

## JOURNAL OF THE HOUSE

## Sixty-second Legislative Assembly

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Bismarck, April 14, 2011

The House convened at 8:00 a.m., with Speaker Drovdal presiding.

The prayer was offered by Pastor Mark Reeves, Century Baptist Church, Bismarck.

The roll was called and all members were present except Representatives Klemin and Sanford.

A quorum was declared by the Speaker.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. KOPPELMAN MOVED** that the House do not concur in the Senate amendments to HCR 3047 as printed on HJ page 1599 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HCR 3047: Reps. Koppelman, Owens, Conklin.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**REP. VIGESAA MOVED** that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Reengrossed SB 2013 and Reengrossed SB 2150, which motion prevailed.

**THE SPEAKER APPOINTED** as a Conference Committee on:

**Reengrossed SB 2013:** Reps. Skarphol, R. Kelsch, Williams

**Reengrossed SB 2150:** Reps. R. Kelsch, Monson, Mueller

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. MONSON MOVED** that the conference committee report on Engrossed HB 1074 as printed on HJ page 1671 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. WEILER MOVED** that the conference committee report on HB 1124 as printed on HJ page 1671 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. HATLESTAD MOVED** that the conference committee report on Engrossed HB 1246 as printed on HJ pages 1672-1673 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1246, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1246:** A BILL for an Act to amend and reenact subsection 9 of section 57-02-08 of the North Dakota Century Code, relating to the property tax exemption for church property; to repeal subsection 7 of section 57-02-08 of the North Dakota Century Code, relating to a property tax exemption for certain church property; to provide for a legislative management study; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 3 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Bellew; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Devlin; Dosch; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Hanson;

Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Onstad; Owens; Paur; Pietsch; Pollert; Porter; Rohr; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Winrich; Zaiser; Speaker Drovdal

**NAYS:** Delzer; Keiser; Wrangham

**ABSENT AND NOT VOTING:** Klemin; Sanford

Reengrossed HB 1246 passed.

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#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. DAMSCHEN MOVED** that the conference committee report on Engrossed HB 1318 as printed on HJ page 1673 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1318, as amended, was placed on the Eleventh order of business.

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

**HB 1318:** A BILL for an Act to create and enact chapter 61-24.8 of the North Dakota Century Code, relating to creation of special assessment districts for irrigation works by the Garrison Diversion Conservancy District; to amend and reenact section 54-35-02.7 of the North Dakota Century Code, relating to membership and duties of the water-related topics overview committee; to provide for reports to the state water commission; and to provide an expiration date.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 3 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Belter; Boe; Boehning; Brabandt; Brandenburg; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Delzer; Devlin; Dosch; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Metcalf; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Onstad; Owens; Paur; Pietsch; Pollert; Porter; Rohr; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Winrich; Wrangham; Zaiser; Speaker Drovdal

**NAYS:** Bellew; Carlson; Meier, L.

**ABSENT AND NOT VOTING:** Klemin; Sanford

Reengrossed HB 1318 passed.

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#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. DAMSCHEN MOVED** that the conference committee report on SB 2067 as printed on HJ page 1673 be adopted, which motion prevailed on a voice vote.

SB 2067, as amended, was placed on the Fourteenth order of business.

#### **SECOND READING OF SENATE BILL**

**SB 2067:** A BILL for an Act to amend and reenact section 23-01-03.1, subsection 3 of section 25-17-00.1, and sections 25-17-01, 25-17-03, and 25-17-04 of the North Dakota Century Code, relating to newborn disease screening and research

regarding metabolic and genetic diseases.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 87 YEAS, 5 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Delzer; Devlin; Dosch; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Hanson; Hatlestad; Hawken; Headland; Heilman; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Onstad; Owens; Paur; Pietsch; Pollert; Porter; Rust; Schatz; Schmidt; Skarphol; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Winrich; Wrangham; Zaiser; Speaker Drovdal

**NAYS:** Bellew; Heller; Rohr; Ruby; Steiner

**ABSENT AND NOT VOTING:** Klemin; Sanford

SB 2067, as amended, passed.

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#### MOTION

**REP. VIGESAA MOVED** that SB 2073, which is on the Eleventh order, be laid over two legislative days, which motion prevailed.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. WALL MOVED** that the conference committee report on Engrossed SB 2085 as printed on HJ page 1676 be adopted, which motion prevailed on a voice vote.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. NATHE MOVED** that the conference committee report on Engrossed SB 2138 as printed on HJ page 1678 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2138, as amended, was placed on the Fourteenth order of business.

#### SECOND READING OF SENATE BILL

**SB 2138:** A BILL for an Act to create and enact a new section to chapter 34-14 of the North Dakota Century Code, relating to employer's payment of accrued paid time off.

#### ROLL CALL

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

**YEAS:** Anderson; Beadle; Bellew; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Delzer; Devlin; Dosch; Frantsvog; Froseth; Grande; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsch, R.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Monson; Mueller; Nathe; Nelson, J.; Owens; Paur; Pietsch; Pollert; Porter; Rohr; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Weiler; Weisz; Wieland; Williams; Wrangham; Zaiser; Speaker Drovdal

**NAYS:** Amerman; Glassheim; Gruchalla; Guggisberg; Hanson; Hogan; Holman; Kaldor; Kelsh, J.; Kelsh, S.; Mock; Nelson, M.; Onstad; Winrich

**ABSENT AND NOT VOTING:** Klemin; Sanford

Engrossed SB 2138, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. DEVLIN MOVED** that the conference committee report on Engrossed SB 2145 as printed on HJ page 1678 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. PIETSCH MOVED** that the conference committee report on Engrossed SB 2155 as printed on HJ page 1679 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2155, as amended, was placed on the Fourteenth order of business.

