

**Organizational and Orientation Session  
December 1, 2, 3, 2008**

**JOURNAL OF THE HOUSE**

**Sixty-first Legislative Assembly**

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**Bismarck, December 3, 2008**

The House convened at 8:30 a.m., with Speaker Monson presiding.

The prayer was offered by Sister Kathleen Atkinson, University of Mary Christian Leadership Center, Bismarck.

The roll was called and all members were present except Representatives Boe, Dahl, Froelich, Griffin, Kerzman, Metcalf, Porter, and Schatz.

A quorum was declared by the Speaker.

**MOTION**

**REP. VIGESAA MOVED** that the House stand in recess until 9:10 a.m., which motion prevailed.

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

**MOTION**

**REP. VIGESAA MOVED** that a committee of two be appointed to escort the Honorable Lt. Governor Jack Dalrymple to the rostrum, to preside over the Joint Session, which motion prevailed.

The Speaker appointed Reps. Martinson and Glassheim to the Escort Committee.

**MOTION**

**REP. VIGESAA MOVED** that a committee of four be appointed to escort the Honorable John Hoeven, Governor, to the rostrum and First Lady, Mikey Hoeven, to a special reserved seat in the Chamber and that Governor Hoeven's remarks be printed in the Journal, which motion prevailed.

**LT. GOVERNOR DALRYMPLE APPOINTED** Sen. Stenehjem and Sen. O'Connell and Rep. Carlson and Rep. Boucher to the Escort Committee.

**2009-2011 EXECUTIVE BUDGET ADDRESS  
The Honorable John Hoeven  
Governor of North Dakota  
December 3, 2008**

Good morning. It is my pleasure to welcome the members of the 61st North Dakota Legislative Assembly, Justices of the Supreme Court, Lt. Gov. Jack and Betsy Dalrymple, elected officials, cabinet members, state employees, First Lady Mikey, and my fellow North Dakotans.

I want to begin by thanking the office of Management and Budget, all of our state agencies, and my staff for their hard work, as well as their conscientious and thoughtful approach to constructing our new budget.

Working together, I believe we have produced a forward-looking and productive budget for the people of North Dakota - a budget that funds our priorities, sets aside a healthy reserve, and provides real tax relief for the hard-working men and women of our state. Please accept my sincere thanks to all who have spent many diligent hours on this important work.

Today, I am pleased to present our executive budget for the 2009-2011 biennium.

Eight years ago, we set our sights squarely on economic development to create quality jobs and raise the standard of living for our people.

Working with you, the Legislature, our campuses, the private sector, and others, we set the course for economic growth with a comprehensive strategic plan for aggressive economic development statewide.

Our plan targeted five industry sectors - industries where North Dakota has real advantages because of our natural and human resources - our land and our citizens.

These include value-added agriculture, advanced manufacturing, technology-based businesses, energy, and tourism.

At the same time, we added benchmarks - concrete measures - to assess our progress and provide the people of North Dakota with the accountability they deserve.

We began our work by building the strongest possible business climate - work that continues to this day. We have aggressively pursued economic development. Together, with the Legislature, we've simplified our tax code, reduced regulatory red tape, advanced Centers of Excellence, and made North Dakota one of the best places in America for businesses to startup, expand, and grow.

And we're getting results.

Since 2000, we have gained more than 30,000 new jobs, and currently have more than 10,000 job openings across the state.

Last year, North Dakota's Gross State Product grew by more than \$1.8 billion dollars. In fact, since 2000, we have grown steadily at a rate of more than \$1 billion a year - a total of 56 percent compared to 41 percent for the nation.

And we've grown faster than the nation in per capita personal income, as well. Between 2000 and 2007, we saw more than a 43 percent growth in per capita personal income, compared to 29 percent for the nation.

Beyond the nation's borders, North Dakota is now a player in the world economy, exporting everything from commodities and processed foods, to aircraft parts and medical testing services. Since 2000, North Dakota's exports have grown by 225 percent - from \$626 million to more than \$2 billion.

Whether the measure is job growth, per capita income, or gross domestic product, we've grown faster than the national average.

Clearly, these and other measures of our state's economic progress demonstrate that our approach to economic development is working. But there is more to do.

We are not immune to the problems of the national economy - which is why we must keep our focus on aggressive economic development. That is really what we strive to do in this budget.

