

JOURNAL OF THE HOUSE**Fifty-ninth Legislative Assembly**

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Bismarck, March 24, 2005

The House convened at 1:00 p.m., with Speaker Klein presiding.

The prayer was offered by Dan Sweeney, Law Enforcement Chaplain, Bismarck.

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

A quorum was declared by the Speaker.

COMMUNICATION FROM GOVERNOR JOHN HOEVEN

This is to inform you that on March 21, 2005, I have signed the following: HB 1268.

Also, on March 22, 2005, I have signed the following: HB 1194.

Also, on March 22, 2005, I have signed the following: HB 1055, HB 1073, HB 1175, HB 1254, HB 1265, HB 1278, HB 1283, HB 1360, and HB 1482.

POINT OF PERSONAL PRIVILEGE

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

ONE YEAR ANNIVERSARY OF THE NORTH DAKOTA LOTTERY

On March 25, 2004, the first North Dakota Lottery ticket was sold with great excitement and high expectations. It is fair to say, that one year later, the excitement has intensified and expectations have been exceeded.

In its first year of operation, the North Dakota Lottery produced winning numbers for both players and state officials. With more than \$4 million awarded in prizes and almost \$6 million raised for state programs and projects, the Lottery has proven to be a jackpot for North Dakota.

As we celebrate the first anniversary of the state's newest business enterprise, we look excitedly to the future with projected sales of \$36 million for the next biennium. With new games, promotions and player services planned, the North Dakota Lottery is sure to be a "Win" for our state for years to come.

MOTION

REP. MONSON MOVED that the remarks of Rep. Maragos be printed in the Journal, which motion prevailed.

MOTION

REP. MONSON MOVED that SB 2300 be laid over one legislative day, which motion prevailed.

SIXTH ORDER OF BUSINESS

SPEAKER KLEIN DEEMED approval of SB 2067 SB 2186, SB 2269, SB 2281, SB 2358 and SB 2368.

SB 2067, SB 2186, SB 2269, SB 2281, SB 2358 and SB 2368, as amended, were placed on the Fourteenth order of business on the calendar.

SECOND READING OF HOUSE BILL

HB 1223: A BILL for an Act to create and enact a new section to chapter 53-10 and a new chapter to title 53 of the North Dakota Century Code, relating to liability for injury or damage incurred during equine activity and during activity involving livestock; and to amend and reenact section 53-10-02 of the North Dakota Century Code, relating to liability for injury or damage incurred during equine activity.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 70 YEAS, 23 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brandenburg; Brusegaard; Carlisle; Charging; Clark; Conrad; Damschen; DeKrey; Delmore; Devlin; Drovdal; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Gulleeson; Haas; Hanson; Hawken; Headland; Horter; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Kreidt; Kroeber; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Mueller; Nelson; Nicholas; Norland; Nottestad; Onstad; Pietsch; Pollert; Potter; Sandvig; Schmidt; Sitte; Solberg; Svedjan; Thorpe; Uglem; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Wrangham; Zaiser; Speaker Klein

NAYS: Bellew; Carlson; Delzer; Dietrich; Dosch; Grande; Herbel; Iverson; Kasper; Keiser; Kelsch, R.; Klemin; Koppelman; Kretschmar; Monson; Porter; Price; Rennerfeldt; Ruby; Skarphol; Thoreson; Timm; Wald

ABSENT AND NOT VOTING: Owens

Reengrossed HB 1223 passed and the title was agreed to.

SECOND READING OF HOUSE BILL

HB 1529: A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to higher education savings accounts; to amend and reenact section 54-27-25 of the North Dakota Century Code, relating to the tobacco settlement trust fund; to provide an appropriation; to provide an expiration date; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 31 YEAS, 62 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Berg; Brusegaard; DeKrey; Dietrich; Dosch; Drovdal; Froelich; Froseth; Glassheim; Hawken; Horter; Johnson, D.; Johnson, N.; Keiser; Kelsch, R.; Kretschmar; Maragos; Meier, L.; Nelson; Nicholas; Norland; Nottestad; Porter; Potter; Price; Ruby; Svedjan; Wall; Weiler; Wieland; Speaker Klein

NAYS: Aarsvold; Amerman; Bellew; Belter; Bernstein; Boe; Boehning; Boucher; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Damschen; Delmore; Delzer; Devlin; Ekstrom; Galvin; Grande; Gulleeson; Haas; Hanson; Headland; Herbel; Hunskor; Iverson; Kaldor; Kasper; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klemin; Koppelman; Kreidt; Kroeber; Martinson; Metcalf; Meyer, S.; Monson; Mueller; Onstad; Pietsch; Pollert; Rennerfeldt; Sandvig; Schmidt; Sitte; Skarphol; Solberg; Thoreson; Thorpe; Timm; Uglem; Vigesaa; Wald; Weisz; Williams; Wrangham; Zaiser

ABSENT AND NOT VOTING: Owens

Engrossed HB 1529 lost.

MOTION

REP. MONSON MOVED that SB 2333 be placed at the top of the calendar, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2333: A BILL for an Act to create and enact three new sections to chapter 15.1-07 of the North Dakota Century Code, relating to the provision of educational services by school districts; and to amend and reenact sections 15.1-12-26 and 15.1-31-07 of the North Dakota Century Code, relating to the dissolution of school districts and attendance in schools in bordering states.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 32 YEAS, 62 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Belter; Berg; Boehning; Brusegaard; Carlson; Clark; Delmore; Dietrich; Ekstrom; Glassheim; Grande; Haas; Hanson; Hawken; Herbel; Horter; Johnson, N.; Kaldor; Keiser; Kelsch, R.; Kroeber; Nottestad; Pietsch; Porter; Potter; Svedjan; Thoreson; Uglem; Wald; Zaiser; Speaker Klein

NAYS: Amerman; Bellew; Bernstein; Boe; Boucher; Brandenburg; Carlisle; Charging; Conrad; Damschen; DeKrey; Delzer; Devlin; Dosch; Drovdal; Froelich; Froseth; Galvin; Gulleston; Headland; Hunskor; Iverson; Johnson, D.; Kasper; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klemin; Koppelman; Kreidt; Kretschmar; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Nelson; Nicholas; Norland; Onstad; Owens; Pollert; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Sitte; Skarphol; Solberg; Thorpe; Timm; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Wrangham

Reengrossed SB 2333 lost.

MOTION

REP. MONSON MOVED that SB 2395 be moved to the top of the calendar, which motion prevailed.

SECOND READING OF SENATE BILL

SB 2395: A BILL for an Act to create and enact a new section to chapter 50-10 of the North Dakota Century Code, relating to a department of human services treatment program for children with Russell-Silver syndrome; to amend and reenact subsection 12 of section 50-10-06 of the North Dakota Century Code, relating to income eligibility for Russell-Silver syndrome treatment and services; to direct the department of human services to apply for a medical waiver; to provide for a legislative council study; to provide for a report to the legislative council; to provide an appropriation; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 90 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brandenburg; Brusegaard; Carlisle; Carlson; Charging; Clark; Conrad; Damschen; Delmore; Devlin; Dietrich; Dosch; Drovdal; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Grande; Gulleston; Haas; Hanson; Hawken; Headland; Herbel; Horter; Hunskor; Iverson; Johnson, D.; Johnson, N.; Kaldor; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klemin; Koppelman; Kreidt; Kretschmar; Kroeber; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Nelson; Nicholas; Norland; Nottestad; Onstad; Owens; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Sandvig; Schmidt; Sitte; Skarphol; Solberg; Svedjan; Thoreson; Thorpe; Timm; Uglem; Vigesaa; Wald; Wall; Weiler; Wieland; Williams; Wrangham; Zaiser; Speaker Klein

NAYS: DeKrey; Ruby; Weisz

ABSENT AND NOT VOTING: Delzer

Reengrossed SB 2395 passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

REP. NICHOLAS MOVED that the House direct the Speaker to request the return of SB 2366 to the House, which motion failed on a verification vote.

MOTION

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

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

SECOND READING OF SENATE BILL

SB 2278: A BILL for an Act to create and enact five new sections to chapter 49-05 of the North Dakota Century Code, relating to public utility rate stability plans.

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 75 YEAS, 18 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brandenburg; Brusegaard; Carlisle; Carlson; Damschen; DeKrey; Delmore; Delzer; Devlin; Dietrich; Drovdal; Froelich; Froseth; Grande; Haas; Hawken; Headland; Herbel; Horter; Iverson; Johnson, D.; Kaldor; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klemin; Koppelman; Kretschmar; Kroeber; Maragos; Martinson; Meier, L.; Metcalf; Monson; Mueller; Nelson; Nicholas; Norland; Nottestad; Owens; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Sitte; Skarphol; Svedjan; Thoreson; Timm; Uglem; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Wrangham

NAYS: Charging; Clark; Conrad; Dosch; Ekstrom; Galvin; Glassheim; Gulleson; Hanson; Hunskor; Johnson, N.; Meyer, S.; Onstad; Schmidt; Solberg; Thorpe; Zaiser; Speaker Klein

ABSENT AND NOT VOTING: Kreidt

SB 2278 passed and the title was agreed to.

MOTION

REP. KOPPELMAN MOVED that the House reconsider its action whereby SB 2102 failed to pass, which motion prevailed on a verification vote.

SECOND READING OF SENATE BILL

SB 2102: A BILL for an Act to amend and reenact subsection 3 of section 39-08-01 of the North Dakota Century Code, relating to driving under the influence of intoxicating liquor repeat offenders and impounding motor vehicle license plates.

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 62 YEAS, 31 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Bellew; Belter; Berg; Bernstein; Boehning; Brandenburg; Carlisle; Carlson; Charging; Clark; Conrad; Damschen; DeKrey; Devlin; Dietrich; Dosch; Drovdal; Grande; Haas; Hanson; Hawken; Herbel; Horter; Iverson; Johnson, D.; Johnson, N.; Kaldor; Keiser; Kempenich; Kingsbury; Klemin; Koppelman; Maragos; Martinson; Meier, L.; Metcalf; Nelson; Norland; Nottestad; Owens; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Sitte; Skarphol; Svedjan; Uglem; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Zaiser; Speaker Klein

NAYS: Amerman; Boe; Boucher; Brusegaard; Delmore; Delzer; Ekstrom; Froelich; Froseth; Galvin; Glassheim; Gulleson; Headland; Hunskor; Kasper; Kelsch, R.; Kelsh, S.; Kerzman; Kretschmar; Kroeber; Meyer, S.; Monson; Mueller; Nicholas; Onstad; Schmidt; Solberg; Thoreson; Thorpe; Timm; Wrangham

ABSENT AND NOT VOTING: Kreidt

SB 2102 passed and the title was agreed to.

SECOND READING OF SENATE BILL

SB 2374: A BILL for an Act to provide for an unemployment compensation shared work demonstration project; and to provide for a legislative council study.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 14 YEAS, 78 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Brusegaard; Carlisle; Delmore; Glassheim; Johnson, N.; Martinson; Meyer, S.; Svedjan; Uglem; Wald; Weiler; Wieland; Zaiser; Speaker Klein

NAYS: Aarsvold; Amerman; Bellew; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brandenburg; Carlson; Charging; Clark; Conrad; Damschen; DeKrey; Delzer; Devlin; Dietrich; Dosch; Drovdal; Ekstrom; Froelich; Froseth; Galvin; Grande; Gulleston; Haas; Hanson; Hawken; Headland; Herbel; Horter; Hunskor; Iverson; Johnson, D.; Kaldor; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kerzman; Kingsbury; Klemin; Koppelman; Kretschmar; Kroeber; Maragos; Meier, L.; Metcalf; Monson; Mueller; Nelson; Norland; Nottestad; Onstad; Owens; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Schmidt; Sitte; Skarphol; Solberg; Thoreson; Thorpe; Timm; Vigesaa; Wall; Weisz; Williams; Wrangham

ABSENT AND NOT VOTING: Kreidt; Nicholas

Engrossed SB 2374 lost.

