

JOURNAL OF THE SENATE

Fifty-fifth Legislative Assembly

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Bismarck, April 3, 1997

The Senate convened at 9:00 a.m., with President Pro Tem Holmberg presiding.

The prayer was offered by Sister Agatha Muggli, Annunciation Priory, Bismarck.

The roll was called and all members were present except Senators Nething, Redlin, and Tallackson.

A quorum was declared by the President Pro Tem.

SECOND READING OF HOUSE BILL

HB 1018: A BILL for an Act to provide an appropriation to the tax commissioner for payment of state reimbursement under the homestead tax.

MOTION

SEN. NAADEN MOVED that HB 1018 be amended as follows:

Page 1, line 2, after "tax" insert "; to suspend mill levy limitations for political subdivisions; and to provide an effective date and an expiration date"

Page 1, after line 18, insert:

"SECTION 3. Suspension of mill levy limitations. Notwithstanding any other provision of law, all statutory mill levy limitations that affect the amount that may be levied by political subdivisions are suspended from operation and may not be applied to limit levies by political subdivisions.

SECTION 4. EFFECTIVE DATE - EXPIRATION DATE. This Act is effective for the first two taxable years beginning after December 31, 1996, and is thereafter ineffective."

Renumber accordingly

REQUEST

SEN. YOCKIM REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to HB 1018, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to HB 1018, the roll was called and there were 18 YEAS, 28 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Christmann; DeMers; Fischer; Grindberg; Krauter; Krebsbach; Kringstad; Lee; Lips; Naaden; Nalewaja; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Traynor; Watne

NAYS: Bowman; Cook; Freborg; Goetz; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; LaFountain; Lindaas; Mathern; Mutch; Mutzenberger; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; Thane; Thompson; Tomac; Urlacher; Wanzek; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

The proposed amendments to HB 1018 failed.

MOTION

SEN. LIPS MOVED that HB 1018 be amended as follows:

Page 1, line 2, after "tax" insert "; to amend and reenact section 57-15-01.1 of the North Dakota Century Code, relating to property tax levy authority of taxing districts; and to provide an effective date"

Page 1, after line 18, insert:

"SECTION 3. AMENDMENT. Section 57-15-01.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

57-15-01.1. (Effective for first four taxable years beginning after December 31, 1994) Protection of taxpayers and taxing districts. Each taxing district may levy the lesser of the amount in dollars as certified in the budget of the governing body, or the amount in dollars as allowed in this section, subject to the following:

1. No taxing district may levy more taxes expressed in dollars than the amounts allowed by this section.
2. For purposes of this section:
 - a. "Base year" means the taxing district's taxable year with the highest amount levied in dollars in property taxes of the three taxable years immediately preceding the budget year; and
 - b. "Budget year" means the taxing district's year for which the levy is being determined under this section.
3. A taxing district may elect to levy two percent more in taxable year 1995 ~~and, two percent more in taxable year 1996 than the amount levied in dollars in the base year and for taxable years, two percent more in taxable year 1997, and one percent more in taxable year 1998 may elect to levy than~~ the amount levied in dollars in the base year. Any levy under this section must be specifically approved by a resolution approved by the governing body of the taxing district. Before determining the levy limitation under this section, the dollar amount levied in the base year must be:
 - a. Reduced by an amount equal to the sum determined by application of the base year's mill rate for that taxing district to the final base year taxable valuation of any property that is not included in the assessment for the budget year but was included in the assessment for the base year. However, no reduction may be made under this section due to the exemption of the personal property of railroads by enactment of House Bill No. 1396 by the fifty-fourth legislative assembly.
 - b. Increased by an amount equal to the sum determined by the application of the base year's mill rate for that taxing district to the final budget year taxable valuation of any property that was not included in the assessment for the base year but which is included in the assessment for the budget year.
 - c. Reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district.
4. A taxing district may levy an amount in dollars equal to the amount levied in any of the previous three years reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district and increased by an amount equal to the sum determined by the application of any unused mill levy authority from that year, which was authorized by law or by the electors of that taxing district but not levied for that year, to the budget year taxable valuation of the taxable property in that taxing district. A taxing district electing to increase its levy under this subsection may not add any amount permitted by subsection 3 to the amount levied under this subsection.
5. In addition to any other levy limitation factor under this section, a taxing district may increase its levy in dollars to reflect new or increased mill levies authorized by the legislative assembly or authorized by the electors of the taxing district.
6. Under this section a taxing district may supersede any applicable mill levy limitations otherwise provided by law, or a taxing district may levy up to the mill levy limitations otherwise provided by law without reference to this section, but the provisions of this section do not apply to the following:

- a. Any irrevocable tax to pay bonded indebtedness levied pursuant to section 16 of article X of the Constitution of North Dakota.
 - b. The one-mill levy for the state medical center authorized by section 10 of article X of the Constitution of North Dakota.
7. A school district choosing to determine its levy authority under this section may apply subsection 3 only to the amount in dollars levied for general fund purposes under section 57-15-14 or, if the levy in the base year included separate general fund and special fund levies under sections 57-15-14 and 57-15-14.2, the school district may apply subsection 3 to the total amount levied in dollars in the base year for both the general fund and special fund accounts. School district levies under any section other than section 57-15-14 may be made within applicable limitations but those levies are not subject to subsection 3.
 8. Optional levies under this section may be used by any city or county that has adopted a home rule charter unless the provisions of the charter supersede state laws related to property tax levy limitations.

(Effective for taxable years beginning after December 31, 1998) Protection of taxpayers and taxing districts. Each taxing district may levy the lesser of the amount in dollars as certified in the budget of the governing body, or the amount in dollars as allowed in this section, subject to the following:

1. No taxing district may levy more taxes expressed in dollars than the amounts allowed by this section.
2. For purposes of this section:
 - a. "Base year" means the taxing district's taxable year with the highest amount levied in dollars in property taxes of the three taxable years immediately preceding the budget year;
 - b. "Budget year" means the taxing district's year for which the levy is being determined under this section; and
 - c. "Calculated mill rate" means the mill rate that results from dividing the base year taxes levied by the sum of the taxable value of the taxable property in the base year plus the taxable value of the exempt property calculated in the same manner as the taxable property.
3. A taxing district may elect to levy the amount levied in dollars in the base year. Any levy under this section must be specifically approved by a resolution approved by the governing body of the taxing district. Before determining the levy limitation under this section, the dollar amount levied in the base year must be:
 - a. Reduced by an amount equal to the sum determined by application of the base year's calculated mill rate for that taxing district to the final base year taxable valuation of any taxable and exempt property that is not included in the taxing district for the budget year but was included in the taxing district for the base year.
 - b. Increased by an amount equal to the sum determined by the application of the base year's calculated mill rate for that taxing district to the final budget year taxable valuation of any taxable or exempt property that was not included in the taxing district for the base year but which is included in the taxing district for the budget year.
 - c. Reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district.
4. A taxing district may levy an amount in dollars equal to the amount levied in any of the previous three years reduced to reflect expired temporary mill levy increases authorized by the electors of the taxing district and increased by an amount equal to the sum determined by the application of any unused mill levy authority from that year, which was authorized by law or by the electors of that taxing district but not levied for that year, to the budget year taxable valuation of the taxable property in that taxing district.

A taxing district electing to increase its levy under this subsection may not add any amount permitted by subsection 3 to the amount levied under this subsection.

5. In addition to any other levy limitation factor under this section, a taxing district may increase its levy in dollars to reflect new or increased mill levies authorized by the legislative assembly or authorized by the electors of the taxing district.
6. Under this section a taxing district may supersede any applicable mill levy limitations otherwise provided by law, or a taxing district may levy up to the mill levy limitations otherwise provided by law without reference to this section, but the provisions of this section do not apply to the following:
 - a. Any irrepealable tax to pay bonded indebtedness levied pursuant to section 16 of article X of the Constitution of North Dakota.
 - b. The one-mill levy for the state medical center authorized by section 10 of article X of the Constitution of North Dakota.
7. A school district choosing to determine its levy authority under this section may apply subsection 3 only to the amount in dollars levied for general fund purposes under section 57-15-14 or, if the levy in the base year included separate general fund and special fund levies under sections 57-15-14 and 57-15-14.2, the school district may apply subsection 3 to the total amount levied in dollars in the base year for both the general fund and special fund accounts. School district levies under any section other than section 57-15-14 may be made within applicable limitations but those levies are not subject to subsection 3.
8. Optional levies under this section may be used by any city or county that has adopted a home rule charter unless the provisions of the charter supersede state laws related to property tax levy limitations.

SECTION 4. EFFECTIVE DATE. Section 3 of this Act is effective for taxable years beginning after December 31, 1996."

Renumber accordingly

REQUEST

SEN. YOCKIM REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to HB 1018, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to HB 1018, the roll was called and there were 28 YEAS, 18 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Cook; DeMers; Fischer; Grindberg; Heitkamp; Holmberg; Kelsh; Krauter; Krebsbach; Kringstad; Lee; Lindaas; Lips; Mathern; Mutzenberger; Naaden; Nelson, C.; Robinson; Sand; Stenehjem, W.; Thane; Thompson; Traynor; Urlacher; Watne; Wogsland

NAYS: Bowman; Christmann; Freborg; Goetz; Kinnoin; Klein; LaFountain; Mutch; Nalewaja; Nelson, G.; O'Connell; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Tomac; Wanzek; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

The proposed amendments to HB 1018 were adopted.

HB 1018: A BILL for an Act to provide an appropriation to the tax commissioner for payment of state reimbursement under the homestead tax; to amend and reenact section 57-15-01.1 of the North Dakota Century Code, relating to property tax levy authority of taxing districts; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 7 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Berg; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; St. Aubyn; Stenehjem, W.; Thane; Thompson; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

NAYS: Bowman; Christmann; Mutch; Schobinger; Solberg; Stenehjem, B.; Tomac

ABSENT AND NOT VOTING: Andrist; Nething; Redlin; Tallackson

HB 1018, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. THANE MOVED that the conference committee report on Engrossed SB 2043 as printed on SJ page 1156 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2043, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2043: A BILL for an Act to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to health insurance coverage for mothers and newborns.

ROLL CALL

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

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

Engrossed SB 2043, as amended, passed and the title was agreed to.

MOTION

SEN. GOETZ MOVED that SB 2194, which is on the Seventh order, be moved to the bottom of the calendar, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SEN. CHRISTMANN MOVED that the conference committee report on SB 2255 as printed on SJ pages 1156-1157 be adopted, which motion prevailed on a voice vote.

SB 2255, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2255: A BILL for an Act relating to dogs running at large; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 42 YEAS, 4 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutzenberger; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

NAYS: Mutch; Naaden; Schobinger; Stenehjem, B.

