16, subsection 5 of section 28-32-01, subsection 1 of section 28-32-08.1, subsections 3 and 5 of section 54-57-01, sections 54-57-02, 54-57-03, 54-57-04, 54-57-05, and 54-57-07 of the North Dakota Century Code, relating to administrative hearings and the duties of administrative law judges; to repeal sections 10-04-13 and 54-57-06 of the North Dakota Century Code, relating to appeals from orders of the securities commissioner and to transfer and transition provisions for the office of administrative hearings; and to provide for a legislative council study.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 78 YEAS, 18 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Austin; Bateman; Belter; Berg; Boehm; Boucher; Carlisle; Christenson; Christopherson; Clayburgh; Coats; Dalrymple; DeKrey; Delmore; Dorso; Drovdal; Freier; Froseth; Galvin; Gertholz; Glassheim; Gorder; Gorman; Grumbo; Gulleston; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kliniske; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Oban; Olson; Payne; Poolman; Price; Retzer; Rydell; Sabby; Sandvig; Schimke; Shide; Sitz; Skarphol; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

**NAYS:** Bernstein; Brown; Byerly; Carlson; Clark; Delzer; DeWitz; Dobrinski; Grosz; Jacobs; Kerzman; Klein; Koppelman; Nichols; Nottestad; Rennerfeldt; Schmidt; Soukup

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed HB 1089, as amended, passed and the title was agreed to.

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**REPORT OF CONFERENCE COMMITTEE**

**REP. WENTZ MOVED** that the conference committee report on Engrossed SB 2012 be adopted, which motion prevailed.

Engrossed SB 2012, as amended, was placed on the Fourteenth order of business on the calendar.

## SECOND READING OF SENATE BILL

**SB 2012:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of human services; to provide for the transfer of appropriations between agencies and institutions; to rename the developmental center the developmental center at westwood park, Grafton; to authorize the state of North Dakota to convey certain state-owned land to Community Housing, Inc.; to create and enact a new section to chapter 25-04, two new sections to chapter 50-06, and a new subsection to section 50-06-05.1 of the North Dakota Century Code, relating to the westwood park assets management committee, to developmental disabilities service providers, to the administration of the mental health division, and to the duties of the department of human services; to amend and reenact sections 25-04-01, 50-01-13 as amended by section 10 of Senate Bill No. 2037, as approved by the fifty-fourth legislative assembly, and 50-06-14.3 of the North Dakota Century Code and section 4 of chapter 561 of the 1991 Session Laws as amended by section 18 of chapter 2 of the 1993 Session Laws, relating to renaming the developmental center the developmental center at westwood park, Grafton, county medical services for the poor, the state basic care program, and extending an appropriation from the lands and minerals trust fund to the department of human services for capital improvements or demolition of existing buildings at the developmental center at westwood park, Grafton; to encourage a waiver of federal medicaid requirements; and to provide for reports to the budget section regarding nursing home cost increases.

## ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 95 YEAS, 1 NAY, 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; Glasheim; Gorman; Grosz; Grumbo; Guleson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; 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

**NAYS:** Gorder

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed SB 2012, as amended, passed and the title was agreed to.

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## MOTION

**REP. DORSO MOVED** that all legislative action taken this afternoon be messaged to the Senate immediately, which motion prevailed.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1089.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2012.

## MOTION

REP. DORSO MOVED that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 4:30 p.m., which motion prevailed.

## REPORT OF CONFERENCE COMMITTEE

HB 1021, as engrossed: Your conference committee (Sens. Goetz, Streibel, Robinson and Reps. Freier, Clayburgh, Kroeber (refused to sign)) recommends that the SENATE RECEDE from the Senate amendments on HJ pages 1458-1459, adopt amendments as follows, and place Engrossed HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1458 and 1459 of the House Journal and pages 1266 and 1267 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, replace line 19 with:

"Salaries and wages	\$2,148,838
Operating expenses	1,382,035
Equipment	24,500
Grants	1,365,400
General allocation grants	750,000
Technology transfer, incorporated	1,454,000
Development fund	<u>1,968,750</u>
Total all funds	\$9,093,523"

Page 1, line 20, replace "6,071,339" with "95,000"

Page 1, line 21, replace "9,364,123" with "8,998,523"

Page 2, line 2, replace "\$3,218,750" with "\$1,968,750"

Page 2, line 3, remove "for nonrural projects"

Page 2, replace lines 8 through 13 with "All moneys in the regional rural development revolving loan fund totaling approximately \$6,000,000 and any investment, contract, partnership, or any other business transaction of the regional rural development revolving loan 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."

