

## JOURNAL OF THE HOUSE

## Fifty-fifth Legislative Assembly

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Bismarck, March 27, 1997

The House convened at 9:00 a.m., with Speaker Timm presiding.

The prayer was offered by Representative Drovdal.

The roll was called and all members were present except Representative Henegar.

A quorum was declared by the Speaker.

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

**MADAM PRESIDENT:** The House has passed unchanged: SB 2029.

**HOUSE ENGROSSING AND ENROLLING REPORT**

The following bills were engrossed and enrolled: HB 1063, HB 1138, HB 1141, HB 1142, HB 1147, HB 1158, HB 1159.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for his approval at the hour of 8:15 a.m., March 27, 1997: HB 1084, HB 1089, HB 1137, HB 1146, HB 1161, HB 1162, HB 1440.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2173, SB 2301, and SB 2324 and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2173:** Sens. Freborg; Wanzek; Kelsh

**SB 2301:** Sens. Lee; Fischer; DeMers

**SB 2324:** Sens. Wanzek; Sand; Kinnoin

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

**MR. SPEAKER:** The President has appointed Sen. C. Nelson to replace Sen. Berg on the Conference Committee on SB 2344.

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

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

**HB 1412:** Sens. Mutch; Krebsbach; Lindaas

**HB 1453:** Sens. Andrist; Traynor; Berg

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

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

**HB 1243:** Sens. Schobinger; Cook; Lindaas

**HB 1274:** Sens. Kringstad; Christmann; Kinnoin

**HB 1301:** Sens. Kringstad; Schobinger; Kinnoin

**HB 1306:** Sens. Watne; W. Stenehjem; C. Nelson

**HB 1340:** Sens. Kringstad; Schobinger; Tomac

**HB 1357:** Sens. Andrist; Watne; Mutzenberger

**HB 1387:** Sens. Sand; Klein; Thompson

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

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

**HB 1103:** Sens. B. Stenehjem; Schobinger; O'Connell

**HB 1112:** Sens. W. Stenehjem; Traynor; Andrist

**HB 1163:** Sens. Kringstad; Urlacher; Tomac

**HB 1167:** Sens. Traynor; W. Stenehjem; Berg

**HB 1182:** Sens. Freborg; Christmann; Kelsh

**HB 1190:** Sens. Christmann; Fischer; Kelsh

**HB 1238:** Sens. Krebsbach; Sand; Thompson

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

**MADAM PRESIDENT:** The House has amended and subsequently failed to pass: SB 2294, SCR 4012.

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

**MADAM PRESIDENT:** The House has amended, subsequently passed, and the emergency clause failed: SB 2255.

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

**MADAM PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2366.

**MOTION**

**REP. SKARPHOL MOVED** that the House reconsider its action whereby HB 1359 passed, which motion prevailed.

**MOTION**

**REP. DEKREY MOVED** that the House reconsider its action whereby it did concur in the Senate amendments to HB 1359, which motion prevailed.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. DEKREY MOVED** that the House do not concur in the Senate amendments to HB 1359 as printed on HJ page 959 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1359: Reps. DeKrey, Koppelman, Delmore.

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

**MADAM PRESIDENT:** The House has reconsidered its action whereby it passed and also the action by which it did concur with the Senate amendments to HB 1359 and subsequently does not concur with the Senate amendments to HB 1359, and the Speaker has appointed as a conference committee to meet with a like committee from the Senate on:

**HB 1359:** Reps. DeKrey; Koppelman; Delmore

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

**MADAM PRESIDENT:** The House has amended and subsequently passed: SB 2003, SB 2046, SB 2362.

**SIXTH ORDER OF BUSINESS**

**REP. DORSO MOVED** that the amendments on the Sixth order of business to Engrossed SB 2004, Engrossed SB 2014, SB 2017, SB 2018, Engrossed SB 2020, Engrossed SB 2214, and Engrossed SB 2318 be adopted, which motion prevailed.

Engrossed SB 2004, Engrossed SB 2014, SB 2017, SB 2018, Engrossed SB 2020, Engrossed SB 2214, and Engrossed SB 2318, as amended, were placed on the Fourteenth order of business on the calendar.

**MOTION**

**REP. DORSO MOVED** that Reengrossed SB 2338, as amended, be placed at the top of the Sixth order, which motion prevailed.

**SIXTH ORDER OF BUSINESS**

**SB 2338, as reengrossed: REP. R. KELSCH (Education Committee) MOVED** that the amendments on HJ pages 1134-1135 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2338:** A BILL for an Act to amend and reenact sections 15-40.1-06, 15-40.1-07, and 15-40.1-08 of the North Dakota Century Code, relating to per student payments and the school district equalization factor.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 74 YEAS, 22 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Belter; Berg; Bernstein; Boehm; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Carlson; Christenson; Christopherson; Clark; Dalrymple; DeKrey; Delzer; Devlin; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gorder; Grande; Grosz; Gunter; Hausauer; Hawken; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Kelsch, R.; Kelsh, S.; Kempenich; Kilzer; Klein; Koppelman; Kretschmar; Kroeplin; Kunkel; Lloyd; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Nottestad; Olson; Price; Renner; Rennerfeldt; Sabby; Sandvig; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Speaker Timm

**NAYS:** Aarsvold; Axtman; Boucher; Coats; Delmore; Fairfield; Glassheim; Grumbo; Guleson; Hanson; Huether; Keiser; Kerzman; Kliniske; Mahoney; Niemeier; Oban; Poolman; Rose; Schmidt; Thorpe; Wilkie

**ABSENT AND NOT VOTING:** Henegar

Reengrossed SB 2338, as amended, passed and the title was agreed to.

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#### SIXTH ORDER OF BUSINESS

**SB 2002, as engrossed: REP. DALRYMPLE (Appropriations Committee) MOVED** that the amendments on HJ pages 1109-1117 be adopted and then be placed on the Fourteenth order with **DO PASS**.

#### REQUEST

**REP. WILKIE REQUESTED** a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed SB 2002, which request was granted.

#### ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed SB 2002, the roll was called and there were 59 YEAS, 37 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Belter; Berg; Bernstein; Boehm; Brown; Brusegaard; Byerly; Carlisle; Carlson; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delzer; Dorso; Freier; Galvin; Gerntholz; Grande; Grosz; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnson, D.; Kilzer; Klein; Kliniske; Kunkel; Lloyd; Martinson; Mickelson; Monson; Nelson; Nicholas; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Skarphol; Soukup; Stenehjem; Svedjan; Thompson; Thoreson; Tollefson; Torgerson; Wald; Wardner; Wentz; Speaker Timm

**NAYS:** Aarsvold; Axtman; Boucher; Brandenburg; Callahan; Delmore; Devlin; Drovdal; Fairfield; Froseth; Glassheim; Gorder; Grumbo; Guleson; Gunter; Hanson; Johnsen, C.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Koppelman; Kretschmar; Kroeplin; Mahoney; Maragos; Murphy; Nichols; Niemeier; Nottestad; Schmidt; Sveen; Thorpe; Warner; Weisz; Wilkie

**ABSENT AND NOT VOTING:** Henegar

The motion to adopt the proposed amendments to Engrossed SB 2002 passed and Engrossed SB 2002, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

**SB 2002:** A BILL for an Act to provide an appropriation for defraying the expenses of the judicial branch; to provide an exemption from the provisions of section 54-44.1-11 of the North Dakota Century Code; and to amend and reenact subsection 1 of section 11-17-04, sections 27-02-02, 27-05-03, 27-11-17, 27-11-22, and 27-12-04 of the North Dakota Century Code, relating to filing fees, salaries of supreme and district court judges, and attorney license fees.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 65 YEAS, 30 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Belter; Berg; Bernstein; Boucher; Brown; Brusegaard; Byerly; Carlisle; Christenson; Christopherson; Clark; Coats; Dalrymple; Delmore; Dorso; Drovdal; Freier; Gerntholz; Glassheim; Gunter; Hausauer; Hawken; Huether; Jacobs; Jensen;

Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kempenich; Klein; Kliniske; Koppelman; Kretschmar; Kunkel; Lloyd; Mahoney; Martinson; Mickelson; Monson; Nelson; Nicholas; Nottestad; Oban; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Wentz; Speaker Timm

**NAYS:** Aarsvold; Boehm; Brandenburg; Callahan; Carlson; DeKrey; Delzer; Devlin; Fairfield; Froseth; Galvin; Gorder; Grande; Grosz; Grumbo; Gulleson; Hanson; Kelsh, S.; Kerzman; Kilzer; Kroeplin; Murphy; Nichols; Niemeier; Olson; Schmidt; Skarphol; Warner; Weisz; Wilkie

**ABSENT AND NOT VOTING:** Henegar; Maragos

Engrossed SB 2002, as amended, passed and the title was agreed to.

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#### MOTION

**REP. DORSO MOVED** that Reengrossed SB 2232 and Engrossed SB 2214, as amended, be placed at the top of the Fourteenth order on the calendar, which motion prevailed.

#### SECOND READING OF SENATE BILL

**SB 2232:** A BILL for an Act to amend and reenact subsection 1 of section 11-17-04 of the North Dakota Century Code, relating to the fees to be charged by the clerk of district court.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 31 YEAS, 65 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Boucher; Brandenburg; Callahan; Carlisle; Christenson; Delmore; Devlin; Fairfield; Froseth; Glassheim; Grumbo; Gulleson; Hanson; Jacobs; Johnsen, C.; Kelsh, S.; Kerzman; Kretschmar; Kroeplin; Mahoney; Maragos; Martinson; Nichols; Niemeier; Nottestad; Sandvig; Warner; Weisz; Wilkie

**NAYS:** Belter; Berg; Bernstein; Boehm; Brown; Brusegaard; Byerly; Carlson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delzer; Dorso; Drovdal; Freier; Galvin; Gerntholz; Gorder; Grande; Grosz; Gunter; Hausauer; Hawken; Huether; Jensen; Johnson, D.; Keiser; Kelsch, R.; Kempenich; Kilzer; Klein; Kliniske; Koppelman; Kunkel; Lloyd; Mickelson; Monson; Murphy; Nelson; Nicholas; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Wentz; Speaker Timm

**ABSENT AND NOT VOTING:** Henegar

Reengrossed SB 2232, as amended, was declared lost.

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#### SECOND READING OF SENATE BILL

**SB 2214:** A BILL for an Act to amend and reenact section 54-06-20 of the North Dakota Century Code, relating to the composition of the indigent civil legal services fund advisory committee and to the permissible uses and limitations on funds distributed by the committee.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 95 YEAS, 1 NAY, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Carlson; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grosz; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroeplin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson;

Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Delzer

**ABSENT AND NOT VOTING:** Henegar

Engrossed SB 2214, 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 passed unchanged: HB 1191.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has failed to pass: HB 1206, HB 1388, HB 1413.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has passed unchanged: HB 1115, HB 1216.

**MOTION**

**REP. FREIER MOVED** that the House stand in recess until 1:00 p.m., which motion prevailed.

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

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1168.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1168**

Page 1, line 1, remove "and a new section to chapter"

Page 1, line 2, remove "26.1-36.4" and remove "and"

Page 1, line 3, remove "rulemaking authority"

Page 1, line 5, remove "26.1-36.3-04,"

Page 1, line 9, after the first semicolon insert "to provide for application;"

Page 2, line 12, replace "prior" with "the most recent qualifying previous" and after "coverage" insert "described in paragraph 2"

Page 3, line 15, replace "implementing only the minimum" with "a qualified comprehensive plan"

Page 3, remove line 16

Page 3, line 17, remove "104-191; 110 Stat. 1936; 29 U.S.C. 1181 et seq.]"

Page 18, remove lines 3 through 31

Page 19, remove lines 1 through 31

Page 20, remove lines 1 through 31

Page 21, remove lines 1 through 30

Page 22, remove lines 1 through 16

Page 26, line 8, remove the overstrike over "~~chapter and section 26.1-36-37.2~~" and remove "Act"

Page 28, line 21, remove "These rules may not provide for coverage"

Page 28, remove lines 22 through 24

Page 32, line 17, after "26.1-36.3-01" insert ", whether offered on a group or individual basis. The term does not include short-term major medical policies offered in the individual market.

3. "Short-term", except as required by the Health Insurance Portability and Accountability Act of 1996, means a policy or plan providing coverage for one hundred eighty-five days or less"

Page 33, remove lines 1 through 5

Page 36, line 25, after "offering" insert "coverage"

Page 37, after line 8, insert:

**"SECTION 18. APPLICATION.** Except as required by the Health Insurance Portability and Accountability Act of 1996 [Pub. L. 104-191; 110 Stat. 1936; 29 U.S.C. 1181 et seq.], this Act applies to:

1. Any health insurance coverage that is offered, sold, issued, or renewed in the individual market after June 30, 1997; and
2. Any group health benefit plan, and health insurance coverage offered in connection with a group health benefit plan, for any plan year beginning after June 30, 1997."

