

## JOURNAL OF THE SENATE

## Fifty-sixth Legislative Assembly

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Bismarck, March 15, 1999

The Senate convened at 1:00 p.m., with President Myrdal presiding.

The prayer was offered by Father George B. Billman, St. Augustine Catholic Church, Fessenden.

The roll was called and all members were present except Senators Bercier and Wanzek.

A quorum was declared by the President.

## MOTION

**SEN. ST. AUBYN MOVED** that HB 1136, which is on the Sixth order, and HB 1152 and HB 1356, which are on the Fourteenth order, be laid over one legislative day, which motion prevailed.

## MOTION

**SEN. ST. AUBYN MOVED** that after action taken on the Sixth order, HB 1093, HB 1284, and HCR 3022 be placed on the Fourteenth order, as amended, for immediate second reading and final passage, which motion prevailed.

## CONSIDERATION OF AMENDMENTS

**HB 1038, as engrossed: SEN. KILZER (Human Services Committee) MOVED** that the amendments on SJ pages 699-700 be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed.

## CONSIDERATION OF AMENDMENTS

**HB 1075, as engrossed: SEN. FISCHER (Human Services Committee) MOVED** that the amendments on SJ page 700 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

## CONSIDERATION OF AMENDMENTS

**HB 1093, as engrossed: SEN. WATNE (Political Subdivisions Committee) MOVED** that the amendments on SJ page 700 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

## SECOND READING OF HOUSE BILL

**HB 1093:** A BILL for an Act authorizing the state of North Dakota acting through job service North Dakota to sell or transfer certain property.

## ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepelin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjerm, B.; Stenehjerm, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

Engrossed HB 1093, as amended, passed and the title was agreed to.

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## CONSIDERATION OF AMENDMENTS

**HB 1284: SEN. W. STENEHJEM (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ page 702 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1284:** A BILL for an Act to amend and reenact section 16.1-03-07 of the North Dakota Century Code, relating to political party district executive committee membership.

**ROLL CALL**

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepelin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

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

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**CONSIDERATION OF AMENDMENTS**

**HB 1377: SEN. FLAKOLL (Political Subdivisions Committee) MOVED** that the amendments on SJ pages 702-703 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**CONSIDERATION OF AMENDMENTS**

**HCR 3022: SEN. W. STENEHJEM (Judiciary Committee) MOVED** that the amendments on SJ page 703 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3022:** A concurrent resolution directing the Legislative Council to study the feasibility and desirability of establishing house subdistricts within senatorial districts when the Legislative Assembly redistricts after the 2000 census.

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

HCR 3022, as amended, was declared adopted on a voice vote and the title was agreed to.

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**MOTION**

**SEN. ST. AUBYN MOVED** that HCR 3015 be moved to the top of the Fourteenth order, which motion prevailed.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3015:** A concurrent resolution directing the Legislative Council to study the feasibility and desirability of establishing house subdistricts within senatorial districts when the legislative assembly redistricts after the 2000 census.

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS.

HCR 3015 was declared lost on a voice vote.

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**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3017:** A concurrent resolution for the amendment of section 13 of article I of the Constitution of North Dakota, relating to the right to a jury trial.

**ROLL CALL**

The question being on the final passage of the resolution, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 9 YEAS, 38 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Kinnoin; Krebsbach; O'Connell; Tomac; Urlacher; Wardner; Watne

**NAYS:** Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Klein; Krauter; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Traynor

**ABSENT AND NOT VOTING:** Bercier; Wanzek

Engrossed HCR 3017 was declared lost.

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#### **SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3023:** A concurrent resolution requesting that the Congress of the United States propose for ratification by the states an amendment to the Constitution of the United States to provide for abolition of the electoral college system and adoption of direct popular vote for election of the President and Vice President.

#### **REQUEST**

**SEN. HEITKAMP REQUESTED** a verification vote be taken, which motion prevailed.

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS.

HCR 3023 was declared lost on a verification vote.

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#### **SECOND READING OF HOUSE BILL**

**HB 1095:** A BILL for an Act to amend and reenact section 34-13-07 of the North Dakota Century Code, relating to bond requirements to renew employment agency licenses.

#### **ROLL CALL**

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

HB 1095 passed and the title was agreed to.