**SECOND READING OF SENATE BILL**

**SB 2155:** A BILL for an Act to create and enact two new sections to chapter 43-32 of the North Dakota Century Code, relating to regulation of applied behavior analysts; and to amend and reenact sections 43-32-01, 43-32-08, 43-32-08.1, 43-32-08.2, 43-32-09, 43-32-12, 43-32-13, and 43-32-14, subsection 1 of section 43-32-16, and sections 43-32-19.1 and 43-32-30 of the North Dakota Century Code, relating to the regulation of applied behavior analysis by the state board of psychologist examiners.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Bellew; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Delzer; Devlin; Dosch; Frantsovog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunsakor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Onstad; Owens; Paur; Pietsch; Pollert; Porter; Rohr; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigasaa; Wall; Weiler; Weisz; Wieland; Williams; Winrich; Wrangham; Zaiser; Speaker Drovdal

**ABSENT AND NOT VOTING:** Klemin; Sanford

Engrossed SB 2155, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. BEADLE MOVED** that the conference committee report on Engrossed SB 2158 as printed on HJ pages 1679-1680 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2158, as amended, was placed on the Fourteenth order of business.

**SECOND READING OF SENATE BILL**

**SB 2158:** A BILL for an Act to amend and reenact subsections 2, 4, and 5 of section 6-08-16 and subsections 4, 5, and 6 of section 6-08-16.2 of the North Dakota Century Code, relating to issuing a check with nonsufficient funds or without an account; and to provide a penalty.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 66 YEAS, 25 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Bellew; Belter; Brabandt; Brandenburg; Carlson; Clark; Conklin; Damschen; DeKrey; Dosch; Frantsovog; Froseth; Grande; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Holman; Hunsakor; Johnson, D.; Johnson, N.; Kaldor; Karls; Keiser; Kelsch, R.; Kelsh, J.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Louser; Maragos; Martinson; Meier, L.; Metcalf; Monson; Nathe; Nelson, J.; Owens; Paur; Pietsch;

Pollert; Porter; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Wall; Weisz; Williams; Wrangham; Speaker Drovdal

**NAYS:** Boe; Boehning; Delmore; Delzer; Devlin; Glassheim; Gruchalla; Guggisberg; Hanson; Hogan; Kasper; Kelsh, S.; Kroeber; Meyer, S.; Mock; Mueller; Nelson, M.; Onstad; Rohr; Trottier; Vigasaa; Weiler; Wieland; Winrich; Zaiser

**ABSENT AND NOT VOTING:** Dahl; Klemin; Sanford

Engrossed SB 2158, as amended, passed.

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#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. KOPPELMAN MOVED** that the conference committee report on SB 2182 as printed on HJ pages 1680-1681 be adopted, which motion prevailed on a voice vote.

SB 2182, as amended, was placed on the Fourteenth order of business.

#### **SECOND READING OF SENATE BILL**

**SB 2182:** A BILL for an Act to amend and reenact section 51-12-01 of the North Dakota Century Code, relating to false and misleading advertising; and to provide a penalty.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Bellew; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Clark; Conklin; Dahl; Damschen; DeKrey; Delmore; Delzer; Devlin; Dosch; Frantsovog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Kaldor; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Kroeber; Louser; Maragos; Martinson; Meier, L.; Metcalf; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Onstad; Owens; Paur; Pietsch; Pollert; Porter; Rohr; Ruby; Rust; Schatz; Schmidt; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigasaa; Wall; Weiler; Weisz; Wieland; Williams; Winrich; Wrangham; Zaiser; Speaker Drovdal

**ABSENT AND NOT VOTING:** Klemin; Sanford

SB 2182, as amended, passed.

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#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. BEADLE MOVED** that the conference committee report on Engrossed SB 2193 as printed on HJ page 1681 be adopted, which motion prevailed on a voice vote.

#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. MARAGOS MOVED** that the conference committee report on SB 2195 as printed on HJ page 1681 be adopted, which motion prevailed on a voice vote.

#### **CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. KREUN MOVED** that the conference committee report on Engrossed SB 2206 as printed on HJ page 1681 be adopted, which motion prevailed on a voice vote.

#### **ANNOUNCEMENT**

**SPEAKER DROVDAL ANNOUNCED** that the House will stand in recess until 1:00 p.m.

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

#### **CORRECTION AND REVISION OF THE JOURNAL**

**MR. SPEAKER:** Your Committee on Correction and Revision of the Journal (Rep. Kretschmar, Chairman) has carefully examined the Journal of the Sixty-fourth,

Sixty-fifth, Sixty-sixth, and Sixty-seventh Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1506, lines 27 and 28, delete ", and has committee recommendation of DO PASS"

Page 1530, line 22, replace "Reengrossed SB 2020" with "Engrossed SB 2020, as amended,"

Page 1531, line 11, replaced "failed" with "prevailed"

Page 1531, line 34, replace "Engrossed SB 2008" with "SB 2008, as amended,"

Page 1531, lines 49 and 50, delete ", and has committee recommendation of DO PASS"

Page 1587, delete lines 44 and 45

Page 1621, line 41, replace "HB 1092, HB 1214, HB 1421, HB 1425" with "HB 1214"

Page 1665, line 38, replace "Reengrossed" with "Engrossed"

Page 1667, replace lines 11 through 13 with:

**"CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. DELZER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1018 as printed on HJ pages 1473-1489, which motion prevailed on a voice vote."

**REP. KRETSCHMAR MOVED** that the report be adopted, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**SB 2057, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2057 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide an appropriation for defraying the expenses of the department of commerce; to create and enact section 15-69-07, a new chapter to title 17, and a new section to chapter 54-60 of the North Dakota Century Code, relating to the centers of excellence program, biofuel blender pump incentive program, and the internship fund; to amend and reenact sections 10-30.5-02, 15-69-01, 15-69-04, and 15-69-05 of the North Dakota Century Code, relating to the North Dakota development fund, incorporated, and centers of excellence program; to repeal chapter 15-69 of the North Dakota Century Code, relating to the centers of excellence program; to provide an appropriation and borrowing authority to Williston state college related to a workforce training building project; to provide a continuing appropriation; to provide exemptions; to provide for transfers; to provide an effective date; to provide an expiration date; and to declare an emergency.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. APPROPRIATION.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the department of commerce for the purpose of defraying the expenses of the department of commerce, for the biennium beginning July 1, 2011, and ending June 30, 2013, as follows:

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$10,020,840	\$851,139	\$10,871,979
Operating expenses	14,478,272	(595,012)	13,883,260
Capital assets	25,000	45,018	70,018