Renumber accordingly

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1153, HB 1435, HB 1467.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1153**

Page 3, line 4, overstrike "seven hundred fifty thousand" and insert immediately thereafter "one million"

Page 3, line 7, remove the overstrike over "~~Any amount of a judgment against the state in excess of the~~"

Page 3, line 8, after "~~thousand~~" insert "one million" and remove the overstrike over "~~dollar limit imposed under this subsection may be~~"

Page 3, remove the overstrike over lines 9 through 14

Page 3, line 24, remove ", including the"

Page 3, line 25, remove "placement, erection, or installation of any traffic control device"

Page 10, line 26, replace "The" with "Those"

Page 11, line 8, replace "any" with "a" and replace "shifts one entity's risk of" with "requires one party to assume the liability of the other or the liability of a third party or to bear the costs of defense of actions against the other or against a third party, unless the agreement is entered into in good faith and is set forth in a separate writing signed by both parties and supported by adequate consideration which must be stated in the agreement"

Page 11, line 9, remove "liability and associated costs to the other"

Renumber accordingly

**SENATE AMENDMENTS TO HOUSE BILL NO. 1435**

Page 1, line 9, replace "If" with "As provided in chapter 54-40.3 or chapter 11-35, if"

Page 2, remove lines 4 through 6

Page 2, line 7, replace "3" with "2"

Page 2, line 12, replace "4" with "3", replace "The" with "A record of the", and replace "recorded electronically" with "kept as required by law"

Page 2, line 13, replace "5" with "4"

Page 2, line 30, replace "input" with "testimony or evidence"

Page 3, line 1, replace "6" with "5"

Page 3, line 12, after "The" insert "composition of the" and overstrike "membership shall consist of five members"

Page 3, line 13, replace the underscored period with "board, unless otherwise agreed to under chapter 54-40.3, may be in any of the following forms:"

Page 3, line 14, replace "2" with "a"

Page 3, line 18, after the period insert:

"b."

Page 3, line 23, after the underscored period insert:

"c."

Page 3, line 28, replace "3" with "2"

Renumber accordingly

#### **SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1467**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subsection to section 57-39.2-04 and a new section to chapter 57-61 of the North Dakota Century Code, relating to an exemption for sales of coal used in agricultural processing or sugar beet refining plants and a reduction of the severance tax for coal burned in small boilers; and to amend and reenact sections 57-39.2-02.1, 57-39.2-26.1, and 57-40.2-02.1 of the North Dakota Century Code, relating to the imposition of a sales and use tax on coal and the allocation of sales and use tax revenues from coal.

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

**SECTION 1. AMENDMENT.** Section 57-39.2-02.1 of the North Dakota Century Code is amended and reenacted as follows:

##### **57-39.2-02.1. Sales tax imposed.**

1. Except as otherwise expressly provided in ~~subsection~~ subsections 2 and 3 for sales of mobile homes used for residential or business purposes ~~and~~; for sales of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes; and for sales of coal, and except as otherwise expressly provided in this chapter, there is imposed a tax of five percent upon the gross receipts of retailers from all sales at retail including the leasing or renting of tangible personal property as provided in this section, within ~~the~~ this state of ~~North Dakota~~ of the following to consumers or users:
  - a. Tangible personal property, consisting of goods, wares, or merchandise, except mobile homes used for residential or business purposes and farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes.
  - b. The furnishing or service of communication services or steam other than steam used for processing agricultural products.
  - c. Tickets or admissions to places of amusement or entertainment or athletic events, including amounts charged for participation in an amusement, entertainment, or athletic activity, and including the furnishing of bingo cards and the playing of any machine for amusement or entertainment in response to the use of a coin. The tax imposed by this section applies only to eighty percent of the gross receipts collected from coin-operated amusement devices.

- d. Magazines and other periodicals.
  - e. The leasing or renting of a hotel or motel room or tourist court accommodations.
  - f. The leasing or renting of tangible personal property the transfer of title to which has not been subjected to a retail sales tax under this chapter or a use tax under chapter 57-40.2.
  - g. Coal used for heating buildings in this state and coal used in agricultural processing or sugar beet refining plants located within this state or adjacent states.
2. There is hereby imposed a tax of three percent upon the gross receipts of retailers from all sales at retail of mobile homes used for residential or business purposes, except as provided in subsection 35 of section 57-39.2-04, and of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes, including the leasing or renting of farm machinery and irrigation equipment used exclusively for agricultural purposes within ~~the this~~ state of North Dakota to consumers or users.
  3. There is imposed a tax of six cents per million British thermal units on all sales at retail of coal, except for coal used for heating buildings in this state and coal used in agricultural processing or sugar beet refining plants located within this state or adjacent states.
  4. In the case of a contract for the construction of highways, roads, streets, bridges, and buildings for which the bid was submitted prior to December 9, 1986, the contractor receiving the award is liable only for the sales or use tax at the rate of tax in effect on the date the bid was submitted.

**SECTION 2.** A new subsection to section 57-39.2-04 of the 1995 Supplement to the North Dakota Century Code is created and enacted as follows:

Gross receipts from all sales of coal used in agricultural processing or sugar beet refining plants located within this state or adjacent states which are exempted from the tax imposed by chapter 57-61.

**SECTION 3. AMENDMENT.** Section 57-39.2-26.1 of the North Dakota Century Code is amended and reenacted as follows:

**57-39.2-26.1. Allocation of sales, use, and motor vehicle excise tax revenues to revenue sharing and personal property tax replacement and coal development fund.**

1. Notwithstanding any other provision of law, a portion of sales, use, and motor vehicle excise tax collections, excluding collections allocated under subsection 2, equal to sixty percent of an amount determined by multiplying the quotient of one percent divided by the general sales tax rate, that was in effect when the taxes were collected, times the net sales, use, and motor vehicle excise tax collections under chapters 57-39.2, 57-40.2, and 57-40.3 must be deposited by the state treasurer in the state aid distribution fund. The state tax commissioner shall certify to the state treasurer the portion of sales, use, and motor vehicle excise tax net revenues that must be deposited in the state aid distribution fund as determined under this section. The state aid distribution fund must be allocated, subject to legislative appropriation, as follows:
  - 4- a. Fifty percent of the revenues must be allocated in the first month subsequent to each quarterly period for state revenue sharing as provided in sections 54-27-20.2 and 54-27-20.3.
  - 2- b. Fifty percent of the revenues must be allocated for personal property tax replacement as provided in section 57-58-01.
2. Notwithstanding any other provision of law, the sales and use tax collections on coal imposed by subsection 3 of section 57-39.2-02.1 and subsection 3 of section 57-40.2-02.1 must be deposited in the coal

development fund established under section 57-61-10 and distributed under section 57-62-02.

**SECTION 4. AMENDMENT.** Section 57-40.2-02.1 of the North Dakota Century Code is amended and reenacted as follows:

**57-40.2-02.1. Use tax imposed.**

1. Except as otherwise expressly provided in ~~subsection~~ subsections 2 and 3 for purchases of mobile homes used for residential or business purposes ~~and~~, for purchases of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes, and for purchases of coal used for heating buildings in this state and used in agricultural processing or sugar beet refining plants located within this state or adjacent states, an excise tax is imposed on the storage, use, or consumption in this state of tangible personal property purchased at retail for storage, use, or consumption in this state, at the rate of five percent of the purchase price of the property. Except as limited by section 57-40.2-11, an excise tax is imposed on the storage, use, or consumption in this state of tangible personal property not originally purchased for storage, use, or consumption in this state at the rate of five percent of the fair market value of the property at the time it was brought into this state.
2. An excise tax is imposed on the storage, use, or consumption in this state of mobile homes used for residential or business purposes, except as provided in subsection 19 of section 57-40.2-04, and of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes purchased at retail for storage, use, or consumption in this state at the rate of three percent of the purchase price thereof. Except as limited by section 57-40.2-11, and except as provided in subsection 35 of section 57-39.2-04, an excise tax is imposed on the storage, use, or consumption in this state of mobile homes used for residential or business purposes and of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes not originally purchased for storage, use, or consumption in this state at the rate of three percent of the fair market value of mobile homes used for residential or business purposes and of farm machinery, farm machinery repair parts, and irrigation equipment used exclusively for agricultural purposes at the time it was brought into this state.
3. An excise tax is imposed on the storage, use, or consumption in this state of coal at the rate of six cents per million British thermal units, except for coal used for heating buildings in this state and coal used in agricultural processing or sugar beet refining plants located within this state or adjacent states.
4. In the case of a contract awarded for the construction of highways, roads, streets, bridges, and buildings prior to December 1, 1986, the contractor receiving the award shall be liable only for the sales or use tax at the rate of tax in effect on the date of contract.

**SECTION 5.** A new section to chapter 57-61 of the North Dakota Century Code is created and enacted as follows:

**Tax reduction for coal burned in small boilers.** For coal subject to taxes under this title which is burned in coal-fired boilers within this state or adjacent states in which the generating station has a total capacity of not more than two hundred ten megawatts, after June 30, 1999:

1. The coal is exempt from fifty percent of the taxes imposed under sections 57-61-01, 57-39.2-02.1, and 57-40.2-02.1;
2. The coal is subject to fifteen percent of the taxes imposed under section 57-61-01 and the entire revenue under this subsection must be deposited in the coal development trust fund for use as provided in subsection 1 of section 57-62-02 and allocated to the lignite research fund as provided in subsection 2 of section 57-61-01.5;
3. In addition to the taxes under subsection 2, the coal is subject to thirty-five percent of the severance taxes imposed under section 57-61-01, and an

exemption from a portion of the tax imposed by this subsection may be granted by a city, school district, or the board of county commissioners of the county in which the coal is mined. The board of county commissioners, governing body of a city, or school board of a school district, by resolution, may grant to an operator of a mine that supplies coal to such a small coal-fired generating station, a partial or complete exemption from that county's, city's, or school district's share of revenues from the severance tax for all such coal. Any tax revenue from full or partial taxation under this subsection must be allocated as provided in subsection 2 of section 57-62-02, except that a political subdivision that has granted a partial or complete exemption from its share of severance tax revenues must be omitted from the allocation or have its allocation adjusted to reflect the reduction it has granted; and

4. Taxes imposed under section 57-61-01.5 apply to coal subject to this section and must be allocated as provided in that section."

ReNUMBER accordingly

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1002, HB 1010, HB 1011, HB 1016, HB 1046, HB 1100, HB 1257, HB 1297, HB 1312, HB 1448.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1002**

Page 1, line 12, replace "1,663,480" with "1,667,780"

Page 1, line 13, replace "1,111,255" with "1,103,190"

Page 1, line 16, replace "2,853,735" with "2,849,970"

Page 1, line 21, replace "3,294,735" with "3,290,970"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 108 - SECRETARY OF STATE

SENATE - The salaries and wages line item is increased by \$4,300 from the general fund to provide an average salary of \$1,250 per month during the 1997-99 biennium for the clerk III position added in the executive budget. The following schedule compares the funding provided for the clerk III position in the various versions:

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE VERSION
New clerk III position	\$48,393	\$38,665	\$42,965

The operating expenses line item is reduced by \$8,065 from the general fund to remove funding for risk management premiums.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1010**

Page 1, line 11, replace "4,020,813" with "4,058,313"

Page 1, line 12, replace "1,244,742" with "1,228,289"

Page 1, line 13, replace "40,445" with "42,945"

Page 1, line 14, replace "5,306,000" with "5,329,547"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 401 - INSURANCE COMMISSIONER

SENATE - This amendment makes the following changes:

	HOUSE VERSION	FIRE DISTRICT PAYMENT ADMINISTRATION	REMOVES RISK MANAGEMENT PREMIUMS	TOTAL CHANGES	SENATE VERSION
Salaries and wages	\$4,020,813	\$37,500		\$37,500	\$4,058,313
Operating expenses	1,244,742		\$(16,453)	(16,453)	1,228,289
Equipment	40,445	2,500		2,500	42,945
Computer network project	<u>275,000</u>				<u>275,000</u>
Total special funds	\$5,581,000	\$40,000 <sup>1</sup>	\$(16,453)	\$23,547	\$5,604,547
FTE	45.50	0.50		0.50	46.00
Payments to fire departments	<u>\$5,200,000</u>				<u>\$5,200,000</u>
Total special funds	\$5,200,000	\$ 0	\$ 0	\$ 0	\$5,200,000

<sup>1</sup> Adds a .5 FTE position to assist with administering payments to fire departments. Funding is from the insurance regulatory trust fund. The funding and .5 FTE is authorized only for the 1997-99 biennium. If the department requests similar funding and FTE authorization for the 1999-2001 biennium, the request should be specifically identified as a budget change in its 1999-2001 biennium budget request.

**SENATE AMENDMENTS TO HOUSE BILL NO. 1011**

Page 1, line 10, replace "71,485" with "68,474"

Page 1, line 12, replace "670,490" with "667,479"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 414 - SECURITIES COMMISSIONER

SENATE - This amendment reduces the operating expenses line item by \$3,011 from the general fund for the removal of risk management premiums.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1016**

Page 1, line 11, replace "1,076,095" with "1,067,062"

Page 1, line 13, replace "\$12,838.000" with "12,838,000"

Page 1, line 14, replace "15,905,761" with "15,896,728"

Page 1, line 15, replace "15,604,771" with "15,597,093"

Page 1, line 16, replace "300,990" with "299,635"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 512 - DIVISION OF EMERGENCY MANAGEMENT

SENATE - This amendment reduces the operating expenses line item by \$9,033, \$1,355 of which is from the general fund and \$7,678 of which is from special funds. The reduction is due to the removal of risk management premiums.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1046**

Page 1, line 4, remove the first "and"

Page 1, line 5, after "investigations" insert "; and to provide an effective date"

Page 1, line 15, after the underscored period insert "The department of human services shall perform the secondary process of the risk assessment."