In our new budget, we take a balanced approach to funding North Dakota's needs and achieving our shared goals:

- First, we invest in the priorities that have consistently fueled our economic success - priorities like education, economic development, infrastructure, research and development, and jobs training programs. These are the investments that help us to create quality jobs, take care of those in need, and continue to improve the standard of living for all North Dakotans.
- Second, for the hard working people of North Dakota, we provide \$400 million dollars in broad-based tax relief. Our tax plan reduces property taxes by \$300 million, and in addition, devotes \$100 million in income tax relief for our citizens.
- And finally, we budget for sustainability over the long term. We set aside a healthy reserve of \$600 million at the beginning of the biennium, and project further growth in those reserves by the end of the biennium.

### **THE BIG PICTURE**

Let's start with an overview of our budget plan for the 2009-2011 biennium. We have some charts to help illustrate it for you. (Intro Chart.)

This first chart outlines our budget objectives for the biennium: Fund Our Priorities, Provide Real Tax Relief, and Build Our Reserves for the future.

Due to our more dynamic economy, we have seen growth in both our ongoing revenues and our reserves during the current biennium.

That growth is projected to continue into the next biennium, as well.

As good stewards of the taxpayers' dollars, we have looked closely at our revenues and expenditures, and we have been careful to ensure that ongoing revenues are greater than ongoing expenditures. These figures are shown in Chart 1.

In the 2009-2011 biennium, our General Fund ongoing revenues and transfers will total about \$2.784 billion, after a reduction of \$100 million in income tax relief. At the same time, our ongoing expenditures will total about \$2.754 billion. With these projections, you can see that ongoing revenues exceed ongoing expenditures. Overall, ongoing spending increases about 9 percent per annum, which is well within our means.

Our budget does not borrow or bond. It does not impose any new taxes. In fact, we do significantly more to fund our priorities, while reducing the tax burden on our citizens and setting aside a healthy reserve for the future.

Also, as shown next in Chart 2, our growing revenues are reflected in a \$392 million ending fund balance for the current biennium. This is our actual General Fund surplus after transfer of \$111 million to the Budget Stabilization Fund, as required by law.

This General Fund surplus is largely the result of higher revenues from sales and income taxes, which have been generated by North Dakota's growing and more diversified economy, as well as our prudent fiscal management.

Our budget takes a portion of this surplus - \$357 million - and invests it in one-time capital needs and other critical areas, like infrastructure, capital projects, technology systems, equipment, extraordinary repairs, and deferred maintenance.

These are the kinds of investments that will further stimulate economic activity, make our state more competitive, help those in need, and improve our standard of living. They are also the kinds of investments that make real tax relief possible.

That tax relief is shown in our next chart, Chart 3. Our budget dedicates \$400 million for permanent tax relief. This includes \$300 million in property tax relief and \$100 million in income tax relief for the people of North Dakota.

In addition, as part of our Permanent Tax Relief and Education Funding Reform Plan, we propose new funding for K-12 education, which I will discuss shortly. These new dollars will not only strengthen instructional adequacy and improve teacher compensation, but also further take the pressure off property taxes.

After funding our priorities, and providing both real tax relief and tax reform, our budget also significantly builds our reserves for the future. Building our reserves is important and vital, particularly given the challenges faced by our national economy.

Chart 4 illustrates how we build a strong reserve, even after we provide tax relief and make necessary capital investments in the growth of our state.

We begin the new biennium on July 1, 2009, with a \$392 million General Fund Cash Balance, from which we have funded \$357 million in One-time Capital Investments. That leaves a General Fund Cash Balance of \$35 million. To that, we add our Budget Stabilization Fund, which increases from \$200 million to \$311 million, based on statutory requirement.

At the same time, by the beginning of the next biennium, our Oil Tax Trust Fund grows to \$562 million. We use \$300 million of that to provide property tax relief, leaving a balance of \$262 million in our Permanent Oil Tax Trust Fund. All of these sources combined - our July 1, 2009, cash balance, Budget Stabilization Fund, and Permanent Oil Tax Trust Fund - give us a total reserve at the beginning of the 2009-2011 biennium of \$608 million.

This reserve will grow with the addition of oil tax revenues generated during the next biennium. Because of the volatility in the petroleum markets, however, we have prepared two forecasts - one is based on the oil prices projected by Economy.com, the state's financial consulting firm, and the second uses the current price of crude oil all the way through the next biennium. Both estimates show growth, but taken together, they provide us with a range that is helpful in the budgeting process.