Page 2, line 15, replace "\$9,218,750" with "\$7,968,750"

Page 2, line 22, replace "\$3,218,750" with "\$1,968,750"

Page 2, line 23, replace "in the other areas of the state" with "as follows: forty percent businesses in rural areas, forty percent businesses in urban areas, and twenty percent North Dakota American Indian businesses. Any unused funds in any category may be transferred to another category during the second year of the biennium under rules adopted by the director of the department of economic development and finance"

Page 7, after line 25, insert:

"SECTION 10. LEGISLATIVE INTENT - TECHNOLOGY TRANSFER, INC. - PROJECT FUNDS. It is the intent of the legislative assembly that project funds be distributed by technology transfer, inc., consistent with the mission and policies established by the technology transfer, inc., board and that project funds be distributed, to the extent practical and efficient, directly to businesses and individuals receiving project funding approval. Funding recipients may use the project funds to purchase services, on a fee for service basis, from

business and industry development centers located on the campuses of the institutions of higher education."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 601 - ECONOMIC DEVELOPMENT AND FINANCE

CONFERENCE COMMITTEE - The following is a summary of the conference committee changes:

	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION
Salaries and wages	\$ 2,014,438	\$ 134,400 <sup>1</sup>	\$2,148,838
Operating expenses	1,358,374	23,661 <sup>2</sup>	1,382,035
Equipment	24,500		24,500
Grants	1,365,400		1,365,400
Technology transfer, incorporated	1,454,000		1,454,000
General allocation grants		750,000	750,000
Development fund	<u>9,218,750</u>	<u>(7,250,000)</u> <sup>3</sup>	<u>1,968,750</u>
Total all funds	\$15,435,462	\$(6,341,939)	\$9,093,523
Less estimated income	<u>6,071,339</u>	<u>(5,976,339)</u>	<u>95,000</u>
Total general fund	\$ 9,364,123	\$ (365,600)	\$8,998,523
FTE positions	26	2	28

<sup>1</sup> Restores data processing center specialist II (\$68,098 - general fund) also restored by the Senate and credit review analyst (\$66,302 - general fund) removed by the House and not restored by the Senate.

<sup>2</sup> Adds \$23,661 of income from the sale of research reports also added by the Senate.

<sup>3</sup> Removes \$1,250,000 million from the general fund for the development fund. Also, the \$6 million of other funds is removed from the specific appropriation line item as it is appropriated subject to Section 8 of the bill.

This amendment also:

- Restores object code-based line items. (Senate restored.)
- Provides a general allocation of \$750,000. (Senate provided \$500,000.)
- Provides \$1,968,750 from the general fund for the development fund to be allocated:
  - 40% rural projects
  - 40% nonrural projects
  - 20% Native American Indian projects
- Provides after the first year of the biennium the director may transfer unused amounts from the allocations listed above.
- Adds a section of legislative intent providing that Technology Transfer, Inc., project funds be provided directly to businesses or individuals receiving project funding approval and allowing recipients to purchase services from business and development centers at the institutions of higher education.

Although the line item contained in the bill is changed to object code-based line items, the agency is expected to monitor and strive to achieve its performance measure goals and objectives.

In summary, these amendments reflect the Senate action except for the addition of one FTE credit review analyst, the transfer of \$250,000 from the development fund to the general allocation grants line item, and the section of legislative intent regarding Technology Transfer, Inc.

Engrossed HB 1021 was placed on the Seventh order of business on the calendar.