Page 2, after line 14, insert:

**"SECTION 4. EFFECTIVE DATE.** Section 2 of this Act becomes effective on July 1, 1998."

Renumber accordingly

**SENATE AMENDMENTS TO HOUSE BILL NO. 1100**

Page 1, line 1, replace "section" with "sections 14-02.4-21 and"

Page 1, line 2, replace "confidentiality of" with "records and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Section 14-02.4-21 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**14-02.4-21. Optional mediation by department of labor - Relief - Appeals - Records exempt.** The department of labor may receive complaints of discriminating employment practices under this chapter and may investigate the complaints to determine if there is probable cause to believe the complaint is meritorious and, if so, attempt to obtain voluntary compliance with this chapter's employment requirements through informal advice, negotiation, or conciliation. This chapter does not prohibit a person from filing, or require a person to file, a complaint with the department of labor before using the provisions of this chapter. A complaint received and information obtained during any investigation conducted under this section are exempt from section 44-04-18 before the institution of any judicial proceedings under this chapter. The

commissioner may disclose to the complainant or the respondent, or attorneys for the complainant or respondent, information obtained under this section if deemed necessary by the commissioner for securing an appropriate resolution of a complaint. Any record or information held by the department of labor pursuant to an agreement with any federal agency for the enforcement of fair employment practices is exempt from section 44-04-18, and the department of labor may disclose to federal officials information obtained under this section if appropriate to carry out the enforcement of fair employment practices pursuant to the agreement. The department of labor may not disclose anything said or done as part of the informal negotiation or conciliation efforts under this section."

Page 1, line 6, after "**information**" insert "**- Records**"

Page 1, line 12, remove "investigation," and replace "or determination made by the commissioner while" with "records, and determinations made under chapter 34-14, information collected under this section from private employers, and information collected under section 34-06-02 from private employers are exempt from section 44-04-18. The commissioner shall disclose information collected, records, and determinations made to the parties to an investigation under chapter 34-14. When the commissioner enforces collection of a wage claim by judicial action or forwards records, information, or determinations to another state or country for enforcement as authorized under chapter 34-14, the information collected, records, and determinations made under chapter 34-14 are open records."

Page 1, remove line 13

Page 1, line 14, replace "however, the" with "The"

Renumber accordingly

#### **SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1257**

In lieu of the amendments adopted by the Senate as printed on page 729 of the Senate Journal, Engrossed House Bill No. 1257 is amended as follows:

Page 1, line 10, overstrike "prehospital"

Page 1, line 20, remove "emergency service"

Page 1, line 21, remove "personnel, including" and replace "technicians" with "technicians-intermediate"

Renumber accordingly

#### **SENATE AMENDMENTS TO HOUSE BILL NO. 1297**

In lieu of the amendments to House Bill No. 1297 as printed on page 820 of the Senate Journal, House Bill No. 1297 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 32-03.2-11 of the North Dakota Century Code, relating to exemplary damages in civil actions for accidents involving a motor vehicle operated by a person while under the influence of alcohol or a controlled substance; to"

Page 1, line 2, after "damages" insert "; and to provide for application"

Page 1, line 17, after the second underscored comma insert "that there is sufficient evidence to support a finding by the trier of fact"

Page 1, after line 21, insert:

**"SECTION 2.** A new subsection to section 32-03.2-11 of the North Dakota Century Code is created and enacted as follows:

- a. In a civil action involving a motor vehicle accident, it is sufficient for the trier of fact to consider an award of exemplary damages if the preponderance of the evidence indicates that the accident resulted in bodily injury and was caused by a driver:

- (1) With an alcohol concentration of at least ten one-hundredths of one percent by weight;

- (2) Was under the influence of a controlled substance;
- (3) Was under the influence of alcohol and refused to take a test required under chapter 39-20; or
- (4) Was knowingly under significant influence of a medication or other substance that substantially affects a person's nervous system, brain, or muscles so as to impair the person's ability to drive or operate a motor vehicle.

- b. A criminal charge or conviction is not a prerequisite to consideration of exemplary damages under this subsection. At the trial in an action in which the trier of fact will consider an award of exemplary damages, evidence that the driver has been convicted of violating section 39-08-01 or equivalent ordinance is admissible into evidence.

**SECTION 3. APPLICATION.** This Act applies only to actions commenced after the effective date of this Act."

Renumber accordingly

**SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1312**

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

Page 1, line 2, remove "unexpected general fund appropriations, accountability reports, and"

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

Page 1, line 4, remove ", 15-10-12, 15-10-14.1, 15-10-17,"

Page 1, line 6, replace ", acceptance of gifts and bequests and deposit of funds by the state board of higher" with "and confidentiality of information regarding grants and contracts of institutions of higher education."

Page 1, remove lines 7 through 12

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 30

Page 8, remove lines 1 through 30

Page 9, remove lines 1 through 12

Page 11, remove lines 16 through 18

Renumber accordingly

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1448**

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

Page 2, line 17, replace "one-fourth" with "one-half"

Page 4, after line 19, insert:

**"SECTION 3. EXPIRATION DATE.** This Act is effective through December 31, 1999, and after that date is ineffective."

Renumber accordingly

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1396.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1396**

Page 1, line 1, after "20.1-03-11" insert "and a new section to chapter 20.1-08"

Page 1, line 2, after "nonresidents" insert "and the governor's proclamation concerning the resident youth deer hunting season"

Page 1, line 7, remove "to nonresidents"

Page 1, line 8, replace "allocated" with "made available" and replace "mule" with "any"

Page 1, replace lines 9 and 10 with:

**"SECTION 2.** A new section to chapter 20.1-08 of the North Dakota Century Code is created and enacted as follows:

**Governor's proclamation concerning resident youth deer hunting season.**

By proclamation, the governor may provide for a season for resident youth to hunt deer in the manner, number, places, and times as the governor prescribes. A person receiving a license under this section may take any deer except antlered mule deer. However, a person may use an antlered mule deer license issued pursuant to the regular deer license lottery in the unit or subunit for which the license is valid during the resident youth deer hunting season established under this section."

Renumber accordingly

<b>DIVISION OF ENGROSSED HOUSE BILL NO. 1396</b>		
Division A	Section 2 of the bill as amended by the Senate	Failed
Division B	Section 1 of the bill as amended by the Senate	Adopted

Renumber and correct the title accordingly

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2160 and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2160:** Sens. Schobinger; Cook; O'Connell

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

**MR. SPEAKER:** The President has signed: HB 1030, HB 1058, HB 1083, HB 1135, HB 1170, HB 1183, HB 1185, HB 1213, HB 1227, HB 1248, HB 1261, HB 1263, HB 1264, HB 1266, HB 1268, HB 1269, HB 1270, HB 1311, HB 1314, HB 1330, HB 1350, HB 1360, HB 1410, HCR 3031, HCR 3040, HCR 3042, HCR 3043, HCR 3047.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1098:** Your conference committee (Sens. Krebsbach, Sand, Thompson and Reps. Carlson, Keiser, Coats) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 855 and place HB 1098 on the Seventh order.

HB 1098 was placed on the Seventh order of business on the calendar.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2145: Reps. Rennerfeldt, Renner, Kroeplin.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2173: Reps. R. Kelsch, Brusegaard, Christenson.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2301: Reps. Maragos, Grande, Rose.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2324: Reps. Nicholas, Nelson, Kerzman.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. R. KELSCH MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1337 as printed on HJ pages 958-959 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1337: Reps. Thoreson, Clark, Brandenburg.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. DALRYMPLE MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1010 and that a conference committee be appointed to meet with a like committee from the Senate.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1010: Reps. Soukup, Byerly, Huether.

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

**MADAM PRESIDENT:** The House does not concur in the Senate amendments to HB 1010 and HB 1337 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1010:** Reps. Soukup; Byerly; Huether

**HB 1337:** Reps. Thoreson; Clark; Brandenburg

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

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

**SB 2145:** Reps. Rennerfeldt; Renner; Kroeplin

**SB 2173:** Reps. R. Kelsch; Brusegaard; Christenson

**SB 2301:** Reps. Maragos; Grande; Rose

**SB 2324:** Reps. Nicholas; Nelson; Kerzman

**SIXTH ORDER OF BUSINESS**

**SB 2016, as reengrossed: REP. DALRYMPLE (Appropriations Committee) MOVED** that the amendments on HJ pages 1122-1127 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2016:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to create and enact a new section to chapter 12-46 of the North Dakota Century Code, relating to payment of tuition for students committed to the youth correctional center; to provide legislative intent; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 72 YEAS, 24 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Belter; Berg; Bernstein; Boehm; Brown; Brusegaard; Byerly; Carlisle; Christopherson; Clark; Dalrymple; DeKrey; Delmore; Devlin; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kempenich; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroeplin; Kunkel; Mahoney; Maragos; Martinson; Mickelson; Murphy; Nelson; Nicholas; Nichols; Nottestad; Oban; Olson; Poolman; Price; Rennerfeldt; Rose; Sabby; Sandvig; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Aarsvold; Boucher; Brandenburg; Callahan; Carlson; Christenson; Coats; Delzer; Fairfield; Glassheim; Gorder; Grande; Grosz; Grumbo; Gullerson; Kelsh, S.; Kerzman; Lloyd; Monson; Niemeier; Renner; Schmidt; Skarphol; Thorpe

**ABSENT AND NOT VOTING:** Henegar

Reengrossed SB 2016, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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**SECOND READING OF SENATE BILL**

**SB 2005:** 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, and has committee recommendation of DO PASS, the roll was called and there were 87 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brusegaard; Byerly; Carlisle; Carlson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovda; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grosz; Grumbo; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroeplin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Nottestad; Olson; Poolman; Price; Renner; Rennerfeldt; Sabby; Sandvig; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Speaker Timm

**NAYS:** Aarsvold; Callahan; Christenson; Gulleison; Niemeier; Oban; Rose; Wilkie

**ABSENT AND NOT VOTING:** Brown; Henegar

Engrossed SB 2005, as amended, passed and the title was agreed to.

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**THE HOUSE RECOGNIZED THE PRESENCE OF:**

Former Representative Lee Kaldor.

**ANNOUNCEMENT BY THE SPEAKER**

**SPEAKER TIMM ANNOUNCED** that Rep. Gunter would replace Rep. Kretschmar on the Conference Committee on SB 2153.

**SECOND READING OF SENATE BILL**

**SB 2007:** A BILL for an Act to provide an appropriation for defraying the expenses of the veterans' home and department of veterans' affairs; and to provide legislative intent regarding veterans' home management, budgeting, and accounting practices and related budget section reports.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 96 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Carlson; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovda; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grosz; Grumbo; Gulleison; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroeplin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**ABSENT AND NOT VOTING:** Henegar

Engrossed SB 2007, 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 Speaker has appointed Rep. Gunter to replace Rep. Kretschmar on the Conference Committee on SB 2153.

**SECOND READING OF SENATE BILL**

**SB 2011:** A BILL for an Act to provide an appropriation for defraying the expenses of the highway patrol; to provide for mobile data terminals; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 88 YEAS, 8 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroepelin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Wentz; Wilkie; Speaker Timm

**NAYS:** Boehm; Carlson; Delzer; Grosz; Murphy; Renner; Skarphol; Weisz

**ABSENT AND NOT VOTING:** Henegar

Engrossed SB 2011, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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**SECOND READING OF SENATE BILL**

**SB 2012:** A BILL for an Act to make an appropriation for defraying the expenses of the various divisions under the supervision of the director of the department of transportation; to limit expenditures on certain streets; to create and enact a new section to chapter 24-02 of the North Dakota Century Code, relating to cooperating with other states; to amend and reenact subsection 3 of section 24-02-37, sections 24-02-37.1, 39-12-02, and 54-06-09 of the North Dakota Century Code, relating to the special road fund, special trip permits, and state employee vehicle usage; to repeal section 24-02-37.1 of the North Dakota Century Code, relating to the special road advisory committee; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 92 YEAS, 3 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grumbo; Gulleson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroepelin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Carlson; Delzer; Grosz

**ABSENT AND NOT VOTING:** Henegar; Skarphol

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

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**COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER**

The following communication was received from the Governor at 1:10 p.m., March 27, 1997.

This is to inform you that on March 26, 1997, I signed the following: HB 1081, HB 1194, HB 1332, HB 1039, HB 1092, HB 1117, and HB 1256.

Also, on March 27, 1997, I signed the following: HB 1156, HB 1084, HB 1089, HB 1146, HB 1161, HB 1162, and HB 1176.