Grants	65,411,058	6,101,936	71,512,994
North Dakota development fund	0	250,000	250,000
Discretionary funds	928,083	(1)	928,082
Workforce enhancement	0	2,000,000	2,000,000
Economic development initiatives	186,846	0	186,846
Agricultural products utilization	2,536,630	203,137	2,739,767
North Dakota trade office	2,064,000	489,000	2,553,000
Partner programs	2,022,044	0	2,022,044
Federal fiscal stimulus funds	<u>0</u>	<u>24,496,750</u>	<u>24,496,750</u>
Total all funds	\$97,672,773	\$33,841,967	\$131,514,740
Less estimated income	<u>69,666,470</u>	<u>18,968,467</u>	<u>88,634,937</u>
Total general fund	\$28,006,303	\$14,873,500	\$42,879,803
Full-time equivalent positions	68.00	.25	68.25

**SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-THIRD LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-first legislative assembly for the 2009-11 biennium and the 2011-13 one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2009-11</u>	<u>2011-13</u>
Workforce enhancement fund	\$1,000,000	\$2,000,000
Biofuel blender pumps	1,000,000	0
Promotion and marketing of USS North Dakota	100,000	100,000
Lewis and Clark foundation grants	1,500,000	0
Theodore Roosevelt Medora foundation grant	500,000	0
Tourism infrastructure grant	0	1,500,000
Child care grants and loans	1,820,000	370,338
Child care service providers	0	4,935,000
recruitment, training, and retention grants		
Centers of excellence	19,500,000	0
Not-for-profit organization assisting individuals	0	300,000
with business ideas		
Great plains applied energy research center	5,000,000	0
Minot air force base realignment grant	0	400,000
Grand Forks air force base realignment grant	0	4,200,000
Equine processing study	50,000	0

Federal fiscal stimulus	<u>68,594,635</u>	<u>24,496,750</u>
Total all funds	\$99,064,635	\$38,302,088
Less estimated income	<u>68,594,635</u>	<u>24,496,750</u>
Total general fund	\$30,470,000	\$13,805,338

The 2011-13 one-time funding amounts are not a part of the entity's base budget for the 2013-15 biennium. The department of commerce shall report to the appropriations committees of the sixty-third legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 3. AMENDMENT.** Section 10-30.5-02 of the North Dakota Century Code is amended and reenacted as follows:

**10-30.5-02. (Effective through July 31, ~~2014~~2013) Purpose and fund uses.**

1. It is the purpose of this chapter to create a statewide nonprofit development corporation that will have the authority to take equity positions in, to provide loans to, or to use other innovative financing mechanisms to provide capital for new or expanding businesses in this state, or relocating businesses to this state. The corporation's principal mission is the development and expansion of primary sector business in this state. The corporation may form additional corporations, limited liability companies, partnerships, or other forms of business associations in order to further its mission of primary sector economic development.
2. The exclusive focus of this corporation is business development in this state; however, it is not excluded from participation with other states or organizations in projects that have a clear economic benefit to state residents in the creation of jobs or secondary business. Emphasis should be to develop jobs that provide an income adequate to support a family above the poverty level.
3. Moneys in the development fund may be used to provide working capital or for financing the purchase of fixed assets but not to refinance existing debt. Moneys may also be used to make matching grants to county-authorized or city-authorized development corporations for the acquisition, leasing, or remodeling of real estate facilities for locating a prospective new primary sector business. A grant must be made as part of a package of financing in which the state is a participant.
4. The commissioner of commerce shall adopt rules, subject to the approval of the board of directors, necessary to implement the administration of the fund. The rules to implement the grant program must be developed to encourage local fundraising initiatives for developing locations for businesses financed by the corporation.
5. Moneys in the development fund may be used to provide financing to early childhood facilities licensed under chapter 50-11.1. Moneys also may be used to make grants or loans to match grants or loans made by county-authorized or city-authorized development corporations, job development authorities created under chapter 11-11.1 or 40-57.4, and regional planning councils for acquiring, leasing, or remodeling of real estate facilities or for acquiring equipment for establishing or expanding a licensed early childhood facility. In providing financing under this subsection, the corporation shall ensure funds are distributed fairly among for-profit early childhood facilities, nonprofit early childhood facilities, and public early childhood facilities. An award under this subsection may not exceed ~~one~~two hundred thousand dollars per award.

**(Effective after July 31, ~~2014~~2013) Purpose and fund uses.**



1. It is the purpose of this chapter to create a statewide nonprofit development corporation that will have the authority to take equity positions in, to provide loans to, or to use other innovative financing mechanisms to provide capital for new or expanding businesses in this state, or relocating businesses to this state. The corporation's principal mission is the development and expansion of primary sector business in this state. The corporation may form additional corporations, limited liability companies, partnerships, or other forms of business associations in order to further its mission of primary sector economic development.
2. The exclusive focus of this corporation is business development in this state; however, it is not excluded from participation with other states or organizations in projects that have a clear economic benefit to state residents in the creation of jobs or secondary business. Emphasis should be to develop jobs that provide an income adequate to support a family above the poverty level.
3. Moneys in the development fund may be used to provide working capital or for financing the purchase of fixed assets but not to refinance existing debt. Moneys may also be used to make matching grants to county-authorized or city-authorized development corporations for the acquisition, leasing, or remodeling of real estate facilities for locating a prospective new primary sector business. A grant must be made as part of a package of financing in which the state is a participant.
4. The commissioner of commerce shall adopt rules, subject to the approval of the board of directors, necessary to implement the administration of the fund. The rules to implement the grant program must be developed to encourage local fundraising initiatives for developing locations for businesses financed by the corporation.