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

SB 2255, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

SEN. WATNE MOVED that the conference committee report on Reengrossed SB 2344 as printed on SJ pages 1157-1158 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2344, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2344: A BILL for an Act to create and enact sections 10-19.1-41.1, 10-19.1-72.1, 10-19.1-73.2, 10-19.1-73.3, 10-19.1-75.1, 10-19.1-75.2, 10-19.1-76.1, 10-19.1-76.2, 10-19.1-76.3, 10-19.1-85.1, 10-19.1-132, 10-19.1-133, 10-19.1-134, 10-19.1-135, 10-19.1-136, 10-19.1-137, 10-19.1-138, 10-19.1-139, 10-19.1-140, 10-19.1-141, 10-19.1-142, 10-19.1-143, 10-19.1-144, 10-19.1-145, 10-19.1-146, 10-19.1-147, 10-19.1-148, 10-19.1-149, 10-19.1-150, 10-19.1-151, 10-19.1-152, 10-32-39.1, 10-32-40.1, 10-32-40.2, 10-32-43.1, 10-32-43.2, 10-32-48.1, 10-32-52.1, 10-32-78.1, 10-32-130.1, 10-32-130.2, 10-32-156, 57-38-07.2, and 57-38.1-17.3 of the North Dakota Century Code, relating to the North Dakota Business Corporation Act - General Provisions, the Limited Liability Company Act, limited liability partnerships, income tax, and the Uniform Division of Income Tax Act; to amend and reenact sections 10-06.1-17, 10-19.1-01, 10-19.1-10, 10-19.1-13, 10-19.1-14, 10-19.1-15, 10-19.1-16, 10-19.1-25, 10-19.1-26, 10-19.1-30, 10-19.1-31, 10-19.1-35, 10-19.1-40, 10-19.1-41, 10-19.1-42, 10-19.1-43, 10-19.1-47, 10-19.1-48, 10-19.1-50, 10-19.1-51, 10-19.1-52, 10-19.1-53, 10-19.1-55, 10-19.1-56, 10-19.1-57, 10-19.1-58, 10-19.1-59, 10-19.1-60, 10-19.1-66, 10-19.1-71, 10-19.1-72, 10-19.1-73, 10-19.1-74, 10-19.1-75, 10-19.1-76, 10-19.1-81, 10-19.1-82, 10-19.1-83, 10-19.1-85, 10-19.1-86, 10-19.1-87, 10-19.1-89, 10-19.1-90, 10-19.1-91, 10-19.1-92, 10-19.1-95, 10-19.1-110, 10-19.1-110.1, 10-19.1-115, 10-19.1-117, 10-19.1-123, 10-19.1-124, 10-19.1-127, 10-31-01, 10-31-02, 10-31-02.1, 10-31-02.2, 10-31-03, 10-31-04, 10-31-05, 10-31-07, 10-31-07.1, 10-31-07.2, 10-31-07.3, 10-31-12, 10-31-13, 10-31-13.1, 10-32-02, 10-32-06, 10-32-07, 10-32-10, 10-32-11, 10-32-12, 10-32-13, 10-32-15, 10-32-16, 10-32-17, 10-32-19, 10-32-22, 10-32-23, 10-32-28, 10-32-31, 10-32-32, 10-32-34, 10-32-37, 10-32-38, 10-32-39, 10-32-40, 10-32-42, 10-32-43, 10-32-44, 10-32-47, 10-32-48, subsection 1 of section 10-32-50, sections 10-32-51, 10-32-52, 10-32-53, 10-32-54, 10-32-55, 10-32-56, 10-32-58, 10-32-64, 10-32-66, 10-32-67, 10-32-68, 10-32-72, 10-32-77, 10-32-78, 10-32-79, 10-32-80, 10-32-81, 10-32-83, 10-32-84, 10-32-85, 10-32-86, 10-32-87, 10-32-88, 10-32-89, 10-32-91, 10-32-92, 10-32-93, 10-32-94, 10-32-95, 10-32-96, 10-32-97, 10-32-99, 10-32-100, 10-32-101, 10-32-102, 10-32-103, 10-32-104, 10-32-105, 10-32-106, 10-32-107, 10-32-108, 10-32-109, 10-32-110, 10-32-113, 10-32-114, 10-32-115, 10-32-117, 10-32-119, 10-32-121, 10-32-122, 10-32-127, 10-32-135, 10-32-136, 10-32-137, 10-32-138, 10-32-139, 10-32-140, 10-32-141, 10-32-142, 10-32-143, 10-32-144, 10-32-145, 10-32-146, 10-32-147, 10-32-148, 10-32-149, 10-32-150, 10-32-152, 10-32-153, 10-32-154, 10-32-155, 45-10.1-01, 45-10.1-02, 45-10.1-03, 45-10.1-04, 45-10.1-07.1, 45-10.1-08, 45-10.1-51, 45-10.1-52, 45-10.1-53, 45-10.1-54, 45-10.1-55, 45-10.1-56, 45-10.1-57, 45-10.1-58, 45-20-01, 45-22-01, 45-22-03, 45-22-04, 45-22-05, 45-22-06, 45-22-07, 45-22-08, 45-22-11, 45-22-12, 45-22-13, 45-22-14, 45-22-16, 45-22-17, 45-22-18, 45-22-20, 45-22-22, 45-22-23, 45-22-24, 45-22-25, 45-22-26, 45-22-27, 57-38-07.1, and 57-38.1-17.2 of the North Dakota Century Code, relating to corporations or limited liability company farming, the Business Corporation Act, the Professional Organizations Act, the Limited Liability Company Act, the Uniform Limited Partnership Act, events causing dissolution and winding up of partnership business, limited liability partnerships, income tax, and the Uniform Division of Income Tax Act; to repeal sections 10-19.1-54, 10-19.1-73.1, 10-19.1-77, 10-19.1-78, 10-19.1-79, 10-19.1-80, chapters 10-22, 10-23, sections 10-32-41, 10-32-45, 10-32-46, 10-32-90, and 10-32-151 of the North Dakota Century Code, relating to the North Dakota Business Corporation Act - General Provisions, the North Dakota Business Corporation Act - Foreign Corporations, the North Dakota Business Corporation Act - Administration, Reports, Fees, Effect, and the Limited Liability Company Act; and to provide penalties.

ROLL CALL

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

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsch; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn;

Stenehjem, B.; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

Reengrossed SB 2344, as amended, passed and the title was agreed to.

MOTION

SEN. GOETZ MOVED that the Senate stand in recess until 12:45 p.m., which motion prevailed.

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

REPORT OF CONFERENCE COMMITTEE

SEN. ANDRIST MOVED that the conference committee report on SB 2372 as printed on SJ page 1158 be adopted, which motion prevailed on a voice vote.

SB 2372, as amended, was placed on the Eleventh order.

SECOND READING OF SENATE BILL

SB 2372: A BILL for an Act to amend and reenact section 24-07-03 of the North Dakota Century Code, relating to section lines as public roads.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 32 YEAS, 14 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Holmberg; Kelsh; Klein; Krebsbach; Kringstad; Lee; Lips; Mathern; Mutch; Mutzenberger; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; St. Aubyn; Stenehjem, W.; Thane; Thompson; Traynor; Urlacher; Watne; Yockim

NAYS: Bowman; Christmann; Heitkamp; Kinnoin; Krauter; LaFountain; Lindaas; Naaden; Schobinger; Solberg; Stenehjem, B.; Tomac; Wanzek; Wogsland

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

SB 2372, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. GOETZ MOVED that the conference committee report on Engrossed HB 1019 as printed on SJ page 1158 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1019 was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1019: A BILL for an Act to make an appropriation for the distribution of state aid distribution fund revenue to political subdivisions of the state of North Dakota; to amend and reenact section 57-39.2-26.1 of the North Dakota Century Code, relating to deposit and allocation of sales tax revenues in the state aid distribution fund; to repeal sections 54-27-20.2, 54-27-20.3, and chapter 57-58 of the North Dakota Century Code, relating to state revenue sharing distribution and personal property tax replacement; and to provide an effective date.

ROLL CALL

The question being on the final passage of the bill, which has been read, the roll was called and there were 42 YEAS, 2 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; Robinson; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland

NAYS: O'Connell; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Sand; Stenehjem, B.; Tallackson

Engrossed HB 1019 passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. KREBSBACH MOVED that the conference committee report on Engrossed HB 1238 as printed on SJ page 1158 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1238, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1238: A BILL for an Act to amend and reenact subsection 1 of section 6-08-16 and section 6-08-16.2 of the North Dakota Century Code, relating to issuing a check without an account or without sufficient funds; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Stenehjem, B.; Tallackson

Engrossed HB 1238, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. KRINGSTAD MOVED that the conference committee report on HB 1301 as printed on SJ pages 1158-1159 be adopted, which motion prevailed on a voice vote.

HB 1301, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1301: A BILL for an Act to amend and reenact subsection 15 of section 57-02-08 of the North Dakota Century Code, relating to the farm residence and buildings exemption for bed and breakfast facilities; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 39 YEAS, 6 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Christmann; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, G.; O'Connell; Robinson; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

NAYS: Bowman; Cook; DeMers; Lee; Nelson, C.; Sand

ABSENT AND NOT VOTING: Nething; Redlin; Stenehjem, B.; Tallackson

HB 1301, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. KREBSBACH MOVED that the conference committee report on Engrossed HB 1340 as printed on SJ page 1159 be adopted, which motion failed on a voice vote.

The Senate rejected the conference committee report on Engrossed HB 1340.

MOTION

SEN. NAADEN MOVED that the Senate reconsider the action whereby the committee report on Engrossed HB 1340 was rejected, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

SEN. KREBSBACH MOVED that the conference committee report on Engrossed HB 1340 as printed on SJ page 1159 be adopted, which motion failed on a verification vote.

The Senate has rejected the conference committee report on Engrossed HB 1340.

REPORT OF CONFERENCE COMMITTEE

SEN. SAND MOVED that the conference committee report on Engrossed HB 1387 as printed on SJ pages 1159-1160 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1387, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1387: A BILL for an Act to create and enact a new section to chapter 12.1-20 of the North Dakota Century Code, relating to prohibiting the facilitation of sexual acts in public; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Stenehjem, B.; Tallackson

Engrossed HB 1387, as amended, passed and the title was agreed to.

REPORT OF CONFERENCE COMMITTEE

SEN. MUTCH MOVED that the conference committee report on Engrossed HB 1412 as printed on SJ pages 1160-1161 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1412, as amended, was placed on the Fourteenth order.

SECOND READING OF HOUSE BILL

HB 1412: A BILL for an Act to create and enact a new subsection to section 10-04-06 of the North Dakota Century Code, relating to a "test the waters" exemption to registration of securities; to amend and reenact subsection 4 of section 10-04-03 of the North Dakota Century Code, relating to deposit of security fees; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Stenehjem, B.; Tallackson

Engrossed HB 1412, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

SEN. MUTCH MOVED that the Senate Conference Committee on HB 1116 be dissolved and that a new conference committee be appointed, which motion prevailed.

THE PRESIDENT APPOINTED as a new Conference Committee on HB 1116: Sens. Klein, Mutch, Thompson.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2043, SB 2344.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2255.

MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)
MADAM PRESIDENT: The House has amended and subsequently passed: SB 2228.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2228

Page 1, line 1, replace the second "and" with a comma

Page 2, line 13, after the underscored period insert "a."

Page 2, line 15, replace "a." with "(1)"

Page 2, line 17, replace "b." with "(2)"

Page 2, after line 21, insert:

"b."

Page 2, after line 26, insert:

"c. Notwithstanding subdivisions a and b, as applied to the legislative assembly, "meeting" means any gathering subject to section 14 of article IV of the Constitution of North Dakota."

Page 19, line 28, replace "4" with "3"

Renumber accordingly

MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)
MADAM PRESIDENT: The House has concurred in the Senate amendments and subsequently passed: HB 1028.

MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)
MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1034, HB 1035, and HB 1226 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1034: Reps. Clark; Byerly; Fairfield

HB 1035: Reps. Poolman; Grande; Rose

HB 1226: Reps. Price; Weisz; Kerzman

MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1085, HB 1357, HB 1448.

MESSAGE TO THE SENATE FROM THE HOUSE (ROY GILBREATH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SCR 4010.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The President has appointed as a new conference committee to act with a like committee from the House on:

HB 1116: Sens. Klein; Mutch; Thompson

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM C. PARKER, SECRETARY)
MR. SPEAKER: The Senate has amended and subsequently passed: HB 1018.

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 1055, HB 1098, HB 1103, HB 1164, HB 1182, HB 1240, HB 1243, HB 1274, HB 1342.

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 2009, SB 2013, SB 2032, SB 2088, SB 2116, SB 2136, SB 2145, SB 2160, SB 2173, SB 2202, SB 2213.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2372.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1019, HB 1238, HB 1301, HB 1387.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1412.

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

MADAM PRESIDENT: The Speaker has signed: SB 2009, SB 2013, SB 2032, SB 2088, SB 2116, SB 2136, SB 2145, SB 2160, SB 2173, SB 2202, SB 2213.

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

MADAM PRESIDENT: The Speaker has signed: SB 2005, SB 2007, SB 2011, SB 2020, SB 2037, SB 2042, SB 2068, SB 2112, SB 2149, SB 2159, SB 2234, SB 2318, SB 2351, SB 2362.

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

MR. SPEAKER: The President has signed: HB 1373.

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

MR. SPEAKER: The President has signed: HB 1041, HB 1047, HB 1055, HB 1098, HB 1100, HB 1103, HB 1111, HB 1164, HB 1179, HB 1182, HB 1215, HB 1240, HB 1243, HB 1274, HB 1342, HB 1393, HB 1431, HB 1433.

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 2005, SB 2007, SB 2011, SB 2020, SB 2037, SB 2042, SB 2068, SB 2112, SB 2149, SB 2159, SB 2234, SB 2318, SB 2351, SB 2362.

MOTION

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

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

CONSIDERATION OF AMENDMENTS

HB 1013, as engrossed: SEN. HOLMBERG (Appropriations Committee) MOVED that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1013, as engrossed: Appropriations Committee (Sen. Naaden, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed HB 1013 was placed on the Sixth order on the calendar.