**MOTION**

**REP. FREIER MOVED** that the House stand in recess until 4:30 p.m., which motion prevailed.

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

**SIGNING OF BILLS AND RESOLUTIONS**

The Speaker signed the following enrolled bills: HB 1063, HB 1138, HB 1141, HB 1142, HB 1147, HB 1158, HB 1159.

**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 1063, HB 1138, HB 1141, HB 1142, HB 1147, HB 1158, HB 1159.

**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 2023, SB 2052, SB 2054, SB 2056, SB 2070, SB 2071, SB 2072, SB 2089, SB 2091, SB 2099, SB 2106, SB 2117, SB 2118, SB 2128, SB 2157, SB 2175, SB 2198, SB 2200, SB 2260, SB 2369, SB 2379.

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

**MR. SPEAKER:** The Senate has passed and your favorable consideration is requested on: SCR 4059, SCR 4060, SCR 4061.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2160: Reps. Monson, Keiser, Mahoney.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. POOLMAN MOVED** that the House do not concur in the Senate amendments to HB 1435 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1435: Reps. Poolman, C. Johnsen, Delmore.

**ANNOUNCEMENT BY THE SPEAKER**

**SPEAKER TIMM ANNOUNCED** that Rep. Christenson would replace Rep. Brandenburg on the Conference Committee on HB 1337 and Rep. Brandenburg would replace Rep. Christenson on the Conference Committee on SB 2173.

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

**MADAM PRESIDENT:** The Speaker has appointed Rep. Christenson to replace Rep. Brandenburg on the Conference Committee on HB 1337.

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

**MADAM PRESIDENT:** The Speaker has appointed Rep. Brandenburg to replace Rep. Christenson on the Conference Committee on SB 2173.

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

**MADAM PRESIDENT:** The House does not concur in the Senate amendments to HB 1435 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1435:** Reps. Poolman; C. Johnsen; Delmore

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

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

**SB 2160:** Reps. Monson; Keiser; Mahoney

**SECOND READING OF SENATE BILL**

**SB 2353:** A BILL for an Act to create and enact a new section to chapter 57-40.6 and a new subsection to section 57-40.6-08 of the North Dakota Century Code, relating to liability of telecommunications providers and an emergency services communication system advisory committee for 911; and to amend and reenact section 57-40.6-01, of the North Dakota Century Code, relating to wireless 911 telephone service definitions.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 85 YEAS, 10 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Boehm; Boucher; Brandenburg; Brown; Byerly; Callahan; Carlisle; Carlson; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Delzer; Drovdal; Fairfield; Freier; Froseth; Gerntholz; Glassheim; Grande; Grosz; Grumbo; Gulleon; Gunter; Hanson; Hausauer; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kretschmar; Kroepflin; Kunkel; Lloyd; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Bernstein; Brusegaard; Devlin; Dorso; Galvin; Gorder; Hawken; Mahoney; Nichols; Thoreson

**ABSENT AND NOT VOTING:** Henegar; Kempenich

Engrossed SB 2353, as amended, passed and the title was agreed to.

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**SECOND READING OF SENATE BILL**

**SB 2318:** A BILL for an Act to create and enact two new subsections to section 53-06.1-01 and a new section to chapter 53-06.1 of the North Dakota Century Code, relating to the development and implementation of a compulsive gambling awareness, rehabilitation, and treatment program by the department of human services; and to provide an appropriation.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and is PLACED ON THE CALENDAR WITHOUT RECOMMENDATION, the roll was called and there were 54 YEAS, 40 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Boucher; Brandenburg; Callahan; Carlisle; Christenson; Christopherson; Coats; Dalrymple; Delmore; Devlin; Fairfield; Froseth; Glassheim; Grumbo; Gulleon; Gunter; Hanson; Hawken; Huether; Jensen; Johnsen, C.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kliniske; Kretschmar; Kroepflin; Mahoney; Maragos; Martinson; Mickelson; Murphy; Nicholas; Nichols; Niemeier; Nottestad; Oban; Price; Renner; Rose; Sabby; Sandvig; Schmidt; Stenehjem; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Warner; Wentz; Wilkie

**NAYS:** Axtman; Belter; Berg; Bernstein; Boehm; Brown; Brusegaard; Byerly; Carlson; Clark; DeKrey; Delzer; Dorso; Drovdal; Freier; Galvin; Gerntholz; Gorder; Grande; Grosz; Hausauer; Jacobs; Johnson, D.; Kilzer; Klein; Koppelman; Kunkel; Lloyd; Monson; Nelson; Olson; Poolman; Rennerfeldt; Skarphol; Soukup; Svedjan; Torgerson; Wardner; Weisz; Speaker Timm

**ABSENT AND NOT VOTING:** Henegar; Kempenich; Wald

Engrossed SB 2318, as amended, passed and the title was agreed to.

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**MOTION**

**REP. FREIER MOVED** that the House waive the reading of the title to Engrossed SB 2004, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2004:** A BILL for an Act to provide an appropriation for defraying the expenses of the state department of health; to amend and reenact sections 23-09-01, 23-09-02.1, 23-09-03, 23-09-05, 23-09-06, 23-09-07, 23-09-08, 23-09-09, 23-09-10, 23-09-11, 23-09-14, 23-09-16, 23-09-18, 23-09-20.1, 23-09-21, and 23-09-22 of the North Dakota Century Code, relating to the requirements for the operation of a food and lodging establishment; to repeal section 23-09-12 of the North Dakota Century Code, relating to certificates of inspection; to provide an effective date; 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, and has committee recommendation of DO PASS, the roll was called and there were 89 YEAS, 5 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grumbo; Guleson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsch, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroepflin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Soukup; Stenehjerm; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Belter; Carlson; Grosz; Skarphol; Torgerson

**ABSENT AND NOT VOTING:** Henegar; Kempenich; Kretschmar

Engrossed SB 2004, as amended, passed and the title was agreed to.

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**MOTION**

**REP. FREIER MOVED** that the House waive the reading of the title to Engrossed SB 2014, which motion prevailed.

**CONFLICT OF INTEREST**

**REP. WENTZ AND REP. JENSEN STATED** that they had a conflict of interest with reference to Engrossed SB 2014.

**MOTION**

**REP. DORSO MOVED** that Rep. Wentz and Rep. Jensen be granted permission to vote on Engrossed SB 2014, which motion prevailed.

**SECOND READING OF SENATE BILL**

**SB 2014:** A BILL for an Act to provide an appropriation for defraying the expenses of the children's services coordinating committee; to create and enact a new section to chapter 54-56 of the North Dakota Century Code, relating to regional and tribal children's services coordinating committees; to amend and reenact sections 54-56-01, 54-56-03, and 54-56-04 of the North Dakota Century Code, relating to the membership and duties of the children's services coordinating committee; and to repeal section 54-56-05 of the North Dakota Century Code, relating to the children's services coordinating committee receiving and spending funds.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 7 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Callahan; Carlisle; Carlson; Christopherson; Clark; Coats; Dalrymple; Delmore; Delzer; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grumbo; Guleson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnson, D.; Keiser; Kelsch, R.; Kelsch, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroepflin; Kunkel; Lloyd; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Soukup; Stenehjerm;

Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Byerly; Christenson; DeKrey; Johnsen, C.; Mahoney; Oban; Skarphol

**ABSENT AND NOT VOTING:** Grosz; Henegar; Kempenich; Kretschmar

Engrossed SB 2014, as amended, passed and the title was agreed to.

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#### SECOND READING OF SENATE BILL

**SB 2017:** A BILL for an Act to provide an appropriation for defraying the expenses of job service North Dakota; to provide that job service North Dakota and the workers compensation bureau conduct mutual auditing assistance; to provide that student participation in school-to-work and work force 2000 is voluntary; to create and enact a new section to chapter 44-04 and a new section to chapter 52-02 of the North Dakota Century Code, relating to records of the North Dakota occupational information coordinating committee and audits of job service North Dakota; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 84 YEAS, 9 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Carlisle; Carlson; Christenson; Christopherson; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Gorder; Grande; Grumbo; Gulleeson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroepflin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rose; Sabby; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Speaker Timm

**NAYS:** Bernstein; Callahan; Glassheim; Grosz; Nichols; Rennerfeldt; Sandvig; Thorpe; Wilkie

**ABSENT AND NOT VOTING:** Clark; Henegar; Kempenich; Kretschmar

SB 2017, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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#### SECOND READING OF SENATE BILL

**SB 2018:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of administrative hearings; to create and enact a new section to chapter 54-57 of the North Dakota Century Code, relating to hearings by the office of administrative hearings; and to amend and reenact subsections 1 and 2 of section 54-57-07 of the North Dakota Century Code, relating to payment for administrative hearings.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 90 YEAS, 2 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Aarsvold; Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Brusegaard; Byerly; Callahan; Carlisle; Christenson; Christopherson; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grosz; Grumbo; Gulleeson; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroepflin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**NAYS:** Carlson; Skarphol

**ABSENT AND NOT VOTING:** Clark; Henegar; Kempenich; Kretschmar; Torgerson

SB 2018, as amended, passed and the title was agreed to.

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#### SECOND READING OF SENATE BILL

**SB 2020:** A BILL for an Act to provide an appropriation for defraying the expenses of the state board for vocational and technical education; to create and enact a new subsection to section 15-20.1-03 of the North Dakota Century Code, relating to the powers and duties of the state board for vocational and technical education; to amend and reenact section 6-09.10-02.1, subsection 1 of section 6-09.10-06, sections 15-20.1-01, and 15-20.1-02 of the North Dakota Century Code, relating to the duties of the credit review board and the state board for vocational and technical education; and to provide statements of legislative intent.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 81 YEAS, 13 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Axtman; Belter; Berg; Bernstein; Boehm; Boucher; Brandenburg; Brown; Byerly; Callahan; Carlisle; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Devlin; Dorso; Drovdal; Fairfield; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grumbo; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroeplin; Kunkel; Lloyd; Mahoney; Maragos; Martinson; Mickelson; Monson; Murphy; Nelson; Nicholas; Nichols; Nottestad; Olson; Poolman; Price; Renner; Rennerfeldt; Sabby; Sandvig; Schmidt; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Wentz; Speaker Timm

**NAYS:** Aarsvold; Brusegaard; Carlson; Delzer; Grande; Grosz; Gulleason; Niemeier; Oban; Rose; Skarphol; Weisz; Wilkie

**ABSENT AND NOT VOTING:** Henegar; Kempenich; Kretschmar

Engrossed SB 2020, as amended, passed and the title was agreed to.

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#### SECOND READING OF SENATE BILL

**SB 2244:** A BILL for an Act to amend and reenact section 35-31-03 of the North Dakota Century Code, relating to agricultural suppliers' liens.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 6 YEAS, 88 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Berg; Brandenburg; Fairfield; Grosz; Maragos; Murphy

**NAYS:** Aarsvold; Axtman; Belter; Bernstein; Boehm; Boucher; Brown; Brusegaard; Byerly; Callahan; Carlisle; Carlson; Christenson; Christopherson; Clark; Coats; Dalrymple; DeKrey; Delmore; Delzer; Devlin; Dorso; Drovdal; Freier; Froseth; Galvin; Gerntholz; Glassheim; Gorder; Grande; Grumbo; Gulleason; Gunter; Hanson; Hausauer; Hawken; Huether; Jacobs; Jensen; Johnsen, C.; Johnson, D.; Keiser; Kelsch, R.; Kelsh, S.; Kerzman; Kilzer; Klein; Kliniske; Koppelman; Kroeplin; Kunkel; Lloyd; Mahoney; Martinson; Mickelson; Monson; Nelson; Nicholas; Nichols; Niemeier; Nottestad; Oban; Olson; Poolman; Price; Renner; Rennerfeldt; Rose; Sabby; Sandvig; Schmidt; Skarphol; Soukup; Stenehjem; Svedjan; Sveen; Thompson; Thoreson; Thorpe; Tollefson; Torgerson; Wald; Wardner; Warner; Weisz; Wentz; Wilkie; Speaker Timm

**ABSENT AND NOT VOTING:** Henegar; Kempenich; Kretschmar

SB 2244, as amended, was declared lost.

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**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER ANNOUNCED** the following appointment to a Conference Committee on SB 2344: Reps. Keiser, Murphy, Mahoney.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. KRETSCHMAR MOVED** that the House do not concur in the Senate amendments to HB 1297 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1297: Reps. Maragos, Kretschmar, Callahan.

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

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

**SB 2344:** Reps. Keiser; Murphy; Mahoney

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

**MADAM PRESIDENT:** The House does not concur in the Senate amendments to HB 1297 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1297:** Reps. Maragos; Kretschmar; Callahan

**MOTION**

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

**MOTION**

**REP. FREIER MOVED** that the House be on the Fifth and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 9:00 a.m., Friday, March 28, 1997, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**SB 2019, as reengrossed: Appropriations Committee (Rep. Dalrymple, Chairman) A MAJORITY** of your committee (Reps. Wald, Kunkel, Gernholz, Byerly, Wentz, Bernstein, Carlisle, Freier, Lloyd, Martinson, Soukup) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS**.