Charts 5 and 6 illustrate our two projections for the next biennium. In the first estimate, shown on Chart 5, we project revenue growth in the Oil Tax Trust Fund of \$567 million, which would bring the fund's balance from \$262 to \$829 million. Add to this sum our Budget Stabilization

Fund Balance - \$311 million - and our Projected General Fund Ending Balance - \$65 million - and we arrive at a total reserve of \$1.2 billion by the end of the biennium.

Our second scenario, shown in Chart 6, is very conservative, and uses the current price of oil through June 30, 2011, to project oil tax revenues. This results in additional oil tax revenues of \$204 million over the course of the next biennium. When we add this to our Oil Tax Trust Fund adjusted beginning balance of \$224 million, the result is \$428 million in oil revenue reserves. Add to this our Budget Stabilization Fund of \$311 million, and \$65 million for our Projected Ending Fund Balance and our projected reserve becomes \$804 million - still a larger and stronger reserve position.

This budget provides the right balance, and a clear map for further growth. We are living within our means. In other words, ongoing revenues cover ongoing expenditures; we make important one-time investments that help build our state; we provide real tax relief for our citizens; and we build a strong reserve for the future.

Now, having reviewed the overall structure for our budget, let's take a closer look at the individual funding priorities for growth within the budget.

All represent investments in our people, our state, and our future.

Let's start with education funding.

### **BUILDING OUR FUTURE ON EDUCATION**

Education - both K-12 and higher education - is the foundation on which we build our economic future. For that reason, over the past four bienniums, we have increased funding for K-12 schools by more than \$200 million.

In the last session, we made North Dakota history by passing the greatest reform in K-12 education funding in more than a generation.

This session, we want to do more.

Our total K-12 education package invests an additional \$130 million in our North Dakota schools, which will bring the state's share of the cost of education from 49 percent to the long-sought goal of 70 percent. This represents an important step forward for our children, our workforce, our families, and our future.

In the months since you last met, the Governor's Commission on Education Improvement has devoted its time and talents to addressing the issue of education adequacy.

To support their work, our budget includes an increase of \$110 million in General Fund monies for State Aid Formula payments. Because a good education begins with good teachers, we recommend - as we have in the past - that no less than 70 percent of new money received by a district be applied to teacher compensation.

Also, a good early education system benefits North Dakota in many ways, as well. Consequently, our budget includes \$15 million to continue the all-day kindergarten program we initiated in the last session.

In addition to their important work on adequacy and all-day kindergarten, I have also asked the commission to develop a plan for pre-kindergarten education in our state. To that end, we are proposing funding, as per the commission's recommendation, for a new pre-K education program. Commission members are already working with daycare providers and educators to develop plans to implement pre-K in the next biennium.

At this time, I want to thank and acknowledge Lt. Gov. Jack Dalrymple, Rep. RaeAnn Kelsh, Rep. Dave Monson, Sen. Tim Flakoll, Sen. Dave O'Connell, Superintendent Wayne Sanstead, the school officials, and the entire commission for their hard work and thoughtful recommendations.

### **Higher Education**

Also, as in past budgets, we acknowledge the significant contribution higher education makes to our economic vitality. For that reason, we propose strong funding for our colleges and universities.

Our plan increases ongoing funding for the University System by \$96 million, and further provides additional one-time funding of \$74 million.

To help students and families with the cost of college, we include in our ongoing budget for higher education \$40 million for ACT-ND, a direct needs-based tuition assistance program. When combined with federal Pell Grants, ACT-ND will cover between 80 and 100 percent of the cost of college tuition for eligible North Dakota high school graduates.

It is important to make college affordable for all, but it is also important to ensure that we retain and recruit quality faculty and staff. Our budget provides ongoing funding for a 5 percent salary increase in each year of the biennium, as well as additional monies for health insurance coverage and funding for equity.

We also recognize that our campuses have a need to maintain good facilities. That is why we have provided the \$74 million in one-time funding for capital projects, extraordinary repairs, and enhanced security on our campuses.

We are making a total additional investment of \$170 million in our University System, which should also make it possible for our campuses to hold the line on tuition and fees to no more than the rate of inflation over the next biennium.

### **WORKFORCE DEVELOPMENT AND ECONOMIC DEVELOPMENT**

To help fill the new jobs we are creating, our budget dedicates an increase of \$24 million to Workforce Development programs and initiatives. These programs will not only help our young people seeking their first career, but also older workers seeking new skills for a new, more diversified economy.