SECOND READING OF SENATE BILL

SB 2026: A BILL for an Act to amend and reenact sections 43-07-02, 43-07-04, 43-07-10, 43-07-14, and 43-07-18 of the North Dakota Century Code, relating to licensure and regulation of contractors; to provide a penalty; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 6 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Aarsvold; Amerman; Bellew; Belter; Berg; Bernstein; Boe; Boehning; Boucher; Brandenburg; Brusegaard; Carlisle; Carlson; Charging; Clark; Conrad; Damschen; DeKrey; Delmore; Delzer; Devlin; Dietrich; Dosch; Drovdal; Ekstrom; Froseth; Galvin; Glassheim; Grande; Gulleston; Haas; Hanson; Hawken; Headland; Herbel; Horter; Hunskor; Iverson; Johnson, D.; Johnson, N.; Kaldor; Kasper; Keiser; Kelsch, R.; Kelsh, S.; Kempenich; Kingsbury; Klemin; Koppelman; Kretschmar; Kroeber; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Nelson; Norland; Nottestad; Onstad; Owens; Pietsch; Pollert; Porter; Potter; Price; Rennerfeldt; Ruby; Sandvig; Sitte; Skarphol; Svedjan; Thoreson; Timm; Uglem; Vigesaa; Wald; Wall; Weiler; Weisz; Wieland; Williams; Zaiser; Speaker Klein

NAYS: Froelich; Kerzman; Schmidt; Solberg; Thorpe; Wrangham

ABSENT AND NOT VOTING: Kreidt; Nicholas

Engrossed SB 2026 passed, the title was agreed to, and the emergency clause was declared carried.

MOTION

REP. BERG MOVED that Engrossed SB 2016, which is on the Fourteenth order, be rereferred to the **Appropriations Committee**, which motion prevailed. Pursuant to Rep. Berg's motion, Engrossed SB 2016 was rereferred.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed unchanged: SB 2278.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2026.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently passed: SB 2102.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently failed to pass: SB 2374.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2395.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has amended and subsequently failed to pass: SB 2333.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The House has passed and your favorable consideration is requested on: HB 1223.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed: SB 2024, SB 2033, SB 2099, SB 2112, SB 2159, SB 2170, SB 2183, SB 2191, SB 2202, SB 2211, SB 2219, SB 2273, SB 2345, SB 2410.

MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)

MR. PRESIDENT: The Speaker has signed and your signature is respectfully requested on: HB 1130, HB 1279, HB 1431, HB 1511, HB 1517.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on March 24, 2005: HB 1383, HB 1413.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has passed unchanged: HB 1151, HB 1174, HB 1177, HB 1305, HB 1409, HB 1418.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1105, HB 1195, HB 1239, HB 1496.

SENATE AMENDMENTS TO HOUSE BILL NO. 1105

Page 1, line 1, after "reenact" insert "subsection 14 of section 49-21-01.7 and"

Page 1, line 2, after "to" insert "numbering resource authority and"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 14 of section 49-21-01.7 of the North Dakota Century Code is amended and reenacted as follows:

14. Investigate and resolve numbering issues relating to assignment of NII dialing codes and resolve numbering resource conservation administration and area code assignment issues in accordance with the federal communication commission's numbering resource orders. The commission's jurisdiction with regard to numbering resource conservation administration is limited to those prefixes that are unassigned on January 1, 2005."

Renumber accordingly

SENATE AMENDMENTS TO HOUSE BILL NO. 1195

Page 1, line 6, after the semicolon insert "to provide for a legislative council study;"

Page 2, remove lines 14 through 31

Page 3, remove lines 1 through 31

Page 4, line 1, replace "4." with "2."

Page 4, line 11, replace "5." with "3."

Page 4, line 17, replace "6." with "4."

Page 6, after line 25, insert:

"SECTION 5. LEGISLATIVE COUNCIL STUDY - PROFESSIONAL EMPLOYER ORGANIZATIONS. The legislative council shall consider studying, during the 2005-06 interim, the feasibility and desirability of requiring professional employer organizations operating in North Dakota to register with the state. The study must include consideration of how other states address the issue of registration of professional employer organizations. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixtieth legislative assembly."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1239

Page 1, line 8, after "20.1-02-05" insert "and as otherwise provided in this section" and after the second comma insert "other than the landowner."

Page 1, line 15, after the period insert "A person may not use a motor-driven vehicle on any land other than an established road or trail to hunt upland game during the deer gun season."

Page 1, line 19, after the comma insert "other than the landowner."

Page 1, line 23, after the period insert "The provisions of this section relating to hunting big game or small game while using a motor-driven vehicle on any land other than an established road or trail without the written permission of the landowner or a lessee who actually farms or ranches that land do not apply to the hunting of big game during an open and lawful season for small game."

Re-number accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1496

Page 1, line 9, after "hydrogen" insert "to power an internal combustion engine or fuel cell" and after "used" insert "directly and exclusively"

Page 1, line 10, replace the first comma with "and", remove ", and transportation", and after "of" insert "the"

Page 1, line 11, after "facility" insert "in this state" and after the period insert "For purposes of this subsection, "storage" means stationary and portable hydrogen containers or pressure vessels, piping, tubing, fittings, gaskets, controls, valves, gauges, pressure regulators, safety relief devices, and other accessories intended for hydrogen storage containers or pressure vessels."

Page 1, line 14, replace "be used for any" with "power an internal combustion engine or fuel cell"

Page 1, line 15, remove "purpose"

Re-number accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)

MR. SPEAKER: The Senate has amended, subsequently passed, and the emergency clause carried: HB 1321.

SENATE AMENDMENTS TO HOUSE BILL NO. 1321

Page 1, line 1, replace "section" with "sections 13-08-01, 13-08-06, and"

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

Page 1, replace lines 4 through 24 with:

"SECTION 1. AMENDMENT. Section 13-08-01 of the North Dakota Century Code is amended and reenacted as follows:

13-08-01. Definitions. As used in this chapter, unless the context otherwise requires:

1. "Check" means a personal check signed by the maker and made payable to a licensee.
2. "Commissioner" means the commissioner of financial institutions.
3. "Completed deferred presentment service transaction" means a transaction that is completed when a check is redeemed by the maker by payment in full to the licensee in cash, money order, or certified check or by negotiation or deposit by the licensee, or when an electronic funds transfer or other transfer of money has taken place to repay the contracted debt.
4. "Customer" means a person to which funds are advanced under a deferred presentment service transaction.

5. "Deferred presentment service transaction" means a transaction ~~made under a written agreement between a licensee and the maker of a check under which the licensee~~ by which a person:
- a. Pays to ~~the maker of the check~~ a customer the amount of ~~the~~ a check, less the fees permitted under this chapter, and accepts a check from the ~~maker~~ customer dated on the date of the transaction and agrees to hold the check for a period of time before negotiation or presentment;~~or~~
 - b. Accepts a check dated after the date of the transaction and agrees to hold the check for deposit until the date written on the check; or
 - c. Pays to the customer an agreed-upon amount, and obtains the customer's authorization to transfer or withdraw, electronically or otherwise, funds from a customer's account in repayment at some future, agreed-upon date.

6. "Licensee" means a person licensed under this chapter to provide deferred presentment services.

SECTION 2. AMENDMENT. Section 13-08-06 of the North Dakota Century Code is amended and reenacted as follows:

13-08-06. Issuance of license - Posting.

1. Upon receipt of a complete application, the commissioner shall determine whether the qualifications prescribed under this chapter are satisfied. If the commissioner determines the qualifications are satisfied and approves the documents, the commissioner shall issue to the applicant a license to engage in the deferred presentment service business.
2. A licensee shall keep the license conspicuously posted in the place of business of the licensee, and shall provide notice to its customers in this state of the license number under which it is operating.
3. A license issued under this section is effective through the remainder of the fiscal year ending June thirtieth after the license's date of issuance unless earlier surrendered, suspended, or revoked under this chapter.

SECTION 3. AMENDMENT. Section 13-08-12 of the North Dakota Century Code is amended and reenacted as follows:

13-08-12. Fees for service - Deferred presentment service transaction procedures - Penalty.

1. Before disbursing funds under a deferred presentment service transaction, a licensee shall provide to the ~~maker of the check~~ customer a clear and conspicuous printed notice indicating:
 - a. That a deferred presentment service transaction is not intended to meet long-term financial needs.
 - b. That the ~~maker of a check~~ customer should use a deferred presentment service transaction only to meet short-term cash needs.
 - c. That the ~~maker of a check~~ customer will be required to pay additional fees if the deferred presentment service transaction is renewed rather than paid in full when due. If the transaction is renewed, any amount paid in excess of the fee applies to the payoff amount.
 - d. A schedule of fees charged for deferred presentment service.
 - e. Any information required under federal law.
 - f. No property, titles to any property, or mortgages may be received or held directly or indirectly by the licensee as a condition of a deferred presentment service transaction or as a method of collection on a defaulted deferred presentment service transaction without proper civil process.

2. A licensee may charge a fee for the deferred presentment service, not to exceed twenty percent of the amount paid to the ~~maker of the check~~ customer by the licensee. This fee may not be deemed interest for any purpose of law. No other fee or charge may be charged for the deferred presentment service, ~~and no except that a fee, not to exceed the cost to the licensee, may be charged for registering a transaction on a data base administered or authorized by the commissioner.~~ No property, titles to any property, or mortgages may be received or held directly or indirectly by the licensee as a condition of a deferred presentment service transaction or as a method of collection on a defaulted deferred presentment service transaction without proper civil process.
3. A licensee may not disburse more than five hundred dollars to the ~~maker of a check~~ customer in a deferred presentment service transaction.
4. A licensee may not engage in a deferred presentment service transaction with a customer who has an aggregate ~~face~~ value of all outstanding ~~checks~~ obligations from any one ~~maker~~ customer exceeding ~~five~~ six hundred dollars which is payable to the same or any other licensee. A licensee may not enter ~~into~~ a new deferred presentment service transaction with a customer within three business days of that customer's completion of a previous deferred presentment service transaction. A licensee may rely on a written or electronic representation of a ~~maker~~ customer regarding the existence of any outstanding ~~checks~~ obligations for deferred presentment held by a licensee other than the licensee receiving the representation until the data base provided for under this subsection is in operation, and after that time may not rely on a customer's representation but must verify the fact using the data base. However, if a licensee has multiple locations, that licensee may not rely on ~~such written~~ the representation of a ~~maker~~ customer regarding the existence of any outstanding ~~checks~~ obligation for deferred presentment held by that licensee, or one of the licensee's multiple locations, unless the licensee and the licensee's multiple locations use a point of sale registry or some other accounting system to attempt to prevent violations of this subsection. The commissioner shall administer or authorize the development of a data base in which each transaction must be recorded for the purpose of preventing violations of this section. The commissioner shall adopt rules governing the creation, structure, and use of the data base.
5. Before a licensee may negotiate or present a check for payment, the check must be endorsed with the actual name under which the licensee is doing business.
6. Each deferred presentment service transaction, including a renewal, must be documented by a written agreement signed or similarly authenticated by the ~~maker of the check~~ customer. The ~~written~~ agreement must contain the name of the licensee; the transaction date; the amount of the ~~check~~ obligation; and a statement of the total amount of fees charged, expressed as a dollar amount and as an annual percentage rate. The ~~written~~ agreement must authorize the licensee to defer presentment or negotiation of the check, or electronic debit of the customer's account, until a specified date. The maker of a check may redeem the check from the licensee at any time before the negotiation or presentment of the check by making payment to the licensee; ~~however, the maker.~~ A customer agreeing to an electronic deferred presentment service transaction may repay the obligation at any time before the agreed-upon date. A customer may rescind the any transaction by the close of the following business day following the day on which the customer receives payment from the licensee at no cost. If a customer agreeing to an electronic deferred presentment service transaction rescinds the transaction, the licensee must facilitate the repayment of the funds through the same electronic means the licensee used to deliver the funds to the customer.
7. If a check or electronic debit is returned to the licensee from a payer financial institution due to insufficient funds, closed account, or a stop payment order, the licensee has the right to all civil remedies available to collect the ~~check~~ obligation. The licensee may contract for and collect a returned check or electronic debit charge not to exceed twenty dollars ~~per customer, per year.~~ No other fee or charge may be collected as a result of

a returned check or electronic debit or as a result of default by the ~~maker of the check~~ customer in timely payment to the licensee.