Page 1, line 2, remove ", to the Bank of North Dakota for economic development,"

Page 1, line 4, remove the first "and" and remove "4-01-19,"

Page 1, line 5, replace ", subsection 4 of section 10-30.5-02, and section 10-30.5-05" with "and 57-43.1-03.1"

Page 1, line 6, remove "the pride of Dakota program,"

Page 1, line 7, replace ", and administration and management of the North Dakota development fund" with "and tax refunds for fuel used for agricultural purposes; and to provide for application"

Page 1, line 15, replace "1,634,811" with "2,421,849"

Page 1, line 16, replace "1,591,673" with "1,581,995"

Page 1, remove line 20

Page 1, line 21, replace "5,598,107" with "4,097,462"

Page 1, replace line 22 with:

"North Dakota development fund

1,909,875"

Page 1, line 23, replace "12,457,802" with "12,084,012"

Page 2, line 1, replace "4,812,671" with "3,312,026"

Page 2, line 2, replace "7,645,131" with "8,771,986"

Page 2, remove lines 3 through 9

Page 2, line 11, after "Act" insert "relating to agricultural products utilization commission activities"

Page 2, line 19, replace "\$3,007,000" with "\$1,507,000"

Page 2, line 21, replace "\$3,000,000" with "\$1,500,000"

Page 2, line 22, after "to" insert "the Grafton,", after "Dakota" insert a comma, and replace "plants" with "plant"

Page 3, line 3, after the period insert "If any ethanol plant that did not receive production incentives during the fiscal year ending June 30, 1997, is eligible for production incentives on July 1, 1998, for the fiscal year ending June 30, 1999, incentive payments, only fifty percent of the authorized production incentives, up to a total of \$250,000, may be provided to an ethanol plant that produced fifteen million gallons or more of ethanol in the previous fiscal year."

Page 3, line 15, replace "\$1,410,380" with "\$1,909,875"

Page 3, line 16, replace "technology transfer" with "North Dakota development"

Page 3, line 23, replace "president of the Bank of North Dakota" with "director of the department of economic development and finance" and replace "president of the Bank of North" with "director of the department of economic development and finance"

Page 3, line 24, remove "Dakota"

Page 4, remove lines 10 through 28

Page 5, replace lines 8 through 24 with:

**"SECTION 10. AMENDMENT.** Section 57-43.1-03.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**57-43.1-03.1. (Effective until December 31, 1999) Refund of tax for fuel used for agricultural purposes - ~~Reduction for agricultural fuel tax fund~~ Reductions.** Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by ~~four~~ seven cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, ~~two.~~ Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund ~~and two cents,~~ one cent per gallon [3.79 liters] withheld from the refund must be retained in the highway tax distribution fund, ~~and four cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural research fund.~~ Those persons who have a valid tax assignment permit issued by the commissioner under section 57-43.1-11 must be charged ~~four~~ eight cents per gallon [3.79 liters] by the dealer and the ~~four~~ eight cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

**(Effective January 1, 2000) Refund of tax for fuel used for agricultural purposes - ~~Reduction for agricultural fuel tax fund~~ Reductions.** Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by ~~two~~ six cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, ~~two.~~ Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund ~~and four cents per gallon [3.79 liters] withheld from the fund must be deposited in the agricultural research fund.~~ Those persons who have a valid tax assignment permit issued by the

commissioner under section 57-43.1-11 must be charged ~~two~~ six cents per gallon [3.79 liters] by the dealer and the ~~two~~ six cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

**SECTION 11. APPLICATION.** Section 10 of this Act applies to refund claims for motor vehicle fuel taxes paid after December 31, 1996."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 601 - DEPARTMENT OF ECONOMIC DEVELOPMENT AND FINANCE

HOUSE - This amendment makes the following changes:

1997-99 EXECUTIVE RECOMMENDATION	SENATE CHANGES	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$ 2,421,849	\$ 1,634,811	\$ 787,038	\$ 2,421,849
Operating expenses	1,591,673	1,591,673	(9,678)	1,581,995
Equipment	34,000	34,000		34,000
Grants	1,313,141	1,313,141		1,313,141
General allocation grants	725,690	725,690		725,690
Technology Transfer, Inc.	1,410,380	1,410,380	(1,410,380)	
Development fund	1,909,875		1,909,875	1,909,875
Agricultural Products	5,598,107	5,598,107	(1,500,645)	4,097,462
Utilization				
Pride of Dakota	<u>150,000</u>	<u>150,000</u>	<u>(150,000)</u>	<u>                    </u>
Total	\$15,154,715	\$12,457,802	\$ (373,790)	\$12,084,012
General fund	\$10,342,044	\$ 7,645,131	\$ 1,126,855	\$ 8,771,986
Special funds	4,812,671	4,812,671	(1,500,645)	3,312,026
FTE	30		6	27
Other changes -		(9)		

This amendment:

Restores the transfers made by the Senate from the Department of Economic Development and Finance to the Bank of North Dakota, including funding for five FTE positions relating to the fund (\$490,577), and removes related Sections 14 and 15, added by the Senate.

Restores general fund appropriation authority to the Department of Economic Development and Finance in lieu of an appropriation to the Bank of North Dakota from the Bank's earnings for the North Dakota development fund line item as contained in the Senate version.

Restores the authority for four FTE positions and related general fund appropriation authority of \$296,461.

Removes \$1,410,380 from the general fund and three related FTE positions to delete funding for Technology Transfer, Inc.

Removes funding of \$150,000 from the general fund for the Pride of Dakota program to be funded in the Department of Agriculture.

Removes Sections 10, 11, and 12 of the reengrossed bill, added by the Senate, relating to legislative intent for Technology Transfer, Inc., funds, a Bank of North Dakota development specialist, and the Pride of Dakota program, respectively.

Reduces operating expenses by \$9,678 from the general fund and the Agricultural Products Utilization Commission line item by \$645 of special funds to remove risk management premiums.

Reduces the ethanol production incentives appropriation, contained in the agricultural products utilization line item, from the highway tax distribution fund by \$1,500,000, from \$3,007,000 to \$1,507,000. Related changes are made to Section 5 regarding the amount of funds available from the highway tax distribution fund for the ethanol production incentives program.

Adds Section 10 which provides for a refund of tax for fuel used for agricultural purposes. Effective until December 31, 1999, the amount of the tax refund must be reduced by seven cents per gallon. Effective January 1, 2000, the amount of the tax refund must be reduced by six cents per gallon.

Adds Section 11 which provides an application date for refund claims for motor vehicle fuel taxes for refunds after December 31, 1996.

#### REPORT OF STANDING COMMITTEE

**SB 2019, as reengrossed: Appropriations Committee (Rep. Dalrymple, Chairman) A MINORITY** of your committee (Reps. Huether, Nichols, Wilkie, Aarsvold, Oban) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS**.

Page 1, line 2, remove ", to the Bank of North Dakota for economic development,"

Page 1, line 3, remove "for grants"

Page 1, line 4, remove the first "and" and replace "sections 4-01-19," with "section 57-43.1-03.1"

Page 1, line 5, remove "4-14.1-04, subsection 4 of section 10-30.5-02, and section 10-30.5-05"

Page 1, line 6, replace "the pride of Dakota program, the agricultural products utilization" with "tax refunds for fuel used for agricultural purposes; and to provide for application."

Page 1, remove line 7

Page 1, line 15, replace "1,634,811" with "2,421,849"

Page 1, line 16, replace "1,591,673" with "1,581,995"

Page 1, replace lines 20 through 22 with:

"North Dakota development fund 1,909,875"

Page 1, line 23, replace "12,457,802" with "7,986,550"

Page 2, line 1, replace "4,812,671" with "298,428"

Page 2, line 2, replace "7,645,131" with "7,688,122"

Page 2, replace lines 3 through 9 with:

**"SECTION 2. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the agricultural products utilization commission for the purpose of defraying the expenses of the agricultural products utilization commission, for the biennium beginning July 1, 1997, and ending June 30, 1999, as follows:

Salaries and wages	\$ 150,575
Operating expenses	76,518
Equipment	3,350
Grants	2,425,571
Ethanol incentive	<u>1,500,000</u>
Total all funds	\$4,156,014
Less estimated income	<u>3,072,150</u>

Total general fund appropriation \$1,083,864"

Page 2, line 11, replace "1" with "2" and after "Act" insert "relating to agricultural products utilization commission activities"

Page 2, line 19, replace "\$3,007,000" with "\$1,507,000"

Page 2, line 21, replace "\$3,000,000" with "\$1,500,000"

Page 2, line 22, after "to" insert "the Grafton,", after "Dakota" insert a comma, and replace "plants" with "plant"

Page 3, line 3, after the period insert "If any ethanol plant that did not receive production incentives during the fiscal year ending June 30, 1997, is eligible for production incentives on July 1, 1998, for the fiscal year ending June 30, 1999, incentive payments, only fifty percent of the authorized production incentives, up to a total of \$250,000, may be provided to an ethanol plant that produced fifteen million gallons or more of ethanol in the previous fiscal year."

Page 3, line 15, replace "\$1,410,380" with "\$1,909,875"

Page 3, line 16, replace "technology transfer" with "North Dakota development"

Page 3, line 23, replace "president of the Bank of North Dakota" with "director of the department of economic development and finance" and replace "president of the Bank of North" with "director of the department of economic development and finance"

Page 3, line 24, remove "Dakota"

Page 4, replace lines 10 through 30 with:

**"SECTION 10. AMENDMENT.** Section 57-43.1-03.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**57-43.1-03.1. (Effective until December 31, 1999) Refund of tax for fuel used for agricultural purposes - ~~Reduction for agricultural fuel tax fund Reductions.~~** Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by ~~four~~ seven cents per gallon [3.79 liters]

except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, ~~two~~. Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund ~~and two cents, one cent~~ per gallon [3.79 liters] withheld from the refund must be retained in the highway tax distribution fund, and four cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural research fund. Those persons who have a valid tax assignment permit issued by the commissioner under section 57-43.1-11 must be charged ~~four~~ eight cents per gallon [3.79 liters] by the dealer and the ~~four~~ eight cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

**(Effective January 1, 2000) Refund of tax for fuel used for agricultural purposes - ~~Reduction for agricultural fuel tax fund~~ Reductions.** Any person who buys or uses any motor vehicle fuel for agricultural purposes, except motor vehicle fuel used in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of this state on which the motor vehicle fuel tax has been paid, must be reimbursed or repaid within the time provided in this chapter, the amount of the tax paid upon the presentation to and the approval of the commissioner of a claim for refund. The amount of the tax refund provided for in this section must be reduced by ~~two~~ six cents per gallon [3.79 liters] except for those fuels used in aircraft or with respect to refunds claimed by aircraft fuel users, ~~two~~. Two cents per gallon [3.79 liters] withheld from the refund must be deposited in the agricultural fuel tax fund and four cents per gallon [3.79 liters] withheld from the fund must be deposited in the agricultural research fund. Those persons who have a valid tax assignment permit issued by the commissioner under section 57-43.1-11 must be charged ~~two~~ six cents per gallon [3.79 liters] by the dealer and the ~~two~~ six cents charged must be remitted to the commissioner by the dealer when the dealer submits the tax assigned invoices for credit.

**SECTION 11. APPLICATION.** Section 10 of this Act applies to refund claims for motor vehicle fuel taxes paid after December 31, 1996."

Page 5, remove lines 1 through 24

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 601 - DEPARTMENT OF ECONOMIC DEVELOPMENT AND FINANCE

HOUSE - This amendment makes the following changes:

1997-99 EXECUTIVE RECOMMENDATION	SENATE CHANGES	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$ 2,421,849	\$ 1,634,811	\$ 787,038	\$ 2,421,849
Operating expenses	1,591,673	1,591,673	(9,678)	1,581,995
Equipment	34,000	34,000		34,000
Grants	1,313,141	1,313,141		1,313,141
General allocation grants	725,690	725,690		725,690
Technology Transfer, Inc.	1,410,380	1,410,380	(1,410,380)	
Development fund	1,909,875		1,909,875	1,909,875
Agricultural Products	5,598,107	5,598,107	(5,598,107)	
Utilization				
Pride of Dakota	<u>150,000</u>	<u>150,000</u>	<u>(150,000)</u>	<u>                    </u>
Total	\$15,154,715	\$12,457,802	\$(4,471,252)	\$7,986,550
General fund	\$10,342,044	\$ 7,645,131	\$ 42,991	\$ 7,688,122
Special funds	4,812,671	4,812,671	(4,514,243)	298,428
FTE	30		6	27
Other changes -				

This amendment:

Restores the transfers made by the Senate from the Department of Economic Development and Finance to the Bank of North Dakota, including funding for five FTE positions relating to the fund (\$490,577), and removes related Sections 14 and 15, added by the Senate.

Restores general fund appropriation authority to the Department of Economic Development and Finance in lieu of an appropriation to the Bank of North Dakota from the Bank's earnings for the North Dakota development fund line item as contained in the Senate version.

Restores the authority for four FTE positions and related general fund appropriation authority of \$296,461.

Removes \$1,410,380 from the general fund and three related FTE positions to delete funding for Technology Transfer, Inc.