That includes \$10 million to support education and training programs like Rural Medical Tuition Scholarships for doctors, wind tower technician training, STEM Grants and other workforce-building programs.

Our STEM Grants, for example, will provide up to \$2,000 a year for up to five years - that's \$10,000 - to assist young people studying in the fields of science, technology, engineering, or math.

In addition, our budget also includes enhanced funding for career and technology education programs, career advisors, and "Virtual CTE Centers" to help broaden the availability and quality of technical training programs across our state.

These are investments in our youth - the young men and the young women who will build the future of our state.

### **Infrastructure**

Like education and a skilled workforce, a strong infrastructure is the foundation for a strong economy. Good roads, bridges, and water supply systems are essential to serving the needs of new and expanding businesses - and ultimately to creating good jobs and opportunities for our citizens.

For that reason, we have proposed a \$120 million Infrastructure Enhancement Plan, above and beyond expected revenue increases from established funding formulas for transportation. Our budget fully funds a new, revised formula that maximizes federal funding and increases funding for counties, cities, and townships to use for roads, as well as increased funding to assist with county and regional transit systems.

Our plan also recognizes the rapid development our oil and gas producing counties have experienced over the past two years. To help them address the added wear and tear on their roads and bridges, we raise the annual per county cap on the oil tax distribution formula by \$1 million for each county, and in addition, boost the Oil Impact Fund from \$6 million to \$20 million.

### **Water Projects**

No less important for sustaining our economic infrastructure are statewide water projects, like the Northwest Area Water Supply Project, the Southwest Area Pipeline Project, and the Red River Valley Water Supply Project.

To support them, we recommend fully funding the administration overhead for the Water Commission, and providing more than \$100 million through the Resource Trust Fund for vital water projects throughout our state. This is in line with the recommendations of the state Water Coalition and the State Water Commission.

These infrastructure investments will bolster our transportation and water supply systems to meet the needs of our state's growing agriculture, manufacturing and energy economies.

### **AGRICULTURE AND ENERGY: PARTNERSHIPS AND OPPORTUNITIES**

Agriculture and value-added agriculture - tied with energy development - are important drivers in the growth of our economy. That is why it is crucial that we continue to make well-placed investments in research and development to ensure that our producers remain on the cutting edge.

The partnership between agriculture and renewable energy is one of the most exciting developments in North Dakota's economy, and research is vital for the success of both. Our budget anticipates the next phase of ag-based renewable energy development with a number of new initiatives and enhancements to existing programs, including \$25 million for agriculture research and development.

At the heart of our plan are NDSU's Extension Service and our Agricultural Experiment Stations, located across the state. We build on the \$7 million we provided in the last session by providing an additional \$11.5 million for Phase 2 of the new Agriculture Research Greenhouse. We also provide a significant funding increase for our Agricultural Experiment Stations, which are vital to the state's research efforts.

In addition, we provide strong funding for biomass research and development, the next major phase in the progress of the biofuels industry. That includes funding to bring our Biofuels PACE program to \$5 million, and a new program to encourage the installation of blender pumps at North Dakota retailers.

As we commit ourselves to building our renewable energy resources, we must also continue to build our traditional resources.

Industries like oil, natural gas, and coal will continue to be essential to our energy mix well into the future, and our budget provides a number of innovative incentives to promote development in these sectors.

By enhancing support for research and development for traditional energy resources, we are providing the technology to produce more energy in an environmentally sound way.

For example, we propose raising the cap on our Oil and Gas Research Fund, which will help us to do more with new technologies like horizontal drilling and tertiary oil recovery. Similarly, through our Lignite Research Fund, we are doing more to develop new methods of carbon capture and sequestration.

Through EmpowerND, our comprehensive, multi-resource energy policy, we are forging partnerships between and across industry sectors, both renewable and traditional. These partnerships are transforming our energy industry, and helping to make North Dakota a true powerhouse for the nation.

### **QUALITY OF LIFE**

#### **Law Enforcement and Public Safety**

As we raise our standard of living, we must work to build our quality of life, as well.

North Dakota is regularly recognized by national organizations for our good schools, safe communities, excellent health care, and other quality of life measures. These are assets we can never take for granted. It takes work - and resources - to maintain them.