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#### **SECOND READING OF HOUSE BILL**

**HB 1137:** A BILL for an Act to amend and reenact sections 13-03.1-05, 13-04.1-04, and 13-05-04 of the North Dakota Century Code, relating to consumer finance company, money broker, and collection agency annual fees and licenses.

#### **ROLL CALL**

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

**YEAS:** DeMers; Naaden; Nelson, C.

**NAYS:** Andrist; Bowman; Christmann; Cook; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

HB 1137 lost.

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### SECOND READING OF HOUSE BILL

**HB 1154:** A BILL for an Act to amend and reenact subsection 16 of section 10-04-06 of the North Dakota Century Code, relating to the test the waters security offering exempt transaction.

### ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

HB 1154 passed and the title was agreed to.

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### SECOND READING OF HOUSE BILL

**HB 1155:** A BILL for an Act to create and enact a new section to chapter 64-02 of the North Dakota Century Code, relating to testing of weighing devices; and to amend and reenact section 64-02-01 of the North Dakota Century Code, relating to the definition of transient vendors.

### ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

Engrossed HB 1155 passed and the title was agreed to.

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### SECOND READING OF HOUSE BILL

**HB 1161:** A BILL for an Act to create and enact a new chapter to title 6 of the North Dakota Century Code, relating to the voluntary and involuntary dissolution and liquidation of state trust companies.

### ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroepflin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

HB 1161 passed and the title was agreed to.

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### SECOND READING OF HOUSE BILL

**HB 1169:** A BILL for an Act to create and enact a new section to chapter 49-21 of the North Dakota Century Code, relating to unauthorized telecommunications service; to amend and reenact section 49-02-01.1 of the North Dakota Century Code, relating to jurisdiction of the public service commission; to provide a penalty; and to declare an emergency.

### ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

Engrossed HB 1169 passed, the title was agreed to, and the emergency clause was declared carried.

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### SECOND READING OF HOUSE BILL

**HB 1185:** A BILL for an Act to create and enact chapter 23-36 of the North Dakota Century Code, relating to rabies control; to repeal sections 23-01-18 and 23-01-19 of the North Dakota Century Code, relating to rabies control; to provide a penalty; and to declare an emergency.

### ROLL CALL

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

**YEAS:** Andrist; Bowman; Christmann; Cook; DeMers; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kelsh; Kilzer; Kinnoin; Klein; Krauter; Krebsbach; Kringstad; Kroeplin; Lee; Lindaas; Lyson; Mathern, D.; Mathern, T.; Mutch; Mutzenberger; Naaden; Nelson, C.; Nelson, G.; Nething; O'Connell; Redlin; Robinson; Sand; Schobinger; Solberg; St. Aubyn; Stenehjem, B.; Stenehjem, W.; Tallackson; Thane; Thompson; Tomac; Traynor; Urlacher; Wardner; Watne

**ABSENT AND NOT VOTING:** Bercier; Wanzek

Reengrossed HB 1185 passed, the title was agreed to, and the emergency clause was declared carried.

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### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. B. STENEHJEM MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2159 as printed on SJ page 684 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

### APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2159: Sens. B. Stenehjem, Cook, Thompson.

### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. B. STENEHJEM MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2161 as printed on SJ pages 684-685 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2161: Sens. Cook, B. Stenehjem, O'Connell.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. W. STENEHJEM MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2185 as printed on SJ page 697 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2185: Sens. Watne, W. Stenehjem, C. Nelson.

**POINT OF PERSONAL PRIVILEGE**

**SEN. SCHOBINGER REQUESTED** that his remarks be printed in the Journal, which request was granted.

**REMARKS OF SENATOR SCHOBINGER**

I am thrilled and excited to recognize the excellence of the Minot Magicians Boys Basketball team! They beat Devils Lake Saturday, to capture the State Class A championship. The Magicians didn't need to pull any rabbits out of their hats to spear the Satans. There are no tricks to being good. They're just the best Class A team in the state.

I'm sure the Senator from District 15 agrees with me.

The whole team deserves special recognition. The young players who will be returning next season have a great start on next year's action. Coach Gene Manson is to be commended for shaping a team he has taken to state finals eight times. Seniors such as Steve Grabowski, Jeff Brandt, Kent Bloms, Mark Olson, and Casey Olson played a great game. They will always remember it as the perfect ending to their years at Minot High School.

Special congratulations to Jeff Brandt for capturing the MVP honors of the tournament, plus Senior Player of the Year. Minot's delegation wishes him well as a candidate for Mr. Basketball. We also want to congratulate Coach Manson for winning the WDA and State Coach of the Year honors and the Sportsmanship Award.