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

**MR. SPEAKER:** The President has appointed Sen. Solberg to replace Sen. W. Stenehjem on the Conference Committee on SB 2080.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1007, HB 1013.

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

**MR. SPEAKER:** The Senate has reconsidered the action whereby it adopted the conference committee report and passed SB 2063. Then the Senate rereferred SB 2063 back to conference committee.

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bills were engrossed and enrolled: HB 1001 and HB 1019.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the veto certification by which HB 1435 did pass over the Governor's veto.

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

**MADAM PRESIDENT:** The Speaker has signed and your signature is respectfully requested on the veto certification of HB 1435.

**REPORT OF CONFERENCE COMMITTEE**

**REP. FREIER MOVED** that the conference committee report on Engrossed HB 1021 be adopted, which motion prevailed.

Engrossed HB 1021, as amended, was placed on the Eleventh order of business on the calendar.

**SECOND READING OF HOUSE BILL**

**HB 1021:** A BILL for an Act making an appropriation for defraying the expenses of the department of economic development and finance; providing for transfers of funds; 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.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 79 YEAS, 17 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Austin; Bateman; Belter; Berg; Bernstein; Boucher; Brown; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Clayburgh; Dalrymple; DeMorse; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorman; Grumbo; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch;

Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Nottestad; Oban; Olson; Payne; Poolman; Price; Rennerfeldt; Retzer; Rydell; Sabby; Sandvig; Schmidt; Shide; Soukup; Stenehjem; Svedjan; Sveen; Thoreson; Timm; Tollefson; Torgerson; Wald; Walker; Wardner; Wentz; Wilkie; Speaker Martin

**NAYS:** Aarsvold; Boehm; Coats; DeKrey; Delzer; DeWitz; Dobrinski; Gorder; Grosz; Gulleson; Kerzman; Kroeber; Nichols; Schimke; Sitz; Skarphol; Thompson

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed HB 1021, as amended, passed and the title was agreed to.

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**MOTION**

**REP. DORSO MOVED** that Engrossed HB 1021, as amended, be messaged to the Senate immediately, which motion prevailed.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1021.

**MOTION**

**REP. DORSO MOVED** that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 6:00 p.m., which motion prevailed.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2008.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2008, as engrossed:** Your conference committee (Sens. Naaden, Solberg, Robinson and Reps. Clayburgh, Tollefson, Laughlin) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 1417-1418, adopt amendments as follows, and place Engrossed SB 2008 on the Seventh order:

That the House recede from its amendments as printed on pages 1417 and 1418 of the Senate Journal and pages 1503 and 1504 of the House Journal and that Engrossed Senate Bill No. 2008 be amended as follows:

Page 1, line 2, remove the first "and" and after "49-01-05" insert ", subsection 7 of section 49-02-02, sections 49-03.1-04, 49-21-01.2, and subsection 6 of section 49-21-01.7"

Page 1, line 4, after "commissioners" insert ", a special account for depositing and spending money associated with regulating public utilities and telecommunications companies, exemption from rate regulation for telecommunications companies, and factors to be considered by the public service commission in granting or denying a certificate of public convenience and necessity; to provide for a legislative council study; and to declare an emergency"

Page 1, line 13, replace "4,235,158" with "4,160,158"

Page 1, line 14, replace "983,945" with "1,003,054"

Page 1, line 18, replace "9,959,008" with "9,903,117"

Page 1, line 19, replace "6,630,600" with "6,730,600"

Page 1, line 20, replace "3,328,408" with "3,172,517"

Page 2, after line 10, insert:

"SECTION 3. AMENDMENT. Subsection 7 of section 49-02-02 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

7. Employ, and fix the compensation of, rate experts, engineers, auditors, attorneys, and all other expert help and assistance for hearings or investigations on rate increase applications filed by gas or electric public utilities. The expense of any hearings or investigations and the actual expenses of any employees of the commission while engaged upon any hearing or investigation must upon the order of the commission be paid by the public utility involved. The commission shall ascertain the costs and expenditures. After giving the public utility notice and opportunity to demand a hearing, and after a hearing, if any, is held, the commission shall render a bill and make an order for payment by certified mail or by personal delivery to one of the managing officers of the public utility. The billing and order may be made from time to time during the hearing or investigation or at the conclusion thereof, as the commission determines. Upon receipt of the bill and order for payment, as evidenced by return receipt or other proof, the public utility shall pay to the commission the amount billed. All amounts not paid within thirty days after receipt of the order for payment draw interest at the rate of six percent per annum from the date of receipt of the order. All costs and expenses collected by the commission under this subsection must be deposited in the general fund in the state treasury a special account within the public service commission.