Page 1, line 2, replace the second "and" with "to create and enact two new sections to chapter 15-34 of the North Dakota Century Code, relating to home schooling for children with autism;"

Page 1, line 3, replace "section" with "sections" and after "15-21-02" insert ", 25-01-03, 54-24-01, and subsection 3 of section 54-44.3-20"

Page 1, line 4, after "instruction" insert "and to the classified status of the superintendent of the school for the blind, the superintendent of the school for the deaf, and the state librarian; and to provide an expiration date"

Page 1, line 16, replace "8,764,344" with "8,704,612"

Page 1, line 23, replace "122,915,847" with "123,940,847"

Page 1, after line 23, insert:

"Grants - technology reimbursement payments	5,000,000
Grants - SENDIT	876,000"

Page 1, line 24, replace "Geographic" with "Grants - geographic"

Page 2, line 1, replace "705,251,455" with "712,092,723"

Page 2, line 2, replace "187,038,203" with "187,229,971"

Page 2, line 3, replace "518,213,252" with "524,862,752"

Page 2, line 6, replace "1,876,280" with "1,958,201"

Page 2, line 7, replace "1,050,550" with "1,041,033"

Page 2, line 9, replace "1,260,521" with "1,135,521"

Page 2, line 10, replace "4,209,851" with "4,157,255"

Page 2, line 11, replace "1,273,641" with "1,355,562"

Page 2, line 12, replace "2,936,210" with "2,801,693"

Page 2, line 16, replace "930,822" with "913,958"

Page 2, line 19, replace "5,120,207" with "5,103,343"

Page 2, line 21, replace "4,588,329" with "4,571,465"

Page 2, line 25, replace "663,429" with "652,154"

Page 2, line 28, replace "3,317,260" with "3,305,985"

Page 2, line 30, replace "2,360,193" with "2,348,918"

Page 2, line 31, replace "528,097,984" with "534,584,828"

Page 3, line 1, replace "189,800,789" with "190,074,478"

Page 3, line 2, replace "717,898,773" with "724,659,306"

Page 3, line 3, after the first boldfaced period insert "**LEGISLATIVE**" and after "**INTENT**" insert "**- TUITION APPORTIONMENT**"

Page 3, line 10, after the first boldfaced period insert "**LEGISLATIVE**"

Page 3, line 15, after "**INTENT**" insert "**- DISTRIBUTION OF SPECIAL EDUCATION AID**"

Page 4, after line 8, insert:

"SECTION 5. LEGISLATIVE INTENT - GRANTS FOR SENDIT. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for grants to the SENDIT network be distributed by the educational telecommunications council to support the electronic connectivity and networking of schools through the SENDIT network.

SECTION 6. LEGISLATIVE INTENT - TECHNOLOGY REIMBURSEMENT PAYMENTS. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments be used for reimbursing school districts for technology-related expenditures. The educational telecommunications council shall determine the maximum amount to which each school district is entitled by dividing the number of elementary and secondary students in average daily membership in this state into the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement

payments and then multiplying the result by the number of students in average daily membership in each district. Upon receiving substantiating documentation from a school district indicating the expenditure of funds on or after July 1, 1996, for the acquisition of computer technology for student uses or instructional purposes, interactive television, or teacher inservice programs related to the use of computer technology in classroom instruction, the educational telecommunications council shall provide reimbursement to the school district in an amount equal to that expended but not exceeding that to which the school district is entitled.

SECTION 7. LEGISLATIVE INTENT - MEAT IN SCHOOL LUNCH PROGRAMS. It is the intent of the fifty-fifth legislative assembly that the superintendent of public instruction encourage school boards operating or providing for the operation of child nutrition and food distribution programs in schools to not offer yogurt as a substitute for meat in school lunches served to students.

SECTION 8. LEGISLATIVE INTENT - DIVISION OF INDEPENDENT STUDY TUITION RATES. It is the intent of the fifty-fifth legislative assembly that during the 1997-99 biennium, the division of independent study review the tuition rates charged for resident and nonresident students enrolled in independent study courses and consider increasing the tuition rate charged nonresident students.

SECTION 9. LEGISLATIVE INTENT - POSITION TRANSFERS. It is the intent of the fifty-fifth legislative assembly that for the 1997-99 biennium, the department of public instruction be authorized to have no more than 135.45 full-time equivalent positions and that no more than 39.2 of these positions be in the division of independent study. It is the intent of the fifty-fifth legislative assembly that if, during the 1997-99 biennium, the superintendent of public instruction transfers any positions to the division of independent study from other divisions of the department of public instruction, the transfers be reported to the budget section of the legislative council at its next meeting.

SECTION 10. LEGISLATIVE INTENT - GRANT TO LEADERSHIP IN EDUCATION ADMINISTRATION CONSORTIUM - REPORT TO LEGISLATIVE COUNCIL COMMITTEE. It is the intent of the fifty-fifth legislative assembly that \$25,000 of the amount appropriated in the grants - other grants line item in subdivision 1 of section 1 of this Act be used to provide a grant to the leadership in education administration consortium to develop training programs in cooperation with teacher learning centers. It is the intent of the fifty-fifth legislative assembly that the leadership in education administration consortium and the teacher learning center work cooperatively to develop training programs for teachers and education administrators. The leadership in education administration consortium shall present, no later than September 30, 1998, a report to the legislative council or its designated committee on training programs for teachers and education administrators developed in cooperation with the teacher learning centers.

SECTION 11. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS. Notwithstanding section 2 of Senate Bill No. 2029 as passed by the fifty-fifth legislative assembly, payments to school districts educating limited English proficient students, as provided by that bill, shall be paid from up to \$300,000 of the amount appropriated in subdivision 1 of section 1 of this Act for grants - foundation aid and transportation.

SECTION 12. CREDENTIALING PROCESS FOR SPECIAL EDUCATION TEACHERS. The superintendent of public instruction may not change the credentialing process for special education teachers as it is in effect on March 1, 1997, without first convening a meeting to include representatives of the council of educational leaders, the council for exceptional children, the North Dakota education association, and the North Dakota school boards association. The purpose of the meeting is to receive comments regarding the proposed changes, including the scheduling and manner of implementation, associated costs, the applicability of the proposed changes, and the short-term and long-term effects of the proposed changes. If, within thirty days after the date of the meeting, any representative present at the meeting objects in writing to the proposed change, the superintendent may not implement the change prior to July 1, 1999.

SECTION 13. FEDERAL FUNDING FOR SPECIAL EDUCATION. The legislative assembly urges Congress to fund the education of children with disabilities at the level authorized in the Education for All Handicapped Children Act of 1975. In that legislation, now known as the Individuals with Disabilities Education Act, Congress included a graduated formula for determining state entitlement and provided that for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, the federal

funding level was to be set at forty percent of the average per student expenditure in public elementary and secondary schools in the United States. Because the level of federal funding received by this state has never exceeded ten percent, this federal legislation constitutes an underfunded mandate. The secretary of state shall forward copies of this section to the secretary of the department of education, to the chairman of the senate labor and human resources committee, to the chairman of the house economic and educational opportunities committee, and to each member of the North Dakota congressional delegation."

Page 4, line 14, after "district" insert ", in accordance with the district's locally developed goals 2000 educational improvement application plan"

Page 5, after line 7, insert:

"SECTION 19. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school. Notwithstanding any other law, a parent or legal guardian may provide home schooling to a child with autism if:

1. The child has been determined to be autistic by a licensed psychologist;
2. The child's parent or legal guardian qualifies to provide home schooling under section 15-34.1-06;
3. The child's parent or legal guardian files with the superintendent of the child's school district of residence:
 - a. A notice that the child will be home schooled;
 - b. A copy of the child's diagnosis of autism prepared and attested to by a licensed psychologist; and
 - c. A description of the instructional plan to be followed during the school year, together with an attestation by a licensed psychologist and a North Dakota certified teacher that the instructional plan is appropriate for the child.

SECTION 20. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school - Progress reports.

1. On or before November first, February first, and May first of each school year, a parent providing home schooling to an autistic child under section 19 of this Act shall file with the superintendent of the child's school district of residence progress reports prepared by a licensed psychologist, an occupational therapist, a speech pathologist, and a certified teacher. If at any time the licensed psychologist, the occupational therapist, the speech pathologist, and the certified teacher agree that adequate progress is not being made, they shall notify the superintendent of the child's school district of residence and request that the child be evaluated by a multidisciplinary team.
2. The superintendent of the child's school district of residence shall forward copies of all documentation required by this section to the superintendent of public instruction. The superintendent of public instruction shall provide a report and recommendations regarding the home schooling of children with autism under this section and section 19 of this Act to the legislative council.

SECTION 21. AMENDMENT. Section 25-01-03 of the North Dakota Century Code is amended and reenacted as follows:

25-01-03. Supervising officer to appoint superintendent of institutions - Salaries - Removal.

1. The supervising officer shall appoint a superintendent for each of the institutions under its control, except for the state hospital, where the

supervising officer shall appoint a superintendent and a medical director in consultation with a state hospital governing body.

2. The tenure of office of each superintendent is two years from the date of the superintendent's appointment, and the superintendent must possess qualifications required by this title. Any superintendent may be removed by the supervising officer for misconduct, neglect of duty, incompetency, or other proper cause showing the superintendent's inability or refusal properly to perform the duties of office, but a removal at a time other than a termination of the superintendent's two-year tenure may be had only after an opportunity is given to the person to be heard before a board consisting of the governor, attorney general, and supervising officer of the institution on preferred written charges. A removal when made, however, is final. This subsection does not apply to the superintendent of the school for the blind or the superintendent of the school for the deaf, whose positions are included in the classified service as provided in section 54-44.3-20.
3. The supervising officer shall fix the compensation of each superintendent within the limits prescribed in this title and within the appropriations made by the legislative assembly for compensation.

SECTION 22. AMENDMENT. Section 54-24-01 of the North Dakota Century Code is amended and reenacted as follows:

54-24-01. State library - State librarian appointed by the superintendent of public instruction. The superintendent of public instruction shall appoint an executive officer to be known as the state librarian, who shall report to the superintendent and must receive a salary within the amount appropriated for salaries by the legislative assembly. The state librarian shall control the work and is the director of the state library. The position of state librarian is included in the classified service, as provided in section 54-44.3-20. The state library is an autonomous agency and retains a budget and staff separate from that of the superintendent of public instruction.

SECTION 23. AMENDMENT. Subsection 3 of section 54-44.3-20 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3. Administrative heads of departments required by law, other than the superintendent of the school for the blind and the superintendent of the school for the deaf.

SECTION 24. EXPIRATION. Sections 19 and 20 of this Act are effective through June 30, 1999, and after that date are ineffective."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 201 - PUBLIC INSTRUCTION

SENATE - This amendment reduces operating expenses by \$42,732 (\$17,500 general fund, \$25,232 other funds) for risk management premiums. This amendment also reduces operating expenses by \$29,000 to reflect an anticipated reduction in the estimated cost of leases the Division of Independent Study will enter into for copiers and other equipment during the 1997-99 biennium. The amount included in the executive recommendation was approximately \$249,000 and the department estimates the cost will be approximately \$220,000. This amendment also reduces general fund appropriation authority by \$21,000 and increases other funds authority by the same amount to encourage the Division of Independent Study to consider increasing nonresident tuition rates to generate additional tuition revenue. This amendment also increases operating expenses by \$12,000 from the state general fund for a portion of the costs the department anticipates will be incurred relating to reissuing certain rules, as required by Senate Bill No. 2336. The fiscal note for Senate Bill No. 2336 indicates an anticipated cost of \$100,000 for the 1997-99 biennium.

This amendment adds the following grants, which the House included in Reengrossed House Bill No. 1034:

Technology reimbursement payments (Reengrossed House Bill No. 1034 included \$3.8 million for technology reimbursement	\$5,000,000
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payments)	
Educational Telecommunications Council	1,000,000
SENDIT	876,000

This amendment adds legislative intent relating to grants to school districts for technology and the SENDIT network. These sections of intent were included by the House in Reengrossed House Bill No. 1034.

This amendment also adds legislative intent relating to school lunch programs, Division of Independent Study tuition rates, position transfers to the Division of Independent Study, and a grant to the Leadership in Education Administration (LEAD) Consortium to develop cooperative training programs with the teacher learning centers. This amendment also increases other grants by \$25,000 from the state general fund for a grant to the LEAD Consortium.

This amendment provides that up to \$300,000 of the amount appropriated for foundation aid is to be used for payments to school districts for limited English proficient students, as provided by Senate Bill No. 2029.

This amendment requires the Superintendent of Public Instruction to obtain, from certain educational related groups, prior approval of any proposed changes to the credentialing process for special education teachers.

This amendment provides statutory changes relating to the classified status of the superintendent of the School for the Deaf, the superintendent of the School for the Blind, and the State Librarian.

This amendment also allows home school instruction for autistic children and encourages the United States Congress to increase the level of funding for the education of children with disabilities.

