

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1020

That the Senate recede from its amendments as printed on pages 1416-1421 of the House Journal and pages 1230-1234 of the Senate Journal and that Engrossed House Bill No. 1020 be amended as follows:

Page 1, line 3, replace "section" with "sections 4-41-02 and"

Page 1, line 4, after the first "to" insert "industrial hemp licenses and"

Page 1, line 5, replace "for a study; to authorize hemp seed procurement" with "legislative intent; to provide for a report to the sixty-first legislative assembly"

Page 3, line 7, replace "4,214,956" with "3,989,956"

Page 3, line 8, replace "(207,238)" with "(99,438)"

Page 3, line 9, replace "4,007,718" with "3,890,518"

Page 3, line 11, replace "3,163,685" with "3,046,485"

Page 3, line 14, replace "770,428" with "720,428"

Page 3, line 16, replace "282,631" with "232,631"

Page 3, line 19, replace "11,002,726" with "11,119,654"

Page 3, line 20, replace "10,965,630" with "11,072,603"

Page 3, line 21, replace "37,096" with "47,051"

Page 3, line 24, replace "10,276,066" with "11,885,735"

Page 3, line 25, replace "(2,951,489)" with "(1,559,949)"

Page 3, line 26, replace "13,227,555" with "13,445,684"

Page 4, line 2, replace "(155,724)" with "(105,724)"

Page 4, line 3, replace "762,491" with "862,491"

Page 4, line 5, replace "3,364,839" with "3,514,839"

Page 4, line 7, replace "2,767,775" with "2,917,775"

Page 4, line 12, replace "19,478,742" with "19,689,626"

Page 4, line 13, replace "9,972,373" with "11,470,886"

Page 4, line 14, replace "29,451,115" with "31,160,512"

Page 4, line 24, replace "41,757,455" with "41,532,455"

Page 4, line 25, replace "630,000" with "737,800"

Page 4, line 26, replace "42,387,455" with "42,270,255"

Page 4, line 28, replace "18,521,831" with "18,404,631"

Page 5, line 1, replace "2,673,111" with "2,623,111"

Page 5, line 3, replace "1,193,392" with "1,143,392"

Page 5, line 6, replace "27,455,663" with "27,572,591"

Page 5, line 7, replace "26,255,663" with "26,362,636"

Page 5, line 8, replace "1,200,000" with "1,209,955"

Page 5, line 11, replace "85,732,779" with "87,342,448"

Page 5, line 12, replace "41,711,157" with "43,102,697"

Page 5, line 13, replace "44,021,622" with "44,239,751"

Page 5, line 20, replace "3,774,816" with "3,824,816"

Page 5, line 21, replace "3,034,369" with "3,134,369"

Page 5, line 23, replace "24,870,515" with "25,020,515"

Page 5, line 25, replace "11,154,084" with "11,304,084"

Page 5, line 30, replace "76,090,929" with "76,301,813"

Page 6, line 1, replace "108,258,940" with "109,757,453"

Page 6, line 2, replace "184,349,869" with "186,059,266"

Page 6, after line 20, insert:

"SECTION 7. AMENDMENT. Section 4-41-02 of the North Dakota Century Code is amended and reenacted as follows:

4-41-02. Industrial hemp - Licensure - Reporting requirements - Continuing appropriation.

1. Any person desiring to grow industrial hemp for commercial purposes shall apply to the agriculture commissioner for a license on a form prescribed by the commissioner. The application for a license must include the name and address of the applicant and the legal description of the land area to be used to produce industrial hemp. Except for employees of the agricultural experiment station or the North Dakota state university extension service involved in research and extension related activities, the commissioner shall require each applicant for initial licensure to submit to a statewide and nationwide criminal history check. The nationwide criminal history check must be conducted in the manner provided in section

12-60-24. All costs associated with the background check are the responsibility of the applicant. Criminal history records provided to the commissioner under this section are confidential. The commissioner may use the records only in determining an applicant's eligibility for licensure. Any person with a prior criminal conviction is not eligible for licensure. If the applicant has completed the application process to the satisfaction of the commissioner, the commissioner shall issue the license, which is valid for a period of one year. Any person licensed under this section is presumed to be growing industrial hemp for commercial purposes. A license required by this section is not conditioned on or subject to review or approval by the United States drug enforcement agency.