**SECTION 4. AMENDMENT.** Section 15-69-01 of the North Dakota Century Code is amended and reenacted as follows:

**15-69-01. (~~Effective through July 31, 2011~~) Definitions.**

In this chapter, unless the context otherwise requires:

1. "Board" means the state board of higher education.
2. "Center" means a center of excellence relating to economic development which has been designated or named under this chapter.
3. "Commission" means the centers of excellence commission.
4. "Department" means the department of commerce.
5. "Foundation" means the North Dakota economic development foundation.
5. ~~"Industry cluster" means one of the following industries:~~
  - a. ~~Advanced manufacturing;~~
  - b. ~~Energy;~~
  - c. ~~Information and technology;~~
  - d. ~~Tourism;~~
  - e. ~~Value-added agriculture; or~~
  - f. ~~An industry, including the aerospace industry, specifically identified by the department of commerce as an industry that will contribute to the gross state product.~~

6. "Infrastructure" means new building construction or major building renovation. The term does not include a purchase of equipment or remodel of an existing building.

**SECTION 5. AMENDMENT.** Section 15-69-04 of the North Dakota Century Code is amended and reenacted as follows:

**15-69-04. (Effective through July 31, 2011) Application -- Eligibility requirements Centers of excellence program.**

1. ~~The department of commerce shall provide center application forms, accept applications, review applications for completeness and compliance with board and commission policy, forward complete applications to the commission in accordance with guidelines established by the commission, and assist with preaward reviews and postaward monitoring as may be requested by the commission. No more than two applications per campus of an institution of higher education under the control of the board may be submitted to the department of commerce for each round of center funding.~~
2. ~~The commission shall meet as necessary to review all complete applications; consider the potential need for independent, expert review of complete applications; approve or disapprove complete applications; make funding award recommendations for commission approved proposed centers; direct the department of commerce to administer the centers of excellence program; distribute funds to the centers; monitor centers for compliance with award requirements; review changes in assertions made in center applications; and conduct postaward monitoring of centers.~~
3. ~~In considering whether to approve or disapprove an application, the commission shall determine whether the applicant has conducted the due diligence necessary to put together a viable proposal, the commission shall determine whether the applicant has provided information in the application which clearly outlines how the matching fund requirement will be met, and the commission shall consider whether the center will:~~
  - a. ~~Use university or college research to promote private sector job growth and expansion of knowledge-based industries or use university or college research to promote the development of new products, high-tech companies, or skilled jobs in this state;~~
  - b. ~~Create high value private sector employment opportunities in this state;~~
  - c. ~~Provide for public-private sector involvement and partnerships;~~
  - d. ~~Leverage other funding, including cash from the private sector;~~
  - e. ~~Increase research and development activities that may involve federal funding from the national science foundation experimental program to stimulate competitive research;~~
  - f. ~~Foster and practice entrepreneurship;~~
  - g. ~~Promote the commercialization of new products and services in industry clusters;~~
  - h. ~~Become financially self-sustaining; and~~
  - i. ~~Establish and meet a deadline for acquiring and expending all public and private funds specified in the application.~~

4. ~~In considering whether to approve an application, the commission may provide for an independent, expert review of the application to determine whether the proposed center is viable and whether the proposed center is likely to have the desired economic impact. As necessary, the commission may contract for additional technical review of applications. The commission may not approve an application unless the commission determines the proposed center has a high likelihood of viability and success in positively impacting economic development in the state.~~
5. ~~For no fewer than six years and no more than ten years following center designation, the commission shall monitor the center's activities in order to determine whether the center is having the desired economic impact.~~

**SECTION 6. AMENDMENT.** Section 15-69-05 of the North Dakota Century Code is amended and reenacted as follows:

**15-69-05. ~~(Effective through July 31, 2011)~~ Use of funds - Terms of funds - Distribution of funds.**

1. A center shall use funds awarded under this chapter to enhance capacity and leverage state, federal, and private sources of funding. A center awarded funds under this chapter may not use the funds for infrastructure, to supplant funding for current operations or academic instructions, or to pay indirect costs.
2. As a condition for receipt of funds under this chapter, a center shall agree to provide the ~~board~~department, foundation, and budget section of the legislative management with annual audits on all funds distributed to the center under this chapter. The annual audits must be provided until the completion of the ~~commission's~~department's postaward monitoring of the center. As a condition for receipt of funds under this chapter, a center shall agree to provide the ~~commission~~department with the information necessary to monitor the postaward activities of the center. Effective on the effective date of this Act, the department shall assume the postaward monitoring duties previously fulfilled by the commission and the center shall provide the department, rather than the commission, with the information necessary to monitor the postaward activities of the center.
3. ~~Before the commission directs the department of commerce to distribute~~distributes funds awarded under this chapter, the center shall provide the ~~commission~~department with detailed documentation of private sector participation and the availability of two dollars of matching funds for each dollar of state funds to be distributed under this chapter. Of the two dollars of matching funds, at least one dollar must be cash, of which at least fifty cents must be from the private sector. The matching funds may include funds facilitated through the collaboration of the private sector participants with other funding entities. The noncash matching funds may include in-kind assets with itemized value. Private sector participation may be established through equity investments or through contracts for services with private sector entities. ~~In making funding recommendations and designation determinations, the commission, board, foundation, and budget section shall give major consideration to the portion of the matching funds provided in cash by the private sector.~~
4. ~~The commission shall direct the department of commerce to~~shall distribute the funds awarded under this chapter in disbursements consistent with the center's budget and timeframe outlined in the approved award. The ~~commission~~department may not direct distribution of funds under this chapter if there are no private sector partners participating or if the statutorily required matching funds are not available.
5. If, before funds are distributed by the department of commerce, a center undergoes a change in the terms of or assertions made in its application, ~~the commission may direct that the department of commerce~~ may

withhold all or a portion of any undistributed funds pending ~~commission~~department review of the changes.

6. ~~The commission~~department may use funds ~~appropriated for~~available within the centers of excellence program ~~fund~~ to pay for the ~~commission's~~department's administrative expenses, ~~which may include contracting for independent, expert reviews of complete applications and centers of excellence forums related to this program.~~ The amount of funds the commission uses each biennium for administrative expenses may not exceed two and one-half percent of the funds appropriated for the program that biennium.