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

**MR. SPEAKER:** The President has signed: HB 1009, HB 1065, HB 1077, HB 1104, HB 1139, HB 1140, HB 1163, HB 1173, HB 1283, HB 1296, HB 1324, HB 1327, HB 1333, HB 1366, HB 1411, HCR 3011, HCR 3056.

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

**MR. SPEAKER:** The Senate has passed unchanged: HB 1069, HB 1072, HB 1200, HB 1233, HB 1423, HCR 3002, HCR 3003, HCR 3021, HCR 3040, HCR 3055, HCR 3079.

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

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1211, HB 1310, HCR 3075.

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

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1071.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2159, SB 2161, and SB 2185 and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2159:** Sens. B. Stenehjem; Cook; Thompson

**SB 2161:** Sens. Cook; B. Stenehjem; O'Connell

**SB 2185:** Sens. Watne; W. Stenehjem; C. Nelson

**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 2420.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**

**MADAM PRESIDENT:** The Speaker has signed: SB 2420.

**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 2196, SB 2215, SB 2305, SB 2306, SB 2314, SCR 4005, SCR 4015, SCR 4032, SCR 4041, SCR 4046.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bill was delivered to the Governor for his approval at the hour of 2:30 p.m., March 15, 1999: SB 2420.

**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 2054, SB 2119, SB 2132, SB 2136, SB 2177, SB 2213, SB 2240, SB 2255, SB 2326.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has passed unchanged: SB 2121.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has passed unchanged: SB 2039, SB 2040, SB 2084, SB 2116, SB 2134, SB 2204, SB 2223, SB 2312, SB 2435, SB 2438, SCR 4014, SCR 4024, SCR 4030, SCR 4043, SCR 4047, SCR 4049, SCR 4050, SCR 4053.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has amended and subsequently failed to pass: SB 2408.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House has failed to pass: SB 2210, SB 2248, SB 2310.

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The House does not concur in the Senate amendments to HB 1447 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1447:** Reps. DeKrey; Koppelman; Meyer

**MESSAGE TO THE SENATE FROM THE HOUSE (LANCE HAGEN, CHIEF CLERK)**  
**MADAM PRESIDENT:** The Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**SB 2027:** Reps. Klemin; Hawken; Mahoney  
**SB 2066:** Reps. L. Thoreson; Haas; Grumbo  
**SB 2107:** Reps. Grosz; Clark; Solberg  
**SB 2246:** Reps. Mickelson; Clark; Winrich

**MOTION**

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

**MOTION**

**SEN. ST. AUBYN 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 1:15 p.m., Tuesday, March 16, 1999, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**HB 1079: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 1 NAY, 1 ABSENT AND NOT VOTING). HB 1079 was placed on the Sixth order on the calendar.

Page 1, line 2, after "patrol" insert "; and to declare an emergency"

Page 1, after line 8, insert:

**"SECTION 2. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1089, as engrossed: Industry, Business and Labor Committee (Sen. Mutch, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee**

(7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1089 was placed on the Sixth order on the calendar.

Page 2, line 8, replace "and" with an underscored comma and after "2001" insert ", and 2002"

Page 2, line 11, after the underscored period insert "Moneys are hereby appropriated for the federal fiscal years identified in this subsection for purposes of administration of the unemployment compensation program."

Page 2, remove lines 30 and 31

Page 3, remove lines 1 through 5

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1141: Industry, Business and Labor Committee (Sen. Mutch, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1141 was placed on the Fourteenth order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1257, as engrossed: Government and Veterans Affairs Committee (Sen. Krebsbach, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1257 was placed on the Sixth order on the calendar.

Page 1, line 7, remove the first "and" and after the second "appropriation" insert "; and to declare an emergency"

Page 1, line 20, after "branch" insert "and employees of the board of higher education and state institutions under the jurisdiction of the board"

Page 3, line 30, after "branch" insert "or an employee of the board of higher education and state institutions under the jurisdiction of the board"

Page 7, replace lines 1 through 7 with:

"for employees electing to transfer prior to January 1, 2000, using the two following formulas, and shall transfer the greater of the two amounts obtained:

1. The actuarial present value of the individual's accumulated benefit obligation under the public employees retirement system based on the assumption that the individual will retire under the earliest applicable normal retirement age, plus interest from January 1, 2000, to the date of transfer, at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election; or
2. The actual employer and employee contributions made pursuant to sections 54-52-05 and 54-52-06, plus interest at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election.