8. A ~~maker of a check~~ customer who has authority to make ~~the~~ a check or authorize an electronic debit and enters ~~into~~ a deferred presentment service agreement is not subject to a criminal penalty relating to the check, electronic debit, or the deferred presentment service agreement unless the customer's account on which the check was written was closed on the original date of the transaction. At the time of entering a transaction involving a written check, a licensee shall verify that the account on which the check is written is open. A licensee may not pursue or threaten to pursue criminal penalties against a ~~maker of a check~~ customer for criminal penalties prohibited by this subsection.
9. A licensee may not engage in unfair or deceptive acts, practices, or advertising in the conduct of a deferred presentment service business.
10. The amount paid to the ~~maker~~ customer by the licensee in a deferred presentment service transaction must be paid in the form of cash ~~or~~ check, or an electronic credit to the customer's account.
11. Each licensee must conspicuously post in the licensee's licensed location a notice of the fees imposed for the deferred presentment service. A licensee that engages in a deferred presentment service transaction via the internet shall require its customers to acknowledge the fees imposed using a click-through or other method that prevents customers from completing the transaction without reviewing the licensee's fees.
12. A licensee may not renew a deferred presentment service transaction more than once. A licensee's renewal fee may not exceed twenty percent of the amount being renewed. The total period of deferral, including the initial deferral and one renewal, may not exceed ~~forty five~~ sixty days. An individual renewal period may not be less than fifteen days. After ~~forty five~~ sixty days the renewed deferred presentment ~~check~~ service transaction must be paid off in cash, money order, electronic payment, or certified check by the ~~maker~~ customer or, if a check is used, the check must be deposited by the licensee.
13. A licensee may not renew, repay, refinance, or consolidate a deferred presentment service transaction with the proceeds of another deferred presentment service transaction with that licensee by the same maker or customer. It is presumed that a deferred presentment service transaction initiated within three business days before completion of a deferred presentment service transaction is a violation of this subsection.
14. A licensee may not conduct another business, other than a bona fide pawnbroking business, within the same office, suite, room, or place of business at which the licensee engages in deferred presentment service transactions unless the commissioner provides written authorization after a determination the other business is not contrary to the best interests of consumers.
15. A licensee shall provide a notice in a prominent place on each deferred presentment service agreement in no less than ten-point type in substantially the following form:

State law prohibits this business from allowing customers to have outstanding at any one time, deferred presentment service transactions totaling more than ~~five~~ six hundred dollars.
16. A licensee or any agent of a licensee who willfully violates this section is guilty of a class A misdemeanor.

SECTION 4. EMERGENCY. This Act is declared to be an emergency measure."

Page 4, remove lines 1 through 21

Renumber accordingly

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has failed to pass: HB 1155, HB 1386, HCR 3032, HCR 3051, HCR 3053.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has amended and subsequently failed: HB 1489.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate does not concur in the House amendments to SB 2179 and SB 2237 and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2179: Sens. Espgaard; Krebsbach; Heitkamp

SB 2237: Sens. Wardner; Traynor; Heitkamp

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has concurred in the House amendments and subsequently passed: SB 2195, SB 2215, SB 2216, SB 2246, SB 2282, and SB 2326.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has reconsidered its action whereby it passed and also the action by which it did concur with the House amendments to SB 2297 and subsequently does not concur with the House amendment to SB 2297, and the President has appointed as a conference committee to meet with a like committee from the House on:

SB 2297: Dever; Lyson; Warner

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The President has signed: HB 1041, HB 1052, HB 1064, HB 1086, HB 1091, HB 1156, HB 1161, HB 1165, HB 1178, HB 1186, HB 1193, HB 1211, HB 1225, HB 1241, HB 1263, HB 1383, HB 1413.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The President has signed and your signature is respectfully requested on: SB 2058, SB 2115, SB 2138, SB 2236, SB 2239, SB 2244, SB 2248, SB 2268, SB 2288, SB 2311, SB 2346, SB 2353, SCR 4028, SCR 4029, SCR 4037, SCR 4038.

MOTION

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

MOTION

REP. MONSON MOVED that the House be on the Fifth, Thirteenth, Fourteenth, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Friday, March 25, 2005, which motion prevailed.

REPORT OF STANDING COMMITTEE

SB 2002, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2002 was placed on the Sixth order on the calendar.

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

Page 1, line 3, after "judges" insert "; to provide an exemption to section 54-44.1-11 relating to unexpended appropriations; and to declare an emergency"

Page 2, line 16, replace "568,348" with "562,858"

Page 2, line 20, replace "839,554" with "834,064"

Page 2, line 22, replace "837,054" with "831,564"

Page 2, line 25, replace "2,817,570" with "2,781,752"

Page 2, line 26, replace "(3,237,596)" with "(3,337,596)"

Page 2, line 27, replace "121,000" with "111,000"

Page 2, line 28, replace "2,860,499" with "2,769,101"

Page 2, line 29, replace "6,997,869" with "6,723,674"

Page 3, line 2, replace "9,432,301" with "8,920,890"

Page 3, line 3, replace "471,862" with "471,182"

Page 3, line 4, replace "8,960,439" with "8,449,708"

Page 3, line 7, replace "65,257" with "64,757"

Page 3, line 8, replace "65,257" with "64,757"

Page 3, line 9, replace "5,034" with "4,799"

Page 3, line 10, replace "60,223" with "59,958"

Page 3, line 11, replace "9,857,716" with "9,341,230"

Page 3, line 12, replace "479,396" with "478,481"

Page 3, line 13, replace "10,337,112" with "9,819,711"

Page 3, line 21, replace "6,415,940" with "6,410,450"

Page 3, line 25, replace "8,484,816" with "8,479,326"

Page 3, line 27, replace "8,482,316" with "8,476,826"

Page 3, line 30, replace "36,730,750" with "36,694,932"

Page 3, line 31, replace "10,794,780" with "10,694,780"

Page 4, line 1, replace "195,500" with "185,500"

Page 4, line 2, replace "2,860,499" with "2,769,101"

Page 4, line 3, replace "6,997,869" with "6,723,674"

Page 4, line 7, replace "58,379,301" with "57,867,890"

Page 4, line 8, replace "2,234,597" with "2,233,917"

Page 4, line 9, replace "56,144,704" with "55,633,973"

Page 4, line 12, replace "603,900" with "603,400"

Page 4, line 13, replace "603,900" with "603,400"

Page 4, line 14, replace "285,835" with "285,600"

Page 4, line 15, replace "318,065" with "317,800"

Page 4, line 16, replace "64,945,085" with "64,794,192"

Page 4, line 17, replace "2,522,932" with "2,722,017"

Page 4, line 18, replace "67,468,017" with "67,516,209"

Page 5, after line 19, insert:

"SECTION 8. EXEMPTION. The amount appropriated for the supreme court and the district courts, as contained in subdivisions 1 and 2 of section 1 of chapter 2 of the 2003 Session Laws, is not subject to the provisions of section 54-44.1-11 for an amount of up to \$250,078. Any available funds are to be used for the purpose of establishing and defraying the expenses of the commission on legal counsel for

indigents established by 2005 Senate Bill No. 2027 during the biennium beginning July 1, 2005, and ending June 30, 2007.

SECTION 9. APPROPRIATION - TRANSFER. In addition to the \$250,078 of unexpended general fund moneys that the supreme court and district courts are allowed to carry over from the 2003-05 biennium pursuant to section 8 of this Act, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$365,593, or so much of the sum as may be necessary, and \$200,000 from the indigent defense administration fund, to the district courts for the purpose of establishing and defraying the expenses of the commission on legal counsel for indigents, for the biennium beginning July 1, 2005, and ending June 30, 2007. Any moneys not expended by the district courts for this purpose by December 31, 2005, are available to the commission on legal counsel for indigents and the appropriation must be transferred to the commission on January 1, 2006.

SECTION 10. EMERGENCY. Section 8 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2002 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Supreme Court				
Total all funds	\$8,543,619	\$8,484,816	(\$5,490)	\$8,479,326
Less estimated income	2,500	2,500		2,500
General fund	\$8,541,119	\$8,482,316	(\$5,490)	\$8,476,826
District Courts				
Total all funds	\$59,923,612	\$58,379,301	\$54,182	\$58,433,483
Less estimated income	2,237,521	2,234,597	199,320	2,433,917
General fund	\$57,686,091	\$56,144,704	(\$145,138)	\$55,999,566
Judicial Conduct Commission				
Total all funds	\$605,926	\$603,900	(\$500)	\$603,400
Less estimated income	286,787	285,835	(235)	285,600
General fund	\$319,139	\$318,065	(\$265)	\$317,800
Bill Total				
Total all funds	\$69,073,157	\$67,468,017	\$48,192	\$67,516,209
Less estimated income	2,526,808	2,522,932	199,085	2,722,017
General fund	\$66,646,349	\$64,945,085	(\$150,893)	\$64,794,192

Senate Bill No. 2002 - Supreme Court - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$6,471,084	\$6,415,940	(\$5,490)	\$6,410,450
Operating expenses	1,927,261	1,927,261		1,927,261
Capital assets	8,000	8,000		8,000
Judges' retirement	137,274	133,615		133,615
Total all funds	\$8,543,619	\$8,484,816	(\$5,490)	\$8,479,326
Less estimated income	2,500	2,500		2,500
General fund	\$8,541,119	\$8,482,316	(\$5,490)	\$8,476,826
FTE	44.50	44.50	0.00	44.50

Dept. 181 - Supreme Court - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	TOTAL HOUSE CHANGES
Salaries and wages	(\$5,490)	(\$5,490)
Operating expenses		
Capital assets		
Judges' retirement		
Total all funds	(\$5,490)	(\$5,490)
Less estimated income		
General fund	(\$5,490)	(\$5,490)
FTE	0.00	0.00

Senate Bill No. 2002 - District Courts - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$37,100,037	\$36,730,750	(\$35,818)	\$36,694,932
Operating expenses	10,794,780	10,794,780	(100,000)	10,694,780
Capital assets	195,500	195,500	(10,000)	185,500
Indigent defense - July 2005 - December 2005	3,149,481	2,860,499	(91,398)	2,769,101
Indigent defense - January 2006 - June 2007	7,864,817	6,997,869	(274,195)	6,723,674
Judges' retirement	718,997	699,903		699,903
UND Central Legal Research	80,000	80,000		80,000
Alternative dispute resolution	20,000	20,000		20,000
Indigent Defense Commission			<u>565,593</u>	<u>565,593</u>
Total all funds	\$59,923,612	\$58,379,301	\$54,182	\$58,433,483
Less estimated income	<u>2,237,521</u>	<u>2,234,597</u>	<u>199,320</u>	<u>2,433,917</u>
General fund	\$57,686,091	\$56,144,704	(\$145,138)	\$55,999,566
FTE	283.50	283.50	0.00	283.50