**SECTION 7.** Section 15-69-07 of the North Dakota Century Code is created and enacted as follows:

**15-69-07. Centers of excellence postaward monitoring.**

1. For no fewer than six years and no more than ten years following center designation, the department shall monitor a center's activities in order to determine whether the center is having the desired economic impact.
2. Instead of requiring annual audits under subsection 2 of section 15-69-05, the department may require that the center be audited on all funds distributed to the center under this chapter at the halfway point of the postaward monitoring and at the end of the postaward monitoring and that for all other years during the postaward monitoring the center contract with an independent accountant for an agreed-upon procedures engagement. A center may use funds distributed to the center under this chapter to pay for audits required under subsection 2 of section 15-69-05 or for an agreed-upon procedures engagement.
3. At a minimum, an agreed-upon procedures engagement under subsection 2 must include:
  - a. Verification of the accuracy of jobs data regarding jobs claimed related by the center, distinguishing between the creation of private sector jobs and jobs within the institution of higher education;
  - b. Verification of compliance with the centers of excellence program matching fund requirements;
  - c. Verification awarded center funds were used for authorized uses;
  - d. Verification the center complied with the center's application timeline and any authorized revisions;
  - e. Verification the center complied with the center's scope of activities as provided under the center's application and any authorized revisions;
  - f. Review of a sample of center expenditures to verify the expenses were approved, supported with documentation, and made in accordance with the scope identified in the center's application;
  - g. Verification of a sample of labor charged to the center;
  - h. Verification business incentive agreements comply with chapter 54-60.1; and
  - i. Comparison of the center's application budget to the center's actual expenditures, including documentation explaining any material differences.

**SECTION 8.** A new chapter to title 17 of the North Dakota Century Code is created and enacted as follows:

**Definitions.**

For purposes of this chapter, unless the context otherwise requires:

1. "Biodiesel" means any non-petroleum-based diesel fuel made from a renewable resource such as vegetable oil or animal fat.
2. "E85 fuel" means a petroleum product that:
  - a. Is a blend of agriculturally derived denatured ethanol and gasoline or natural gasoline;
  - b. Typically contains eighty-five percent ethanol by volume but must at a minimum contain sixty percent ethanol by volume; and
  - c. Complies with the American society for testing materials specification D 5798-96.
3. "Motor fuel retailer" means a person that acquires motor vehicle fuel from a supplier or distributor for resale to a consumer at a retail location.
4. "Retail location" means a site at which motor vehicle fuel is dispensed through a pump from an underground or aboveground storage tank into the supply tank of a motor vehicle.

**Biofuel blender pump incentive program - Administration.**

1. The department of commerce shall administer the biofuel blender pump incentive program to provide cost-share grants of up to fourteen thousand dollars per retail location to motor fuel retailers for the installation of biofuel blender pumps and associated equipment at retail locations, including the piping system and storage components.
2. In determining eligibility for grant funds, the department shall establish by rule criteria governing:
  - a. The verification of costs for biofuel blender pumps and associated equipment, including the piping system and storage components;
  - b. The eligibility of grant recipients;
  - c. The application and grant award procedure; and
  - d. Reporting and accountability procedures for grant recipients.
3. The amount of incentives payable to any retail location under this chapter may not exceed two percent of the total amount appropriated for the biofuel blender pump incentive program.

**Blender pumps - Requirements.**

1. To qualify for a grant under this chapter, a retailer must install an ethanol blender pump and an associated storage and piping system. The pump must be the type that:
  - a. Dispenses at retail a blend of gasoline and ethanol in the ratio selected by the purchaser;
  - b. Is manufactured to an industry standard and carries a warranty for compatibility with dispenser components and storage and piping systems;
  - c. Has at least four hoses and dispenses the following:

- (1) Either a blend of ten percent ethanol or the minimum blend percentage approved for all vehicles by the United States environmental protection agency;
- (2) A blend of at least twenty percent ethanol; and
- (3) E85 fuel; and
- d. Complies with all alternative fuel, biofuel, and flexible fuel requirements established by law.
- 2. In order to qualify for a grant under this chapter, a retailer must install a biodiesel blender pump that:
  - a. Dispenses at retail varying blends of biodiesel and mineral diesel in the ratio selected by the purchaser; and
  - b. Complies with all alternative fuel, biofuel, and flexible fuel requirements established by law.

**Biofuel blender pump incentive program - Administrative costs.**

The department may use up to five percent of any amount appropriated to the biofuel blender pump incentive program for administration, the dissemination of information regarding the biofuel blender pump incentive program, and the dissemination of information regarding the benefits of biofuels.

**SECTION 9.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Internship fund - Continuing appropriation.**

The internship fund is a special fund in the state treasury. All funds in the internship fund are appropriated to the department of commerce on a continuing basis for the purpose of implementing and administering section 54-60-17. Interest earned by the fund must be credited to the fund.

**SECTION 10. GRANT - DIVISION OF TOURISM - TOURISM INFRASTRUCTURE GRANTS.** The grants line item in section 1 of this Act includes the sum of \$1,500,000 from the general fund for providing a tourism infrastructure grant.

**SECTION 11. GRANT - MINOT AIR FORCE BASE REALIGNMENT GRANT.** The grants line item in section 1 of this Act includes the sum of \$400,000 from the general fund for providing a base realignment grant to enhance economic development and employment opportunities associated with the Minot air force base resulting from action by the federal defense base closure and realignment commission.

**SECTION 12. CHILD CARE GRANTS - WORKFORCE DEVELOPMENT - QUALITY IMPROVEMENT - TECHNICAL ASSISTANCE - CAPACITY BUILDING.** The grants line item in section 1 of this Act includes the sum of \$4,935,000 from the general fund for providing grants to child care service providers for workforce development, quality improvement, technical assistance, and capacity building in collaboration with the department of human services under section 50-11.1-14.1.

**SECTION 13. GRANT - GRAND FORKS AIR FORCE BASE REALIGNMENT GRANTS.** The grants line item in section 1 of this Act includes the sum of \$4,200,000 from the general fund for providing grants to research universities under the control of the state board of higher education or nonprofit university-related foundations for use in infrastructure or enhancement of economic development and employment opportunities, for the biennium beginning July 1, 2011, and ending June 30, 2013. The department may use funds appropriated in this section for a base realignment grant to enhance economic development and employment opportunities associated with the Grand Forks air force base resulting from action by the federal

defense base closure and realignment commission, a grant of up to \$200,000 to the Grand Forks housing authority for a planning initiative, or grants for infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks air force base.