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	REDUCE GENERAL FUND OPERATING AND INCREASE OTHER FUNDS FOR DIVISION OF INDEPENDENT STUDY	ADD GRANT TO LEAD FOR COORDINATING PROGRAMS WITH TEACHER CENTERS	ADD GRANTS INCLUDED BY THE HOUSE IN HB 1034	RESTORE FTE POSITION	RULEMAKING COSTS RELATING TO SB2336	TOTAL SENATE CHANGES	SENATE VERSION
Salaries and wages	\$ 10,897,941	\$ (125,000)	\$ 10,872,941						\$ 12,000	\$ (59,732)	\$ 10,872,941
Operating expenses	8,574,344	190,000	8,764,344	\$ (42,732)	\$ (29,000)						8,704,612
Equipment	768,920		768,920								768,920
Grants - Foundation aid and transportation	447,497,573	18,858,686	466,356,259								466,356,259
Grants - Revenue	2,225,000	875,000	3,100,000								3,100,000
Grants - Tuition	49,273,144		49,273,144								49,273,144
Grants - Special education	40,550,000		40,550,000								40,550,000
Grants - Goals 2000		2,600,000	2,600,000								2,600,000
Grants - Other	124,488,779	(1,572,932)	122,915,847			\$25,000	\$1,000,000		1,025,000		123,940,847
Grants - Geographic	50,000		50,000								50,000
Educatis SBMDIT	876,000	(876,000)					876,000		876,000		876,000
Grants - Technology reimbursement payments							5,000,000 ¹		5,000,000		5,000,000
Center for Innovation in Instruction	297,250	(297,250)									
Prairie Public Broadcasting	602,667	(602,667)									
Equity funding	20,000,000	(20,000,000)									
Myrdal fund for excellence	1,300,000	(1,300,000)									
Total	\$707,501,618	\$ (2,250,163)	\$705,251,455	\$ (42,732)	\$ (29,000)	\$25,000	\$6,876,000	\$ 0	\$12,000	\$6,841,268	\$712,092,723
General fund	\$522,872,067	\$ (4,658,815)	\$518,213,252	\$ (17,500)	\$ (50,000)	\$25,000	\$6,680,000		\$12,000	\$6,649,500	\$524,862,752
Other funds	184,629,551	2,408,652	187,038,203	(25,232)	21,000		196,000			191,768	187,229,971
Total	\$707,501,618	\$ (2,250,163)	\$705,251,455	\$ (42,732)	\$ (29,000)	\$25,000	\$6,876,000	\$ 0	\$12,000	\$6,841,268	\$712,092,723
FTE	137.45	(3.00)	134.45					1.00		1.00	135.45

¹ Reengrossed House Bill No. 1034 included a general fund appropriation of \$3.8 million for technology reimbursement payments. Reengrossed Senate Bill No. 2338 included a general fund appropriation of \$5 million for technology reimbursement payments.

DEPARTMENT 250 - STATE LIBRARY

SENATE - This amendment increases salaries and wages by \$81,921 of other funds for a librarian III position which was removed by the House.

This amendment reduces grants by \$125,000 from the state general fund for the Vision 2004 library and information services strategic plan. The \$125,000 appropriation is also included in Engrossed House Bill No. 1035.

This amendment also reduces operating expenses by \$9,517 from the state general fund for risk management premiums.

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	ADD OTHER FUNDS AUTHORITY FOR LIBRARIAN III POSITION	REMOVE GRANTS FOR VISION 2004	TOTAL SENATE CHANGES	SENATE VERSION
Salaries and wages	\$1,958,201	\$ (81,921)	\$1,876,280		\$81,921		\$ 81,921	\$1,958,201
Operating expenses	1,050,550		1,050,550	\$ (9,517)			(9,517)	1,041,033
Equipment	22,500		22,500					22,500
Grants	<u>1,178,600</u>	<u>81,921</u>	<u>1,260,521</u>			<u>\$(125,000)</u>	<u>(125,000)</u>	<u>1,135,521</u>
Total	\$4,209,851		\$4,209,851	\$ (9,517)	\$81,921	\$(125,000)	\$ (52,596)	\$4,157,255
General fund	\$2,936,210		\$2,936,210	\$ (9,517)				\$2,801,693
Other funds	<u>1,273,641</u>		<u>1,273,641</u>		<u>81,921</u>		<u>81,921</u>	<u>1,355,562</u>
Total	\$4,209,851		\$4,209,851	\$ (9,517)	\$81,921	\$(125,000)	\$ (52,596)	\$4,157,255
FTE	29.00	(1.00)	28.00		1.00		1.00	29.00

DEPARTMENT 252 - SCHOOL FOR THE DEAF

SENATE - This amendment reduces operating expenses by \$16,864 from the state general fund for risk management premiums.

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	SENATE VERSION
Salaries and wages	\$4,064,385		\$4,064,385		\$4,064,385
Operating expenses	930,822		930,822	\$(16,864)	913,958
Equipment	100,000		100,000		100,000
Capital improvements	<u>25,000</u>		<u>25,000</u>		<u>25,000</u>
Total	\$5,120,207	\$ 0	\$5,120,207	\$(16,864)	\$5,103,343
General fund	\$4,528,329	\$ 60,000	\$4,588,329	\$(16,864)	\$4,571,465
Other funds	<u>591,878</u>	<u>(60,000)</u>	<u>531,878</u>		<u>531,878</u>
Total	\$5,120,207	\$ 0	\$5,120,207	\$(16,864)	\$5,103,343

DEPARTMENT 253 - SCHOOL FOR THE BLIND

SENATE - This amendment reduces operating expenses by \$11,275 from the state general fund for risk management premiums.

	1997-99 EXECUTIVE RECOMMENDATION	TOTAL HOUSE CHANGES	HOUSE VERSION	REMOVE RISK MANAGEMENT PREMIUMS	SENATE VERSION
Salaries and wages	\$2,142,178	\$35,678	\$2,177,856		\$2,177,856
Operating expenses	663,429		663,429	\$(11,275)	652,154
Equipment	81,900		81,900		81,900
Capital improvements	<u>394,075</u>		<u>394,075</u>		<u>394,075</u>
Total	\$3,281,582	\$35,678	\$3,317,260	\$(11,275)	\$3,305,985
General fund	\$2,324,515	\$35,678	\$2,360,193	\$(11,275)	\$2,348,918
Other funds	<u>957,067</u>		<u>957,067</u>		<u>957,067</u>
Total	\$3,281,582	\$35,678	\$3,317,260	\$(11,275)	\$3,305,985

SECOND READING OF HOUSE BILL

HB 1013: A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the school for the deaf, the school for the blind, and the state library; to create and enact two new sections to chapter 15-34 of the North Dakota Century Code, relating to home schooling for children with autism; to amend and reenact sections 15-21-02, 25-01-03, 54-24-01, and subsection 3 of section 54-44.3-20 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction and to the classified status of the superintendent of the school for the blind, the superintendent of the school for the deaf, and the state librarian; and to provide an expiration date.

MOTION

SEN. C. NELSON MOVED that Engrossed HB 1013 be amended as follows:

In lieu of the amendments adopted by the Senate on April 3, 1997, Engrossed House Bill No. 1013 is amended as follows:

Page 1, line 2, replace the second "and" with "to create and enact two new sections to chapter 15-34 of the North Dakota Century Code, relating to home schooling for children with autism;"

Page 1, line 3, replace "section" with "sections" and after "15-21-02" insert ", 25-01-03, 54-24-01, and subsection 3 of section 54-44.3-20"

Page 1, line 4, after "instruction" insert "and to the classified status of the superintendent of the school for the blind, the superintendent of the school for the deaf, and the state librarian; to authorize the industrial commission to issue and sell bonds; and to provide an expiration date"

Page 1, line 16, replace "8,764,344" with "8,704,612"

Page 1, after line 17, insert:

"Capital improvements	523,908"
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Page 1, line 23, replace "122,915,847" with "123,940,847"

Page 1, after line 23, insert:

"Grants - technology reimbursement payments	5,000,000
Grants - SENDIT	876,000"

Page 1, line 24, replace "Geographic" with "Grants - geographic"

Page 2, line 1, replace "705,251,455" with "712,616,631"

Page 2, line 2, replace "187,038,203" with "187,753,879"

Page 2, line 3, replace "518,213,252" with "524,862,752"

Page 2, line 6, replace "1,876,280" with "1,958,201"

Page 2, line 7, replace "1,050,550" with "1,041,033"

Page 2, line 9, replace "1,260,521" with "1,135,521"

Page 2, line 10, replace "4,209,851" with "4,157,255"

Page 2, line 11, replace "1,273,641" with "1,355,562"

Page 2, line 12, replace "2,936,210" with "2,801,693"

Page 2, line 16, replace "930,822" with "913,958"

Page 2, line 19, replace "5,120,207" with "5,103,343"

Page 2, line 21, replace "4,588,329" with "4,571,465"

Page 2, line 25, replace "663,429" with "652,154"

Page 2, line 28, replace "3,317,260" with "3,305,985"

Page 2, line 30, replace "2,360,193" with "2,348,918"

Page 2, line 31, replace "528,097,984" with "534,584,828"

Page 3, line 1, replace "189,800,789" with "190,598,386"

Page 3, line 2, replace "717,898,773" with "725,183,214"

Page 3, line 3, after the first boldfaced period insert "**LEGISLATIVE**" and after "**INTENT**" insert "**- TUITION APPORTIONMENT**"

Page 3, line 10, after the first boldfaced period insert "**LEGISLATIVE**"

Page 3, line 15, after "**INTENT**" insert "**- DISTRIBUTION OF SPECIAL EDUCATION AID**"

Page 4, after line 8, insert:

"SECTION 5. LEGISLATIVE INTENT - GRANTS FOR SENDIT. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for grants to the SENDIT network be distributed by the educational telecommunications council to support the electronic connectivity and networking of schools through the SENDIT network.

SECTION 6. LEGISLATIVE INTENT - TECHNOLOGY REIMBURSEMENT PAYMENTS. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments be used for reimbursing school districts for technology-related expenditures. The educational telecommunications council shall determine the maximum amount to which each school district is entitled by dividing the number of elementary and secondary students in average daily membership in this state into the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments and then multiplying the result by the number of students in average daily membership in each district. Upon receiving substantiating documentation from a school district indicating the expenditure of funds on or after July 1, 1996, for the acquisition of computer technology for student uses or instructional purposes, interactive television, or teacher inservice programs related to the use of computer technology in classroom instruction, the educational telecommunications council shall provide reimbursement to the school district in an amount equal to that expended but not exceeding that to which the school district is entitled.

SECTION 7. LEGISLATIVE INTENT - MEAT IN SCHOOL LUNCH PROGRAMS. It is the intent of the fifty-fifth legislative assembly that the superintendent of public instruction encourage school boards operating or providing for the operation of child nutrition and food distribution programs in schools to not offer yogurt as a substitute for meat in school lunches served to students.

SECTION 8. LEGISLATIVE INTENT - DIVISION OF INDEPENDENT STUDY TUITION RATES. It is the intent of the fifty-fifth legislative assembly that during the 1997-99 biennium, the division of independent study review the tuition rates charged for resident and nonresident students enrolled in independent study courses and consider increasing the tuition rate charged nonresident students.

SECTION 9. LEGISLATIVE INTENT - POSITION TRANSFERS. It is the intent of the fifty-fifth legislative assembly that for the 1997-99 biennium, the department of public instruction be authorized to have no more than 135.45 full-time equivalent positions and that no more than 39.2 of these positions be in the division of independent study. It is the intent of the fifty-fifth legislative assembly that if, during the 1997-99 biennium, the superintendent of public instruction transfers any positions to the division of independent study from other divisions of the department of public instruction, the transfers be reported to the budget section of the legislative council at its next meeting.

SECTION 10. LEGISLATIVE INTENT - GRANT TO LEADERSHIP IN EDUCATION ADMINISTRATION CONSORTIUM - REPORT TO LEGISLATIVE COUNCIL COMMITTEE. It is the intent of the fifty-fifth legislative assembly that \$25,000 of the amount appropriated in the grants - other grants line item in subdivision 1 of section 1 of this Act be used to provide a grant to the leadership in education administration consortium to develop training programs in cooperation with teacher learning centers. It is the intent of the fifty-fifth legislative assembly that the

leadership in education administration consortium and the teacher learning center work cooperatively to develop training programs for teachers and education administrators. The leadership in education administration consortium shall present, no later than September 30, 1998, a report to the legislative council or its designated committee on training programs for teachers and education administrators developed in cooperation with the teacher learning centers.

SECTION 11. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS. Notwithstanding section 2 of Senate Bill No. 2029 as passed by the fifty-fifth legislative assembly, payments to school districts educating limited English proficient students, as provided by that bill, shall be paid from up to \$300,000 of the amount appropriated in subdivision 1 of section 1 of this Act for grants - foundation aid and transportation.

SECTION 12. CREDENTIALING PROCESS FOR SPECIAL EDUCATION TEACHERS. The superintendent of public instruction may not change the credentialing process for special education teachers as it is in effect on March 1, 1997, without first convening a meeting to include representatives of the council of educational leaders, the council for exceptional children, the North Dakota education association, and the North Dakota school boards association. The purpose of the meeting is to receive comments regarding the proposed changes, including the scheduling and manner of implementation, associated costs, the applicability of the proposed changes, and the short-term and long-term effects of the proposed changes. If, within thirty days after the date of the meeting, any representative present at the meeting objects in writing to the proposed change, the superintendent may not implement the change prior to July 1, 1999.

SECTION 13. FEDERAL FUNDING FOR SPECIAL EDUCATION. The legislative assembly urges Congress to fund the education of children with disabilities at the level authorized in the Education for All Handicapped Children Act of 1975. In that legislation, now known as the Individuals with Disabilities Education Act, Congress included a graduated formula for determining state entitlement and provided that for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, the federal funding level was to be set at forty percent of the average per student expenditure in public elementary and secondary schools in the United States. Because the level of federal funding received by this state has never exceeded ten percent, this federal legislation constitutes an underfunded mandate. The secretary of state shall forward copies of this section to the secretary of the department of education, to the chairman of the senate labor and human resources committee, to the chairman of the house economic and educational opportunities committee, and to each member of the North Dakota congressional delegation."