SECTION 4. AMENDMENT. Section 49-03.1-04 of the North Dakota Century Code is amended and reenacted as follows:

**49-03.1-04. Factors to be considered by commission in granting or denying a certificate.** Before granting a certificate of public convenience and necessity, the commission shall take into consideration:

1. Need for the service.
2. Fitness and ability of applicant to provide service.
3. Effect on other public utilities providing similar service.
4. Adequacy of proposed service.
5. ~~Proposed rates.~~
6. ~~Proposed design.~~
7. ~~Such other information as the commission may deem appropriate~~  
The technical, financial, and managerial ability of the applicant to provide service.

SECTION 5. AMENDMENT. Section 49-21-01.2 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**49-21-01.2. Exemption - Rate regulation.** Except as provided for in this chapter and sections 49-02-01.1, 49-02-21, 49-02-22, and 49-04-02.1, ~~and 49-04-05,~~ telecommunications companies and all telecommunications services are exempt from the provisions of chapters

49-02, 49-04, 49-05, and 49-06. Telecommunications companies and services are not subject to rate or rate of return regulation. Any telecommunications company may elect not to be subject to the provisions of this section and section 49-21-01.3, and to be subject to rate and rate of return regulation, by filing an election with the commission in writing. For telecommunications companies with over fifty thousand subscribers, the election not to be exempt from rate and rate of return regulation is a one-time, irrevocable election.

**SECTION 6. AMENDMENT.** Subsection 6 of section 49-21-01.7 of the 1993 Supplement to the North Dakota Century Code is amended and reenacted as follows:

6. Employ and fix the compensation of experts, engineers, auditors, attorneys, and other such assistance for complaints, investigations, and other proceedings relating to telecommunications companies. The expense of any hearings, and the compensation and actual expenses of any employees of the commission while engaged upon any such hearings must, upon the order of the commission, be paid by the telecommunications company involved in such hearings. The commission shall ascertain the exact cost and expenditure. After giving the telecommunications company notice and opportunity to demand a hearing, and after a hearing, if any, is held, the commission may render a bill and make an order for payment. The bill and order must be delivered by certified mail or personal delivery to the managing officer of the telecommunications company. Upon receipt of the bill and order for payment, the telecommunications company has thirty days within which to pay the amount billed. All amounts not paid within thirty days after receipt of the bill and order for payment thereafter draw interest at the rate of six percent per annum. All amounts collected by the commission under this subsection relating to expenses of the regulatory reform review commission must be deposited in the general fund of the state treasury. All other amounts collected by the commission under this subsection must be deposited in a special account within the public service commission.

**SECTION 7. LEGISLATIVE COUNCIL STUDY.** The legislative council shall study, during the 1995-96 interim, the services provided by the public service commission, their cost and effectiveness, and the need for continuing the services as a result of regulatory changes at both the state and federal level.

**SECTION 8. EMERGENCY.** Sections 4 and 5 of this Act are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 408 - PUBLIC SERVICE COMMISSION

CONFERENCE COMMITTEE - This amendment makes the following changes:

	SENATE VERSION	RESTORE RETIREMENT POSITIONS	REMOVE FTE POSITIONS	INCREASE PROFESSIONAL SERVICES*	POSITION TURNOVER AND EFFICIENCIES*	OTHER CHANGES	TOTAL CHARGES	CONFERENCE COMMITTEE VERSION	HOUSE VERSION	CONFERENCE COMMITTEE INCREASE (DECREASE) TO HOUSE VERSION
Salaries and wages	\$4,235,158	\$111,828 <sup>1</sup>	\$(111,828) <sup>2</sup>		\$ (75,000)		\$ (75,000)	\$4,160,158	\$4,135,158	\$ 25,000
Operating expenses	983,945			\$ 50,000	(25,000)	\$(5,891) <sup>3</sup>	19,109	1,003,054	1,028,054	(25,000)
Equipment	167,500							167,500	167,500	
Grants	20,000							20,000	20,000	
AML contractual services	<u>4,552,405</u>	-----	-----	-----	-----	-----	-----	<u>4,552,405</u>	<u>4,552,405</u>	-----
Total	\$9,959,008	\$111,828	\$(111,828)	\$ 50,000	\$(100,000)	\$(5,891)	\$ (55,891)	\$9,903,117	\$9,903,117	\$ 0
General fund	\$3,328,408	\$ 78,280	\$ (78,280)	\$(50,000)	\$(100,000)	\$(5,891)	\$(155,891)	\$3,172,517	\$3,272,517	\$(100,000)
Special funds	<u>6,630,600</u>	<u>33,548</u>	<u>(33,548)</u>	<u>100,000</u>			<u>100,000</u>	<u>6,730,600</u>	<u>6,630,600</u>	<u>100,000</u>
Total	\$9,959,008	\$111,828	\$(111,828)	\$ 50,000	\$(100,000)	\$(5,891)	\$ (55,891)	\$9,903,117	\$9,903,117	\$ 0
FTE	45	2	(2)				0	45	45	0

<sup>1</sup> Restores two FTE positions removed by the Senate and the House for which the individuals filling the positions were expected to retire prior to June 30, 1995.

<sup>2</sup> Removes two FTE positions. The commission is to determine the specific positions to remove.

<sup>3</sup> Provides \$100,000 of special funds for employing experts and other assistance for regulating public utilities. North Dakota Century Code Sections 49-02-02 and 49-21-01.7 are amended to establish a special account for depositing and spending moneys collected from public utility companies for these expenses. Previously, these funds were deposited and spent from the general fund. The executive budget and the House version provided \$100,000 from the general fund for these expenses. The Senate provided \$50,000 from the general fund.

<sup>4</sup> Reductions relating to anticipated savings during the 1995-97 biennium resulting from employee vacancies and turnover and agency efficiencies.

<sup>5</sup> Removes funding for the commission's toll-free WATS line, the same as the House version.

The conference committee amendments do not include the reduction made by the House of \$100,000 from the general fund relating to funding for one undesignated position.

The section added by the House is included which directs a Legislative Council study of services provided by the Public Service Commission.

Sections are added amending North Dakota Century Code Section 49-03.1-04 relating to factors that the Public Service Commission must consider before granting or denying a certificate of public convenience and necessity and Section 49-21-01.2 relating to exemptions from rate regulation for telecommunications companies.

Engrossed SB 2008 was placed on the Seventh order of business on the calendar.

#### DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for his approval at the hour of 5:05 p.m., April 6, 1995: HB 1002, HB 1005, HB 1009, HB 1014, HB 1016, HB 1124, HB 1131, HB 1138, HB 1152, HB 1155, HB 1168, HB 1210, HB 1246, HB 1317, HB 1362, HB 1386, HB 1394, HB 1423, HB 1439, HB 1488, HB 1489.

#### COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

The following communication was received from the Governor at 4:55 p.m., April 6, 1995.

This is to inform you that on April 6, 1995, I signed the following: HB 1022, HB 1369, HB 1375, and HB 1441.

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

#### HOUSE ENGROSSING AND ENROLLING REPORT

The following bills were engrossed and enrolled: HB 1007 and HB 1013.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1089, HB 1284.

#### SIGNING OF BILLS AND RESOLUTIONS

The Speaker signed the following enrolled bills: HB 1007, HB 1013.