Dept. 182 - District Courts - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	REDUCES FUNDING FOR INDIGENT DEFENSE OVERHEAD REIMBURSEMENT ¹	REDUCES FUNDING FOR INDIGENT DEFENSE CASELOAD INCREASES ²	REMOVES FUNDING FOR DIGITAL AUDIO SYSTEM ³	REMOVES FUNDING FOR INTERACTIVE TELEVISION ⁴	PROVIDES FUNDING FOR ADMINISTRATION OF COMMISSION ON LEGAL COUNSEL FOR INDIGENTS
Salaries and wages	(\$35,818)					
Operating expenses				(\$30,000)	(\$70,000)	
Capital assets				(10,000)		
Indigent defense - July 2005 - December 2005		(\$28,898)	(\$62,500)			
Indigent defense - January 2006 - June 2007		(86,695)	(187,500)			
Judges' retirement						
UND Central Legal Research						
Alternative dispute resolution						
Indigent Defense Commission						<u>\$565,593</u>
Total all funds	(\$35,818)	(\$115,593)	(\$250,000)	(\$40,000)	(\$70,000)	\$565,593
Less estimated income	<u>(680)</u>					<u>200,000</u>
General fund	(\$35,138)	(\$115,593)	(\$250,000)	(\$40,000)	(\$70,000)	\$365,593
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL HOUSE CHANGES					
Salaries and wages	(\$35,818)					
Operating expenses	(100,000)					
Capital assets	(10,000)					
Indigent defense - July 2005 - December 2005	(91,398)					
Indigent defense - January 2006 - June 2007	(274,195)					
Judges' retirement						
UND Central Legal Research						
Alternative dispute resolution						
Indigent Defense Commission	<u>565,593</u>					
Total all funds	\$54,182					
Less estimated income	<u>199,320</u>					
General fund	(\$145,138)					
FTE	0.00					

¹ This amendment reduces funding for indigent defense by a total of \$115,593 from the general fund for the 2005-07 biennium as the result of a decrease in the reimbursement of overhead expenses for indigent defense associated with the Senate adjustment that decreased the indigent defense contract rate from \$75 to \$65 per hour. Reimbursement of overhead expenses is calculated at 10 percent of the total indigent contract amount.

² This amendment decreases funding for indigent defense by a total of \$250,000 from the general fund for the 2005-07 biennium to reduce funding for caseload increases from \$500,000 to \$250,000.

³ This amendment removes \$40,000 of general fund money for the installation of a digital audio system.

⁴ This amendment removes \$70,000 of general fund money for the installation of two interactive televisions.

Senate Bill No. 2002 - Judicial Conduct Commission - House Action

	BUDGET	VERSION	CHANGES	VERSION
Judicial Conduct Commission and Disciplinary Board	\$605,926	\$603,900	(\$500)	\$603,400
Total all funds	\$605,926	\$603,900	(\$500)	\$603,400
Less estimated income	<u>286,787</u>	<u>285,835</u>	<u>(235)</u>	<u>285,600</u>
General fund	\$319,139	\$318,065	(\$265)	\$317,800
FTE	4.00	4.00	0.00	4.00

Dept. 183 - Judicial Conduct Commission - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	TOTAL HOUSE CHANGES
Judicial Conduct Commission and Disciplinary Board	(\$500)	(\$500)
Total all funds	(\$500)	(\$500)
Less estimated income	<u>(235)</u>	<u>(235)</u>
General fund	(\$265)	(\$265)
FTE	0.00	0.00

Senate Bill No. 2002 - Other Changes - House Action

This amendment also allows the Supreme Court and district courts to carry over up to \$250,078 of unexpended general fund money from the 2003-05 biennium to the 2005-07 biennium to be used for establishing and defraying the expenses of the Commission on Legal Counsel for Indigents and appropriates a total of \$565,593 to the district courts, of which \$365,593 is from the general fund and \$200,000 is from the indigent defense administration fund, for establishing and defraying the expenses of the Commission on Legal Counsel for Indigents for the 2005-07 biennium, for a total amount of \$815,671 available for the establishment and expenses of the Commission on Legal Counsel for Indigents for the 2005-07 biennium.

REPORT OF STANDING COMMITTEE

SB 2005, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2005 was placed on the Sixth order on the calendar.

Page 1, line 14, replace "26,633" with "26,259"

Page 1, line 16, replace "49,596" with "49,222"

Page 1, line 18, replace "29,596" with "29,222"

Page 2, line 1, replace "340,944" with "340,570"

Page 2, line 3, replace "404,839" with "404,465"

Page 2, line 5, replace "384,839" with "384,465"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2005 - Indian Affairs Commission - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$342,333	\$340,944	(\$374)	\$340,570
Operating expenses	<u>63,895</u>	<u>63,895</u>		<u>63,895</u>
Total all funds	\$406,228	\$404,839	(\$374)	\$404,465
Less estimated income	<u>20,000</u>	<u>20,000</u>		<u>20,000</u>
General fund	\$386,228	\$384,839	(\$374)	\$384,465
FTE	3.00	3.00	0.00	3.00

Dept. 316 - Indian Affairs Commission - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	TOTAL HOUSE CHANGES
Salaries and wages	(\$374)	(\$374)
Operating expenses		
Total all funds	(\$374)	(\$374)
Less estimated income		
General fund	(\$374)	(\$374)
FTE	0.00	0.00

¹ This amendment reduces the funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

REPORT OF STANDING COMMITTEE

SB 2010, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed SB 2010 was placed on the Sixth order on the calendar.

Page 1, line 3, replace "sections 21-10-06," with "section" and remove ", and 54-54-08.2"

Page 1, line 4, remove "funds under the management of the state investment board,"

Page 1, line 5, remove ", and to the cultural endowment fund"

Page 1, line 21, replace "26,808" with "26,184"

Page 1, line 23, replace "90,400" with "60,400"

Page 2, line 1, replace "68,301" with "37,677"

Page 2, line 3, replace "\$22,198" with "(\$8,426)"

Page 2, line 9, replace "452,376" with "451,752"

Page 2, line 11, replace "1,506,257" with "1,476,257"

Page 2, line 13, replace "2,294,919" with "2,264,295"

Page 2, line 15, replace "1,026,601" with "995,977"

Page 2, remove lines 19 through 31

Page 3, remove lines 1 through 11

Page 3, remove lines 19 through 31

Page 4, remove lines 1 and 2

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Council on the Arts - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$454,197	\$452,376	(\$624)	\$451,752
Operating expenses	227,986	227,986		227,986
Grants	1,506,257	1,506,257	(30,000)	1,476,257
Lewis and Clark Bicentennial	108,300	108,300		108,300
Total all funds	\$2,296,740	\$2,294,919	(\$30,624)	\$2,264,295
Less estimated income	1,268,318	1,268,318		1,268,318
General fund	\$1,028,422	\$1,026,601	(\$30,624)	\$995,977
FTE	5.00	5.00	0.00	5.00

Dept. 709 - Council on the Arts - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	REDUCES FUNDING FOR GRANTS ¹	TOTAL HOUSE CHANGES
Salaries and wages	(\$624)		(\$624)
Operating expenses			
Grants		(\$30,000)	(30,000)
Lewis and Clark Bicentennial			
Total all funds	(\$624)	(\$30,000)	(\$30,624)
Less estimated income			
General fund	(\$624)	(\$30,000)	(\$30,624)
FTE	0.00	0.00	0.00

¹ This amendment reduces funding in the grants line item by a total of \$30,000 from the general fund by reducing funding for the cultural endowment fund by \$10,000 from \$20,000 to \$10,000 and by reducing funding for the new grant program to support infrastructure and capital equipment needs of local art organizations by \$20,000 from \$30,000 to \$10,000.

This amendment also removes two sections from the bill relating to funds under the management of the State Investment Board and the cultural endowment fund.

REPORT OF STANDING COMMITTEE

SB 2011, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2011 was placed on the Sixth order on the calendar.

Page 1, line 16, replace "106,028" with "103,906"

Page 1, line 17, replace "426,648" with "606,680"

Page 1, line 18, replace "38,843" with "38,219"

Page 1, line 19, replace "571,519" with "748,805"

Page 1, line 20, replace "(739,628)" with "(747,802)"

Page 1, line 21, replace "1,311,147" with "1,496,607"

Page 2, line 3, replace "2,347,462" with "2,345,340"

Page 2, line 4, replace "30,861,479" with "31,041,511"

Page 2, line 5, replace "1,055,187" with "1,054,563"

Page 2, line 6, replace "34,264,128" with "34,441,414"

Page 2, line 7, replace "14,741,459" with "14,733,285"

Page 2, line 8, replace "19,522,669" with "19,708,129"

Page 2, line 10, replace "\$7,521,970" with "\$7,516,175"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2011 - Highway Patrol - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Administration	\$2,355,742	\$2,347,462	(\$2,122)	\$2,345,340
Field operations	30,946,277	30,861,479	180,032	31,041,511
Law Enforcement Training Academy	1,057,609	1,055,187	(624)	1,054,563
Total all funds	\$34,359,628	\$34,264,128	\$177,286	\$34,441,414
Less estimated income	<u>14,554,138</u>	<u>14,741,459</u>	<u>(8,174)</u>	<u>14,733,285</u>
General fund	\$19,805,490	\$19,522,669	\$185,460	\$19,708,129

FTE	186.00	187.00	0.00	187.00
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Dept. 504 - Highway Patrol - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	ADDS SALARY EQUITY FUNDING ¹	TOTAL HOUSE CHANGES
Administration	(\$2,122)		(\$2,122)
Field operations	(19,968)	\$200,000	180,032
Law Enforcement Training Academy	(624)		(624)
Total all funds	(\$22,714)	\$200,000	\$177,286
Less estimated income	(8,174)		(8,174)
General fund	(\$14,540)	\$200,000	\$185,460
FTE	0.00	0.00	0.00

¹ This amendment adds \$200,000 from the general fund for providing salary equity adjustments for troopers and sergeants. In addition, the Highway Patrol may spend up to \$219,000 of savings from within its 2005-07 biennium budget for providing additional salary equity adjustments for troopers and sergeants.