Removes funding of \$150,000 from the general fund for the Pride of Dakota program to be funded in the Department of Agriculture.

Removes Sections 10, 11, and 12 of the reengrossed bill, added by the Senate, relating to legislative intent for Technology Transfer, Inc., funds, a Bank of North Dakota development specialist, and the Pride of Dakota program, respectively.

Reduces operating expenses by \$9,678 from the general fund and the Agricultural Products Utilization Commission line item by \$645 of special funds to remove risk management premiums.

Reduces the ethanol production incentives appropriation, contained in the agricultural products utilization line item, from the highway tax distribution fund by \$1,500,000, from \$3,007,000 to \$1,507,000. Related changes are made to Section 5 regarding the amount of funds available from the highway tax distribution fund for the ethanol production incentives program.

Adds Section 10 which provides for a refund of tax for fuel used for agricultural purposes. Effective until December 31, 1999, the amount of the tax refund must be reduced by seven cents per gallon. Effective January 1, 2000, the amount of the tax refund must be reduced by six cents per gallon.

Adds Section 11 which provides an application date for refund claims for motor vehicle fuel taxes for refunds after December 31, 1996.

Removes the agricultural products utilization line item of \$5,598,107 and provides a separate appropriation to the commission in the new Section 2, which includes one additional FTE position.

The reports of the majority and the minority were placed on the Seventh order of business on the calendar for the succeeding legislative day.

#### REPORT OF STANDING COMMITTEE

**SB 2064, as engrossed: Appropriations Committee (Rep. Dalrymple, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2064 was placed on the Sixth order on the calendar.

Page 1, line 3, after the semicolon insert "to provide a contingent appropriation;"

Page 1, line 4, after "enact" insert "six new sections to chapter 4-05.1 and" and replace "subsection to section 54-44-04" with "section to chapter "4-22"

Page 1, line 5, after the first "to" insert "the state board of agricultural research and" and replace "director of the office of management and budget" with "extension service"

Page 1, line 6, after "sections" insert "4-05.1-01, 4-05.1-02, 4-05.1-03, 4-05.1-04, 4-22-02, 4-22-03,", remove the second "and", and after "4-22-22" insert ", 4-22-47, and 4-22-48"

Page 1, line 7, after "state" insert "agricultural experiment station and state"

Page 1, line 20, replace "20,665,371" with "20,679,960"

Page 1, line 21, replace "3,547,204" with "3,489,064"

Page 1, line 22, replace "450,000" with "450,000"

Page 1, after line 22, insert:

"Soil conservation district grants 650,000"

Page 1, line 23, replace "24,662,575" with "25,269,024"

Page 2, line 2, replace "11,644,577" with "12,251,026"

Page 2, line 6, replace "121,231" with "118,650"

Page 2, line 8, replace "974,359" with "971,778"

Page 2, line 10, replace "638,382" with "635,801"

Page 2, line 14, replace "1,530,665" with "1,526,794"

Page 2, line 17, replace "4,857,793" with "4,853,922"

Page 2, line 19, replace "454,376" with "450,505"

Page 2, line 22, replace "40,678,794" with "40,592,544"

Page 2, line 23, replace "40,678,794" with "40,592,544"

Page 2, line 25, replace "10,082,075" with "14,127,692"

Page 2, after line 25, insert:

"Hettinger research center	63,473
Langdon research center	66,152"

Page 2, line 26, replace "45,787" with "85,663"

Page 2, line 27, replace "151,483" with "325,821"

Page 2, line 28, replace "10,279,345" with "14,668,801"

Page 2, line 29, replace "30,399,449" with "25,923,743"

Page 3, line 1, replace "4,727,617" with "4,638,480"

Page 3, line 3, replace "1,158,800" with "1,123,800"

Page 3, line 5, replace "special" with "all", remove "appropriation", and replace "7,554,163" with "7,430,026"

Page 3, after line 5, insert:

"Less estimated income	<u>3,508,546</u>
Total general fund appropriation	\$3,921,480"

Page 3, line 8, replace "467,618" with "463,503"

Page 3, after line 9, insert:

"Capital improvements	35,000"
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Page 3, line 11, replace "621,694" with "652,579"

Page 3, line 13, replace "90,018" with "120,903"

Page 3, line 16, replace "390,156" with "388,543"

Page 3, line 19, replace "575,349" with "573,736"

Page 3, line 21, replace "121,949" with "122,336"

Page 3, line 24, replace "230,608" with "228,027"

Page 3, line 27, replace "443,208" with "440,627"

Page 3, line 28, replace "301,068" with "237,595"

Page 3, line 29, replace "142,140" with "203,032"

Page 4, line 1, replace "175,181" with "173,002"

Page 4, line 3, replace "217,981" with "215,802"

Page 4, line 4, replace "178,350" with "112,198"

Page 4, line 5, replace "39,631" with "103,604"

Page 4, line 8, replace "325,439" with "323,503"

Page 4, line 11, replace "special" with "all", remove "appropriation", and replace "631,639" with "629,703"

Page 4, after line 11, insert:

"Less estimated income	<u>591,763</u>
Total general fund appropriation	\$37,940"

Page 4, line 14, replace "303,213" with "300,632"

Page 4, line 16, replace "463,113" with "460,532"

Page 4, line 18, replace "229,990" with "227,409"

Page 4, line 21, replace "652,890" with "610,712"

Page 4, line 22, replace "182,500" with "151,250"

Page 4, line 24, replace "935,390" with "861,962"

Page 4, after line 24, insert:

"Less estimated income	<u>761,052</u>
Total general fund appropriation	\$100,910"

Page 4, line 28, replace "598,468" with "597,500"

Page 5, line 1, replace "1,253,699" with "1,252,731"

Page 5, line 2, replace "44,422,512" with "44,148,689"

Page 5, line 3, replace "40,107,245" with "42,206,277"

Page 5, line 4, replace "84,529,757" with "86,354,966"

Page 5, replace lines 5 through 11 with:

**"SECTION 2. APPROPRIATION.** There is hereby appropriated out of any moneys in the agricultural research fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the agricultural experiment station for the purpose of distributing agricultural research grants.

**SECTION 3. CONTINGENT APPROPRIATION - WILLISTON RESEARCH CENTER.** There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, and from special funds derived from other income, the sum of \$100,000, or so much of the sum as may be necessary, to the Williston research center for the purpose of defraying a portion of the construction costs relating to the Ernie

French center, for the biennium beginning July 1, 1997, and ending June 30, 1999. The general fund appropriation provided in this section may only be spent upon certification with the state treasurer that the Williston research center has received commitments to provide the \$100,000 of special funds derived from the other income for the project."

Page 5, line 26, replace "for agriculture" with "of agricultural affairs"

Page 5, line 27, replace "5" with "6" and after the period insert "The office of management and budget shall establish a salaries and wages line item for each entity of the agricultural experiment station for the 1997-99 biennium and shall transfer appropriation authority included in subdivision 4 of section 1 of this Act to the salaries and wages line item for each entity as requested by the vice president for agriculture at North Dakota state university."

Page 5, line 30, replace "for agriculture" with "of agricultural affairs"

Page 6, line 17, replace "ninety-five" with "ninety"

Page 6, line 19, replace "for agriculture" with "of agricultural affairs"

Page 7, after line 16, insert:

**"SECTION 12. UNEXPENDED FUNDS - EXEMPTION.** Capital improvements funds contained in subdivision 2 of section 1 of chapter 5 of the 1995 Session Laws for the northern crops institute and capital improvements funds contained in subdivision 8 of section 1 of chapter 5 of the 1995 Session Laws for the north central research center are not subject to the provisions of section 54-44.1-11 and any unexpended funds from these appropriations are available during the biennium beginning July 1, 1997, and ending June 30, 1999."

Page 7, line 23, replace "study" with "consider studying"

Page 7, replace lines 28 through 31 with:

**"SECTION 15. AMENDMENT.** Section 4-05.1-01 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-01. Definitions.** In this chapter, unless the context otherwise requires:

1. "Agricultural experiment station" means the North Dakota state university main research ~~station~~ center, the Dickinson research extension center, the Williston research extension center, the Langdon research extension center, the central grasslands research extension center, the Carrington research extension center, the Hettinger research extension center, the north central research extension center, the agronomy seed farm, and any other department or agency designated by the state board of higher education.
2. ~~"Director" means the director of the North Dakota agricultural experiment station.~~
3. ~~"Superintendent"~~ "Center director" means an administrator in charge of a research or research extension center.
3. "Station director" means the administrator of the agricultural experiment station.

**SECTION 16. AMENDMENT.** Section 4-05.1-02 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-02. Agricultural experiment station.** The state board of agricultural research and the president of North Dakota state university shall control and administer the North Dakota agricultural experiment station is under the control of and subject to the supervision of the state board of higher education. The agricultural experiment station shall develop research programs involving the basic and applied biological, physical, and social sciences that will enhance agricultural systems and improve the quality of life. Funds appropriated to the agricultural experiment station may not be commingled with funds appropriated to North Dakota state university. Appropriation requests to defray expenses of the agricultural experiment station must be separate from appropriation requests to defray expenses of North Dakota state university.

**SECTION 17. AMENDMENT.** Section 4-05.1-03 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-03. ~~Director—Superintendents Center directors - Research station and research extension centers - Records and information.~~** ~~The director is under the direction of the president of the North Dakota state university of agriculture and applied science. The research station and research extension centers of the North Dakota agricultural experiment station are under the jurisdiction of the station director. Each research or research extension center must be administered by a superintendent center director who shall report to the station director. Each research or research extension center shall keep detailed records of all research activities and publish and disseminate research results and information for the benefit of this state.~~

**SECTION 18. AMENDMENT.** Section 4-05.1-04 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-05.1-04. ~~Reports to director and state board of higher education.~~** ~~Each superintendent center director shall submit a biennial an annual report to the station director on or before the first day of August of each odd-numbered year as directed by the state board of agricultural research. Each report must set forth in detail the investigations and experiments made during the preceding fiscal biennium year, recommendations for the welfare of the center, the financial condition of the center, how all moneys have been expended, and the results of experiments. The station director shall submit these reports, with a biennial report of the North Dakota state university main research station center, to the state board of agricultural research and the state board of higher education on or before the first day of September of each odd-numbered year. If the state board of higher education submits a biennial report to the governor and the secretary of state in accordance with section 54-06-04, the report must include a composite of the reports from the main research station center and each research extension center.~~

**SECTION 19.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**State board of agricultural research - Membership - Terms.**

1. The state board of agricultural research consists of:
  - a. The president of North Dakota state university;
  - b. The vice president of agricultural affairs at North Dakota state university;
  - c. The administrator of the agricultural experiment station;
  - d. The five persons appointed to the agricultural consultation board by the ag coalition and serving in that capacity on July 1, 1997;
  - e. The five persons appointed to the agricultural consultation board by the extension service's multicounty program units and serving in that capacity on July 1, 1997;
  - f. The two persons appointed to the agricultural consultation board by the president of North Dakota state university as representatives of the state's research extension centers and serving in that capacity on July 1, 1997;
  - g. The commissioner of agriculture who serves in an ex officio capacity; and
  - h. The director of the North Dakota state university extension service who serves in an ex officio capacity.
2. a. The initial five members appointed by the ag coalition shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.

- b. The initial five members appointed by the extension service's multicounty program units shall select their terms by lot so that one member serves for one year, one member serves for two years, one member serves for three years, one member serves for four years, and one member serves for five years.
    - c. The two persons appointed as representatives of the state's research extension centers shall serve only through June 30, 1998.
  3. At the completion of each initial term, the term of office for each member is five years, beginning on July first. No person may be appointed to a second five-year term.
  4. a. At least ninety days before the conclusion of the initial term of each member appointed by the ag coalition, the ag coalition shall provide to the state board of higher education a list of at least three names from which the state board of higher education shall appoint a successor. Future appointments to these five positions must be made in the same manner. The state board of higher education shall ensure that four out of the five seats are held by agricultural producers.
    - b. At least ninety days before the conclusion of the initial term of each member appointed by the extension service's multicounty program units, the units through their advisory groups shall provide to the state board of higher education a list of at least three names from which the state board of higher education shall appoint a successor. Future appointments to these five positions must be made in the same manner. The state board of higher education shall ensure that four out of the five seats are held by agricultural producers.

**SECTION 20.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**Compensation of board members - Expenses - Legislative appropriations.** Each appointed member of the state board of agricultural research is entitled to receive sixty-two dollars and fifty cents per day as compensation for the time actually spent devoted to the duties of office and is entitled to receive necessary expenses in the same manner and amounts as state officials for attending meetings and performing other functions of office.

**SECTION 21.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**State board of agricultural research - Chairman - Meetings.** The state board of agricultural research annually shall elect one of its members to serve as chairman. The board shall meet at the times and locations designated by the chairman in consultation with the vice president of agricultural affairs at North Dakota state university.