2. Each licensee must file with the commissioner documentation indicating that the seeds planted were of a type and variety certified to have no more than three-tenths of one percent tetrahydrocannabinol and a copy of any contract to grow industrial hemp. Each licensee shall notify the commissioner of the sale or distribution of any industrial hemp grown by the licensee, and the names of the persons to whom the hemp was sold or distributed.
3. The commissioner shall adopt rules to allow the industrial hemp to be tested during growth for tetrahydrocannabinol levels and to allow for supervision of the industrial hemp during its growth and harvest. To provide sufficient funds to pay costs associated with monitoring and testing industrial hemp in the state, the commissioner shall assess each applicant a fee of five dollars per acre. The minimum fee assessed must be one hundred fifty dollars per applicant. Collections from this fee must be deposited in the attorney general's operating fund and are hereby appropriated to the attorney general to be used to enforce this chapter."

Page 7, replace lines 29 through 31 with:

"SECTION 10. LEGISLATIVE INTENT - BEEF RESEARCH FACILITY. It is the intent of the sixtieth legislative assembly that before proceeding with a beef research facility, a documented agreement as to the location of the facility must be provided to the main research center from applicable city and county government officials.

SECTION 11. LEGISLATIVE INTENT - OPERATING POOL FUNDING. It is the intent of the sixtieth legislative assembly that the appropriation from the permanent oil tax trust fund as provided in subdivision 4 of section 3 of this Act is to be available only for providing funding for operations of the Dickinson research center and the amount provided is to be limited to the lesser of \$750,000 or the amount actual oil revenues are less than budgeted for the research center for the biennium beginning July 1, 2007, and ending June 30, 2009.

SECTION 12. LEGISLATIVE INTENT - USE OF LIVESTOCK FACILITIES. It is the intent of the sixtieth legislative assembly that the agricultural experiment station consider options to ensure that the use of the livestock facilities at Dickinson, Hettinger, Carrington, and Streeter are being maximized.

SECTION 13. NATIONAL CATTLEMEN'S BEEF ASSOCIATION FUNDING - REPORT TO SIXTY-FIRST LEGISLATIVE ASSEMBLY. The agricultural experiment station shall provide a report to the sixty-first legislative assembly regarding the funding received during the biennium beginning July 1, 2007, and ending June 30, 2009, from the national cattlemen's beef association."

Page 8, remove lines 1 through 6

Page 8, line 18, replace "\$9,032,750" with "\$8,732,750"

Page 8, line 24, replace "350,000" with "400,000"

Page 8, remove line 31

Page 9, line 2, replace "75,000" with "25,000"

Page 9, line 3, replace "9,782,750" with "9,482,750"

Page 9, line 5, replace "\$10,107,750" with "\$7,907,750"

Page 9, line 6, after "3" insert "and section 7" and replace "is" with "are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1020 - Summary of Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Transportation Institute						
Total all funds	\$27,479,547	\$27,455,663	\$116,928	\$27,572,591	\$27,595,591	(\$23,000)
Less estimated income	26,255,663	26,255,663	106,973	26,362,636	26,362,636	
General fund	\$1,223,884	\$1,200,000	\$9,955	\$1,209,955	\$1,232,955	(\$23,000)
Branch Research Centers						
Total all funds	\$24,374,515	\$24,870,515	\$150,000	\$25,020,515	\$24,620,515	\$400,000
Less estimated income	13,716,431	13,716,431		13,716,431	13,716,431	
General fund	\$10,658,084	\$11,154,084	\$150,000	\$11,304,084	\$10,904,084	\$400,000
NDSU Extension Service						
Total all funds	\$41,322,455	\$42,387,455	(\$117,200)	\$42,270,255	\$42,195,255	\$75,000
Less estimated income	23,865,624	23,865,624		23,865,624	23,865,624	
General fund	\$17,456,831	\$18,521,831	(\$117,200)	\$18,404,631	\$18,329,631	\$75,000
Northern Crops Institute						
Total all funds	\$2,598,111	\$2,673,111	(\$50,000)	\$2,623,111	\$2,673,111	(\$50,000)
Less estimated income	1,479,719	1,479,719		1,479,719	1,479,719	
General fund	\$1,118,392	\$1,193,392	(\$50,000)	\$1,143,392	\$1,193,392	(\$50,000)
Main Research Station						
Total all funds	\$86,698,779	\$85,732,779	\$1,609,669	\$87,342,448	\$87,362,448	(\$20,000)
Less estimated income	41,261,157	41,711,157	1,391,540	43,102,697	43,127,697	(25,000)
General fund	\$45,437,622	\$44,021,622	\$218,129	\$44,239,751	\$44,234,751	\$5,000
Agronomy Seed Farm						
Total all funds	\$1,230,346	\$1,230,346	\$0	\$1,230,346	\$1,230,346	\$0
Less estimated income	1,230,346	1,230,346		1,230,346	1,230,346	
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill Total						
Total all funds	\$183,703,753	\$184,349,869	\$1,709,397	\$186,059,266	\$185,677,266	\$382,000
Less estimated income	107,808,940	108,258,940	1,498,513	109,757,453	109,782,453	(25,000)
General fund	\$75,894,813	\$76,090,929	\$210,884	\$76,301,813	\$75,894,813	\$407,000