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

**MADAM PRESIDENT:** The Speaker has signed and your signature is respectfully requested on: HB 1007, HB 1013.

#### REPORT OF CONFERENCE COMMITTEE

**REP. CLAYBURGH MOVED** that the conference committee report on Engrossed SB 2008 be adopted, which motion prevailed.

Engrossed SB 2008, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

**SB 2008:** A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; to amend and reenact section 49-01-05, subsection 7 of section 49-02-02, sections 49-03.1-04, 49-21-01.2, and subsection 6 of section 49-21-01.7 of the North Dakota Century Code, relating to the salary of public service commissioners, a special account for depositing and spending money associated with regulating public utilities and telecommunications companies, exemption from rate regulation for telecommunications companies, and factors to be considered by the public service commission in granting or denying a certificate of public convenience and necessity; to provide for a legislative council study; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 91 YEAS, 5 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; Gorman; Grosz; Grumbo; Gulleson; Gunter; Hagle; Hanson; Hausauer; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; 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; Wardner; Wentz; Wilkie; Speaker Martin

**NAYS:** Glassheim; Gorder; Henegar, K.; Klein; Walker

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed SB 2008, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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**MOTION**

**REP. DORSO MOVED** that Engrossed SB 2008 be messaged to the Senate immediately, which motion prevailed.

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

**MR. SPEAKER:** The President has signed and your signature is respectfully requested on: SB 2085, SB 2149, SB 2211.

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

**MR. SPEAKER:** The President has signed and your signature is respectfully requested on: SB 2012.

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

**MR. SPEAKER:** The President has signed: HB 1435.

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

**MADAM PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2008.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills: HB 1001, HB 1019.

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

**MADAM PRESIDENT:** The Speaker has signed and your signature is respectfully requested on: HB 1001, HB 1019.

**MOTION**

**REP. DORSO MOVED** that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 7:30 p.m., which motion prevailed.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2063.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2063, as engrossed:** Your conference committee (Sens. Wanzek, Schobinger, Kelsh and Reps. Rydell, Drovdal, Aarsvold) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 1419, adopt amendments as follows, and place Engrossed SB 2063 on the Seventh order:

That the House recede from its amendments as printed on page 1419 of the Senate Journal and pages 1505 and 1506 of the House Journal and that Engrossed Senate Bill No. 2063 be amended as follows:

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

Page 1, line 6, after "students" insert "; to provide legislative intent; and to provide for a legislative council study"

Page 1, line 17, after the underscored period insert "For purposes of this section, "special education" means the provision of special services to students who have special needs, including students who are gifted and talented. Expenditures under this section may not conflict with nonsupplanting and maintenance of effort provisions under the Individuals with Disabilities Education Act, 20 U.S.C. 1400 et seq."

Page 9, after line 11, insert:

**SECTION 7. LEGISLATIVE INTENT.** It is the intent of the legislative assembly that the amount included in the grants - special education line item in subdivision 1 of section 1 of Senate Bill No. 2013 be distributed as follows:

1. Ten million dollars must be used to reimburse school districts for excess costs incurred on contracts for students with disabilities as required in section 15-40.2-08 and for low incidence or severely disabled students as required in sections 15-59-06 and 15-59-07, and for boarding care reimbursements as required in section 15-59-07.2;
2. Four hundred thousand dollars must be used to reimburse school districts for gifted and talented programs upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction;
3. Five hundred thousand dollars must be used to reimburse school districts with above-average incidence of moderately or severely disabled students upon the submission of an application that is approved in accordance with guidelines adopted by the superintendent of public instruction;
4. Any amount remaining in the line item must be distributed on a per student basis as required by law, except that during the 1995-96 school year a school district or special education unit may not receive less than ninety-five percent of the amount received during the 1993-94 school year from state special education funds, excluding reimbursements for student contracts, boarding care, and gifted and talented programs.

During the 1996-97 school year a district or special education unit may not receive less than ninety percent of the amount received during the 1993-94 school year from state special education funds, excluding reimbursements for student contracts, boarding care, and gifted and talented programs.