**SECTION 14. APPROPRIATION - WILLISTON STATE COLLEGE.** 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 Williston state college for the purpose of a workforce training building project, for the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 15. APPROPRIATION - BORROWING AUTHORITY - WILLISTON STATE COLLEGE.** Williston state college may borrow the sum of \$1,500,000, or so much of the sum as may be necessary, from the Bank of North Dakota, the proceeds of which are appropriated for the purpose of a workforce training building project, for the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 16. INNOVATION 2020 AWARD.** The department may administer an innovation 2020 award program to provide proof-of-concept funding to a qualified entrepreneur to assist in moving a new technology from academia into the commercialization cycle, for the biennium beginning July 1, 2011, and ending June 30, 2013. The following provisions apply to an award under this section:

1. An applicant must be an individual who is associated with a North Dakota institution of higher education as a student, an employee, or other relationship the department may authorize.
2. The applicant must have an early-stage technology with high commercial potential.
3. The department shall establish the qualified uses of funds received under this section.
4. As a term for receipt of funds under this section, the recipient shall agree to the department's repayment terms equal to two times the amount of the award.
5. The department's repayment terms may include the department taking an equity position in, providing a loan to, or using any other innovative financing mechanism to provide the funds to the recipient. The terms of repayment may be conditioned on the new technology becoming income generating.
6. An award under this section may not exceed \$50,000. A recipient may not receive more than one award under this section.
7. An award under this section is not a business incentive under chapter 54-60.1.

**SECTION 17. TECHNOLOGY AWARD EQUITY INVESTMENT PROGRAM.** The department may administer a technology award equity investment program that provides matching equity investments to technology-based businesses, for the biennium beginning July 1, 2011, and ending June 30, 2013. The following provisions apply to technology award equity investments:

1. An applicant must:
  - a. Be a North Dakota business that is at the startup stage;
  - b. Be a primary sector business in the technology field; and
  - c. Have a legal structure that was established following comprehensive vetting, development of proof of concept, and a completed business plan.

2. Before funds are distributed under this section, the recipient shall provide the department with detailed documentation of the availability of \$2 of angel fund investment matching funds for each \$1 of state funds distributed under this section. Matching funds must come from a North Dakota angel fund certified under section 57-38-01.26 and be in cash. Matching funds may not be in-kind assets.
3. An equity investment under this section may not exceed \$50,000. A recipient may not receive more than one award under this section.
4. An award equity investment under this section is not a business incentive under chapter 54-60.1.

**SECTION 18. EXEMPTION.** The amount appropriated for the agricultural products utilization commission in section 1 of chapter 46 of the 2009 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item for grants are available for grants during the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 19. EXEMPTION.** The amount appropriated for the discretionary funds line item in section 1 of chapter 46 of the 2009 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 20. EXEMPTION - TRANSFER.** The amount appropriated for internships contained in the operating expenses line item in section 1 of chapter 46 of the 2009 Session Laws is not subject to section 54-44.1-11. The office of management and budget shall transfer any unexpended funds from this appropriation to the internship fund at the end of the 2011-13 biennium.

**SECTION 21. EXEMPTION - TRANSFER.** Up to \$5,000,000 of the amount appropriated for the great plains applied energy research center in section 1 of chapter 26 of the 2009 Session Laws is not subject to section 54-44.1-11. The department of commerce shall spend these funds for the purposes provided for in this section, for the biennium beginning July 1, 2011, and ending June 30, 2013. The department of commerce shall use up to \$4,335,000 of these funds for a grant to Bismarck state college for the purpose of completing the national energy center of excellence fourth floor renovation project. The department of commerce shall use up to \$600,000 of these funds for a grant to assist in the acquisition of the antiballistic missile site at the Stanley R. Mickelson safeguard complex in Nekoma. The department of commerce shall use up to \$65,000 of these funds for grants to child care service providers for workforce development, quality improvement, technical assistance, and capacity building in collaboration with the department of human services under section 50-11.1-14.1.

**SECTION 22. EXEMPTION.** The amount appropriated for the technology-based entrepreneurship grant program contained in the grants line item in section 1 of chapter 46 of the 2009 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 23. EXEMPTION.** The amount appropriated for early childhood facility grants in section 6 of chapter 108 of the 2009 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 24. EXEMPTION.** The amount appropriated for the biofuel blender pump incentive program in sections 1 and 2 of chapter 46 of the 2009 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this line item are available during the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 25. TRANSFER - WORKFORCE ENHANCEMENT FUND.** The office of management and budget shall transfer the amount appropriated in the workforce enhancement line item in section 1 of this Act to the workforce enhancement fund for the purpose of implementing and administering sections



54-60-21 and 54-60-22 for the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 26. TRANSFER - EARLY CHILDHOOD FACILITY LOANS.** The office of management and budget shall transfer \$250,000 of the amount appropriated in the North Dakota development fund line item in section 1 of this Act to the North Dakota development fund, incorporated, for the purpose of providing financing to early childhood facilities for the biennium beginning July 1, 2011, and ending June 30, 2013.

**SECTION 27. TRADE OFFICE - MATCHING FUND REQUIREMENT.** The total North Dakota trade office special line and the general fund appropriation in section 1 of this Act include \$2,553,000 of funding relating to the North Dakota trade office. The department of commerce may spend seventy percent of this amount without requiring any matching funds from the trade office. Any additional amounts may be spent only to the extent that the North Dakota trade office provides \$1 of matching funds from private or other public sources for each \$1 provided by the department for the biennium beginning July 1, 2011, and ending June 30, 2013. Matching funds may include money spent by businesses or organizations to pay salaries to export assistants, provide training to export assistants, or buy computer equipment as part of the North Dakota trade office's export assistance program.