Over the past few legislative sessions, we have worked together to toughen our laws protecting children and other vulnerable individuals - and in the upcoming session, we will do more.

Two years ago, we set aside \$41 million for a renovation and expansion of the state prison in Bismarck. Since then, we have worked closely with the Legislature's interim Correctional Review Committee to get further input on the plan. Our budget includes an additional \$22.5 million for the prison to address the need for on-premises medical facilities, additional orientation cells, and a more secure administrative segregation unit for the most dangerous criminals.

Also, to ensure that we have adequate professional corrections staff, we propose funding an equity pool to help retain and recruit officers.

North Dakota is regularly ranked among the safest states in the nation, and that is in large part because of our quality law enforcement and corrections officers. They deserve our support.

### **Taking Care of People**

Quality of life means being safe and secure in our homes and businesses, but it also means having access to quality health care and other services for children and families, our seniors, and military.

Our commitment to Human Services continues to increase, in part, because we are assuming a larger share of the costs of services formerly covered by the federal government. This year, because North Dakota's per capita income has risen again, we will need to dedicate an additional \$10 million just to cover the cost of the state's share of Medicaid.

As a result of this, and other rising costs, our Human Services budget increases by \$126 million.

### **SCHIP**

That includes additional funding for SCHIP, the State Children's Health Insurance Program.

This past year, we worked hard to win federal approval to raise the eligibility level for SCHIP from 140 to 150 percent of the poverty level. As a result, today an additional 800 North Dakota children are able to receive health care coverage under Healthy Steps, North Dakota's SCHIP program.

But we want to do more.

We propose raising the eligibility level for SCHIP to 200 percent of the poverty level, and our budget provides the funding to do it.

### **Childcare Support for Working Parents**

Another way we can help families is by helping parents secure quality, affordable childcare. That not only helps working families, but it also helps to build a workforce equal to the needs of a growing, more diversified economy.

Our budget increases total childcare assistance from less than \$24 million to more than \$36 million. That includes additional dollars for the state's Childcare Assistance Program, which helps low-income families who are working or seeking training to reenter the workforce. It also includes \$3.5 million for a Childcare Provider Grant Program to help establish or expand provider facilities, as well as train and educate childcare workers.

These efforts - combined with funding for mandatory criminal background checks for childcare workers, and our new pre-K program - will help families find safe, accessible childcare services and build our workforce for the future.

### **Seniors - HCBC**

As we do more for children, we also need to do more to help our citizens at the other end of life's spectrum, our seniors.

Our budget includes an increase of more than \$17 million for Home and Community Based Care Programs to help North Dakota's elderly and people with disabilities maintain their independence.

At the heart of our plan is the establishment of a new Aged and Disabled Resource Center to serve as a single point of entry for long-term care services. Center staff will work with seniors, people with disabilities, and their families to help them find services to meet their unique needs at any stage of care.

Our budget also includes funding for additional managed care services, increased funding for Medicaid personal care, expanded meal delivery, and non-medical transportation.

### **Long-Term Care and Other Health Care Providers**

When Home and Community Based Care isn't enough, our seniors and people with disabilities rely on quality care at our hospitals, as well as quality long-term care from our nursing homes. In this regard, North Dakota is second to none. Our hospitals and nursing homes are nationally recognized for being among the best in the country.

To help maintain that level of quality, my office and the Department of Human Services have worked closely with providers to rebase our Medicaid reimbursement rates and bring them in line with providers' actual costs. This effort has resulted in a \$40 million rebasing of rates for hospitals, doctors, dentists, chiropractors, and ambulance services.

For nursing homes and other long-term care providers - as well as providers serving the developmentally disabled - our budget includes a provider increase of 7 percent for each year of the new biennium. This will help them to address rising costs, recruit and retain providers, and maintain their outstanding quality of care.

Our seniors helped to build our state, and they deserve our support.

#### **Public Employee Salaries and Health Insurance**

Improving our quality of life should extend as well to our state employees, who serve us in so many ways.

To do that, our budget includes a 5 percent salary increase in each year of the new biennium. In addition, our budget fully funds the increase in public employee health care premiums, and we have included additional funding for equity to retain and recruit qualified state workers.

The men and women who serve in our agencies and departments are dedicated and hard working. We truly appreciate the quality work they do on our behalf.

#### **Military and Veterans**

And finally, when we talk about quality of life, we can never forget the men and women currently serving in our military and our veterans.