**SECTION 8. LEGISLATIVE COUNCIL STUDY.** During the 1995-96 interim, the legislative council shall consider studying the equitable provision of services to students who are gifted and talented, the equitable funding of such programs, and whether those services should be funded independently of or together with services provided to students who are disabled. If this study is conducted, the legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-fifth legislative assembly."

Renumber accordingly

Engrossed SB 2063 was placed on the Seventh order of business on the calendar.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1021.

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

MR. SPEAKER: The President has signed the veto certification on HB 1435.

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

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bills were engrossed and enrolled: HB 1089 and HB 1284.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills: HB 1089, HB 1284.

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

MADAM PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1089, HB 1284.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills: SB 2003, SB 2009, SB 2136, SB 2231, SB 2455.

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

MADAM PRESIDENT: The Speaker has signed: SB 2003, SB 2009, SB 2136, SB 2231, SB 2455.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills and resolution: SB 2017, SB 2066, SB 2081, SB 2115, SB 2181, SB 2264, SB 2355, SB 2403, SB 2466, SCR 4026.

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

MADAM PRESIDENT: The Speaker has signed: SB 2017, SB 2066, SB 2081, SB 2115, SB 2181, SB 2264, SB 2355, SB 2403, SB 2466, SCR 4026.

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2063.

**REPORT OF CONFERENCE COMMITTEE**

REP. DROVDAL MOVED that the conference committee report on Engrossed SB 2063 be adopted, which motion prevailed.

Engrossed SB 2063, as amended, was placed on the Fourteenth order of business on the calendar.

**SECOND READING OF SENATE BILL**

SB 2063: A BILL for an Act to create and enact a new section to chapter 15-40.1 of the North Dakota Century Code, relating to per student payments for special education; to amend and reenact subsection 3 of section 15-40.1-06, subsection 6 of section 15-40.2-08, sections 15-59-02.1, 15-59-06, and 15-59-07 of the North Dakota Century Code, relating to school district liability for special needs students; to provide legislative intent; and to provide for a legislative council study.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 83 YEAS, 13 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bateman; Belter; Berg; Bernstein; Boehm; Boucher; Brown; Byerly; Carlisle; Christopherson; Coats; Dalrymple; DeKrey; Delzer; DeWitz; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorman;

Grosz; Grumbo; Gulleeson; Gunter; Hagle; Hanson; Hausauer; Henegar, K.; Holm; Howard; Jacobs; Johnson; Kaldor; Keiser; Kelsch; Kempenich; Kerzman; Klein; Koppelman; Kretschmar; Kroeber; Kunkel; Laughlin; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Mutzenberger; Nicholas; Oban; Olson; Payne; 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

**NAYS:** Austin; Carlson; Christenson; Clark; Clayburgh; Delmore; Dobrinski; Glassheim; Gorder; Kliniske; Nichols; Nottestad; Poolman

**ABSENT AND NOT VOTING:** Henegar, D.; Huether

Engrossed SB 2063, as amended, passed and the title was agreed to.

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**MOTION**

**REP. DORSO MOVED** that Engrossed SB 2063, as amended, be messaged to the Senate immediately, which motion prevailed.

**MOTION**

**REP. DORSO MOVED** that the House be on the Seventh order of business and at the conclusion of that order, the House stand in recess until 9:30 p.m., which motion prevailed.

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

**MR. SPEAKER:** The President has signed: HB 1001, HB 1003, HB 1006, HB 1007, HB 1013, HB 1019, HB 1089, HB 1178, HB 1256, HB 1284, HB 1392, HB 1501, HCR 3017.

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bill was engrossed and enrolled: HB 1021.

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bill: HB 1021.

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

**MADAM PRESIDENT:** The Speaker has signed and your signature is respectfully requested on: HB 1021.

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

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills: SB 2012, SB 2085, SB 2149, SB 2211.

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

**MADAM PRESIDENT:** The Speaker has signed: SB 2012, SB 2085, SB 2149, SB 2211.

**MOTION**

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

**MOTION**

**REP. FREIER MOVED** that the House stand adjourned until 9:30 a.m., Friday, April 7, 1995, which motion prevailed.

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

**ROY GILBREATH, Chief Clerk**