The board shall calculate the amount to be transferred for persons employed after December 31, 1999, using only the formula contained in subsection 2."

Page 7, line 20, remove "who have not"

Page 7, line 21, remove "closed their accounts"

Page 12, line 28, replace "make up" with "seek to collect"

Page 13, line 3, after the first comma insert "including consulting expenses,"

Page 13, after line 5, insert:

**"SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1259: Industry, Business and Labor Committee (Sen. Mutch, Chairman)** recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1259 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1281: Agriculture Committee (Sen. Wanzek, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1281 was placed on the Sixth order on the calendar.

Page 1, line 1, after "enact" insert "sections 61-02-68.14, 61-02-68.15, 61-02-68.16, 61-02-68.17, 61-02-68.18, 61-02-68.19, and"

Page 1, line 2, after the first "to" insert "state water commission bonding authority, guarantees of evidences of indebtedness, and" and after the semicolon insert "to amend and reenact sections 61-02-68.1 and 61-02-68.12 of the North Dakota Century Code, relating to guarantees of evidences of indebtedness by the state water commission;"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Section 61-02-68.1 of the North Dakota Century Code is amended and reenacted as follows:

**61-02-68.1. Borrowing on interim notes - Expenses paid and loans made from proceeds - Issuance of notes.** The commission, pursuant to appropriate resolution, and in order to carry out the business of developing the water resources of this state as provided in this chapter, may borrow money and issue interim financing notes (the terms "interim notes" or "notes" ~~may~~, unless the context ~~demands~~ otherwise requires, may be used in sections 61-02-68.1 through ~~61-02-68.13~~ 61-02-68.19 in lieu of the term "interim financing notes") in evidence thereof in order to provide owners with ~~tax exempt~~ construction period financing. ~~Such~~ The construction period financing may include the costs of construction of works or projects, funding of debt service reserves and capitalized interest, and the payment of the costs of issuance.

**SECTION 2. AMENDMENT.** Section 61-02-68.12 of the North Dakota Century Code is amended and reenacted as follows:

**61-02-68.12. Interim financing notes or guarantees not a state obligation - Payment restricted to revenues - Notes or guarantees not a lien.** Interim financing notes issued by the commission under this chapter ~~shall or guarantees provided under sections 61-02-68.14, 61-02-68.15, 61-02-68.16, 61-02-68.17, 61-02-68.18, or 61-02-68.19 are not be in any way~~ a debt or liability of this state and ~~shall do not~~ constitute a loan of the credit of this state or create any debt or debts, liability or liabilities on behalf of this state, or be or constitute a pledge of the faith and credit of this state, but all ~~such~~ notes ~~shall be or guarantees are~~ payable solely from funds pledged or available for their payment as authorized in this chapter. ~~Such~~ The notes ~~shall or guarantees do~~ not constitute a charge, lien, nor encumbrance, legal or equitable, upon any property of the commission, other than funds received pursuant to an interim financing agreement.

Each note issued under this chapter ~~shall~~ must recite in substance that the note, including interest thereon, is payable solely from a loan or grant to be made by an agency or instrumentality of the United States government, or North Dakota, and that the note does not constitute a debt of the commission within the meaning of any constitutional or statutory limit.

**SECTION 3.** Section 61-02-68.14 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.14. Guarantee issued by commission.** The commission may guarantee evidences of indebtedness issued or other obligations undertaken by the owners of water projects eligible to receive municipal, rural, and industrial water supply funds pursuant to Pub. L. 99-294 [100 Stat. 418], or evidences of indebtedness issued or other obligations undertaken by a not-for-profit organization establishing a financing program for the owners of the water projects eligible to receive municipal, rural, and industrial water supply funds pursuant to Pub. L. 99-294 [100 Stat. 418] for the purpose of providing the owners with construction period financing. Construction period financing may include the cost of construction of works or projects, funding of debt service reserves and capitalized interest, and the payment of the costs of issuance. A

commission guarantee of indebtedness or other obligations of an owner of a water project must be authorized by resolution of the commission and must be evidenced by a written agreement approved by the commission.