In the last two legislative sessions, you approved benefits for a Veterans Appreciation program, including bonus payments of \$100 for each month of overseas service, and \$50 for each month of domestic service.

However, many of our soldiers have been called on to serve on more than one deployment, creating added sacrifices for them and for their families. To help them shoulder that burden, our budget recommends extending bonus payments to cover multiple tours of duty.

In addition, we also include funding to enhance the National Guard's reintegration program for North Dakota soldiers, so that when they return home, they will know there's a helping hand to greet them.

Our budget also acknowledges our gratitude to our veterans by providing enhanced funding for the new Veterans Home in Lisbon. In the last session, you approved a \$9 million appropriation to meet the state's share for a new 150-bed facility.

In this budget, we provide additional funding of \$12 million to complete the project.

To all of you who serve, and to your families, we say thank you - thank you for your sacrifices.

### **BUILDING A BUDGET FOR CONTINUED GROWTH**

Two years ago this month, I stood before you and posed a critical question: "Where do we want to be 10 years - or 20 years - from now?"

In the course of the last session, I believe you answered that question by making the kinds of investments that have helped us to make real progress.

The budget I present to you today builds on that progress. It continues to fund our priorities for growth, it provides real tax relief for our citizens, and it creates a stronger reserve than we have ever had before.

It is a sustainable budget, and it is also an enterprising and farsighted budget. It is a budget for the future.

Now is the time to roll up our sleeves. I look forward to working with all of you, and to the people of North Dakota, to achieve our shared goals.

Thank you. May God bless you and your work. And may God bless the Great State of North Dakota.

#### MOTION

**REP. VIGESAA MOVED** that the Joint Session be dissolved, which motion prevailed.

#### MOTION

**REP. VIGESAA MOVED** that the House stand in recess until 10:45 p.m., which motion prevailed.

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

#### ANNOUNCEMENT

**SPEAKER MONSON ANNOUNCED** that the House would be on the Seventh Order of business.

The Chief Clerk read the Committee on Committees assignments.

### 2009 HOUSE STANDING COMMITTEES

#### Appropriations Committee

Committee Chairman - Ken Svedjan  
Vice Chairman - Keith Kempenich

#### Education and Environment Division

Committee Chairman - Bob Skarphol  
Vice Chairman - Francis J. Wald  
Kathy Hawken  
Matthew M. Klein  
Bob Martinson

Joe Kroeber  
Kenton Onstad  
Clark Williams

#### Government Operations Division

Committee Chairman - Jeff Delzer  
Vice Chairman - Blair Thoreson  
Rick Berg  
Mark A. Dosch  
Keith Kempenich

Eliot Glassheim  
Lee Kaldor  
Shirley Meyer

#### Human Resources Division

Committee Chairman - Chet Pollert  
Vice Chairman - Larry Bellew  
Gary Kreidt  
Jon Nelson  
Alon C. Wieland

Mary Ekstrom  
James Kerzman  
Ralph Metcalf

#### Education Committee

Committee Chairman - RaeAnn G. Kelsch  
Vice Chairman - Lisa Meier  
Brenda Heller  
Dennis Johnson  
Karen Karls  
David S. Rust  
Mike Schatz  
John D. Wall

Lyle Hanson  
Bob Hunsakor  
Jerry Kelsh  
Corey Mock  
Phillip Mueller  
Lee Myxter

#### Finance and Taxation Committee

Committee Chairman - Wesley R. Belter  
Vice Chairman - David Drovdal  
Mike Brandenburg  
Glen Froseth  
Bette B. Grande  
Craig Headland  
Dave Weiler  
Dwight Wrangham

Rod Froelich  
Scot Kelsh  
Louis Pinkerton  
Arlo Schmidt  
Lonny Winrich

#### Human Services Committee

Committee Chairman - Robin Weisz  
Vice Chairman - Vonnie Pietsch

Tom Conklin  
Kari L. Conrad

Chuck Damschen  
Robert Frantsvog  
Curt Hofstad  
Michael R. Nathe  
Todd Porter  
Gerry Uglen

Richard Holman  
Robert Kilichowski  
Louise Potter

#### **Industry, Business and Labor Committee**

Committee Chairman - George J. Keiser  
Vice Chairman - Jim Kasper  
Donald L. Clark  
Nancy Johnson  
Darrell D. Nottestad  
Dan Ruby  
Gary R. Sukut  
Don Vigesaa