Page 4, line 14, after "district" insert ", in accordance with the district's locally developed goals 2000 educational improvement application plan"

Page 5, after line 7, insert:

"**SECTION 19.** A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school. Notwithstanding any other law, a parent or legal guardian may provide home schooling to a child with autism if:

1. The child has been determined to be autistic by a licensed psychologist;
2. The child's parent or legal guardian qualifies to provide home schooling under section 15-34.1-06;
3. The child's parent or legal guardian files with the superintendent of the child's school district of residence:
 - a. A notice that the child will be home schooled;
 - b. A copy of the child's diagnosis of autism prepared and attested to by a licensed psychologist; and
 - c. A description of the instructional plan to be followed during the school year, together with an attestation by a licensed psychologist and a North Dakota certified teacher that the instructional plan is appropriate for the child.

SECTION 20. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school - Progress reports.

1. On or before November first, February first, and May first of each school year, a parent providing home schooling to an autistic child under section 19 of this Act shall file with the superintendent of the child's school district of residence progress reports prepared by a licensed psychologist, an occupational therapist, a speech pathologist, and a certified teacher. If at any time the licensed psychologist, the occupational therapist, the speech pathologist, and the certified teacher agree that adequate progress is not being made, they shall notify the superintendent of the child's school district of residence and request that the child be evaluated by a multidisciplinary team.
2. The superintendent of the child's school district of residence shall forward copies of all documentation required by this section to the superintendent of public instruction. The superintendent of public instruction shall provide a report and recommendations regarding the home schooling of children with autism under this section and section 19 of this Act to the legislative council.

SECTION 21. AMENDMENT. Section 25-01-03 of the North Dakota Century Code is amended and reenacted as follows:

25-01-03. Supervising officer to appoint superintendent of institutions - Salaries - Removal.

1. The supervising officer shall appoint a superintendent for each of the institutions under its control, except for the state hospital, where the supervising officer shall appoint a superintendent and a medical director in consultation with a state hospital governing body.
2. The tenure of office of each superintendent is two years from the date of the superintendent's appointment, and the superintendent must possess qualifications required by this title. Any superintendent may be removed by the supervising officer for misconduct, neglect of duty, incompetency, or other proper cause showing the superintendent's inability or refusal properly to perform the duties of office, but a removal at a time other than a termination of the superintendent's two-year tenure may be had only after an opportunity is given to the person to be heard before a board consisting of the governor, attorney general, and supervising officer of the institution on preferred written charges. A removal when made, however, is final. This subsection does not apply to the superintendent of the school for the blind or the superintendent of the school for the deaf, whose positions are included in the classified service as provided in section 54-44.3-20.
3. The supervising officer shall fix the compensation of each superintendent within the limits prescribed in this title and within the appropriations made by the legislative assembly for compensation.

SECTION 22. AMENDMENT. Section 54-24-01 of the North Dakota Century Code is amended and reenacted as follows:

54-24-01. State library - State librarian appointed by the superintendent of public instruction. The superintendent of public instruction shall appoint an executive officer to be known as the state librarian, who shall report to the superintendent and must receive a salary within the amount appropriated for salaries by the legislative assembly. The state librarian shall control the work and is the director of the state library. The position of state librarian is included in the classified service, as provided in section 54-44.3-20. The state library is an autonomous agency and retains a budget and staff separate from that of the superintendent of public instruction.

SECTION 23. AMENDMENT. Subsection 3 of section 54-44.3-20 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3. Administrative heads of departments required by law, other than the superintendent of the school for the blind and the superintendent of the school for the deaf.

SECTION 24. PROJECT AUTHORIZATION. The industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the project authorized in this section, hereby declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, during the biennium beginning July 1, 1997, and ending June 30, 1999. The proceeds of the evidences of indebtedness and other available funds are hereby appropriated, and included in subdivision 1 of section 1 of this Act, for the following project during the biennium beginning July 1, 1997, and ending June 30, 1999:

Department of public instruction	Building addition - division of independent study	\$523,908
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SECTION 25. BOND ISSUANCE REPAYMENT RESPONSIBILITY. Of the total amount of evidences of indebtedness issued under the provisions of section 24 of this Act, a total of \$523,908 must be available from nongeneral fund sources to assist in the retirement of the evidences of indebtedness, issued for the project costs associated with construction of the project authorized in this section:

Department of public instruction project	\$523,908
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Payments must be made in annual installments over the life of the indebtedness beginning after fiscal year 1999. Prepayment may be made and all payments of local matching amounts must be deposited in a special industrial commission account from which the industrial commission, acting as the North Dakota building authority, shall use the funds in making principal and interest payments.

SECTION 26. EXPIRATION. Sections 19 and 20 of this Act are effective through June 30, 1999, and after that date are ineffective."

Renumber accordingly

REQUEST

SEN. HEITKAMP REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1013, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1013, the roll was called and there were 23 YEAS, 24 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Berg; DeMers; Fischer; Grindberg; Heitkamp; Kelsh; Kinnoin; Krauter; LaFountain; Lindaas; Lips; Mathern; Mutzenberger; Nalewaja; Nelson, C.; O'Connell; Robinson; Thane; Thompson; Tomac; Watne; Wogsland; Yockim

NAYS: Andrist; Bowman; Christmann; Cook; Freborg; Goetz; Holmberg; Klein; Krebsbach; Kringstad; Lee; Mutch; Naaden; Nelson, G.; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Traynor; Urlacher; Wanzek; Presi

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

The proposed amendments to Engrossed HB 1013 failed.

MOTION

SEN. CHRISTMANN MOVED that Engrossed HB 1013 be amended as follows:

In lieu of the amendments adopted by the Senate on April 3, 1997, Engrossed House Bill No. 1013 is amended as follows:

Page 1, line 2, replace the second "and" with "to create and enact two new sections to chapter 15-34 and one new section to chapter 15-54 of the North Dakota Century Code, relating to home schooling for children with autism and school lunch programs;"

Page 1, line 3, replace "section" with "sections" and after "15-21-02" insert ", 25-01-03, 54-24-01, and subsection 3 of section 54-44.3-20"

Page 1, line 4, after "instruction" insert "and to the classified status of the superintendent of the school for the blind, the superintendent of the school for the deaf, and the state librarian; and to provide an expiration date"

Page 1, line 16, replace "8,764,344" with "8,704,612"

Page 1, line 23, replace "122,915,847" with "123,940,847"

Page 1, after line 23, insert:

"Grants - technology reimbursement payments	5,000,000
Grants - SENDIT	876,000"

Page 1, line 24, replace "Geographic" with "Grants - geographic"

Page 2, line 1, replace "705,251,455" with "712,092,723"

Page 2, line 2, replace "187,038,203" with "187,229,971"

Page 2, line 3, replace "518,213,252" with "524,862,752"

Page 2, line 6, replace "1,876,280" with "1,958,201"

Page 2, line 7, replace "1,050,550" with "1,041,033"

Page 2, line 9, replace "1,260,521" with "1,135,521"

Page 2, line 10, replace "4,209,851" with "4,157,255"

Page 2, line 11, replace "1,273,641" with "1,355,562"

Page 2, line 12, replace "2,936,210" with "2,801,693"

Page 2, line 16, replace "930,822" with "913,958"

Page 2, line 19, replace "5,120,207" with "5,103,343"

Page 2, line 21, replace "4,588,329" with "4,571,465"

Page 2, line 25, replace "663,429" with "652,154"

Page 2, line 28, replace "3,317,260" with "3,305,985"

Page 2, line 30, replace "2,360,193" with "2,348,918"

Page 2, line 31, replace "528,097,984" with "534,584,828"

Page 3, line 1, replace "189,800,789" with "190,074,478"

Page 3, line 2, replace "717,898,773" with "724,659,306"

Page 3, line 3, after the first boldfaced period insert "**LEGISLATIVE**" and after "**INTENT**" insert "**- TUITION APPORTIONMENT**"

Page 3, line 10, after the first boldfaced period insert "**LEGISLATIVE**"

Page 3, line 15, after "**INTENT**" insert "**- DISTRIBUTION OF SPECIAL EDUCATION AID**"

Page 4, after line 8, insert:

SECTION 5. LEGISLATIVE INTENT - GRANTS FOR SENDIT. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for grants to the SENDIT network be distributed by the educational telecommunications council to support the electronic connectivity and networking of schools through the SENDIT network.

SECTION 6. LEGISLATIVE INTENT - TECHNOLOGY REIMBURSEMENT PAYMENTS. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments be used for reimbursing school districts for technology-related expenditures.

The educational telecommunications council shall determine the maximum amount to which each school district is entitled by dividing the number of elementary and secondary students in average daily membership in this state into the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments and then multiplying the result by the number of students in average daily membership in each district. Upon receiving substantiating documentation from a school district indicating the expenditure of funds on or after July 1, 1996, for the acquisition of computer technology for student uses or instructional purposes, interactive television, or teacher inservice programs related to the use of computer technology in classroom instruction, the educational telecommunications council shall provide reimbursement to the school district in an amount equal to that expended but not exceeding that to which the school district is entitled.

SECTION 7. LEGISLATIVE INTENT - DIVISION OF INDEPENDENT STUDY TUITION RATES. It is the intent of the fifty-fifth legislative assembly that during the 1997-99 biennium, the division of independent study review the tuition rates charged for resident and nonresident students enrolled in independent study courses and consider increasing the tuition rate charged nonresident students.

SECTION 8. LEGISLATIVE INTENT - POSITION TRANSFERS. It is the intent of the fifty-fifth legislative assembly that for the 1997-99 biennium, the department of public instruction be authorized to have no more than 135.45 full-time equivalent positions and that no more than 39.2 of these positions be in the division of independent study. It is the intent of the fifty-fifth legislative assembly that if, during the 1997-99 biennium, the superintendent of public instruction transfers any positions to the division of independent study from other divisions of the department of public instruction, the transfers be reported to the budget section of the legislative council at its next meeting.

SECTION 9. LEGISLATIVE INTENT - GRANT TO LEADERSHIP IN EDUCATION ADMINISTRATION CONSORTIUM - REPORT TO LEGISLATIVE COUNCIL COMMITTEE. It is the intent of the fifty-fifth legislative assembly that \$25,000 of the amount appropriated in the grants - other grants line item in subdivision 1 of section 1 of this Act be used to provide a grant to the leadership in education administration consortium to develop training programs in cooperation with teacher learning centers. It is the intent of the fifty-fifth legislative assembly that the leadership in education administration consortium and the teacher learning center work cooperatively to develop training programs for teachers and education administrators. The leadership in education administration consortium shall present, no later than September 30, 1998, a report to the legislative council or its designated committee on training programs for teachers and education administrators developed in cooperation with the teacher learning centers.

SECTION 10. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS. Notwithstanding section 2 of Senate Bill No. 2029 as passed by the fifty-fifth legislative assembly, payments to school districts educating limited English proficient students, as provided by that bill, shall be paid from up to \$300,000 of the amount appropriated in subdivision 1 of section 1 of this Act for grants - foundation aid and transportation.

SECTION 11. CREDENTIALING PROCESS FOR SPECIAL EDUCATION TEACHERS. The superintendent of public instruction may not change the credentialing process for special education teachers as it is in effect on March 1, 1997, without first convening a meeting to include representatives of the council of educational leaders, the council for exceptional children, the North Dakota education association, and the North Dakota school boards association. The purpose of the meeting is to receive comments regarding the proposed changes, including the scheduling and manner of implementation, associated costs, the applicability of the proposed changes, and the short-term and long-term effects of the proposed changes. If, within thirty days after the date of the meeting, any representative present at the meeting objects in writing to the proposed change, the superintendent may not implement the change prior to July 1, 1999.

SECTION 12. FEDERAL FUNDING FOR SPECIAL EDUCATION. The legislative assembly urges Congress to fund the education of children with disabilities at the level authorized in the Education for All Handicapped Children Act of 1975. In that legislation, now known as the Individuals with Disabilities Education Act, Congress included a graduated formula for determining state entitlement and provided that for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, the federal funding level was to be set at forty percent of the average per student expenditure in public elementary and secondary schools in the United States. Because the level of

federal funding received by this state has never exceeded ten percent, this federal legislation constitutes an underfunded mandate. The secretary of state shall forward copies of this section to the secretary of the department of education, to the chairman of the senate labor and human resources committee, to the chairman of the house economic and educational opportunities committee, and to each member of the North Dakota congressional delegation."

Page 4, line 14, after "district" insert ", in accordance with the district's locally developed goals 2000 educational improvement application plan"

Page 5, after line 7, insert:

"SECTION 18. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school. Notwithstanding any other law, a parent or legal guardian may provide home schooling to a child with autism if:

1. The child has been determined to be autistic by a licensed psychologist;
2. The child's parent or legal guardian qualifies to provide home schooling under section 15-34.1-06;
3. The child's parent or legal guardian files with the superintendent of the child's school district of residence:
 - a. A notice that the child will be home schooled;
 - b. A copy of the child's diagnosis of autism prepared and attested to by a licensed psychologist; and
 - c. A description of the instructional plan to be followed during the school year, together with an attestation by a licensed psychologist and a North Dakota certified teacher that the instructional plan is appropriate for the child.