**SECTION 4.** Section 61-02-68.15 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.15. Pledges.** The commission may pledge the municipal, rural, and industrial water supply funds authorized by Pub. L. 99-294 [100 Stat. 418] as security for a guarantee or note. A pledge is valid and binding whenever the pledge is made. The revenues or other moneys pledged and thereafter received by the commission are immediately subject to the lien of the pledge without physical delivery or further act, and the lien of the pledge is valid and binding as against all parties having claims of any kind against the commission, regardless of whether the parties have notice. Neither the resolution nor any other instrument by which a pledge is created need be filed or recorded, except in the records of the commission.

**SECTION 5.** Section 61-02-68.16 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.16. Reserve fund.**

1. The commission shall establish and maintain a reserve fund in which there must be deposited all moneys appropriated by the legislative assembly for the purpose of the fund, all proceeds of notes issued or guaranteed by the commission required to be deposited in the fund by terms of a contract or a resolution of the commission with respect to the proceeds of notes, any moneys or funds of the commission that it determines to deposit in the fund, any moneys made available to the commission for the purposes of the fund from any other source, and any contractual right to the receipt of moneys by the commission for the purpose of the fund, including a letter of credit or similar instrument. Moneys in the reserve fund must be held and applied solely to the payment of the interest on and the principal of notes and sinking fund payments as they become due and payable and for the retirement of notes, including payment of any redemption premium required to be paid when any notes are redeemed or retired before maturity, and for the payment of principal and interest on evidences of indebtedness or obligations guaranteed by the commission. Moneys in the reserve fund may not be withdrawn if the withdrawal would reduce the amount in the reserve fund to an amount less than the required debt service reserve, except for payment of the interest due and payable on notes and the principal of notes maturing and payable and sinking fund payments and for the retirement of notes in accordance with the terms of a contract between the commission and its noteholders, for the payment of principal and interest on evidences of indebtedness or obligations of an owner of water projects for which a guarantee has been issued by the commission, and for payment of interest or principal or sinking fund payments or retirement of notes or draws upon a guarantee, for which other moneys of the commission are not then available in accordance with the terms of the contract. The reserve fund may not be used for the payment of a guarantee by the commission unless the commission has determined that notes of the commission cannot be issued under acceptable terms for the payment of the guarantee or that the payment of the guarantee will not reduce the reserve fund to an amount less than the required debt service reserve. The required debt service reserve must be an aggregate amount equal to at least the largest amount of money required by the terms of all contracts between the commission and its noteholders to be raised in the current or any succeeding calendar year for the payment of interest on and maturing principal of outstanding notes and the payment required by the terms of any contract to a sinking fund established for the payment or redemption of the notes.
2. If the establishment of the reserve fund for an issue or the maintenance of an existing reserve fund at a required level under this section would necessitate the investment of all or any portion of a new reserve fund or all or any portion of an existing reserve fund at a restricted yield, because to not restrict the yield may cause the notes to be taxable under the Internal Revenue Code, then at the discretion of the commission a reserve fund does not need be established before the issuance of notes or the reserve

fund need not be funded to the levels required by other subsections of this section or an existing reserve fund may be reduced.

3. Notes may not be issued by the commission unless there is in the reserve fund the required debt service reserve for all notes then issued and outstanding and the notes to be issued. This chapter does not prevent or preclude the commission from satisfying this requirement by depositing so much of the proceeds of the notes to be issued, upon their issuance, as is needed to achieve the required debt service reserve. The commission may issue its notes for the purpose of providing an amount necessary to increase the amount in the reserve fund to the required debt service reserve, or to meet any higher or additional reserve as may be fixed by the commission with respect to the fund.
4. In order to assure the maintenance of the required debt service reserve, there must be appropriated by the legislative assembly and paid to the commission for deposit in the reserve fund any sum certified by the commission as necessary to restore the reserve fund to an amount equal to the required debt service reserve or to maintain a reserve fund established by the commission under this chapter and required according to the terms of a guarantee issued by the commission. The commission may approve a resolution for the issuance of notes, as provided by this chapter, which states in substance that this subsection is not applicable to the required debt service reserve for notes issued under that resolution.
5. If the maturity of a series of notes of the commission is not more than three years from the date of issuance of the notes, the commission may determine that no reserve fund need be established for that respective series of notes or that the reserve fund may be in an amount less than the required debt service reserve. If the determination is made, holders of that respective series of notes do not have an interest in or claim on existing reserve funds established for the security of the holders of previously issued commission notes, and do not have an interest in or claim on reserve funds established for the holders of subsequent issues of notes of the commission.