Bill Amerman  
Tracy Boe  
Edmund Gruchalla  
Jasper J. Schneider  
Elwood Thorpe

#### **Judiciary Committee**

Committee Chairman - Duane DeKrey  
Vice Chairman - Lawrence R. Klemin  
Randy Boehning  
Stacey Dahl  
Patrick R. Hatlestad  
Joyce M. Kingsbury  
Kim Koppelman  
William E. Kretschmar

Lois Delmore  
Chris Griffin  
Benjamin A. Vig  
Lisa Wolf  
Steve Zaiser

#### **Agriculture Committee**

Committee Chairman - Dennis Johnson  
Vice Chairman - Mike Brandenburg  
Wesley R. Belter  
Joyce M. Kingsbury  
David S. Rust  
Mike Schatz  
Gerry Uglen  
John D. Wall

Tracy Boe  
Rod Froelich  
Richard Holman  
Phillip Mueller  
Benjamin A. Vig

#### **Government and Veterans Affairs Committee**

Committee Chairman - Bette B. Grande  
Vice Chairman - Randy Boehning  
Stacey Dahl  
Glen Froseth  
Karen Karls  
Jim Kasper  
Lisa Meier  
Michael R. Nathe

Bill Amerman  
Tom Conklin  
Jasper J. Schneider  
Lonny Winrich  
Lisa Wolf

#### **Natural Resources Committee**

Committee Chairman - Todd Porter  
Vice Chairman - Chuck Damschen  
Donald L. Clark  
Duane DeKrey  
David Drovdal  
Curt Hofstad  
George J. Keiser  
Darrell D. Nottestad

Lyle Hanson  
Bob Hunsakor  
Scot Kelsh  
Lee Myxter  
Louis Pinkerton

#### **Political Subdivisions Committee**

Committee Chairman - Dwight Wrangham  
Vice Chairman - Craig Headland  
Patrick R. Hatlestad  
Nancy Johnson  
Lawrence R. Klemin  
Kim Koppelman  
William E. Kretschmar  
Vonnice Pietsch

Kari L. Conrad  
Robert Kilichowski  
Jerry Kelsh  
Corey Mock  
Steve Zaiser

#### **Transportation Committee**

Committee Chairman - Dan Ruby  
Vice Chairman - Dave Weiler

Lois Delmore  
Chris Griffin

Robert Frantsvog  
 Brenda Heller  
 RaeAnn G. Kelsch  
 Gary R. Sukut  
 Don Vigesaa  
 Robin Weisz

Edmund Gruchalla  
 Louise Potter  
 Arlo Schmidt  
 Elwood Thorpe

#### Constitutional Revision Committee

Committee Chairman - Kim Koppelman  
 Vice Chairman - William E. Kretschmar  
 Patrick R. Hatlestad  
 Lisa Meier  
 Mike Schatz  
 Gerry Uglen

Kari L. Conrad  
 Chris Griffin  
 Jasper J. Schneider

#### MOTION

**REP. VIGESAA MOVED** to adopt the Committee on Committees report, which motion prevailed.

**MR. SPEAKER:** Your procedural **Rules Committee (Rep. Kretschmar, Chairman)** recommends that the House and Joint Rules of the Sixtieth Legislative Assembly, as adopted on Wednesday, December 6, 2006, and published in the 2007 Senate and House Rules and Committees book, with the following amendments, be adopted as the permanent rules of the House for the Sixty-first Legislative Assembly, and that the reading of this report be dispensed with:

**SECTION 1. AMENDMENT.** House Rule 312 is amended as follows:

**312. MOTIONS DURING DEBATE.** When a question is under debate, no motion may be received, except to fix the time to which to adjourn; to adjourn; to permit a member to vote; to lay on the table; to move the previous question; to close, limit, or extend debate (which ~~five~~ six kinds of motions must be decided without debate); to move to postpone to a day certain; to refer; and to amend. These motions have precedence in the order in which they are named. No motion to postpone to a day certain or to refer, having been decided, may be entertained again on the same day.

**SECTION 2. AMENDMENT.** House Rule 317 is amended as follows:

**317. NONDEBATABLE MOTIONS.** The following motions are not debatable:

1. Adjournment.
2. Clincher.
3. Fix the time of adjournment.
4. Order of the day.
5. Reading of papers.
6. Withdrawal of motion.
7. Suspension of the rules.
8. ~~To lay~~ Lay on the table.
9. Previous question.
10. Close, limit, or extend debate.
11. Permit a member to vote.