**SECTION 28. DEPARTMENT OF COMMERCE - GRANTS FOR EARLY CHILDHOOD FACILITIES.**

1. During the biennium beginning July 1, 2011, and ending June 30, 2013, the department of commerce shall establish and implement a grant program to provide matching grants to North Dakota early childhood facilities.
2. A recipient of a grant under this section shall use the grant funds for technical assistance, a business plan, or infrastructure. A grant awarded under this section for infrastructure may not exceed \$5,000 per recipient and a grant awarded under this section for technical assistance or a business plan may not exceed \$10,000 per recipient.
3. To receive a grant under this section, an applicant shall establish the applicant has available \$1 of matching funds for every \$3 of grant funds. The matching funds must be in cash and may come from private or public sources, or from a combination of private and public sources.
4. In making awards under this program, the department shall ensure funds are fairly distributed between for-profit early childhood facilities, nonprofit early childhood facilities, and public early childhood facilities.

**SECTION 29. REPEAL.** Chapter 15-69 of the North Dakota Century Code is repealed.

**SECTION 30. EFFECTIVE DATE.** Section 29 of this Act becomes effective on August 1, 2023.

**SECTION 31. EXPIRATION DATE.** Section 8 of this Act is effective through July 31, 2013, and after that date is ineffective.

**SECTION 32. EMERGENCY.** Funding of \$900,000 in the operating expenses line item in section 1 of this Act, relating to the operation intern program, and sections 8, 9, and 21 of this Act are declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2057 - Summary of House Action**

Executive

Senate

House

House

	Budget	Version	Changes	Version
Williston State College				
Total all funds	\$0	\$0	\$2,000,000	\$2,000,000
Less estimated income	0	0	1,500,000	1,500,000
General fund	\$0	\$0	\$500,000	\$500,000
Department of Commerce				
Total all funds	\$0	\$20,000,000	\$111,514,740	\$131,514,740
Less estimated income	0	0	88,634,937	88,634,937
General fund	\$0	\$20,000,000	\$22,879,803	\$42,879,803
Bill total				
Total all funds	\$0	\$20,000,000	\$113,514,740	\$133,514,740
Less estimated income	0	0	90,134,937	90,134,937
General fund	\$0	\$20,000,000	\$23,379,803	\$43,379,803

### Senate Bill No. 2057 - Williston State College - House Action

	Executive Budget	Senate Version	House Changes	House Version
Williston State College building project			\$2,000,000	\$2,000,000
Total all funds	\$0	\$0	\$2,000,000	\$2,000,000
Less estimated income	0	0	1,500,000	1,500,000
General fund	\$0	\$0	\$500,000	\$500,000
FTE	0.00	0.00	0.00	0.00

### Department No. 229 - Williston State College - Detail of House Changes

	Workforce Training Building Project <sup>1</sup>	Total House Changes
Williston State College building project	\$2,000,000	\$2,000,000
Total all funds	\$2,000,000	\$2,000,000
Less estimated income	1,500,000	1,500,000
General fund	\$500,000	\$500,000
FTE	0.00	0.00

<sup>1</sup> The amendment provides Williston State College a general fund appropriation of \$500,000 and authority to borrow up to \$1,500,000 from the Bank of North Dakota for a workforce training building project.

### Senate Bill No. 2057 - Department of Commerce - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages			\$10,871,979	\$10,871,979
Operating expenses			13,883,260	13,883,260
Capital assets			70,018	70,018
Grants			71,512,994	71,512,994
Centers of entrepreneurship grants		5,000,000	(5,000,000)	
Limited deployment-cooperative airspace		3,500,000	(3,500,000)	
Workforce enhancement fund transfer		2,000,000	(2,000,000)	
Centers of research excellence grants		8,000,000	(8,000,000)	
Eminent research challenge grants		1,500,000	(1,500,000)	
North Dakota development fund			250,000	250,000
Discretionary funds			928,082	928,082
Agricultural products utilization			2,739,767	2,739,767
North Dakota trade office			2,553,000	2,553,000
Partner programs			2,022,044	2,022,044

Federal fiscal stimulus funds			24,496,750	24,496,750
Economic development initiatives			186,846	186,846
Workforce enhancement			2,000,000	2,000,000
Total all funds	\$0	\$20,000,000	\$111,514,740	\$131,514,740
Less estimated income	0	0	88,634,937	88,634,937
General fund	\$0	\$20,000,000	\$22,879,803	\$42,879,803
FTE	0.00	0.00	68.25	68.25

### Department No. 601 - Department of Commerce - Detail of House Changes

	Removes Funding for Grants <sup>1</sup>	Adds Funding for Department of Commerce <sup>2</sup>	Adds Funding for Tourism Infrastructure Grants <sup>3</sup>	Adds Funding for IDEA Center Grant <sup>4</sup>	Adds Funding for USS North Dakota Grant <sup>5</sup>	Adds Funding for Minot Air Force Base Realignment Grant <sup>6</sup>
Salaries and wages		\$10,871,979				
Operating expenses		13,883,260				
Capital assets		70,018				
Grants		66,262,994	500,000	300,000	100,000	150,000
Centers of entrepreneurship grants	(5,000,000)					
Limited deployment-cooperative airspace	(3,500,000)					
Workforce enhancement fund transfer	(2,000,000)					
Centers of research excellence grants	(8,000,000)					
Eminent research challenge grants	(1,500,000)					
North Dakota development fund		250,000				
Discretionary funds		928,082				
Agricultural products utilization		2,739,767				
North Dakota trade office		2,553,000				
Partner programs		2,022,044				
Federal fiscal stimulus funds		24,496,750				
Economic development initiatives		186,846				
Workforce enhancement		2,000,000				
Total all funds	(\$20,000,000)	\$126,264,740	\$500,000	\$300,000	\$100,000	\$150,000
Less estimated income	0	88,634,937	0	0	0	0
General fund	(\$20,000,000)	\$37,629,803	\$500,000	\$300,000	\$100,000	\$150,000
FTE	0.00	68.25	0.00	0.00	0.00	0.00

	Adds Funding for Grand Forks Air Force Base Realignment Grant <sup>7</sup>	Total House Changes
Salaries and wages		\$10,871,979
Operating expenses		13,883,260
Capital assets		70,018
Grants	4,200,000	71,512,994
Centers of entrepreneurship grants		(5,000,000)
Limited deployment-cooperative airspace		(3,500,000)
Workforce enhancement fund transfer		(2,000,000)
Centers of research excellence grants		(8,000,000)
Eminent research challenge grants		(1,500,000)
North Dakota development fund		250,000
Discretionary funds		928,082
Agricultural products utilization		2,739,767
North Dakota trade office		2,553,000
Partner programs		2,022,044
Federal fiscal stimulus funds		24,496,750
Economic development initiatives		186,846
Workforce enhancement		2,000,000
Total all funds	\$4,200,000	\$111,514,740
Less estimated income	0	88,634,937
General fund	\$4,200,000	\$22,879,803
FTE	0.00	68.25

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<sup>1</sup> The amendment removes funding for the following grants:

- Centers of entrepreneurship grants.
- Limited deployment-cooperative airspace.
- Workforce enhancement fund transfer.
- Centers of research excellence grants.
- Eminent researcher recruitment challenge grants.