**SECTION 22.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**State board of agricultural research - Duties.** Within the policies of the state board of higher education, the state board of agricultural research is responsible for the budgeting, supervision, and policymaking responsibilities associated with the supervision of the agricultural experiment station. The agricultural research board shall:

1. Determine the causes of any adverse economic impacts on crops and livestock produced in this state;
2. Develop ongoing strategies for the provision of research solutions to negate adverse economic impacts on crops and livestock produced in this state;
3. Make available financial resources, including grants and salaries, and make available equipment and facilities to implement the strategies developed under subsection 2, subject to approval by the state board of higher education;

4. Develop an annual budget for the operation of the agricultural experiment station;
5. Develop a biennial budget request and submit that request to the state board of higher education on or before March first of each even-numbered year;
6. Maximize the use of existing financial resources, equipment, and facilities to generate the greatest economic benefit from research efforts and to promote efficiency;
7. Annually evaluate the results of research activities and expenditures and report the findings to the legislative council and the state board of higher education;
8. Advise the administration of North Dakota state university regarding the recruitment and selection of the vice president of agricultural affairs and the station director; and
9. Advise the director of the extension service regarding the dissemination of research information and the best practices for management of the extension service.

**SECTION 23.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**Agricultural research fund.** The agricultural research fund is a special fund in the state treasury. The moneys in the fund must be expended for purposes of agricultural research.

**SECTION 24.** A new section to chapter 4-05.1 of the North Dakota Century Code is created and enacted as follows:

**State board of agricultural research - Apportionment of research funds.**

1. The state board of agricultural research annually shall apportion the proceeds of the agricultural research fund as follows:
  - a. Seventy percent to North Dakota agricultural commodity groups that raise research moneys through perpetual fundraising mechanisms, provided that:
    - (1) The commodity represented accounts for at least two percent of the gross sales of all agricultural commodities grown or produced in the state; and
    - (2) The percentage of the dollars available for each agricultural commodity group under this section may not exceed the percentage that the gross sales of the agricultural commodity bear to the North Dakota gross sales of all agricultural commodities grown or produced during the previous year, as determined by the agricultural statistics service;
  - b. Eighteen percent to North Dakota agricultural groups representing animal agriculture; and
  - c. Twelve percent to North Dakota agricultural groups representing new and emerging crops.
2. The state board of agricultural research shall solicit proposals for research from the public and private sectors and shall appoint committees to review the proposals and award the agricultural research grants on a competitive basis. Each committee must consist of a majority of agricultural producers selected in consultation with the agricultural commodity groups representing commodities that are the subjects of the proposed research and may include researchers and other individuals knowledgeable about the proposed area of research. Whenever possible, the committees shall require that a grant recipient commit matching funds.

3. The state board of agricultural research shall develop policies regarding the award of research grants, including requirements for matching funds, cooperation with other in-state and out-of-state researchers, and coordination with other in-state and out-of-state proposed or ongoing research projects.

**SECTION 25. AMENDMENT.** Section 4-22-02 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-22-02. Definitions.** In this chapter, unless the context or ~~subject matter~~ otherwise requires:

1. ~~"Agency of this state" includes the government of this state and any subdivision, agency, or instrumentality, corporate or otherwise, of the government of this state.~~
2. ~~"Committee" or "state soil conservation committee" means the state soil conservation committee established by this chapter.~~
3. ~~2. "District" or "soil conservation district" means a governmental subdivision of this state, and a public body, corporate and politic, organized in accordance with the provisions of this chapter for the purposes, with the powers, and subject to the restrictions hereinafter set forth provided by law.~~
3. "Director" means the director of the North Dakota state university extension service.
4. "Due notice" means notice published at least twice, with an interval of at least seven days between the two publication dates, in a newspaper or other publication of general circulation within the appropriate area, ~~or if no such~~. If this type of publication of general circulation is not available, ~~by posting the term~~ means notice posted at a reasonable number of conspicuous places within the appropriate area, ~~such~~ the posting to include, where possible, posting at public places where it may be customary to post notices concerning county or municipal affairs generally. At any hearing held pursuant to ~~such~~ due notice, at the time and place designated in ~~such~~ the notice, adjournment may be made from time to time without the necessity of renewing the notice for the adjourned dates.
5. ~~"Government" or "governmental" includes the government of this state, the government of the United States, and any subdivision, agency, or instrumentality, corporate or otherwise, of either of them.~~
6. ~~"Land occupier" or "occupier of land" includes any person, firm, corporation, or limited liability company who that holds title to or is in possession of any lands lying within a district organized under the provisions of this chapter, whether as owner, lessee, renter, tenant, or otherwise, and whether or not the person, firm, corporation, or limited liability company is living or located in a rural or urban area within the district.~~
7. ~~"Petition" means a petition filed under the provisions of this chapter for the creation of a soil conservation district.~~
8. ~~"Qualified elector" means every person of the age of an individual who is at least eighteen or upwards who years old, is a citizen of the United States, and who has resided in the state and in the precinct thirty days next preceding any election, whether or not the person individual is living in a rural or urban area.~~
9. ~~"State" means the state of North Dakota.~~
10. ~~"Supervisor" means one of the members of the governing body of a district, elected or appointed in accordance with the provisions of this chapter.~~
11. ~~"United States" or "agencies of the United States" includes the United States of America, the soil conservation service of the United States department of agriculture, and any other agency or instrumentality, corporate or otherwise, of the United States of America.~~

**SECTION 26. AMENDMENT.** Section 4-22-03 of the North Dakota Century Code is amended and reenacted as follows:

**4-22-03. State soil conservation committee - Elective and appointive members - Records and seal.**

1. ~~The state soil conservation committee must be maintained as an agency of this state to~~ shall perform the functions conferred upon it in this chapter ~~within the limits of legislative appropriations.~~ The committee consists of seven voting members, of whom five must be elected and two must be appointed by the governor ~~as provided herein.~~
4. ~~Elective members:~~
2. For the purpose of electing the five elective members of the committee, the state ~~of North Dakota is hereby~~ divided into five areas, ~~as follows:~~
  - A. a. (1) Area I includes ~~the counties of~~ Benson, Cavalier, Eddy, Foster, Grand Forks, Nelson, Pembina, Ramsey, Towner, Walsh, and Wells counties.
  - B. (2) Area II ~~shall include the counties of~~ includes Barnes, Cass, Dickey, Griggs, LaMoure, Ransom, Richland, Sargent, Steele, and Traill counties.
  - C. (3) Area III ~~shall include the counties of~~ includes Bottineau, Burke, Divide, McHenry, Mountrail, Pierce, Renville, Rolette, and Ward counties.
  - D. (4) Area IV ~~shall include the counties of~~ includes Burleigh, Emmons, Kidder, Logan, McIntosh, McLean, Morton, Oliver, Sheridan, Sioux, and Stutsman counties.
  - E. (5) Area V ~~shall include the counties of~~ includes Adams, Billings, Bowman, Dunn, Golden Valley, Grant, Hettinger, McKenzie, Mercer, Stark, Slope, and Williams counties.
  - b. One member of the committee must be elected from each of the five areas by vote of the members of the boards of supervisors of the ~~conservation~~ districts in that area. Every voting member of a board of supervisors of a ~~conservation~~ district organized under this chapter is eligible to vote in the election for a member of the committee in the area in which the district is located.
  - c. Elections must be held under ~~regulations to be issued~~ rules adopted by the committee and in cooperation with and at the time of the North Dakota association of soil conservation districts area meetings. In those cases where the territory of a district does not lie wholly within the boundaries of one of the five areas established under this section, the ~~regulations~~ rules must provide for the assignment of ~~such~~ the district by the committee for the purposes of ~~such~~ the elections, to the area within which most of its population resides.
  - d. The committee shall conduct the election of members of the committee ~~must be conducted by the committee and.~~ The election need not be held on the same dates or in the same places as the general elections for state or local officers.
2. ~~Appointive members:~~
3. ~~Two~~ The governor shall appoint two members of the committee ~~must be appointed by the governor, who.~~ The governor shall ~~select appointees~~ appoint individuals who can represent those interests within the state not already represented, or less fully represented, by one or more of the five elected members of the committee. The governor shall attempt, so far as feasible, to make possible suitable representation for all interests in the state in the membership of the committee, including the interests of, ~~but not limited to,~~ farmers, livestock growers, rural areas, small towns, cities, and industry and business, recognizing that any single member of the

committee may sometimes appropriately be regarded as representing more than one of these interests.

4. The committee shall invite representatives of the state association of soil conservation districts, North Dakota ~~cooperative state university~~ extension service, ~~the~~ soil conservation service, ~~North Dakota~~ state water commission, ~~the~~ commissioner of agriculture, and ~~the~~ game and fish department to serve as advisory, nonvoting members of the committee.
5. The term of office of every member of the committee is three years and until a successor is elected or appointed. ~~The governor has the power to extend the terms of one or more members of the committee in office upon the effective date of this chapter, in order to provide for overlapping terms for the members of the committee.~~ A member of the committee is eligible for reelection and reappointment, but no member may serve for more than two full, successive terms. ~~Vacancies~~ The governor may fill a vacancy in either an elective or appointive terms may be filled term for the unexpired term by appointment by the governor. ~~The committee shall keep a record of its official actions, shall adopt a seal, which seal must be judicially noticed, and may perform such acts, hold such public hearings, and adopt such rules as may be necessary for the execution of its functions under this chapter.~~

**SECTION 27. AMENDMENT.** Section 4-22-04 of the North Dakota Century Code is amended and reenacted as follows:

**4-22-04. Committee - Chairman - Quorum - Compensation** ~~—Provision for surety bonds and annual audit.~~ The committee shall meet annually and select its chairman, ~~who~~. The chairman shall serve for one year from the date of his selection and ~~who~~ is not eligible for a second term as chairman. Additional meetings may be held by the committee as considered necessary by the chairman, at a time and place to be fixed by the chairman. ~~Special~~ The chairman shall call special meetings must be called by the chairman upon written request of any four members. ~~A majority of the committee constitutes a quorum, and the concurrence of a majority in any matter within its duties is required for its determination.~~ The members of the committee shall be entitled to receive forty-five dollars per day as compensation for their services on the committee, and are entitled to expenses, including traveling expenses, necessarily incurred in the discharge of their duties on the committee, in the same manner and at the same rate as prescribed by law for state employees and officials. The committee shall provide for the execution of surety bonds, which may be issued by the state bonding fund, for all employees who are entrusted with funds or property; shall provide for the keeping of a full and accurate record of all proceedings and of all resolutions, rules, and orders issued or adopted; and shall provide for an annual audit of the accounts of receipts and disbursements.

**SECTION 28. AMENDMENT.** Section 4-22-06 of the North Dakota Century Code is amended and reenacted as follows:

**4-22-06. Duties and powers generally.** ~~In addition to the duties and powers hereinafter conferred upon the state soil conservation~~ The committee, it has the following duties and powers:

1. To offer such assistance as may be appropriate to the supervisors of ~~soil conservation~~ districts in the carrying out of any of their powers and programs.
2. To keep the supervisors of each of the several districts informed of the activities and experience of all other districts, and to facilitate an interchange of advice and experience between such districts and cooperation between them.
3. ~~To coordinate the programs of the several conservation districts so far as this may be done by advice and consultation.~~
4. To secure the cooperation and assistance of state, federal, regional, interstate, and local, public, and private agencies with ~~conservation~~ districts; and to facilitate arrangements under which ~~conservation~~ districts may assist or serve county governing bodies and other agencies in the administration of any activity concerned with the conservation of natural resources.

5. ~~To disseminate information throughout the state concerning the activities and programs of the soil conservation districts, and to encourage the formation of such districts in areas where their organization is desirable.~~
6. ~~To review district programs, to coordinate the programs of the several districts, and to coordinate programs and activities as they relate to other special purpose districts.~~
7. 4. To review agreements, or forms of agreements, proposed to be entered into by districts with other districts or with state, federal, interstate, or other public or private organizations, and advise the districts concerning such agreements or forms of agreement.
8. 5. To recommend to the inclusion in annual and longer term director biennial budgets of funds necessary from the legislative assembly to finance the activities of the committee and districts; and to distribute such moneys appropriated by the legislative assembly according to applicable state laws or regulations for grants to soil conservation districts.
9. ~~To compile information and make studies, summaries, and other analyses of district programs in relation to each other and to other resource conservation programs on a statewide basis.~~
10. ~~To represent the state in matters affecting soil conservation.~~
11. 6. To require annual reports from conservation districts, the form and content of which must be developed by the committee on consultation with district supervisors.
12. 7. To establish uniform accounting methods which must be used by soil conservation districts, and to establish a uniform auditing reporting system.
13. 8. Pursuant to procedures developed mutually by the committee and other state and local agencies that are authorized to plan or administer activities significantly affecting the conservation of natural resources, to receive from such To receive from other state and local agencies for review and comment suitable descriptions of their plans, programs, and activities affecting the conservation of natural resources for purposes of coordination with district conservation programs; to arrange for and participate in conferences necessary to avoid conflict among such plans and programs; to call attention to omissions; and to avoid duplication of effort.
14. ~~To develop and administer policy guidelines which the districts shall follow in the operation of district activities.~~

**SECTION 29.** A new section to chapter 4-22 of the North Dakota Century Code is created and enacted as follows:

**Soil conservation - Duties.** The North Dakota state university extension service shall assist the committee in performing the committee's duties, within the limits of legislative appropriation."