SECTION 19. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school - Progress reports.

1. On or before November first, February first, and May first of each school year, a parent providing home schooling to an autistic child under section 18 of this Act shall file with the superintendent of the child's school district of residence progress reports prepared by a licensed psychologist, an occupational therapist, a speech pathologist, and a certified teacher. If at any time the licensed psychologist, the occupational therapist, the speech pathologist, and the certified teacher agree that adequate progress is not being made, they shall notify the superintendent of the child's school district of residence and request that the child be evaluated by a multidisciplinary team.
2. The superintendent of the child's school district of residence shall forward copies of all documentation required by this section to the superintendent of public instruction. The superintendent of public instruction shall provide a report and recommendations regarding the home schooling of children with autism under this section and section 18 of this Act to the legislative council.

SECTION 20. A new section to chapter 15-54 of the North Dakota Century Code is created and enacted as follows:

School lunch programs - Substitutions. Notwithstanding any other law, a school board operating or providing for the operation of a child nutrition and food distribution program in schools under the board's jurisdiction may offer yogurt in addition to meat, but may not offer it as a substitute for meat in any school lunch served to a student.

SECTION 21. AMENDMENT. Section 25-01-03 of the North Dakota Century Code is amended and reenacted as follows:

25-01-03. Supervising officer to appoint superintendent of institutions - Salaries - Removal.

1. The supervising officer shall appoint a superintendent for each of the institutions under its control, except for the state hospital, where the supervising officer shall appoint a superintendent and a medical director in consultation with a state hospital governing body.
2. The tenure of office of each superintendent is two years from the date of the superintendent's appointment, and the superintendent must possess qualifications required by this title. Any superintendent may be removed by the supervising officer for misconduct, neglect of duty, incompetency, or other proper cause showing the superintendent's inability or refusal properly to perform the duties of office, but a removal at a time other than a termination of the superintendent's two-year tenure may be had only after an opportunity is given to the person to be heard before a board consisting of the governor, attorney general, and supervising officer of the institution on preferred written charges. A removal when made, however, is final. This subsection does not apply to the superintendent of the school for the blind or the superintendent of the school for the deaf, whose positions are included in the classified service as provided in section 54-44.3-20.
3. The supervising officer shall fix the compensation of each superintendent within the limits prescribed in this title and within the appropriations made by the legislative assembly for compensation.

SECTION 22. AMENDMENT. Section 54-24-01 of the North Dakota Century Code is amended and reenacted as follows:

54-24-01. State library - State librarian appointed by the superintendent of public instruction. The superintendent of public instruction shall appoint an executive officer to be known as the state librarian, who shall report to the superintendent and must receive a salary within the amount appropriated for salaries by the legislative assembly. The state librarian shall control the work and is the director of the state library. The position of state librarian is included in the classified service, as provided in section 54-44.3-20. The state library is an autonomous agency and retains a budget and staff separate from that of the superintendent of public instruction.

SECTION 23. AMENDMENT. Subsection 3 of section 54-44.3-20 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3. Administrative heads of departments required by law, other than the superintendent of the school for the blind and the superintendent of the school for the deaf.

SECTION 24. EXPIRATION. Sections 19 and 20 of this Act are effective through June 30, 1999, and after that date are ineffective."

Renumber accordingly

REQUEST

SEN. CHRISTMANN REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1013, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1013, the roll was called and there were 21 YEAS, 24 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Bowman; Christmann; Cook; Freborg; Heitkamp; Kelsh; Kinnoin; Klein; Krauter; Lindaas; Naaden; Nalewaja; O'Connell; Sand; Schobinger; Solberg; Stenehjem, B.; Thompson; Tomac; Urlacher; Wanzek

NAYS: Andrist; Berg; Fischer; Goetz; Grindberg; Holmberg; Krebsbach; Kringstad; LaFountain; Lee; Lips; Mathern; Mutch; Mutzenberger; Nelson, C.; Nelson, G.; Robinson; St. Aubyn; Stenehjem, W.; Thane; Traynor; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: DeMers; Nething; Redlin; Tallackson

The proposed amendments to Engrossed HB 1013 failed.

MOTION

SEN. WOGSLAND MOVED that Engrossed HB 1013 be amended as follows:

In lieu of the amendments adopted by the Senate on April 3, 1997, Engrossed House Bill No. 1013 is amended as follows:

Page 1, line 2, replace the second "and" with "to create and enact two new sections to chapter 15-34 of the North Dakota Century Code, relating to home schooling for children with autism;"

Page 1, line 3, replace "section" with "sections" and after "15-21-02" insert ", 25-01-03, 54-24-01, and subsection 3 of section 54-44.3-20"

Page 1, line 4, after "instruction" insert "and to the classified status of the superintendent of the school for the blind, the superintendent of the school for the deaf, and the state librarian; to provide for a contingent appropriation; and to provide an expiration date"

Page 1, line 16, replace "8,764,344" with "8,704,612"

Page 1, line 23, replace "122,915,847" with "123,940,847"

Page 1, after line 23, insert:

"Grants - technology reimbursement payments	5,000,000
Grants - SENDIT	876,000"

Page 1, line 24, replace "Geographic" with "Grants - geographic"

Page 2, line 1, replace "705,251,455" with "712,092,723"

Page 2, line 2, replace "187,038,203" with "187,229,971"

Page 2, line 3, replace "518,213,252" with "524,862,752"

Page 2, line 6, replace "1,876,280" with "1,958,201"

Page 2, line 7, replace "1,050,550" with "1,041,033"

Page 2, line 9, replace "1,260,521" with "1,135,521"

Page 2, line 10, replace "4,209,851" with "4,157,255"

Page 2, line 11, replace "1,273,641" with "1,355,562"

Page 2, line 12, replace "2,936,210" with "2,801,693"

Page 2, line 16, replace "930,822" with "913,958"

Page 2, line 19, replace "5,120,207" with "5,103,343"

Page 2, line 21, replace "4,588,329" with "4,571,465"

Page 2, line 25, replace "663,429" with "652,154"

Page 2, line 28, replace "3,317,260" with "3,305,985"

Page 2, line 30, replace "2,360,193" with "2,348,918"

Page 2, line 31, replace "528,097,984" with "534,584,828"

Page 3, line 1, replace "189,800,789" with "190,074,478"

Page 3, line 2, replace "717,898,773" with "724,659,306"

Page 3, line 3, after the first boldfaced period insert "**LEGISLATIVE**" and after "**INTENT**" insert "**- TUITION APPORTIONMENT**"

Page 3, line 10, after the first boldfaced period insert "**LEGISLATIVE**"

Page 3, line 15, after "INTENT" insert "- DISTRIBUTION OF SPECIAL EDUCATION AID"

Page 4, after line 8, insert:

"SECTION 5. LEGISLATIVE INTENT - GRANTS FOR SENDIT. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for grants to the SENDIT network be distributed by the educational telecommunications council to support the electronic connectivity and networking of schools through the SENDIT network.

SECTION 6. LEGISLATIVE INTENT - TECHNOLOGY REIMBURSEMENT PAYMENTS. It is the intent of the fifty-fifth legislative assembly that the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments be used for reimbursing school districts for technology-related expenditures. The educational telecommunications council shall determine the maximum amount to which each school district is entitled by dividing the number of elementary and secondary students in average daily membership in this state into the funds appropriated in subdivision 1 of section 1 of this Act for technology reimbursement payments and then multiplying the result by the number of students in average daily membership in each district. Upon receiving substantiating documentation from a school district indicating the expenditure of funds on or after July 1, 1996, for the acquisition of computer technology for student uses or instructional purposes, interactive television, or teacher inservice programs related to the use of computer technology in classroom instruction, the educational telecommunications council shall provide reimbursement to the school district in an amount equal to that expended but not exceeding that to which the school district is entitled.

SECTION 7. LEGISLATIVE INTENT - MEAT IN SCHOOL LUNCH PROGRAMS. It is the intent of the fifty-fifth legislative assembly that the superintendent of public instruction encourage school boards operating or providing for the operation of child nutrition and food distribution programs in schools to not offer yogurt as a substitute for meat in school lunches served to students.

SECTION 8. LEGISLATIVE INTENT - DIVISION OF INDEPENDENT STUDY TUITION RATES. It is the intent of the fifty-fifth legislative assembly that during the 1997-99 biennium, the division of independent study review the tuition rates charged for resident and nonresident students enrolled in independent study courses and consider increasing the tuition rate charged nonresident students.

SECTION 9. LEGISLATIVE INTENT - POSITION TRANSFERS. It is the intent of the fifty-fifth legislative assembly that for the 1997-99 biennium, the department of public instruction be authorized to have no more than 135.45 full-time equivalent positions and that no more than 39.2 of these positions be in the division of independent study. It is the intent of the fifty-fifth legislative assembly that if, during the 1997-99 biennium, the superintendent of public instruction transfers any positions to the division of independent study from other divisions of the department of public instruction, the transfers be reported to the budget section of the legislative council at its next meeting.

SECTION 10. LEGISLATIVE INTENT - GRANT TO LEADERSHIP IN EDUCATION ADMINISTRATION CONSORTIUM - REPORT TO LEGISLATIVE COUNCIL COMMITTEE. It is the intent of the fifty-fifth legislative assembly that \$25,000 of the amount appropriated in the grants - other grants line item in subdivision 1 of section 1 of this Act be used to provide a grant to the leadership in education administration consortium to develop training programs in cooperation with teacher learning centers. It is the intent of the fifty-fifth legislative assembly that the leadership in education administration consortium and the teacher learning center work cooperatively to develop training programs for teachers and education administrators. The leadership in education administration consortium shall present, no later than September 30, 1998, a report to the legislative council or its designated committee on training programs for teachers and education administrators developed in cooperation with the teacher learning centers.

SECTION 11. PAYMENTS FOR LIMITED ENGLISH PROFICIENT STUDENTS. Notwithstanding section 2 of Senate Bill No. 2029 as passed by the fifty-fifth legislative assembly, payments to school districts educating limited English proficient students, as provided by that bill, shall be paid from up to \$300,000 of the amount appropriated in subdivision 1 of section 1 of this Act for grants - foundation aid and transportation.

SECTION 12. CREDENTIALING PROCESS FOR SPECIAL EDUCATION TEACHERS. The superintendent of public instruction may not change the credentialing process for special education teachers as it is in effect on March 1, 1997, without first convening a meeting to include representatives of the council of educational leaders, the council for exceptional children, the North Dakota education association, and the North Dakota school boards association. The purpose of the meeting is to receive comments regarding the proposed changes, including the scheduling and manner of implementation, associated costs, the applicability of the proposed changes, and the short-term and long-term effects of the proposed changes. If, within thirty days after the date of the meeting, any representative present at the meeting objects in writing to the proposed change, the superintendent may not implement the change prior to July 1, 1999.

SECTION 13. FEDERAL FUNDING FOR SPECIAL EDUCATION. The legislative assembly urges Congress to fund the education of children with disabilities at the level authorized in the Education for All Handicapped Children Act of 1975. In that legislation, now known as the Individuals with Disabilities Education Act, Congress included a graduated formula for determining state entitlement and provided that for the fiscal year ending September 30, 1982, and for each fiscal year thereafter, the federal funding level was to be set at forty percent of the average per student expenditure in public elementary and secondary schools in the United States. Because the level of federal funding received by this state has never exceeded ten percent, this federal legislation constitutes an underfunded mandate. The secretary of state shall forward copies of this section to the secretary of the department of education, to the chairman of the senate labor and human resources committee, to the chairman of the house economic and educational opportunities committee, and to each member of the North Dakota congressional delegation."

Page 4, line 14, after "district" insert ", in accordance with the district's locally developed goals 2000 educational improvement application plan"

Page 5, after line 7, insert:

"SECTION 19. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school. Notwithstanding any other law, a parent or legal guardian may provide home schooling to a child with autism if:

1. The child has been determined to be autistic by a licensed psychologist;
2. The child's parent or legal guardian qualifies to provide home schooling under section 15-34.1-06;
3. The child's parent or legal guardian files with the superintendent of the child's school district of residence:
 - a. A notice that the child will be home schooled;
 - b. A copy of the child's diagnosis of autism prepared and attested to by a licensed psychologist; and
 - c. A description of the instructional plan to be followed during the school year, together with an attestation by a licensed psychologist and a North Dakota certified teacher that the instructional plan is appropriate for the child.

SECTION 20. A new section to chapter 15-34 of the North Dakota Century Code is created and enacted as follows:

Children with autism - Home school - Progress reports.

1. On or before November first, February first, and May first of each school year, a parent providing home schooling to an autistic child under section 19 of this Act shall file with the superintendent of the child's school district of residence progress reports prepared by a licensed psychologist, an occupational therapist, a speech pathologist, and a certified teacher. If at any time the licensed psychologist, the occupational therapist, the speech pathologist, and the certified teacher agree that adequate progress is not being made, they shall notify the superintendent of the child's school

district of residence and request that the child be evaluated by a multidisciplinary team.