House Bill No. 1020 - Transportation Institute - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Transportation Institute	<u>\$27,479,547</u>	<u>\$27,455,663</u>	<u>\$116,928</u>	<u>\$27,572,591</u>	<u>\$27,595,591</u>	<u>(\$23,000)</u>
Total all funds	\$27,479,547	\$27,455,663	\$116,928	\$27,572,591	\$27,595,591	(\$23,000)
Less estimated income	<u>26,255,663</u>	<u>26,255,663</u>	<u>106,973</u>	<u>26,362,636</u>	<u>26,362,636</u>	
General fund	\$1,223,884	\$1,200,000	\$9,955	\$1,209,955	\$1,232,955	(\$23,000)
FTE	43.40	43.40	0.00	43.40	43.40	0.00

Dept. 627 - Transportation Institute - Detail of Conference Committee Changes

	ADDS FUNDING FOR ADDITIONAL 1 PERCENT SALARY INCREASE 1	TOTAL CONFERENCE COMMITTEE CHANGES
Transportation Institute	\$116,928	\$116,928
Total all funds	\$116,928	\$116,928
Less estimated income	106,973	106,973
General fund	\$9,955	\$9,955
FTE	0.00	0.00

¹ This amendment provides for the Upper Great Plains Transportation Institute to receive a 5 percent salary increase effective July 1, 2007, and a 5 percent increase effective July 1, 2008. The conference committee agreed to the Senate action.

The House reduced the general fund appropriation for operations of the Upper Great Plains Transportation Institute by \$23,884. The Senate restored \$23,000 of this funding. The conference committee agreed to the House action.

House Bill No. 1020 - Branch Research Centers - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Dickinson Research Center	\$6,077,229	\$6,077,229		\$6,077,229	\$6,077,229	
Central Grasslands Research Center	2,267,506	2,267,506		2,267,506	2,267,506	
Hettinger Research Center	2,441,212	2,441,212		2,441,212	2,441,212	
Langdon Research Center	1,697,293	1,697,293		1,697,293	1,697,293	
North Central Research Center	3,524,816	3,774,816	\$50,000	3,824,816	3,474,816	\$350,000
Williston Research Center	2,884,369	3,034,369	100,000	3,134,369	3,084,369	50,000
Carrington Research Center	5,482,090	5,578,090		5,578,090	5,578,090	
Total all funds	\$24,374,515	\$24,870,515	\$150,000	\$25,020,515	\$24,620,515	\$400,000
Less estimated income	13,716,431	13,716,431		13,716,431	13,716,431	
General fund	\$10,658,084	\$11,154,084	\$150,000	\$11,304,084	\$10,904,084	\$400,000
FTE	95.26	96.86	1.00	97.86	96.86	1.00

Dept. 628 - Branch Research Centers - Detail of Conference Committee Changes

	PROVIDES ADDITIONAL FUNDING FOR IRRIGATION RESEARCH POSITION 1	RESTORES FUNDING FOR LABORATORY AND GREENHOUSE 2	TOTAL CONFERENCE COMMITTEE CHANGES
Dickinson Research Center			
Central Grasslands Research Center			
Hettinger Research Center			
Langdon Research Center			
North Central Research Center		\$50,000	\$50,000
Williston Research Center	\$100,000		100,000
Carrington Research Center			
Total all funds	\$100,000	\$50,000	\$150,000
Less estimated income			
General fund	\$100,000	\$50,000	\$150,000
FTE	1.00	0.00	1.00

¹ The Senate provided an additional \$50,000 for costs associated with an irrigation research position at the Williston Research Center which was added by the House. This amendment provides additional funding for salaries and operating costs needed for the position. The conference committee increased this appropriation to \$100,000 and authorized an additional 1 FTE research technician position for the project. The total authorized for the Williston irrigation project is \$250,000 from the general fund and 2 FTE positions.