REPORT OF STANDING COMMITTEE

SB 2012, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (14 YEAS, 8 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide for alternative and delayed distributions from the highway tax distribution fund to cities and counties and development of a roadway plan;", replace the second "and" with a comma, and after "24-08" insert ", and a new section to chapter 57-40.3"

Page 1, line 4, replace the first "and" with a comma, replace "medal of honor" with "liberty memorial", and after "bridge" insert ", and a separate and additional motor vehicle excise tax"

Page 1, line 5, replace "section" with "sections" and after "24-01-03" insert ", 24-01-51, 39-04-19, 57-40.3-02, 57-40.3-10, 57-43.1-02, and 57-43.2-02"

Page 1, line 6, after "maintenance" insert ", haying of no-mow areas, motor vehicle registration fees, allocation of the separate and additional motor vehicle excise tax revenue, and motor vehicle fuels and special fuels tax rates; to repeal section 39-04-39.5 of the North Dakota Century Code, relating to allocation of motor vehicle registration fees; to provide an effective date; to provide an expiration date"

Page 1, line 24, replace "27,185,848" with "27,174,242"

Page 2, line 1, replace "20,048,706" with "20,035,352"

Page 2, line 2, replace "789,997,698" with "863,094,411"

Page 2, line 3, replace "43,271,158" with "43,268,038"

Page 2, line 4, replace "96,117,492" with "169,186,125"

Page 2, line 10, replace "27,185,848" with "27,174,242"

Page 2, line 11, replace "20,048,706" with "20,035,352"

Page 2, line 12, replace "789,997,698" with "863,094,411"

Page 2, line 13, replace "43,271,158" with "43,268,038"

Page 2, line 14, replace "880,503,410" with "953,572,043"

Page 2, after line 21, insert:

"SECTION 5. ALTERNATIVE AND DELAYED DISTRIBUTIONS FROM HIGHWAY TAX DISTRIBUTION FUND - CITY AND COUNTY ROADWAY PLAN. Notwithstanding section 54-27-19, the state treasurer shall transfer \$1,000,000 to the

highway fund during the fiscal year beginning July 1, 2005, and ending June 30, 2006, from the cities' and counties' share of the additional funds deposited in the highway tax distribution fund resulting from provisions of this Act. The state treasurer may not distribute any additional funds deposited into the highway tax distribution fund resulting from provisions of this Act to cities or counties before July 1, 2006, and until the department of transportation certifies to the state treasurer that the cities and counties have developed a roadway plan that is acceptable to the department and that the plan:

1. Identifies a prioritized roadway system that designates tiered levels of roadways and corresponding levels of service;
2. Focuses on high-priority corridors;
3. Is consistent with the department's highway performance classification system and other criteria developed by the department; and
4. Is the result of a cooperative effort of the department, cities, and counties."

Page 2, line 28, replace "the maintenance" with "maintaining the structural integrity"

Page 2, line 29, after "state" insert "unless an agreement is reached with the municipality"

Page 3, after line 10, insert:

"SECTION 7. AMENDMENT. Section 24-01-51 of the North Dakota Century Code is amended and reenacted as follows:

24-01-51. (Effective January 1, 2006 2008) Haying of no-mow areas. Notwithstanding any other provision of law, a person owning land adjacent to an area within the right of way of a highway which is designated as a no-mow or managed-mow area may hay the no-mow or managed-mow area after July fifteenth without any payment or penalty."

Page 3, line 14, after "needed" insert "for the liberty memorial bridge improvement project and the United States highway 2 project improvements"

Page 4, line 9, replace "Medal of honor" with "Liberty memorial"

Page 4, line 10, replace "medal of honor" with "liberty memorial"

Page 4, after line 11, insert:

"SECTION 10. AMENDMENT. Section 39-04-19 of the North Dakota Century Code is amended and reenacted as follows:

39-04-19. Motor vehicle registration fees and mile tax. Motor vehicles required to pay registration fees or a mile tax shall pay the following fees:

1. Nonresidents electing to pay mile tax in lieu of registration, when authorized to do so by the department, shall pay a fee of twenty dollars for a trip permit which is valid for a period of seventy-two hours. All fees collected under the provisions of this subsection must be credited to the highway construction fund.
2. Motor vehicles required to be registered in this state must be furnished license plates upon the payment of the following annual fees; however, if a motor vehicle, including a motorcycle or trailer, first becomes subject to registration other than at the beginning of the registration period, such fees must be prorated on a monthly basis. The minimum fee charged hereunder must be five dollars:

a. Passenger motor vehicles:

Gross Weights	YEARS REGISTERED				
	1st, 2nd, 3rd, 4th, 5th, and 6th Years	7th, 8th, and 9th Years	10th, 11th, and 12th Years	13th and Subsequent Years	
Less than 3,200	\$60 <u>\$70</u>	\$52 <u>\$62</u>	\$44 <u>\$54</u>	\$36 <u>\$46</u>	\$44 <u>\$54</u>
3,200 - 4,499	80 <u>90</u>	68 <u>78</u>	56 <u>66</u>	44 <u>54</u>	54 <u>64</u>
4,500 - 4,999	98 <u>108</u>	84 <u>94</u>	66 <u>76</u>	50 <u>60</u>	60 <u>70</u>

5,000 - 5,999	429 139	407 117	85 95	63 73
6,000 - 6,999	462 172	433 143	104 114	76 86
7,000 - 7,999	495 205	459 169	124 134	89 99
8,000 - 8,999	228 238	486 196	144 154	102 112
9,000 and over	264 271	212 222	164 174	115 125

A house car is subject to registration at the rates prescribed for other vehicles under this subdivision modified by using the weight applicable to a vehicle whose weight is forty percent of that of the house car, but not using a weight of less than four thousand pounds [1814.35 kilograms].

- b. Schoolbuses, buses for hire, buses owned and operated by religious, charitable, or nonprofit organizations and used exclusively for religious, charitable, or other public nonprofit purposes, and trucks or combination trucks and trailers, including commercial and noncommercial trucks, except those trucks or combinations of trucks and trailers which qualify for registration under subsection 5:

Gross Weights	YEARS REGISTERED				
	1st Through 6th Years	7th Through 9th Years	10th Through 12th Years	13th Through 19th Years	20th and Subsequent Years
Not over 4,000	\$58 \$68	\$45 \$55	\$40 \$50	\$37 \$47	\$36 \$46
4,001 - 6,000	63 73	50 60	44 54	38 48	37 47
6,001 - 8,000	68 78	55 65	48 58	39 49	38 48
8,001 - 10,000	73 83	60 70	52 62	41 51	40 50
10,001 - 12,000	78 88	65 75	56 66	43 53	42 52
12,001 - 14,000	83 93	70 80	60 70	46 56	45 55
14,001 - 16,000	88 98	75 85	64 74	49 59	48 58
16,001 - 18,000	93 103	80 90	68 78	51 61	50 60
18,001 - 20,000	96 106	83 93	70 80	52 62	51 61

Gross Weights	YEARS REGISTERED		
	1st, 2nd, 3rd, 4th, 5th, 6th, and 7th Years	8th, 9th, 10th, 11th, and 12th Years	13th and Subsequent Years
20,001 - 22,000	\$126 \$136	\$100 \$110	\$87 \$97
22,001 - 26,000	178 188	148 158	132 142
26,001 - 30,000	239 249	197 207	175 185
30,001 - 34,000	305 315	250 260	222 232
34,001 - 38,000	366 376	299 309	265 275
38,001 - 42,000	427 437	348 358	307 317
42,001 - 46,000	488 498	396 406	350 360
46,001 - 50,000	549 559	445 455	393 403
50,001 - 54,000	619 629	503 513	444 454
54,001 - 58,000	680 690	552 562	487 497
58,001 - 62,000	742 752	601 611	530 540
62,001 - 66,000	802 812	649 659	573 583
66,001 - 70,000	863 873	698 708	615 625
70,001 - 74,000	924 934	747 757	658 668
74,001 - 78,000	985 995	796 806	701 711
78,001 - 82,000	1,046 1,056	845 855	744 754
82,001 - 86,000	1,107 1,117	894 904	787 797
86,001 - 90,000	1,168 1,178	943 953	830 840
90,001 - 94,000	1,229 1,239	992 1,002	873 883
94,001 - 98,000	1,290 1,300	1,041 1,051	916 926
98,001 - 102,000	1,351 1,361	1,090 1,100	959 969
102,001 - 105,500	1,412 1,422	1,139 1,149	1,002 1,012

- c. Motorcycles, fifteen dollars.

3. Motor vehicles acquired by disabled veterans under the provisions of Public Law 79-663 [38 U.S.C. 3901] are exempt from the payment of state sales or use tax and, if paid, such veterans are entitled to a refund. This exemption also applies to any passenger motor vehicle or pickup truck not exceeding ten thousand pounds [4535.92 kilograms] gross weight but shall apply to no more than two such motor vehicles owned by a disabled veteran at any one time.

4. Every trailer, semitrailer, and farm trailer required to be registered under this chapter must be furnished registration plates upon the payment of a twenty dollar annual fee. Every trailer, semitrailer, or farm trailer not required to be registered under this chapter must be furnished an identification plate upon the payment of a fee of five dollars. Upon the request of a person with a trailer or farm trailer to whom a registration or identification plate is provided under this subsection, the department shall provide a plate of the same size as provided for a motorcycle. The department shall provide notification of this option to the person before the replacement or issuance of the plate.
5. Trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] which are used as farm vehicles only, are entitled to registration under the following fee schedule and the provisions of this subsection. Farm vehicles are considered, for the purpose of this subsection, as trucks or combinations of trucks and trailers weighing more than twenty thousand but not more than one hundred five thousand five hundred pounds [more than 9071.84 but not more than 47854.00 kilograms] owned, or leased for at least one year by a bona fide resident farmer who uses the vehicles exclusively for transporting the farmer's own property or other property on a farm work exchange basis with other farmers between farms and the usual local trading places but not in connection with any commercial retail or wholesale business being conducted from those farms, nor otherwise for hire. In addition to the penalty provided in section 39-04-41, any person violating this subsection shall license for the entire license period the farm vehicle at the higher commercial vehicle rate in accordance with the weight carried by the farm vehicle at the time of the violation.

YEARS REGISTERED

Gross Weights	1st, 2nd, 3rd, 4th, 5th, and 6th Years		7th and 8th Years	9th and 10th Years	11th and Subsequent Years
	\$98	\$108	\$84	\$70	\$52
20,001 - 22,000	<u>113</u>	<u>113</u>	<u>98</u>	<u>83</u>	<u>64</u>
22,001 - 24,000	<u>121</u>	<u>121</u>	<u>104</u>	<u>87</u>	<u>66</u>
24,001 - 26,000	<u>132</u>	<u>132</u>	<u>112</u>	<u>93</u>	<u>70</u>
26,001 - 28,000	<u>141</u>	<u>141</u>	<u>120</u>	<u>99</u>	<u>74</u>
28,001 - 30,000	<u>156</u>	<u>156</u>	<u>133</u>	<u>110</u>	<u>83</u>
30,001 - 32,000	<u>166</u>	<u>166</u>	<u>141</u>	<u>116</u>	<u>87</u>
32,001 - 34,000	<u>176</u>	<u>176</u>	<u>149</u>	<u>122</u>	<u>91</u>
34,001 - 36,000	<u>186</u>	<u>186</u>	<u>157</u>	<u>128</u>	<u>95</u>
36,001 - 38,000	<u>196</u>	<u>196</u>	<u>165</u>	<u>134</u>	<u>99</u>
38,001 - 40,000	<u>206</u>	<u>206</u>	<u>173</u>	<u>140</u>	<u>103</u>
40,001 - 42,000	<u>216</u>	<u>216</u>	<u>181</u>	<u>146</u>	<u>107</u>
42,001 - 44,000	<u>226</u>	<u>226</u>	<u>189</u>	<u>152</u>	<u>111</u>
44,001 - 46,000	<u>236</u>	<u>236</u>	<u>197</u>	<u>158</u>	<u>115</u>
46,001 - 48,000	<u>246</u>	<u>246</u>	<u>205</u>	<u>164</u>	<u>119</u>
48,001 - 50,000	<u>256</u>	<u>256</u>	<u>213</u>	<u>170</u>	<u>123</u>
50,001 - 52,000	<u>266</u>	<u>266</u>	<u>221</u>	<u>176</u>	<u>127</u>
52,001 - 54,000	<u>276</u>	<u>276</u>	<u>229</u>	<u>182</u>	<u>131</u>
54,001 - 56,000	<u>286</u>	<u>286</u>	<u>237</u>	<u>188</u>	<u>135</u>
56,001 - 58,000	<u>296</u>	<u>296</u>	<u>245</u>	<u>194</u>	<u>139</u>
58,001 - 60,000	<u>306</u>	<u>306</u>	<u>253</u>	<u>200</u>	<u>143</u>
60,001 - 62,000	<u>316</u>	<u>316</u>	<u>261</u>	<u>206</u>	<u>147</u>
62,001 - 64,000	<u>326</u>	<u>326</u>	<u>269</u>	<u>212</u>	<u>151</u>
64,001 - 66,000	<u>336</u>	<u>336</u>	<u>277</u>	<u>218</u>	<u>155</u>
66,001 - 68,000	<u>346</u>	<u>346</u>	<u>285</u>	<u>224</u>	<u>159</u>
68,001 - 70,000	<u>356</u>	<u>356</u>	<u>293</u>	<u>230</u>	<u>163</u>
70,001 - 72,000	<u>366</u>	<u>366</u>	<u>301</u>	<u>236</u>	<u>167</u>
72,001 - 74,000	<u>376</u>	<u>376</u>	<u>309</u>	<u>242</u>	<u>171</u>
74,001 - 76,000	<u>386</u>	<u>386</u>	<u>317</u>	<u>248</u>	<u>175</u>
76,001 - 78,000	<u>396</u>	<u>396</u>	<u>325</u>	<u>254</u>	<u>179</u>
78,001 - 80,000	<u>406</u>	<u>406</u>	<u>333</u>	<u>260</u>	<u>183</u>
80,001 - 82,000	<u>416</u>	<u>416</u>	<u>341</u>	<u>266</u>	<u>187</u>
82,001 - 84,000	<u>426</u>	<u>426</u>	<u>349</u>	<u>272</u>	<u>191</u>
84,001 - 86,000	<u>436</u>	<u>436</u>	<u>357</u>	<u>278</u>	<u>195</u>
86,001 - 88,000	<u>446</u>	<u>446</u>	<u>365</u>	<u>284</u>	<u>199</u>
88,001 - 90,000	<u>456</u>	<u>456</u>	<u>373</u>	<u>290</u>	<u>203</u>
90,001 - 92,000	<u>466</u>	<u>466</u>	<u>381</u>	<u>296</u>	<u>207</u>