**SECTION 6.** Section 61-02-68.17 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.17. Additional reserves and funds.** The commission may establish additional and further reserves or other funds or accounts as may be necessary, desirable, or convenient to further the accomplishment of the purposes of the commission to comply with the provisions of an agreement made by or a resolution of the commission.

**SECTION 7.** Section 61-02-68.18 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.18. Protection of service during term of guarantee or loan.**

1. The service provided or made available by owners of water projects through the construction or acquisition of an improvement, or the improvement revenues, financed in whole or in part with a guarantee or loan to the owners of water projects from the commission or any other state entity, may not be curtailed or limited by inclusion of all or any part of the area served by the owners of water projects within the boundaries of any other owners of water projects, or by the granting of any private franchise for similar service within the area served by the owners of water projects, during the term of the guarantee or loan. The owners of water projects providing the service may not be required to obtain or secure a franchise, license, or permit as a condition of continuing to serve the area if it is included within the boundaries of another owner of a water project during the term of the guarantee or loan.
2. Under the circumstances described in subsection 1, nothing prevents the two owners of water projects and the commission or other state entity from negotiating an agreement for the right or obligation to provide the service in question, provided that an agreement is invalid unless the commission or other state agency or enterprise is a party to the agreement and unless the agreement contains adequate safeguards to ensure the security and timely

payment of any outstanding notes of the commission issued to fund the loan.

**SECTION 8.** Section 61-02-68.19 of the North Dakota Century Code is created and enacted as follows:

**61-02-68.19. Interim financing notes, guarantees, or bonds for municipal, rural, and industrial water supply projects - Public interest.** Guarantees made under section 61-02-68.14 or bonds or interim notes issued under chapter 61-02 for the purpose of providing construction period financing for owners of water projects eligible to receive municipal, rural, and industrial water supply funds pursuant to Pub. L. 99-294 [100 Stat. 418] are in the public interest and are not subject to the limitation contained in subsection 2 of section 61-02-46."

Page 1, underscore lines 7 through 23

Page 2, underscore line 1

Page 2, line 2, underscore "of or interest on municipal securities, investment income, revenues, appropriations," and after the fourth comma insert "liquidation of security,"

Page 2, underscore lines 3 through 27

Page 2, line 28, underscore "private bond markets", replace "with" with "without", and underscore "the guarantee of the program. The program may hold municipal"

Page 2, underscore lines 29 through 31

Page 3, line 1, underscore "obligations, and assist irrigation districts as provided in this chapter. Bonds", after "Bonds" insert "or guarantees", and underscore "of the program"

Page 3, underscore lines 2 through 11

Page 3, line 12, underscore "program to incur any indebtedness or liability on behalf of or payable by the state." and after the period insert "Guarantees or bonds issued under this chapter are in the public interest and are not subject to the limitation contained in subsection 2 of section 61-02-46."

Page 3, after line 12, insert:

**"How bonds or guarantees may be secured.** A bond or guarantee issued by the program may be secured by works or lands and the income derived from those works or lands."

Page 3, underscore lines 13 through 31

Page 4, underscore lines 1 through 31

Page 5, underscore lines 1 through 31

Page 6, underscore lines 1 through 31

Page 7, underscore lines 1 through 29

Page 8, underscore lines 1 through 31

Page 9, underscore lines 1 through 31

Page 10, underscore lines 1 through 17

ReNUMBER accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1290, as reengrossed: Agriculture Committee (Sen. Wanzek, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1290 was placed on the Sixth order on the calendar.

Page 11, after line 7, insert:

**"SECTION 3. APPROPRIATION.** There is hereby appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$75,000, or so much of the sum as may be necessary, to the agriculture commissioner for the purpose of implementing and operating the state meat inspection program for the period beginning July 1, 2000, and ending June 30, 2001."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1331: Industry, Business and Labor Committee (Sen. Mutch, Chairman)** recommends **DO PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1331 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1370, as engrossed: Education Committee (Sen. Freborg, Chairman)** recommends **DO PASS** (4 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed HB 1370 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1380: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1380 was rereferred to the **Appropriations Committee**.