2. The superintendent of the child's school district of residence shall forward copies of all documentation required by this section to the superintendent of public instruction. The superintendent of public instruction shall provide a report and recommendations regarding the home schooling of children with autism under this section and section 19 of this Act to the legislative council.

SECTION 21. AMENDMENT. Section 25-01-03 of the North Dakota Century Code is amended and reenacted as follows:

25-01-03. Supervising officer to appoint superintendent of institutions - Salaries - Removal.

1. The supervising officer shall appoint a superintendent for each of the institutions under its control, except for the state hospital, where the supervising officer shall appoint a superintendent and a medical director in consultation with a state hospital governing body.
2. The tenure of office of each superintendent is two years from the date of the superintendent's appointment, and the superintendent must possess qualifications required by this title. Any superintendent may be removed by the supervising officer for misconduct, neglect of duty, incompetency, or other proper cause showing the superintendent's inability or refusal properly to perform the duties of office, but a removal at a time other than a termination of the superintendent's two-year tenure may be had only after an opportunity is given to the person to be heard before a board consisting of the governor, attorney general, and supervising officer of the institution on preferred written charges. A removal when made, however, is final. This subsection does not apply to the superintendent of the school for the blind or the superintendent of the school for the deaf, whose positions are included in the classified service as provided in section 54-44.3-20.
3. The supervising officer shall fix the compensation of each superintendent within the limits prescribed in this title and within the appropriations made by the legislative assembly for compensation.

SECTION 22. AMENDMENT. Section 54-24-01 of the North Dakota Century Code is amended and reenacted as follows:

54-24-01. State library - State librarian appointed by the superintendent of public instruction. The superintendent of public instruction shall appoint an executive officer to be known as the state librarian, who shall report to the superintendent and must receive a salary within the amount appropriated for salaries by the legislative assembly. The state librarian shall control the work and is the director of the state library. The position of state librarian is included in the classified service, as provided in section 54-44.3-20. The state library is an autonomous agency and retains a budget and staff separate from that of the superintendent of public instruction.

SECTION 23. AMENDMENT. Subsection 3 of section 54-44.3-20 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

3. Administrative heads of departments required by law, other than the superintendent of the school for the blind and the superintendent of the school for the deaf.

SECTION 24. CONTINGENT APPROPRIATION. If on June 15, 1998, the revised estimated unobligated state general fund balance on June 30, 1999, exceeds \$10,000,000, any unobligated state general fund moneys in excess of \$10,000,000 but not exceeding \$20,000,000 are hereby appropriated to the superintendent of public instruction, subject to budget section approval, for the purpose of providing additional per student payments to school districts on a weighted basis during the 1998-1999 school year, as determined under chapter 15-40.1, for the period beginning July 1, 1998, and ending June 30, 1999.

SECTION 25. The office of management and budget, state tax commissioner, and legislative council with the assistance of WEFA, shall prepare a revised revenue forecast for the state general fund, including a revised June 30, 1999, unobligated

general fund balance, for the biennium ending June 30, 1999, which the office of management and budget shall make available by June 15, 1998, for budget section action.

SECTION 26. EXPIRATION. Sections 19 and 20 of this Act are effective through June 30, 1999, and after that date are ineffective."

Renumber accordingly

REQUEST

SEN. HEITKAMP REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1013, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1013, the roll was called and there were 19 YEAS, 27 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Andrist; Berg; DeMers; Heitkamp; Kelsh; Kinnoin; Krauter; LaFountain; Lindaas; Lips; Mathern; Mutzenberger; Nelson, C.; O'Connell; Robinson; Thompson; Tomac; Wogsland; Yockim

NAYS: Bowman; Christmann; Cook; Fischer; Freborg; Goetz; Grindberg; Holmberg; Klein; Krebsbach; Kringstad; Lee; Mutch; Naaden; Nalewaja; Nelson, G.; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Thane; Traynor; Urlacher; Wanzek; Watne

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

The proposed amendments to Engrossed HB 1013 failed.

ROLL CALL

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

YEAS: Andrist; Berg; Bowman; Christmann; Cook; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; LaFountain; Lee; Lindaas; Lips; Mathern; Mutch; Mutzenberger; Naaden; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Thane; Thompson; Tomac; Traynor; Urlacher; Wanzek; Watne; Wogsland; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

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

COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

April 3, 1997

I respectfully return unsigned and hereby veto SB 2385. This bill prohibits any nonprofit corporation from acquiring more than 16,000 acres of land in North Dakota. Today, the law requires all nonprofit corporations **as well as the US Fish and Wildlife Service** to receive approval from the governor for all land acquisitions. During the last four years, this acquisition process has worked well. I have approved several purchases including most recently the acquisition of the Davis Ranch by The Nature Conservancy. I have also rejected numerous proposals in the past four years. In reviewing these acquisitions, I have carefully weighed numerous concerns, including the economic impact to the local tax base, the long-term economics of removing land from the private sector, access, and the availability of the land for other buyers. I will continue to carefully review them in the future.

The issue that the bill seeks to address is a valid public policy concern. How much land should be owned by nonprofit corporations in this state? How does the ownership of such land affect our tax base, the economic vitality of the local area, and the state as a whole? These are concerns that I have expressed on numerous occasions, and they are questions we as a state need to answer.

I believe that this issue needs careful consideration and planning, for it has far-reaching impacts on the environment and economy of our state, particularly in our rural areas. As part of our recent discussions on the Garrison project, I have initiated this process. We are in the early stages of discussions with all the interest groups, including the Farm Bureau, Farmers Union,

National Wildlife Federation, Water Coalition, and others. We are taking an inventory of public and private ownership, including the number of acres of land owned by nonprofit corporations across North Dakota. One of our main objectives in this process is to develop agreement regarding "how much is enough" for entities such as The Nature Conservancy, North Dakota Wetlands Trust, US Fish & Wildlife, and others to own in North Dakota. This effort can be a constructive, positive process that will address the concerns of this bill and accommodate the needs and interests of all, including the proponents of SB 2385.

I support the intent of SB 2385 and have indicated to the sponsors of the bill that the issue is one we need to address. This bill, however, is premature.

MOTION

SEN. GOETZ MOVED that SB 2385 be placed on the Eleventh order for the purpose of overriding the Governor's veto pursuant to Article V, Section 9, of the Constitution of the Constitution of North Dakota.

CONSIDERATION OF VETOED MEASURE

SB 2385: A BILL for an Act to amend and reenact subsection 1 of section 10-06.1-10 of the North Dakota Century Code, relating to the acquisition of farmland or ranchland by nonprofit organizations.

ROLL CALL

The question being on the final passage of the enrolled bill, over the Governor's veto, which has been read, the roll was called and there were 16 YEAS, 30 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Bowman; Christmann; Cook; Kinnoin; Klein; Krauter; Lindaas; Naaden; Schobinger; Solberg; Stenehjem, B.; Thompson; Tomac; Urlacher; Wanzek; Wogsland

NAYS: Andrist; Berg; DeMers; Fischer; Freborg; Goetz; Grindberg; Heitkamp; Holmberg; Kelsh; Krebsbach; Kringstad; LaFountain; Lee; Lips; Mathern; Mutch; Mutzenberger; Nalewaja; Nelson, C.; Nelson, G.; O'Connell; Robinson; Sand; St. Aubyn; Stenehjem, W.; Thane; Traynor; Watne; Yockim

ABSENT AND NOT VOTING: Nething; Redlin; Tallackson

The Senate has sustained the Governor's veto of SB 2385, as enrolled.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. THANE MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on HB 1226, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on HB 1226: Sens. Thane, Lee, Yockim.

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 1226: Sens. Thane; Lee; Yockim

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

MADAM PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HCR 3025.

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

MADAM PRESIDENT: The Speaker has appointed Rep. Wilkie to replace Rep. Huether on the Conference Committee on HB 1004.

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

MADAM PRESIDENT: The Speaker has appointed Rep. Aarsvold to replace Rep. Huether on the Conference Committee on HB 1009.

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

MADAM PRESIDENT: The Speaker has appointed Rep. Oban to replace Rep. Huether on the Conference Committee on SB 2002.

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

MADAM PRESIDENT: The Speaker has appointed Rep. Wilkie to replace Rep. Huether on the Conference Committee on SB 2018.

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

MADAM PRESIDENT: The Speaker has appointed Rep. Oban to replace Rep. Huether on the Conference Committee on SB 2214.

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1007, HB 1021, HB 1306.

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2344.

MOTION

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

MOTION

SEN. GOETZ MOVED that the Senate be on the Fifth, Seventh, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 9:00 a.m., Friday, April 4, 1997, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1026, as engrossed: Appropriations Committee (Sen. Naaden, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (9 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). Engrossed HB 1026 was placed on the Sixth order on the calendar.

Page 1, line 3, after the semicolon insert "to create and enact a new section to chapter 65-02 of the North Dakota Century Code, relating to a continuing appropriation for allocated loss adjustment expenses;"

Page 2, after line 3, insert:

"SECTION 4. A new section to chapter 65-02 of the North Dakota Century Code is created and enacted as follows:

Allocated loss adjustment expenses - Continuing appropriation - Annual review. Money in the workers' compensation fund is appropriated on a continuing basis for the payment of all allocated loss adjustment expenses experienced by the bureau in its administration of this title. In its annual audit and its biennial report, the bureau shall include a breakdown of those allocated loss adjustment expenses that reflect the attorney fees and costs paid to attorneys who represent injured workers, the attorney fees and costs paid to attorneys with whom it contracts to represent the bureau, the amount paid for administrative law judges for hearings, and the court reporter and other legal expenses paid. The performance audit required under 1997 Senate Bill No. 2074 must include a review of the bureau's legal costs to determine whether the system is operating efficiently."

Page 2, line 9, remove the overstrike over "~~state of North Dakota~~" and remove "adjutant general"

Page 2, line 10, remove "of the North Dakota national guard as the North Dakota wing of the civil air patrol"

Page 2, line 12, replace "it" with "the adjutant general"

Page 2, line 13, replace "its" with "the"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 485 - WORKERS COMPENSATION BUREAU

SENATE - This amendment adds a new section to North Dakota Century Code Chapter 65-02. The new section provides the bureau with a continuing appropriation from the workers' compensation fund. The continuing appropriation is for the payment of allocated loss

adjustment expenses. The section also requires the bureau's annual audit and biennial report include a schedule of allocated loss adjustment expenses paid by the bureau. The section also provides that the bureau's biennial performance audit review the legal costs of the bureau to determine if the system is operating efficiently.

The amendment also removes the requirement added in the House that excess Civil Air Patrol workers' compensation liabilities be an obligation of the Adjutant General rather than the state of North Dakota.

REPORT OF CONFERENCE COMMITTEE

SB 2030, as engrossed: Your conference committee (Sens. Andrist, Watne, Mutzenberger and Reps. Nottestad, Sabby, S. Kelsh) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 878-879, adopt amendments as follows, and place SB 2030 on the Seventh order:

That the House recede from its amendments to Engrossed Senate Bill No. 2030 as printed on pages 878 and 879 of the Senate Journal and on pages 1014 and 1015 of the House Journal and that Engrossed Senate Bill No. 2030 be amended as follows:

Page 1, line 2, after "offenders" insert "; and to provide a penalty"

Page 1, line 8, replace the second "as" with "is" and replace "felony" with "violation of"

Page 1, line 9, remove "in"

Page 1, line 11, replace "adjudication" with "disposition"

Page 1, line 12, replace "adjudication" with "disposition"

Page 1, line 15, replace "adjudication" with "disposition" and remove "Based on any previous informal adjustment,"

Page 1, remove lines 16 through 18

Page 1, line 19, remove "adjudication for one of the above offenses." and replace "the original" with "a copy of"

Page 1, line 20, remove "disposition order and", replace "its conditions" with "the order", and remove the period

Page 1, line 21, remove "The court shall send this information"

Page 1, line 23, after the period insert "If a person who is listed on the data base has a change in name or address, that person shall inform the attorney general in writing, within ten days, of the person's new name or address and shall otherwise comply with address verification procedures as required by the attorney general. The person shall comply with this requirement for ten years after the date of the disposition, or until destruction of the records is ordered by the court, whichever date is earlier. A person listed on the data base who violates this section is guilty of a class A misdemeanor.

3."

Page 1, line 24, replace "adjudication" with "disposition"

Page 2, line 1, replace the first semicolon with "and" and remove "; and when"

Page 2, remove lines 2 through 5

Page 2, line 6, remove "the child's education records and is confidential" and after the period insert "The court shall notify the superintendent of the school district and the principal of the school the child attends of the disposition. The school administration shall notify the child's teachers and guidance counselor of this information and shall notify others in similar positions if the child transfers to another learning institution in or outside the state."