92,001 - 94,000	546 526	440 450	373 383	349 329
94,001 - 96,000	536 546	457 467	387 397	334 341
96,001 - 98,000	556 566	474 484	404 411	343 353
98,001 - 100,000	576 586	494 501	445 425	355 365
100,001 - 102,000	596 606	508 518	429 439	367 377
102,001 - 104,000	646 626	525 535	443 453	379 389
104,001 - 105,500	636 646	542 552	457 467	394 401

6. A motor vehicle registered in subsection 5 may be used for custom combining operations by displaying identification issued by the department and upon payment of a fee of twenty-five dollars.
7. Thirteen dollars of each registration fee collected under subsections 2 and 5 must be deposited in the state highway fund.

SECTION 11. AMENDMENT. Section 57-40.3-02 of the North Dakota Century Code is amended and reenacted as follows:

57-40.3-02. Tax imposed. There is hereby imposed an excise tax at the rate of ~~five~~ four percent on the purchase price of any motor vehicle purchased or acquired either in or outside of the state of North Dakota for use on the streets and highways of this state and required to be registered under the laws of this state.

SECTION 12. A new section to chapter 57-40.3 of the North Dakota Century Code is created and enacted as follows:

Separate and additional motor vehicle excise tax - Transfer of revenue. In addition to the tax otherwise imposed under section 57-40.3-02, there is imposed an excise tax at the rate of one percent on the purchase price of any motor vehicle purchased or acquired in or outside this state for use on the streets and highways of this state and required to be registered under the laws of this state. The entire revenue from tax imposed under this section must be transmitted monthly by the director of the department of transportation to the state treasurer and deposited in the state highway fund and is not considered part of net collections under section 57-39.2-26.1.

SECTION 13. AMENDMENT. Section 57-40.3-10 of the North Dakota Century Code is amended and reenacted as follows:

57-40.3-10. Transfer of revenue. All Except as otherwise provided in section 12 of this Act, all moneys collected and received under this chapter must be transmitted monthly by the director of the department of transportation to the state treasurer to be transferred and credited to the general fund.

SECTION 14. AMENDMENT. Section 57-43.1-02 of the North Dakota Century Code is amended and reenacted as follows:

57-43.1-02. Tax imposed on motor vehicle fuels.

1. Except as otherwise provided in this section, a tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on all motor vehicle fuel sold or used in this state, except the tax imposed is twenty-five cents per gallon [3.79 liters] on all motor vehicle fuel sold or used in this state during the period from May first through October thirty-first of each year.
2. A supplier or distributor shall remit the tax imposed by this section on motor vehicle fuel used, on the wholesale distribution of motor vehicle fuel to a retailer, and on direct sales of motor vehicle fuel to a consumer.
3. The tax imposed by this section does not apply on a sale by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the retailer and to the consumer. A retailer who paid the tax to the supplier or distributor shall pass the tax on to the consumer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the motor vehicle fuel was sold or used by the

person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.

6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

SECTION 15. AMENDMENT. Section 57-43.2-02 of the North Dakota Century Code is amended and reenacted as follows:

57-43.2-02. (Contingent effective date - See note - Effective through June 30, 2005) Tax imposed.

1. Except as otherwise provided in this chapter, an excise tax of twenty-one cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel. The tax under this subsection is reduced by one and five-hundredths cents per gallon [3.79 liters] on the sale or delivery of diesel fuel that contains at least two percent biodiesel fuel by weight.
2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.
5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

(Effective after June 30, 2005) Tax imposed.

1. Except as otherwise provided in this chapter, an excise tax of ~~twenty-one~~ twenty-three cents per gallon [3.79 liters] is imposed on the sale or delivery of all special fuel sold or used in this state. For the purpose of determining the tax upon compressed natural gas under this section, one hundred twenty cubic feet [3.40 cubic meters] of compressed natural gas is equal to one gallon [3.79 liters] of other special fuel.
2. A supplier, distributor, or retailer shall remit the tax imposed by this section on special fuel used and on direct sales of special fuel to a customer.
3. The tax imposed by this section does not apply on sales by a supplier to another supplier, on a sale by a supplier to a distributor, on a sale by a distributor to another distributor, on a sale by a distributor to a retailer, on an export, or on a sale to an exempt consumer.
4. The person required to remit the tax imposed by this section shall pass the tax on to the customer.

5. The person required to remit the tax imposed by this section shall pay the tax to the commissioner by the twenty-fifth day of the calendar month after the month during which the special fuel was sold or used by the person. When the twenty-fifth day of the calendar month falls on a Saturday, Sunday, or legal holiday, the due date is the first working day after the Saturday, Sunday, or legal holiday. When payment is made by mail, the payment is timely if the envelope containing the payment is postmarked by the United States postal service or other postal carrier service before midnight of the due date.
6. The commissioner shall pay over all of the money received during each calendar month to the state treasurer.

SECTION 16. REPEAL. Section 39-04-39.5 of the North Dakota Century Code is repealed.

SECTION 17. EFFECTIVE DATE. Sections 10, 14, and 15 of this Act are effective for registrations and taxable events occurring after June 30, 2005. Sections 11, 12, and 13 of this Act are effective for taxable events occurring after June 30, 2009. Section 16 of this Act is effective for registrations occurring after June 30, 2005."

Page 4, line 12, replace "6" with "8"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Department of Transportation - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Administration	\$27,227,294	\$27,185,848	(\$11,606)	\$27,174,242
Driver's and Vehicle Services	20,081,797	20,048,706	(13,354)	20,035,352
Highways	736,823,693	789,997,698	73,096,713	863,094,411
Fleet Services	<u>43,280,168</u>	<u>43,271,158</u>	<u>(3,120)</u>	<u>43,268,038</u>
Total all funds	\$827,412,952	\$880,503,410	\$73,068,633	\$953,572,043
Less estimated income	<u>827,412,952</u>	<u>880,503,410</u>	<u>73,068,633</u>	<u>953,572,043</u>
General fund	\$0	\$0	\$0	\$0
FTE	1044.50	1044.50	0.00	1044.50

Dept. 801 - Department of Transportation - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	ADDS FUNDING FOR ONE CALL ¹	ADDS HIGHWAY CONSTRUCTION FUNDS ²	ADDS FUNDING FOR EMERGENCY RELIEF PROJECTS ³	ADDS FUNDING FOR ROADWAY PLAN ⁴	TOTAL HOUSE CHANGES
Administration	(\$11,606)					(\$11,606)
Driver's and Vehicle Services	(13,354)					(13,354)
Highways	(100,589)	\$168,520	\$17,900,000	\$54,128,782	\$1,000,000	73,096,713
Fleet Services	<u>(3,120)</u>					<u>(3,120)</u>
Total all funds	(\$128,669)	\$168,520	\$17,900,000	\$54,128,782	\$1,000,000	\$73,068,633
Less estimated income	<u>(128,669)</u>	<u>168,520</u>	<u>17,900,000</u>	<u>54,128,782</u>	<u>1,000,000</u>	<u>73,068,633</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

¹ The highways line item is increased by \$168,520 from the highway fund for costs of complying with provisions of Senate Bill No. 2209 which require the department to provide data on the location of utilities on highway rights of way.

² The highways line item is increased by \$17,900,000, of which \$15,900,000 is federal funds and \$2,000,000 is from the highway fund for highway projects in anticipation of receiving \$202.3 million of federal highway construction funds in federal fiscal year 2005 and \$205 million in federal fiscal year 2006.

³ The highways line item is increased by \$54,128,782, of which \$43,968,332 is federal funds, \$8,472,520 is state matching, and \$1,687,930 is from the counties for emergency relief projects on highways.

⁴ The highways line item is increased by \$1,000,000 from funds transferred from the cities' and counties' share of the additional revenue generated by this bill for the development of a roadway plan for cities and counties. A section is added precluding the cities and counties from receiving the additional revenue resulting from provisions of this bill until they develop, in collaboration with the Department of Transportation, a roadway plan.

The section added by the Senate requiring the department to maintain bridges over navigable waters in the state that it is currently maintaining is changed to require the department to maintain the structural integrity of these bridges unless the department enters into an agreement with the municipality.

A section is added delaying the effective date from January 1, 2006, to January 1, 2008, of provisions allowing a landowner owning land next to a no-mow area to hay the no-mow or managed-mow area after July 15 without payment or penalty.

The section added by the Senate authorizing the department to issue grant anticipation revenue vehicle (GARVEE) bonds is changed to limit the authorization to only the Liberty Memorial Bridge project and the United States Highway 2 project.

The section added by the Senate naming the replacement bridge for the Liberty Memorial Bridge between Bismarck and Mandan the Medal of Honor Bridge is changed to name the replacement bridge the Liberty Memorial Bridge.

Sections are added providing additional state highway revenue beginning in the 2005-07 biennium by:

- Increasing the motor vehicle fuel (gasoline and gasohol) and special fuels (diesel) tax rate by 2 cents per gallon, from 21 to 23 cents. This revenue will be deposited in the highway tax distribution fund.
- Increasing the motor vehicle fuel (gasoline and gasohol) tax rate by an additional 2 cents per gallon, from 23 to 25 cents each year during the months of May through October. This revenue will be deposited in the highway tax distribution fund.
- Increasing annual motor vehicle registration fees by \$10. This revenue will be deposited directly in the state highway fund providing a total of \$13 of each registration fee that is deposited directly in the highway fund.