**SECTION 3. AMENDMENT.** House Rule 402 is amended as follows:

**402. WHEN INTRODUCED.**

1. No member other than the Majority and Minority Leaders may introduce more than five bills as prime sponsor after the ~~fourth~~ fifth legislative day. No bill may be introduced after the ~~ninth~~ tenth legislative day, and no resolution, except those resolutions described in subsection 3, may be introduced after the eighteenth

legislative day, except upon approval of a majority of the Delayed Bills Committee or upon two-thirds vote of the members of the House present and voting.

2. No member of the Legislative Assembly on April first of the year before a regular legislative session may submit a bill mandating health insurance coverage of services or payment for specified providers as described in North Dakota Century Code Section 54-03-28 for consideration by the Employee Benefits Programs Committee after April first of the year before a regular legislative session. No member of the Legislative Assembly taking legislative office for the first time after November thirtieth of the year before a regular legislative session may submit a bill mandating health insurance coverage of services or payment for specified providers as described in North Dakota Century Code Section 54-03-28 for consideration by the Employee Benefits Programs Committee after the first Wednesday following adjournment of the organizational session.
3. No bill introduced at the request of an executive agency or the Supreme Court may be introduced after the close of business on the day after the adjournment of the organizational session, except upon approval of a majority of the Delayed Bills Committee.
- ~~3.~~ 4. Resolutions that propose amendments to the Constitution of North Dakota and resolutions directing the Legislative Council to carry out a study may not be introduced after the thirty-first legislative day.

**SECTION 4. AMENDMENT.** Subsection 2 of House Rule 501 is amended as follows:

2. The five-day standing committee is Appropriations: (24 members) Bills and resolutions referred or rereferred under House Rule 329. Except for the committee chairman, each member of the committee must be appointed to one of the following divisions of the committee which, for purposes of North Dakota Century Code Section 54-03-10, are deemed standing committees:
  - a. Education and Environment.
  - b. Government Operations.
  - c. Human Resources.

**SECTION 5. AMENDMENT.** Subsection 3 of House Rule 602 is amended as follows:

3. The majority report is either the report signed by the largest number of committee members or the report signed by the committee chairman if that report is one of two or more reports signed by the largest and an equal number of members. The majority report must be placed on the calendar ~~for consideration before consideration of~~ above any minority report. Minority reports must be placed on the calendar in order in accordance with the number of committee members signing the reports, with the report signed by the largest number of members being placed on the calendar first.

**SECTION 6. AMENDMENT.** Subsection 1 of Joint Rule 203 is amended as follows:

1. A bill that has passed one house may not be sent to the other house for concurrence after the ~~thirty-third~~ thirty-fourth legislative day, except a bill approved for introduction after the deadline for introduction of bills.

**SECTION 7.** Joint Rule 210 is created as follows:

**210. DELIVERY OF VETO MESSAGES.** When the Governor vetoes a bill that cannot be returned to the house of origin because the legislative assembly is not in session, the objections to the bill must be filed with the Secretary of State and with the director of the Legislative Council or a Legislative Council employee designated by the director for purposes of publishing the objections in the journal of the house of origin and in the Session Laws.

**SECTION 8. AMENDMENT.** Joint Rule 802 is amended as follows:

**802. IDENTIFICATION OF REPRESENTATIVES OF THE MEDIA.** The Legislative Council may provide identification badges for individuals identified as representatives of the media by the North Dakota Newspaper Association and the North Dakota Broadcasters Association before a regular session or by the statehouse correspondent of the Associated Press during a legislative session. The statehouse correspondent of the Associated Press

shall ~~distribute~~ determine the method for distribution of the badges to the appropriate individuals for use during the session to obtain access to the floor of the chamber as permitted by the Senate and House. The statehouse correspondent of the Associated Press shall notify the President of the Senate and the Speaker of the House with respect to identification badges issued during the session.

**MOTION**

**REP. VIGESAA MOVED** to adopt the Rules Committee report, which motion prevailed.

**MOTION**

**REP. VIGESAA MOVED** that the absent members be excused, which motion prevailed.

**MOTION**

**REP. VIGESAA MOVED** that the House stand adjourned until 12:00 p.m., Tuesday, January 6, 2009, which motion prevailed.

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

**Buell J. Reich, Chief Clerk**