Page 2, line 7, replace "adjudication" with "disposition"

Page 2, line 10, replace "adjudication" with "disposition"

Page 2, line 11, replace "3" with "4"

Renumber accordingly

Engrossed SB 2030 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2153, as engrossed: Your conference committee (Sens. W. Stenehjem, Watne, C. Nelson and Reps. Hawken, Kretschmar, Fairfield) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 810, adopt amendments as follows, and place SB 2153 on the Seventh order:

That the House recede from its amendment as printed on page 921 of the House Journal and page 810 of the Senate Journal and that Engrossed Senate Bill No. 2153 be amended as follows:

Page 2, line 14, after the underscored period insert "The court may not defer imposition of sentence, nor may the court suspend any part of the specified sentence, either at the time of or after the imposition of the sentence, unless the court first finds that the offense was the defendant's first violation of this chapter and that extenuating or mitigating circumstances exist which justify a suspension. The court shall announce the circumstances that justify a suspension in open court when sentence is imposed and recite these circumstances in the sentence or order suspending part of the sentence."

Renumber accordingly

Engrossed SB 2153 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2301, as engrossed: Your conference committee (Sens. Lee, Fischer, DeMers and Reps. Maragos, Grande, Rose) recommends that the **HOUSE RECEDE** from the House amendments on SJ page 809, adopt amendments as follows, and place SB 2301 on the Seventh order:

That the House recede from its amendments as printed on page 809 of the Senate Journal and page 957 of the House Journal and that Engrossed Senate Bill No. 2301 be amended as follows:

Page 1, line 7, remove "retroactive"

Page 2, line 2, after the first "review" insert ", regardless of when the record is created"

Page 5, replace lines 7 and 8 with:

"SECTION 6. APPLICATION OF ACT. Section 1 of this Act does not apply in any action that was commenced before the effective date of this Act."

Renumber accordingly

Engrossed SB 2301 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2324, as engrossed: Your conference committee (Sens. Wanzek, Sand, Kinnoin and Reps. Nicholas, Nelson, Kerzman) recommends that the **HOUSE RECEDE** from the House amendments on SJ pages 883-884, adopt amendments as follows, and place SB 2324 on the Seventh order:

That the House recede from its amendments as printed on pages 883 and 884 of the Senate Journal and page 1025 of the House Journal and that Engrossed Senate Bill No. 2324 be amended as follows:

Page 2, line 13, after the period insert "Before a processor's lien is filed, a billing statement for the services performed must include notice to the agricultural producer that if the amount due to the agricultural processor is not satisfied a lien may be filed."

Page 2, line 28, remove the overstrike over "~~except~~"

Page 2, line 29, remove the overstrike over "~~an agricultural supplier's lien for furnishing petroleum products,~~"

Page 3, line 1, remove the overstrike over "~~To obtain an agricultural supplier's lien for furnishing and~~"

Page 3, line 2, remove the overstrike over "~~delivering petroleum products, the person entitled to the lien, within one hundred~~", after "eighty" insert "fifty", and remove the overstrike over "days"

Page 3, remove the overstrike over lines 3 and 4

Page 3, line 17, after the period insert "Before a supplier's lien is filed, a billing statement for the supplies furnished must include notice to the agricultural producer that if the amount due to the agricultural supplier is not satisfied a lien may be filed."

Renumber accordingly

Engrossed SB 2324 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2396, as engrossed: Your conference committee (Sens. Kringstad, Krebsbach, LaFountain and Reps. Wardner, Stenehjerm, Schmidt) recommends that the **SENATE ACCEDE** to the House amendments on SJ page 811, adopt further amendments as follows, and place SB 2396 on the Seventh order:

That the Senate accede to the House amendments as printed on page 811 of the Senate Journal and page 923 of the House Journal and that Engrossed Senate Bill No. 2396 be further amended as follows:

Page 1, line 2, remove "and" and after "penalty" insert "; and to provide an effective date"

Page 1, line 14, after the period insert "Qualification as a primary sector business under this subsection must be determined by the department of economic development and finance."

Page 1, line 19, after the first "Dakota" insert "and the director of the department of economic development and finance"

Page 2, line 5, after the period insert "Fifty percent of the amount loaned from the fund during the first year of a biennium must be reserved solely for businesses in rural areas. The remainder loaned from the fund may be used in urban or rural areas. For purposes of this section, "rural areas" means the area of the state not including territory within the corporate limits of a city with a population of twenty thousand or more."

Page 3, after line 19, insert:

"SECTION 8. Assets of insurers. The aggregate amount of all loans made by an insurer under this Act or the aggregate amount of an insurer's participation in loans made under this Act may not at any time exceed five percent of the company's admitted assets or the amount equal to the company's capital and surplus in excess of the minimum capital and surplus required by law, whichever is less.

SECTION 9. EFFECTIVE DATE. Section 7 of this Act is effective July 1, 1997, if Senate Bill No. 2132 is approved by the fifty-fifth legislative assembly and becomes law, and is otherwise ineffective. Section 8 of this Act is effective July 1, 1997, if Senate Bill No. 2132 is not approved by the fifty-fifth legislative assembly or does not become law, and is otherwise ineffective."

Renumber accordingly

Engrossed SB 2396 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1007: Your conference committee (Sens. Solberg, Lips, Tallackson and Reps. Gerntholz, Soukup, Huether) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1082, adopt amendments as follows, and place HB 1007 on the Seventh order:

That the Senate recede from its amendments as printed on page 1082 of the House Journal and page 842 of the Senate Journal and that House Bill No. 1007 be amended as follows:

Page 1, line 11, replace "103,781" with "101,200"

Page 1, line 13, replace "703,542" with "700,961"

Page 1, line 15, replace "628,616" with "626,035"

Page 1, after line 15, insert:

"SECTION 2. LEGISLATIVE INTENT - LINE ITEM TRANSFER FOR EQUIPMENT PURCHASE. It is the intent of the fifty-fifth legislative assembly that the labor commissioner utilize available funds within the 1997-99 appropriation for the purchase of a new printer. The emergency commission may authorize the transfer of funds between lines, if requested by the labor commissioner, for the purchase of a new printer."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 406 - LABOR COMMISSIONER

CONFERENCE COMMITTEE - This amendment reduces the operating expenses line item by \$2,581 from the general fund for risk management premiums. The amendment also adds a section of legislative intent relating to the purchase of a new printer. The intent section provides that even though the 1997 Legislative Assembly did not fund the request for a new printer, the Labor Commissioner may request the Emergency Commission to authorize the transfer of funds between line items for the purchase of a new printer.

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

REPORT OF CONFERENCE COMMITTEE

HB 1021, as engrossed: Your conference committee (Sens. Nalewaja, Goetz, Krauter and Reps. Kunkel, Freier, Aarsvold) recommends that the **SENATE RECEDE** from the Senate amendments on HJ pages 1208-1210, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1208-1210 of the House Journal and pages 969-971 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 10, replace "11,236,409" with "11,292,661"

Page 1, line 11, replace "7,302,181" with "7,262,014"

Page 1, line 13, replace "498,122" with "898,122"

Page 1, line 16, replace "1,200,000" with "1,700,000"

Page 1, line 17, replace "650,000" with "1,050,000"

Page 1, after line 20, insert:

"Waterbank program 500,000"

Page 1, line 22, replace "25,859,916" with "27,676,001"

Page 1, line 23, replace "\$650,000" with "\$1,050,000"

Page 2, after line 19, insert:

"SECTION 6. WATERBANK PROGRAM. The amount of \$500,000, or such lesser amount as may be available, for the line item entitled waterbank program in section 1 of this Act, is from the game and fish department operating fund and shall be used to increase water storage and enhance wildlife habitat in North Dakota. Priority shall be given to contracts to increase upper basin storage and enhance wildlife habitat in the Devils Lake basin. Contracts and agreements relating to the waterbank program may be entered into by the director of the game and fish department, in cooperation with the commissioner of agriculture."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

DEPARTMENT 720 - GAME AND FISH DEPARTMENT

CONFERENCE COMMITTEE - This amendment removes \$40,167 relating to risk management premiums and adds \$500,000 from the Game and Fish Department operating fund for the waterbank program. This amendment also adds a new section authorizing the Game and Fish Department to enter into contracts and agreements relating to the waterbank program, in cooperation with the Commissioner of Agriculture.

This amendment increases the land habitat and deer depredation line item by \$500,000 from the Game and Fish Department operating fund to provide materials and other assistance to landowners to construct deerproof fences around hay yards.

This amendment adds \$400,000 to the wildlife habitat line item to reflect the increased fee collections anticipated as a result of 1997 House Bill No. 1395.

This amendment also adds the following items which were removed by the House:

\$56,252 and the authority for a full-time equivalent (FTE) audiovisual production specialist I.

The authority for an FTE administrative secretary III for the Lonetree wildlife area.

\$400,000 for construction of a southeastern regional office.

	ENGROSSED BILL	RESTORE TWO FTE POSITIONS	RESTORE CAPITAL CONSTRUCTION PROJECT	REMOVE RISK MANAGEMENT PREMIUMS	OTHER CHANGES	TOTAL CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	CONFERENCE COMMITTEE INCREASE (DECREASE) TO SENATE VERSION
Salaries and wages	\$11,236,409	\$56,252				\$56,252	\$11,292,661	\$11,292,661	
Operating expenses	7,302,181			\$(40,167)		(40,167)	7,262,014	7,262,014	
Equipment	638,150						638,150	638,150	
Capital improvements	498,122		\$400,000			400,000	898,122	898,122	
Grants	2,548,400						2,548,400	2,548,400	
Noxious weed control	200,000						200,000	200,000	
Land habitat and deer depredation	1,200,000				\$500,000	500,000	1,700,000	1,700,000	
Wildlife habitat	650,000						1,050,000	1,050,000	
Small and big game restoration trust	400,000				400,000	400,000	400,000	400,000	
Grants, gifts, and donations	100,000						100,000	100,000	
Nongame wildlife	120,000						120,000	120,000	
Waterbank program					500,000	500,000	500,000	500,000	
Lonetree Reservoir	966,654						966,654	966,654	
Total special funds	\$25,859,916	\$56,252	\$400,000	\$(40,167)	\$1,400,000	\$1,816,085	\$27,676,001	\$27,676,001	\$ 0
FTE	126.00	2.00				2.00	128.00	128.00	

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

REPORT OF CONFERENCE COMMITTEE

HB 1085: Your conference committee (Sens. Watne, W. Stenehjem, Berg and Reps. Koppelman, Kretschmar, Callahan) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 1046 and place HB 1085 on the Seventh order.

HB 1085 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1306, as engrossed: Your conference committee (Sens. Watne, C. Nelson, W. Stenehjem and Reps. Stenehjem, Nottestad, Delmore) recommends that the **HOUSE RECEDE** from the House amendments on HJ page 977, adopt amendments as follows, and place HB 1306 on the Seventh order:

That the House recede from its amendments as printed on page 977 of the House Journal and page 744 of the Senate Journal and that Engrossed House Bill No. 1306 be amended as follows:

Page 1, line 15, replace "11.02 pounds" with "one pound"

Page 1, line 16, replace "5" with ".45" and after "or" insert "the gratuitous delivery of a controlled substance not a narcotic drug or methamphetamine which is a singular and isolated event involving an amount of controlled substance sufficient solely for a single personal use; or"

Re-number accordingly

Engrossed HB 1306 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1357, as engrossed: Your conference committee (Sens. Andrist, Watne, Mutzenberger and Reps. Sveen, Hawken, Fairfield) recommends that the **HOUSE ACCEDE** to the Senate amendments on HJ page 859 and place HB 1357 on the Seventh order.

Engrossed HB 1357 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1448, as engrossed: Your conference committee (Sens. Mutch, Krebsbach, LaFountain and Reps. Skarphol, Klein, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments on HJ page 1150, adopt amendments as follows, and place HB 1448 on the Seventh order:

That the Senate recede from its amendments as printed on page 1150 of the House Journal and page 890 of the Senate Journal and that Engrossed House Bill No. 1448 be amended as follows:

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. Section 1 of this Act is effective through December 31, 2000, and after that date is ineffective. Section 2 of this Act is effective through December 31, 1999, and after that date is ineffective."

Re-number accordingly

Engrossed HB 1448 was placed on the Seventh order of business on the calendar.

COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

This is to inform you that on April 2, 1997, I signed the following: SB 2083, SB 2101, SB 2113, SB 2115, SB 2147, SB 2208, SB 2210, SB 2218, SB 2221, SB 2235, SB 2238, SB 2239, SB 2270, SB 2272, SB 2279, SB 2315, SB 2323, SB 2333, SB 2339, SB 2343, SB 2361, SB 2366, SB 2368, and SB 2384.

COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

This is to inform you that on April 2, 1997, I signed the following: SB 2070, SB 2071, SB 2072, SB 2118, SB 2128, SB 2175, SB 2198, SB 2200, SB 2209, SB 2260, SB 2285, and SB 2369.

Also, on April 3, 1997, I signed the following: SB 2237.

COMMUNICATION FROM GOVERNOR EDWARD T. SCHAFER

This is to inform you that on April 3, 1997, I signed the following: SB 2290.

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

William C. Parker, Secretary