Page 8, remove lines 1 through 31

Page 9, remove lines 1 through 30

Page 10, remove lines 1 through 4

Page 11, replace lines 24 through 27 with:

**"SECTION 31. AMENDMENT.** Section 4-22-47 of the North Dakota Century Code is amended and reenacted as follows:

**4-22-47. Consolidation of districts - Petition - Referendum - Conduct of referendum.** Two or more ~~soil conservation~~ districts may be consolidated into one district by compliance with ~~the provisions of~~ this chapter. A petition ~~or petitions~~ for consolidation of soil conservation districts must be filed with the ~~secretary of the state~~ soil conservation committee and must be signed by at least twenty-five qualified electors living in each district. Upon the filing of ~~such a~~ petition ~~or petitions~~, the state

committee shall by resolution shall fix a date for a referendum to be held in each such district and shall direct the ~~board of supervisors thereof~~ to cause notice of ~~such the~~ referendum to be posted in at least five conspicuous places within the district and to be published once each week for two consecutive weeks ~~prior to before~~ the referendum in a newspaper of general circulation ~~therein in the districts involved~~. Only qualified electors living within the district are eligible to vote at the referendum. ~~Such The~~ notice must state the date of the referendum, ~~the identify each~~ polling place ~~or places~~ for holding ~~such the~~ referendum, the time when the polls will open and close, and the question to be submitted to the qualified electors. ~~Such The~~ notice must be substantially in the following form:

~~Notice is hereby given that on~~ On the \_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_ a referendum will be held at \_\_\_\_\_  
 (Designate polling place or places)  
 the purpose of submitting to the qualified electors within  
 \_\_\_\_\_ soil conservation district  
 (Name of district)  
 the question as to whether \_\_\_\_\_ soil conservation districts  
 (Names of districts)  
 embracing the following townships \_\_\_\_\_  
 (Designate townships, by number and range)  
 shall be consolidated into one soil conservation district.

The ballot ~~will~~ must be in the following form:  
 Shall \_\_\_\_\_ soil conservation districts embracing the  
 (Names of districts)  
 following townships \_\_\_\_\_ be  
 (Designate townships, by number and range)  
 consolidated into one soil conservation district?  
 Yes \_\_\_\_\_  
 No \_\_\_\_\_

The ~~board of supervisors of the district shall appoint the board of election for each polling place must be appointed by the board of supervisors of the district and consists. The board of election must consist of one inspector, one judge, and one clerk. Members of such the election board shall are entitled to receive the sum of five dollars for their services.~~

**SECTION 32. AMENDMENT.** Section 4-22-48 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

**4-22-48. Conduct of referendum - Canvass of votes.** A referendum upon the question of consolidating two or more soil conservation districts must be conducted in accordance with the laws of the state prescribing the conduct of general elections. After the polls are closed, the board of election shall ~~proceed to canvass the votes and the clerk of the board shall certify to the board of supervisors of the clerk's district and to the state committee the result of the referendum. The clerk shall then securely wrap the ballots cast at the referendum and shall express or mail the ballots to the secretary of the state committee. The committee shall also canvass the ballots and verify the result. The secretary of the committee shall file the ballots in the secretary's office. Upon the expiration of two years after such ballots were canvassed by the state committee they may be destroyed. The state committee shall publish the results of the referendum after having canvassed the ballots and if the committee finds that.~~ If a majority of the ballots cast on the question in each district are for consolidation, the committee shall file with the secretary of state a statement certifying that the consolidated district has been duly and regularly established."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

DEPARTMENT 110 - OFFICE OF MANAGEMENT AND BUDGET

HOUSE - This amendment removes the \$660,000 from the general fund added in the Senate for the Office of Management and Budget to distribute technician grants (\$650,000) and for committee expenses (\$10,000). The section added in the Senate is removed which provided that the Office of Management and Budget provide support services for the committee.

DEPARTMENT 627 - UPPER GREAT PLAINS TRANSPORTATION INSTITUTE

HOUSE - The operating expenses line item is reduced by \$3,871 from the general fund to remove funding for risk management premiums.

DEPARTMENT 630 - NDSU EXTENSION SERVICE

HOUSE - This amendment makes the following changes:

	SENATE VERSION	ADD SOIL CONSERVATION COMMITTEE	REMOVE RISK MANAGEMENT PREMIUMS	REMOVE FAMILY ECONOMICS SPECIALIST	TOTAL CHANGES	HOUSE VERSION
Salaries and wages	\$20,665,371	\$122,007		\$(107,481)	\$ 14,589	\$20,679,960
Operating expenses	3,547,204	18,000	\$(76,140)		(58,140)	3,489,064
Equipment	450,000	650,000		650,000	650,000	450,000
Grants						
Total	\$24,662,575	\$790,007 <sup>1</sup>	\$(76,140)	\$(107,418) <sup>2</sup>	\$606,449	\$25,269,024
General fund	\$11,644,577	\$790,007	\$(76,140)	\$(107,418)	\$606,449	\$12,251,026
Special funds	<u>13,017,998</u>					<u>13,017,998</u>
Total	\$24,662,575	\$790,007	\$(76,140)	\$(107,418)	\$606,449	\$25,269,024
FTE	229.00	1.50	0.00	-1.00	0.50	229.50

<sup>1</sup> Adds funding relating to duties associated with the Soil Conservation Committee as follows:

Salaries and wages	\$ 87,807
1 FTE staff position	30,000
.5 FTE secretary	4,200
Committee member per diem	<u>\$122,007</u>
Total	18,000
Operating expenses	650,000
District grants	
Total	\$790,007

The Senate provided \$660,000 from the general fund for district grants of \$650,000 and for committee expenses of \$10,000 to be administered by the Office of Management and Budget.

<sup>2</sup> Removes a family economics specialist position involved with family financial planning workshops and associated funding.

Sections are added changing the duties of the Soil Conservation Committee and providing that the NDSU Extension Service assist the Soil Conservation Committee in administering its duties.

## DEPARTMENT 638 - NORTHERN CROPS INSTITUTE

HOUSE - The operating expenses line item is reduced by \$2,581 from the general fund to remove funding for risk management premiums.

## DEPARTMENT 640 - AGRICULTURAL EXPERIMENT STATION

HOUSE - This amendment makes the following changes:

ALL FUNDS CHANGES

	SENATE VERSION	FUNDING SOURCE SHIFTS FOR POOLED SALARIES	BOARD OF AGRICULTURAL RESEARCH	REMOVE RISK MANAGEMENT PREMIUMS	SALARIES AND WAGES REDUCTION	AGRICULTURE RESEARCH GRANTS	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
Main Research Station	\$ 7,554,163		\$20,000	\$(109,137)			\$(35,000)5	\$ (124,137)	\$ 7,430,026
Dickinson Research Center	621,694			(4,115)			35,000 5	30,885	652,579
Central Grasslands Research Center	575,349			(1,613)				(1,613)	573,736
Hettinger Research Center	443,208			(2,581)				(2,581)	440,627
Langdon Research Center	217,981			(2,179)				(2,179)	215,802
North Central Research Center	631,639			(1,936)				(1,936)	629,703
Williston Research Center	463,113			(2,581)				(2,581)	460,532
Carrington Research Center	935,390			(4,678)			150,000 6	147,419	610,532
Agronomy Seed Farm Agricultural Experiment Station	1,253,699 40,678,794		20,000	(968)	\$(100,000)	\$2,000,000	(68,750)7	(73,429)	861,962
Total all funds	\$53,375,030	\$ 0	\$40,000*	\$(129,788)	\$(100,000)*	\$2,000,0004	\$ 75,000	\$1,885,212	\$55,260,242
FTE	411.22	0.00	0.00	0.00	-1.00		0.00	-1.00	410.22

GENERAL FUND CHANGES

	SENATE VERSION	FUNDING SOURCE SHIFTS FOR POOLED SALARIES	BOARD OF AGRICULTURAL RESEARCH	REMOVE RISK MANAGEMENT PREMIUMS	SALARIES AND WAGES REDUCTION	AGRICULTURE RESEARCH GRANTS	OTHER CHANGES	TOTAL CHANGES	HOUSE VERSION
Main Research Station		\$ 4,045,617	\$20,000	\$(109,137)			\$(35,000)5	\$ 3,921,480	\$ 3,921,480
Dickinson Research Center	\$ 90,018			(4,115)			35,000 5	30,885	120,903
Central Grasslands Research Center	123,949			(1,613)				(1,613)	122,336
Hettinger Research Center	142,140	63,473		(2,581)				60,892	203,032
Langdon Research Center	39,631	66,152		(2,179)				63,973	103,604
North Central Research Center		39,876		(1,936)				37,940	37,940
Williston Research Center	229,990			(2,581)			50,000 6	47,419	277,409
Carrington Research Center		174,338		(4,678)			(68,750)7	100,910	100,910
Agronomy Seed Farm Agricultural Experiment Station	30,399,449	(4,389,456)	20,000		\$(100,000)		(6,250)7	(4,475,706)	25,923,743
Total general fund	\$31,025,177	\$ 0	\$40,000*	\$(128,820)	\$(100,000)*	\$ 0	\$(25,000)	\$ (213,820)	\$30,811,357

1 Provides that the respective funding sources for the pooled salaries and wages of the Agricultural Experiment Station be appropriated in the subdivision with the pooled salaries. The Senate version transferred the maximum amount of general fund appropriations to the pooled salaries subdivision.

The guidelines added by the Senate relating to the allocation of the pooled salaries to the entities of the Agricultural Experiment Station for the 1997-99 biennium provided that each entity must receive at least 95 percent of the salaries and wages funding it received during the 1995-97 biennium. The House version reduces this percentage to 90 percent.

2 Provides funding to support the activities of the Board of Agricultural Research, including per diem and expense reimbursement for board members. The board is being established by provisions of this bill. This funding is not to be spent until the \$8,800 provided in North Dakota State University's 1997-99 appropriation for paying per diem and travel expenses of Agriculture Consultation Board members is spent for paying expenses of the Board of Agricultural Research members during the 1997-99 biennium.

3 Removes one FTE undesignated position and \$100,000 from the general fund associated with the position.

4 Provides in a separate section, a \$2,000,000 appropriation from the agricultural research fund for agriculture research grants. Grant committees appointed by the Board of Agricultural Research will determine the distribution of the grants. See "Other Sections" below for additional information.

5 Reduces the capital improvements line item of the Main Research Station by \$35,000 from the general fund, from \$1,158,800 to \$1,123,800. A capital improvements line item of \$35,000 from the general fund is added to the Dickinson Research Center for providing sanitation and decontamination facilities at the ranch headquarters of the Dickinson Research Center.

6 A contingent appropriation section is added providing a \$150,000 appropriation, \$50,000 of which is from the general fund, to the Williston Research Center to pay a portion of the costs associated with the construction of the Brnie French Center for the 1997-99 biennium. The general fund moneys are contingent on the center raising at least \$100,000 of other funds for the project.

7 Funding added in the Senate of \$125,000 from the general fund for a bison research program at the Carrington Research Center is reduced by \$75,000, to the level requested by the Agricultural Experiment Station.

Other Sections:

Sections are added which:

- Continue the 1995-97 appropriation authority for capital improvement projects at the Northern Crops Institute of \$1,500,000 of special funds for the food processing pilot plant project and at the North Central Research Center of \$600,000, \$300,000 of which is from the general fund and \$300,000 of special funds for the headquarter building project.

- Establish a Board of Agricultural Research that is responsible for the budgeting, supervision, and policymaking of the Agricultural Experiment Station.

- Establish an agricultural research fund. Revenue to the fund is generated from withholding four cents from agriculturally related motor vehicle fuel tax refund claims (the four-cent withholding provision is included in Senate Bill No. 2019).

- Provide that the Board of Agricultural Research appoint grant committees to determine the distribution of research grants from the funds available in the agricultural research fund as follows:

70 percent to agriculture commodity groups that raise research money.

18 percent to agriculture groups representing animal agriculture.

12 percent to agriculture groups representing new and emerging crops.

## GENERAL FUND COMPARISON

AGENCY	EXECUTIVE BUDGET	SENATE VERSION	HOUSE VERSION	SENATE INCREASE (DECREASE) TO EXECUTIVE BUDGET	HOUSE INCREASE (DECREASE) TO EXECUTIVE BUDGET	HOUSE INCREASE (DECREASE) TO SENATE VERSION
Office of Management and Budget	\$ 454,376	\$ 660,000	\$ 450,505	\$ 660,000	\$ (3,871)	\$(660,000)
Transportation Institute	12,107,136	454,376	12,251,026	(462,559)	143,890	(3,871)
NDSU Extension Service	638,382	11,644,577	635,801		(2,581)	606,449
Northern Crops Institute	29,994,177	638,382	30,811,357	1,031,000	817,180	(2,581)
Agricultural Experiment Station		31,025,177				(213,820)
Total general fund	\$43,194,071	\$44,422,512	\$44,148,689	\$1,228,441	\$954,618	\$(273,823)

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

**ROY GILBREATH, Chief Clerk**