The Department of Transportation estimates these increases will generate \$41.4 million of additional revenue during the 2005-07 biennium, of which \$31 million will be deposited in the state highway fund, \$6.5 million will be distributed to counties, and \$3.9 million to cities.

Sections are added providing that effective July 1, 2009, collections from 1 percent of the current 5 percent motor vehicle excise tax will be deposited in the state highway fund rather than in the state aid distribution fund and the general fund.

REPORT OF STANDING COMMITTEE

SB 2013, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2013 was placed on the Sixth order on the calendar.

Page 1, line 20, replace "336,989" with "334,618"

Page 1, line 23, replace "236,117" with "233,746"

Page 2, line 7, replace "2,213,151" with "2,210,780"

Page 2, line 12, replace "7,809,951" with "7,807,580"

Page 3, line 18, after the second period insert "This authority is ineffective after all loans are repaid."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Land Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,222,195	\$2,213,151	(\$2,371)	\$2,210,780
Operating expenses	648,700	648,700		648,700
Capital assets	10,000	10,000		10,000
Grants	4,888,100	4,888,100		4,888,100
Contingencies	<u>50,000</u>	<u>50,000</u>		<u>50,000</u>
Total all funds	\$7,818,995	\$7,809,951	(\$2,371)	\$7,807,580
Less estimated income	<u>7,818,995</u>	<u>7,809,951</u>	<u>(2,371)</u>	<u>7,807,580</u>
General fund	\$0	\$0	\$0	\$0
FTE	18.75	18.75	0.00	18.75

Dept. 226 - Land Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,371)	(\$2,371)
Operating expenses		
Capital assets		
Grants		
Contingencies		
Total all funds	(\$2,371)	(\$2,371)
Less estimated income	<u>(2,371)</u>	<u>(2,371)</u>
General fund	\$0	\$0
FTE	0.00	0.00

REPORT OF STANDING COMMITTEE

SB 2017, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2017 was placed on the Sixth order on the calendar.

Page 1, line 14, replace "96,610" with "95,487"

Page 1, line 16, replace "59,217" with "58,094"

Page 1, line 22, replace "1,035,258" with "1,034,135"

Page 1, line 24, replace "1,302,175" with "1,301,052"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2017 - Office of Administrative Hearings - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$1,039,565	\$1,035,258	(\$1,123)	\$1,034,135
Operating expenses	<u>266,917</u>	<u>266,917</u>		<u>266,917</u>
Total all funds	\$1,306,482	\$1,302,175	(\$1,123)	\$1,301,052
Less estimated income	<u>1,306,482</u>	<u>1,302,175</u>	<u>(1,123)</u>	<u>1,301,052</u>
General fund	\$0	\$0	\$0	\$0
FTE	8.00	8.00	0.00	8.00

Dept. 140 - Office of Administrative Hearings - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	TOTAL HOUSE CHANGES
Salaries and wages	(\$1,123)	(\$1,123)
Operating expenses		
Total all funds	(\$1,123)	(\$1,123)

Less estimated income	(1,123)	(1,123)
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

REPORT OF STANDING COMMITTEE

SB 2019, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (23 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2019 was placed on the Sixth order on the calendar.

Page 1, line 20, replace "183,482" with "180,487"

Page 1, line 21, replace "53,621" with "68,621"

Page 1, line 22, replace "2,058,233" with "2,208,233"

Page 1, line 23, replace "75,000" with "100,000"

Page 1, line 24, replace "2,370,336" with "2,557,341"

Page 2, line 1, replace "393,716" with "407,757"

Page 2, line 2, replace "1,976,620" with "2,149,584"

Page 2, line 9, replace "3,150,123" with "3,147,128"

Page 2, line 10, replace "1,009,858" with "1,024,858"

Page 2, line 11, replace "21,350,116" with "21,500,116"

Page 2, line 12, replace "700,760" with "725,760"

Page 2, line 15, replace "27,918,309" with "28,105,314"

Page 2, line 16, replace "11,268,216" with "11,282,257"

Page 2, line 17, replace "16,650,093" with "16,823,057"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Board for Career and Technical Education - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,158,580	\$3,150,123	(\$2,995)	\$3,147,128
Operating expenses	1,009,858	1,009,858	15,000	1,024,858
Grants	21,850,116	21,350,116	150,000	21,500,116
Adult farm management	700,760	700,760	25,000	725,760
Workforce training	1,350,000	1,350,000		1,350,000
Postsecondary grants	<u>357,452</u>	<u>357,452</u>		<u>357,452</u>
Total all funds	\$28,426,766	\$27,918,309	\$187,005	\$28,105,314
Less estimated income	<u>11,270,900</u>	<u>11,268,216</u>	<u>14,041</u>	<u>11,282,257</u>
General fund	\$17,155,866	\$16,650,093	\$172,964	\$16,823,057
FTE	27.50	27.50	0.00	27.50

Dept. 270 - Board for Career and Technical Education - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE	PARTIALLY RESTORES FUNDING FOR EMERGING TECHNOLOGY PROGRAM ¹	ADDS FUNDING FOR ADULT FARM MANAGEMENT ²	ADDS SPECIAL FUNDS SPENDING AUTHORITY ³	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,995)				(\$2,995)
Operating expenses				\$15,000	15,000
Grants		\$150,000			150,000
Adult farm management			\$25,000		25,000
Workforce training					
Postsecondary grants					

Total all funds	(\$2,995)	\$150,000	\$25,000	\$15,000	\$187,005
Less estimated income	(959)			15,000	14,041
General fund	(\$2,036)	\$150,000	\$25,000	\$0	\$172,964
FTE	0.00	0.00	0.00	0.00	0.00

¹ This amendment restores \$150,000 of the \$750,000 general fund reduction made by the Senate to the emerging technology program, resulting in a total of \$900,000 for the emerging technology program.

² This amendment adds \$25,000 from the general fund to adult farm management for a total of \$725,760 for adult farm management.

³ This amendment adds \$15,000 of special funds spending authority for operating expenses as the result of the removal of the continuing appropriation from the board for the fee fund in Senate Bill No. 2120.

REPORT OF STANDING COMMITTEE

SB 2022, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 4 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2022 was placed on the Sixth order on the calendar.

Page 1, line 21, replace "5,912,736" with "5,909,117"

Page 1, line 23, replace "272,736" with "269,117"

Page 2, line 5, replace "5,912,736" with "5,909,117"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2022 - Seed Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Seed Department	<u>\$5,924,650</u>	<u>\$5,912,736</u>	<u>(\$3,619)</u>	<u>\$5,909,117</u>
Total all funds	\$5,924,650	\$5,912,736	(\$3,619)	\$5,909,117
Less estimated income	<u>5,924,650</u>	<u>5,912,736</u>	<u>(3,619)</u>	<u>5,909,117</u>
General fund	\$0	\$0	\$0	\$0
FTE	30.00	30.00	0.00	30.00

Dept. 616 - Seed Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE ¹	TOTAL HOUSE CHANGES
Seed Department	<u>(\$3,619)</u>	<u>(\$3,619)</u>
Total all funds	(\$3,619)	(\$3,619)
Less estimated income	<u>(3,619)</u>	<u>(3,619)</u>
General fund	\$0	\$0
FTE	0.00	0.00

¹ This amendment reduces funding for state employee health insurance premiums from \$559.15 to \$553.95 per month.

REPORT OF STANDING COMMITTEE

SB 2027, as reengrossed: Judiciary Committee (Rep. DeKrey, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Reengrossed SB 2027 was placed on the Sixth order on the calendar.

Page 1, line 4, after the first semicolon insert "to provide for a report to the legislative council;"

Page 8, after line 17, insert:

"SECTION 9. REPORT TO LEGISLATIVE COUNCIL. During the 2005-06 interim, the commission on legal counsel for indigents shall report periodically to the

legislative council regarding the implementation of this Act. The commission shall present its first report to the legislative council before December 1, 2005."

Page 8, line 19, replace "contract" with "indigent defense" and remove "in accordance with section 10 of this Act,"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2157, as reengrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (21 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Reengrossed SB 2157 was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on page 975 of the House Journal, Reengrossed Senate Bill No. 2157 is amended as follows:

Page 1, line 2, after "credit" insert "; to provide an appropriation"

Page 2, line 5, remove the overstrike over "~~eight thousand~~" and insert immediately thereafter "five hundred", remove the overstrike over "~~dollars~~", and remove "the"

Page 2, line 6, remove "federal poverty level"

Page 2, line 7, remove the overstrike over "~~two~~"

Page 2, line 8, remove "three" and replace "six" with "five"

Page 2, line 9, remove the overstrike over "~~eight thousand~~" and insert immediately thereafter "five hundred", remove the overstrike over "~~dollars~~", and remove "the federal"

Page 2, line 10, remove "poverty level", after "nine" insert "ten", remove the overstrike over "~~thousand~~", and remove the overstrike over "~~dollars~~"

Page 2, line 11, remove "one hundred ten percent of the federal poverty level"

Page 2, line 13, remove "eight", overstrike "hundred", and remove "eighty"

Page 2, line 15, after "nine" insert "ten" and remove the overstrike over "~~thousand~~"

Page 2, line 16, remove the overstrike over "~~dollars~~" and remove "one hundred ten percent of the federal poverty level"

Page 2, line 17, remove the overstrike over "~~eleven thousand~~" and insert immediately thereafter "five hundred", remove the overstrike over "~~dollars~~", and remove "one hundred twenty percent of the"

Page 2, line 18, remove "federal poverty level"

Page 2, line 19, remove the overstrike over "~~one~~"

Page 2, line 20, remove "two", replace "one" with "five", and remove "sixty"

Page 2, line 21, remove the overstrike over "~~eleven thousand~~" and insert immediately thereafter "five hundred", remove the overstrike over "~~dollars~~", and remove "one"

Page 2, line 22, remove "hundred twenty percent of the federal poverty level"

Page 2, line 23, after "twelve" insert "thirteen", remove the overstrike over "~~thousand~~", remove the overstrike over "~~dollars~~", and remove "one hundred thirty percent of the"

Page 2, line 24, remove "federal poverty level"

Page 2, line 26, remove "one thousand four", overstrike "hundred", and replace "forty" with "one thousand"

Page 2, line 27, after "twelve" insert "thirteen" and remove the overstrike over "~~thousand~~"

Page 2, line 28, remove the overstrike over "~~dollars~~" and remove "one hundred thirty percent of the federal poverty level"

Page 2, line 29, remove the overstrike over "~~fourteen thousand~~" and insert immediately thereafter "five hundred", remove the overstrike over "~~dollars~~", and remove "one hundred forty percent of the"

Page 2, line 30, remove "federal poverty level"

Page 3, line 2, replace "seven" with "five" and remove "twenty"

Page 4, remove lines 1 through 3

Page 4, line 24, remove the overstrike over "~~be in excess of~~"

Page 4, line 25, remove the overstrike over "~~two hundred forty dollars~~" and remove "exceed the amount provided in this subdivision"

Page 4, line 28, remove "Maximum refunds for applicants must be determined according to"

Page 4, remove lines 29 through 31

Page 5, remove lines 1 through 14

Page 6, remove lines 18 through 26

Page 6, line 27, replace "c." with "b."

Page 6, line 28, replace "d." with "c."

Page 7, line 4, replace "e." with "d."

Page 7, line 8, replace "f." with "e."

Page 7, after line 12, insert:

"SECTION 2. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the tax commissioner for the purpose of homestead tax credit reimbursement in addition to other funds available for that purpose, for the biennium beginning July 1, 2005, and ending June 30, 2007."