**REPORT OF STANDING COMMITTEE**

**HB 1404, as engrossed: Natural Resources Committee (Sen. Traynor, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1404 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "a" with "five" and replace "subsection" with "subsections"

Page 2, line 15, replace "April 28" with "July 1"

Page 2, line 16, replace "April 28" with "July 1"

Page 2, line 18, replace "A" with "Five" and replace "subsection" with "subsections"

Page 2, line 19, replace "is" with "are"

Page 2, replace lines 20 through 28 with:

"The fund shall pay a judgment against an owner, operator, or dealer awarded to a third party as a result of a third-party claim against an owner, operator, or dealer covered by the fund, excluding claims for punitive damages or damages for criminal acts.

The fund shall pay for corrective action as awarded to a third party in any judgment against an owner, operator, or dealer.

Liability of the fund to third parties may not exceed, per person, the maximum liability allowed per person under subsection 2 of section 32-12.2-02. Maximum liability of the fund, including all claims by third parties, may not exceed, for any release site, the maximum provided in section 18 of chapter 299 of the 1991 Session Laws.

A third party may not bring an action against any owner, operator, or dealer more than three years after a corrective action plan has been approved by the department if the owner, operator, or dealer fully implements and complies with the corrective action plan.

In investigating a release site or reviewing the implementation of any corrective action plan approved by the department, the department shall determine whether the release currently threatens public health or the environment. The department shall require, based on science and technology appropriate for the site, any monitoring, remediation, or other appropriate corrective action that is reasonably necessary to protect public

health or the environment. The department may require corrective action at a release site at any time after a release occurs."

Page 3, line 2, replace "June 30, 2001" with "July 31, 2009"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1433: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **DO NOT PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1433 was placed on the Fourteenth order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1446: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1446 was placed on the Sixth order on the calendar.

Page 1, line 1, replace the second "and" with a comma and after "24-06-14" insert ", and 57-15-22"

Page 1, line 3, after "territory" insert "and the levy for roads and bridges in unorganized territory; and to provide an effective date"

Page 1, line 14, overstrike "shall" and insert immediately thereafter "is entitled to"

Page 1, after line 24, insert:

**"SECTION 3. AMENDMENT.** Section 57-15-22 of the North Dakota Century Code is amended and reenacted as follows:

**57-15-22. Tax levy limitations in unorganized townships.** The total tax levied by the board of county commissioners in any unorganized township for the construction, maintenance, and improvement of any roads and bridges may not exceed eighteen mills on the dollar of the taxable valuation of the township or the amount in dollars that the township would have been entitled to levy under section 57-15-01.1 if the township had remained organized, but this does not prohibit the levy of general county road and bridge taxes in such unorganized township.

**SECTION 4. EFFECTIVE DATE.** Section 3 of this Act is effective for taxable years beginning after December 31, 1998."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1468, as engrossed: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **DO NOT PASS** (6 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed HB 1468 was placed on the Fourteenth order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HCR 3007: Education Committee (Sen. Freborg, Chairman)** recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (5 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HCR 3007 was placed on the Tenth order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HCR 3013: Natural Resources Committee (Sen. Traynor, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3013 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "in" with "of" and replace "Valley" with "Basin"

Page 1, line 5, replace "Valley's" with "Basin's"

Page 1, line 7, replace "Valley" with "Basin"

Page 1, line 10, replace "Valley" with "Basin"

Page 1, line 15, replace "Valley" with "Basin"

Page 1, line 18, replace "in" with "of"

Page 1, line 19, replace "Valley" with "Basin" and after the semicolon insert "and"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HCR 3050: Education Committee (Sen. Freborg, Chairman)** recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (5 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HCR 3050 was placed on the Tenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HCR 3061: Finance and Taxation Committee (Sen. Urlacher, Chairman)** recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3061 was placed on the Tenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HCR 3073: Finance and Taxation Committee (Sen. Urlacher, Chairman)** recommends **DO PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HCR 3073 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HCR 3080: Transportation Committee (Sen. B. Stenehjem, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3080 was placed on the Sixth order on the calendar.

Page 1, line 1, after "service" insert "and Amtrak service"

Page 1, after line 4, insert:

"**WHEREAS**, a passenger railway service provides a scenic view of this state to tourists and a schedule that provides for a stop in this state for a few days would aid tourism; and"

Page 1, line 11, after "service" insert "and Amtrak service"

Renumber accordingly

The Senate stood adjourned pursuant to Senator St. Aubyn's motion.

**WILLIAM C. PARKER, Secretary**