² The conference committee restored the \$50,000 appropriation removed by the House for the North Central Research Center laboratory and greenhouse project. The total appropriation for the project is \$400,000.

The House added \$300,000 from the general fund for a maintenance shop and equipment storage facility at the North Central Research Center. The Senate removed this funding. The conference committee agreed with the House action for this project.

House Bill No. 1020 - NDSU Extension Service - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Extension Service Soil Conservation Committee	\$40,692,455 <u>630,000</u>	\$41,757,455 <u>630,000</u>	(\$225,000) <u>107,800</u>	\$41,532,455 <u>737,800</u>	\$41,457,455 <u>737,800</u>	\$75,000
Total all funds	\$41,322,455	\$42,387,455	(\$117,200)	\$42,270,255	\$42,195,255	\$75,000
Less estimated income	<u>23,865,624</u>	<u>23,865,624</u>		<u>23,865,624</u>	<u>23,865,624</u>	
General fund	\$17,456,831	\$18,521,831	(\$117,200)	\$18,404,631	\$18,329,631	\$75,000
FTE	257.86	260.46	0.00	260.46	260.46	0.00

Dept. 630 - NDSU Extension Service - Detail of Conference Committee Changes

	ADDS FUNDING FOR SOIL CONSERVATION GRANTS ¹	ADDS FUNDING FOR SMITHSONIAN SOIL EXHIBIT ²	REDUCES FUNDING FOR PARENTING RESOURCE CENTERS ³	REDUCES FUNDING FOR HORTICULTURIST POSITION ⁴	TOTAL CONFERENCE COMMITTEE CHANGES
Extension Service Soil Conservation Committee	<u>\$100,000</u>	<u>\$7,800</u>	(\$175,000)	(\$50,000)	(\$225,000) <u>107,800</u>
Total all funds	\$100,000	\$7,800	(\$175,000)	(\$50,000)	(\$117,200)
Less estimated income					
General fund	\$100,000	\$7,800	(\$175,000)	(\$50,000)	(\$117,200)
FTE	0.00	0.00	0.00	0.00	0.00

¹ The Senate added \$100,000 for soil conservation grants. The conference committee agreed with this action.

² The Senate added \$7,800 for costs relating to the Smithsonian soil exhibit. The conference committee agreed to this action.

³ The Senate removed the \$300,000 of funding added by the House for statewide parenting resource centers. The conference committee agreed to provide \$125,000 for statewide parenting resource centers.

⁴ The conference committee reduced funding added by the House for a horticulturist position by \$50,000, from \$250,000 to \$200,000.

House Bill No. 1020 - Northern Crops Institute - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Northern Crops Institute	<u>\$2,598,111</u>	<u>\$2,673,111</u>	(\$50,000)	<u>\$2,623,111</u>	<u>\$2,673,111</u>	(\$50,000)
Total all funds	\$2,598,111	\$2,673,111	(\$50,000)	\$2,623,111	\$2,673,111	(\$50,000)
Less estimated income	<u>1,479,719</u>	<u>1,479,719</u>		<u>1,479,719</u>	<u>1,479,719</u>	
General fund	\$1,118,392	\$1,193,392	(\$50,000)	\$1,143,392	\$1,193,392	(\$50,000)
FTE	11.20	11.20	0.00	11.20	11.20	0.00

Dept. 638 - Northern Crops Institute - Detail of Conference Committee Changes

	REMOVES FUNDING FOR EXTRAORDINARY REPAIRS ¹	TOTAL CONFERENCE COMMITTEE CHANGES
Northern Crops Institute	(\$50,000)	(\$50,000)
Total all funds	(\$50,000)	(\$50,000)
Less estimated income		
General fund	(\$50,000)	(\$50,000)
FTE	0.00	0.00

¹ The conference committee reduced funding added by the House for extraordinary repairs by \$50,000, from \$75,000 to \$25,000.