Page 7, line 14, replace "2006" with "2004, for ad valorem property taxes and for taxable years beginning after December 31, 2005, for mobile home taxes"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2270, as reengrossed: Finance and Taxation Committee (Rep. Belter, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Reengrossed SB 2270 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "section" with "sections" and after "4-14.1-07.1" insert "and 4-14.1-07.2"

Page 1, line 2, replace "section" with "sections 4-14.1-08 and"

Page 1, after line 7, insert:

"4-14.1-07.1. Ethanol plant production incentives - Report to budget section.

1. a. An ethanol plant that was in operation before July 1, 1995, and which has a production capacity of fewer than fifteen million gallons [56781000 liters] of ethanol may receive up to nine hundred thousand dollars in production incentives from the state during the 2005-07 biennium and may receive no production incentives under this section after the 2005-07 biennium.

b. An ethanol plant that was in operation before July 1, 1995, and which produced fifteen million gallons [56781000 liters] or more in the previous fiscal year is eligible to receive up to four hundred fifty

thousand dollars in production incentives from the state during the 2005-07 biennium and may receive no production incentives under this section after the 2005-07 biennium.

2. The agricultural products utilization commission shall determine the amount of production incentives to which a plant is entitled under this section by multiplying the number of gallons of ethanol produced by the plant and marketed to a distributor or wholesaler by forty cents. The commission shall forward the production incentives to the plant upon receipt of an affidavit by the plant indicating that the ethanol is to be sold at retail to consumers. The affidavit must be accompanied by an affidavit from a wholesaler or retailer indicating that the ethanol is to be sold at retail to consumers.
3. Within ninety days after the conclusion of the plant's fiscal year, the plant shall submit to the budget section of the legislative council a statement by a certified public accountant indicating whether the plant produced a profit from its operation in the preceding fiscal year, after deducting the payments received under this section.

SECTION 2. Section 4-14.1-07.2 of the North Dakota Century Code is created and enacted as follows:"

Page 1, line 8, replace "4-14.1-07.1" with "4-14.1-07.2"

Page 1, after line 13, insert:

"SECTION 3. AMENDMENT. Section 4-14.1-08 of the North Dakota Century Code is amended and reenacted as follows:

4-14.1-08. Ethanol production incentive - Calculation - Payment. The agricultural products utilization commission shall provide quarterly to each eligible facility a production incentive based on the average North Dakota price per bushel of corn received by farmers during the quarter, as established by the North Dakota agricultural statistics service and the average North Dakota rack price per gallon [3.79 liters] of ethanol during the quarter, as compiled by ~~the American coalition for ethanol~~ AXXIS petroleum. The amount payable as a production incentive must be calculated by including the sum arrived at under subsection 1 with the sum arrived at under subsection 2.

1. a. If the average quarterly price per bushel of corn is above one dollar and eighty cents, for each one cent by which the quarterly price is above one dollar and eighty cents, the agricultural products utilization commission shall add to the amount payable under this section one-tenth of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
 - b. If the average quarterly price per bushel of corn is one dollar and eighty cents, the agricultural products utilization commission shall add zero to any amount payable under this section.
 - c. If the average quarterly price per bushel of corn is below one dollar and eighty cents, for each one cent by which the quarterly price is below one dollar and eighty cents, the agricultural products utilization commission shall subtract from the amount payable under this section one-tenth of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
2. a. If the average quarterly rack price per gallon of ethanol is above one dollar and thirty cents, for each one cent by which the average quarterly rack price is above one dollar and thirty cents, the agricultural products utilization commission shall subtract from the amount payable under this section, two-tenths of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter.
 - b. If the average quarterly rack price per gallon of ethanol is one dollar and thirty cents, the agricultural products utilization commission shall subtract zero from any amount payable under this section.

- c. If the average quarterly rack price per gallon of ethanol is below one dollar and thirty cents, for each one cent by which the average quarterly rack price is below one dollar and thirty cents, the agricultural products utilization commission shall add to the amount payable under this section two-tenths of one cent times the number of gallons of ethanol produced by the eligible facility during the quarter."

Page 1, line 21, after "4-14.1-07.1" insert ", 4-14.1-07.2"

ReNUMBER accordingly

REPORT OF STANDING COMMITTEE

SB 2274, as engrossed: Transportation Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2274 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "two new sections to chapter 39-21" with "a new section to chapter 24-03"

Page 1, line 2, replace "axles on a vehicle" with "bids for highway grade stakes" and after "reenact" insert "section 25-16.2-02,"

Page 1, line 3, after "39-06.1-06" insert a comma

Page 1, line 4, after "to" insert "bidding with work activity centers," and after "limitations" insert a comma

Page 1, after line 5, insert:

"SECTION 1. A new section to chapter 24-03 of the North Dakota Century Code is created and enacted as follows:

Highway grade stakes - Bids. The department of transportation, when seeking bids for highway grade stakes, shall issue requests for bids only from persons domiciled in this state. If no bidder domiciled in this state submits a qualifying bid, the department may open the bidding process to out-of-state bidders.

SECTION 2. AMENDMENT. Section 25-16.2-02 of the North Dakota Century Code is amended and reenacted as follows:

25-16.2-02. Direct bidding with work activity centers for highway grade stakes. ~~Unless no work activity center bids on the contract, the office of management and budget or the department of transportation, whichever may be authorized to purchase highway grade stakes, shall award any contract for the purchase of highway grade stakes to work activity centers. The office of management and budget or the department of transportation shall request bids from work activity centers and shall award any contract for the purchase of highway grade stakes on the basis of these factors:~~

- ~~1. Whether the product contracted for is supplied by the work activity center at a fair market price.~~
- ~~2. Whether the product to be supplied by the work activity center meets the specifications of the department of transportation.~~
- ~~3. The ability, capacity, and skill of the work activity center to perform the contract required.~~
- ~~4. The character, integrity, reputation, judgment, experience, and efficiency of the work activity center.~~
- ~~5. Whether the work activity center can perform the contract within the time specified.~~
- ~~6. The quality of performance of previous contracts negotiated with the work activity center.~~
- ~~7. The previous and existing compliance by the work activity center with laws relating to the contract."~~

Page 6, remove lines 17 through 27

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2296: Natural Resources Committee (Rep. Nelson, Chairman) recommends **DO NOT PASS** (7 YEAS, 6 NAYS, 1 ABSENT AND NOT VOTING). SB 2296 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2301, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman) recommends **DO PASS** (14 YEAS, 8 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2301 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2304, as engrossed: Human Services Committee (Rep. Price, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2304 was placed on the Sixth order on the calendar.

Page 1, line 20, after the third comma insert "drop-in care center."

Page 3, line 11, after the third comma insert "drop-in care center."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2389: Transportation Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (10 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). SB 2389 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "four new sections to chapter 51-10" with "a new chapter to title 51"

Page 1, line 2, replace "unfair trade practices" with "below-cost sales" and remove "; and to"

Page 1, remove line 3

Page 1, line 4, remove "relating to unfair trade practices"

Page 1, line 6, replace "**AMENDMENT.** Subsection 1 of section 51-10-01" with "A new chapter to title 51"

Page 1, line 7, replace "amended and reenacted" with "created and enacted"

Page 1, remove lines 8 through 13

Page 1, line 14, replace "'cost'." with "**Definitions.** 1." and remove the underscore under "For motor fuel offered for sale by posted pricing or indicating meter by a"

Page 1, remove the underscore under lines 15 through 24

Page 2, remove the underscore under lines 1 through 10

Page 2, replace lines 11 and 12 with:

2. "Retailer" means any person engaged in the business of making sales at retail within this state. In the case of a person engaged in the business of making sales at retail and sales at wholesale, the term applies only to the retail portion of such business.
3. "Sell at retail", "sales at retail", and "retail sale" mean any transfer for a valuable consideration, made in the ordinary course of trade or in the usual prosecution of the seller's business, of title to tangible personal property to the purchaser for consumption or use other than resale or further processing or manufacturing.
4. "Sell at wholesale", "sales at wholesale", and "wholesale sales" mean any transfer for valuable consideration made in the ordinary course of trade or

the usual conduct of the seller's business, of title to tangible personal property to the purchaser for purposes of resale or further processing or manufacturing.

5. "Wholesaler" means any person engaged in the business of making sales at wholesale in this state. In the case of a person engaged in the business of making both sales at wholesale and sales at retail, the term applies only to the wholesale portion of the business."

Page 2, line 13, remove the underscore under "Certain motor fuel marketing practices", replace "as unfair trade practice" with "**prohibited**", and remove the underscore under ". An offer for resale"

Page 2, remove the underscore under line 14

Page 2, replace lines 15 and 16 with "this chapter, is a violation of this chapter"

Page 2, line 17, remove "section 51-10-05.1 to prevent any violation of this section" and remove the underscore under ". A retailer that sells motor fuel at the"

Page 2, remove the underscore under line 18

Page 2, line 19, remove the underscore under "not in violation of this" and replace "section. Unfair competition in the marketing of motor fuel occurs when a" with "chapter. A"

Page 2, line 20, remove the underscore under "marketer with more than one location", replace "uses" with "may not use", and remove the underscore under "profits from one location to cover losses from"

Page 2, line 21, remove the underscore under "below-cost selling of motor fuel at another location", replace ", when refiners use" with ". Refiners may not use", and remove the underscore under "profits from refining crude"

Page 2, line 22, remove the underscore under "oil to cover below normal or negative returns earned from motor fuel marketing operations" and replace ", and" with a period

Page 2, line 23, replace "when a business uses" with "A business may not use" and remove the underscore under "profits from nonmotor fuel sales to cover losses from below-cost selling"

Page 2, remove the underscore under line 24

Page 2, remove lines 25 and 26

Page 2, remove the underscore under lines 27 through 31

Page 3, remove the underscore under lines 1 through 11

Page 3, line 12, remove the underscore under "making its award. An action under this", replace "section" with "chapter", and remove the underscore under "must be brought within two years"

Page 3, remove the underscore under line 13

Page 3, line 14, remove the underscore under "3. In making an award under", replace "subsection 2" with "this chapter", and remove the underscore under ", the court may award court costs and"

Page 3, remove the underscore under lines 15 through 17

Page 3, remove lines 18 and 19

Page 3, remove the underscore under lines 20 through 25

Page 3, remove lines 26 and 27

Page 3, remove the underscore under lines 28 and 29

Page 3, line 30, remove the underscore under "service and is selling the same article at", remove "cost to", remove the underscore under "the competing", replace "wholesaler" with "wholesaler's cost", and remove the underscore under "as defined in this"

Page 3, remove the underscore under line 31

Page 4, line 1, remove the underscore under "meet the price of a competitor that is selling the same article at", remove "cost to", remove the underscore under "the competing", replace "retailer" with "retailer's cost", and remove the underscore under "as"

Page 4, remove the underscore under line 2

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2411: Political Subdivisions Committee (Rep. Devlin, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2411 was placed on the Sixth order on the calendar.

Page 1, line 12, after "limitations" insert "and according to the procedures"

Page 1, line 13, after "limitations" insert "and according to the procedures"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SCR 4039: Finance and Taxation Committee (Rep. Belter, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SCR 4039 was placed on the Sixth order on the calendar.

Page 1, line 24, remove "and"

Page 2, remove lines 1 through 4

Page 2, line 9, after "revenue" insert "and ensure the property tax relief is permanent"

Page 2, line 12, remove "may establish subcommittees for consideration of divisible issues,"

Page 2, line 14, remove ", and shall at a minimum forward to the Legislative Council three bill drafts to"

Page 2, remove line 15

Page 2, line 16, remove "amounts of \$150 million, \$300 million, and \$600 million per biennium"

Renumber accordingly

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

Bradley C. Fay, Chief Clerk