House Bill No. 1020 - Main Research Station - Conference Committee Action

	EXECUTIVE BUDGET	HOUSE VERSION	CONFERENCE COMMITTEE CHANGES	CONFERENCE COMMITTEE VERSION	SENATE VERSION	COMPARISON TO SENATE
Main Research Station	<u>\$86,698,779</u>	<u>\$85,732,779</u>	<u>\$1,609,669</u>	<u>\$87,342,448</u>	<u>\$87,362,448</u>	(\$20,000)
Total all funds	\$86,698,779	\$85,732,779	\$1,609,669	\$87,342,448	\$87,362,448	(\$20,000)

Less estimated income	<u>41,261,157</u>	<u>41,711,157</u>	<u>1,391,540</u>	<u>43,102,697</u>	<u>43,127,697</u>	<u>(25,000)</u>
General fund	\$45,437,622	\$44,021,622	\$218,129	\$44,239,751	\$44,234,751	\$5,000
FTE	348.08	348.88	0.00	348.88	348.88	0.00

Dept. 640 - Main Research Station - Detail of Conference Committee Changes

	REMOVES FUNDING FOR INDUSTRIAL HEMP RESEARCH 1	ADDS FUNDING FOR ADDITIONAL 1 PERCENT SALARY INCREASE 2	ADDS FUNDING FOR DESIGN OF BEEF RESEARCH FACILITY 3	ADDS AUTHORITY FOR BEEF RESEARCH FACILITY 4	TOTAL CONFERENCE COMMITTEE CHANGES
Main Research Station	<u>(\$300,000)</u>	<u>\$829,669</u>	<u>\$80,000</u>	<u>\$1,000,000</u>	<u>\$1,609,669</u>
Total all funds	<u>(\$300,000)</u>	<u>\$829,669</u>	<u>\$80,000</u>	<u>\$1,000,000</u>	<u>\$1,609,669</u>
Less estimated income	_____	<u>391,540</u>	_____	<u>1,000,000</u>	<u>1,391,540</u>
General fund	<u>(\$300,000)</u>	<u>\$438,129</u>	<u>\$80,000</u>	<u>\$0</u>	<u>\$218,129</u>
FTE	0.00	0.00	0.00	0.00	0.00

- 1 The Senate removed funding added by the House for conducting industrial hemp research at the Main Research Center and removed Sections 9 and 10 of Engrossed House Bill No. 1020 relating to a hemp procurement study and authorization. The conference committee agreed to this action.
- 2 This amendment provides for agriculture research and extension agencies to receive a 5 percent salary increase effective July 1, 2007, and a 5 percent increase effective July 1, 2008. The Main Research Center will allocate the funding between the Main Research Center, branch research centers, North Dakota State University Extension Service, Northern Crops Institute, and Agronomy Seed Farm. The conference committee increased the general fund appropriation by \$25,000 and reduced the special funds spending authority by \$25,000 to address the approximate \$50,000 shortfall needed for the salary increase.
- 3 The Senate added funding for a study and development of plans for the Agricultural Research Center. The conference committee indicated the funding was for design and engineering costs for a beef research facility and reduced the funding to \$80,000.
- 4 The Senate provided spending authority for a beef research facility. The conference committee agreed to this action.

The Senate added a section of intent providing that if the Main Research Center proceeds with a beef research center in Fargo, appropriate city and county officials agree to the location of the facility. The conference committee agreed to this action.

The Senate provided that the operating pool of \$750,000 from the permanent oil tax trust fund be used for operating costs at the Dickinson Research Center and be limited to the amount oil revenues are less than budgeted for the biennium. The conference committee agreed to this action.

The Senate added a section of intent that the livestock facilities at Dickinson, Hettinger, Carrington, and Streeter be examined to ensure the use of the facilities are being maximized. The conference committee agreed to this action.

The Senate provided for the Agricultural Experiment Station to provide a report to the 61st Legislative Assembly regarding funding received from the National Cattlemen's Beef Association. The conference committee agreed to this action.

The conference committee added a section relating to licensure requirements to grow industrial hemp for commercial purposes.

House Bill No. 1020 - Agronomy Seed Farm - Conference Committee Action

The Senate did not change the House version.