<sup>2</sup> The amendment provides the same funding level and FTE position for the Department of Commerce as approved by the House in Engrossed House Bill No. 1018.

<sup>3</sup> Funding provided by the House for tourism infrastructure grants to be administered by the Division of Tourism is increased by \$500,000 to provide a total of \$1,500,000.

<sup>4</sup> The amendment adds funding for a grant to a not-for-profit organization assisting individuals to determine the feasibility and viability of business ideas.

<sup>5</sup> The amendment adds funding for a grant to assist in the promotion and marketing of the USS *North Dakota*.

<sup>6</sup> Funding provided by the House in House Bill No. 1018 for a Minot Air Force Base realignment grant to the Minot TF-21 Committee to enhance economic development and employment opportunities associated with the Minot Air Force Base resulting from action by the federal Defense Base Closure and Realignment Commission is increased by \$150,000 to provide a total of \$400,000.

<sup>7</sup> Funding is added for a Grand Forks Air Force Base realignment grant to provide grants to research universities under the control of the State Board of Higher Education or nonprofit university-related foundations for use in infrastructure or enhancement of economic development and employment opportunities. Of the amount provided, \$200,000 is available to the Grand Forks Housing Authority for a planning initiative or grants for infrastructure and economic development projects or programs to accommodate growth in proximity to or at the Grand Forks Air Force Base.

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This amendment also authorizes the Department of Commerce to continue \$5 million of 2009-11 unspent general fund appropriation authority relating to the Great Plains Applied Energy Research Center. Of the \$5 million, the department shall use \$4,335,000 for a grant to Bismarck State College for the purpose of completing the National Energy Center of Excellence fourth floor renovation project; \$600,000 to assist in the acquisition of the antiballistic missile site at the Stanley R. Mickelson Safeguard Complex in Nekoma; and \$65,000 for grants to child care service providers for workforce development, quality improvement, technical assistance, and capacity building.

#### **SIXTH ORDER OF BUSINESS**

**SB 2057, as engrossed: REP. SKARPHOL (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**.

#### **REQUEST**

**REP. J. KELSH REQUESTED** a verification vote, which request was granted.

The proposed amendments to Engrossed SB 2057 were adopted on a verification vote.

#### **SECOND READING OF SENATE BILL**

**SB 2057:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of commerce; to create and enact section 15-69-07, a new chapter to

title 17, and a new section to chapter 54-60 of the North Dakota Century Code, relating to the centers of excellence program, the biofuel blender pump incentive program, and the internship fund; to amend and reenact sections 10-30.5-02, 15-69-01, 15-69-04, and 15-69-05 of the North Dakota Century Code, relating to the North Dakota development fund, incorporated, and centers of excellence program; to repeal chapter 15-69 of the North Dakota Century Code, relating to the centers of excellence program; to provide an appropriation and borrowing authority to Williston state college related to a workforce training building project; to provide a continuing appropriation; to provide exemptions; to provide for transfers; to provide an effective date; 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 PASS, the roll was called and there were 73 YEAS, 19 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Belter; Boehning; Brabandt; Brandenburg; Carlson; Clark; Dahl; Damschen; Delmore; Delzer; Devlin; Dosch; Frantsvog; Froseth; Glassheim; Grande; Guggisberg; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunsakor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsch, R.; Kelsh, J.; Kelsh, S.; Kempenich; Kilichowski; Kingsbury; Klein; Koppelman; Kreidt; Kretschmar; Kreun; Louser; Maragos; Martinson; Meier, L.; Meyer, S.; Mock; Monson; Mueller; Nathe; Nelson, J.; Nelson, M.; Owens; Paur; Pietsch; Pollert; Porter; Rust; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Wieland; Williams; Winrich; Speaker Drovdal

**NAYS:** Amerman; Beadle; Bellew; Boe; Conklin; DeKrey; Gruchalla; Kaldor; Kroeber; Metcalf; Onstad; Rohr; Ruby; Schatz; Schmidt; Weiler; Weisz; Wrangham; Zaiser

**ABSENT AND NOT VOTING:** Klemin; Sanford

Engrossed SB 2057, as amended, passed and the emergency clause was declared carried.

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#### APPOINTMENT OF CONFERENCE COMMITTEE

**REP. VIGESAA MOVED** that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Engrossed SB 2017, which motion prevailed.

**THE SPEAKER APPOINTED** as a Conference Committee on:

**Engrossed SB 2017:** Reps. Brandenburg, Thoreson, Kroeber

#### MOTION

**REP. VIGESAA MOVED** that House Rule 508 be amended temporarily, replacing "sixty-seventh legislative day" with "sixty-ninth legislative day", which motion prevailed.

#### MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HCR 3047, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HCR 3047:** Reps. Koppelman; Owens; Conklin

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

**MR. SPEAKER:** The Senate has appointed as a conference committee to act with a like committee from the House on:

**HB 1001:** Sens. Christmann; Holmberg; O'Connell

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

**MR. SPEAKER:** The Senate has appointed as a conference committee to act with a like

committee from the House on:

**HB 1289:** Sens. Cook; Hogue; Dotzenrod

**HCR 3047:** Sens. Olafson; Lyson; Sitte

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has appointed as a conference committee to act with a like committee from the Senate on:

**SB 2013:** Reps. Skarphol; R. Kelsch; Williams

**SB 2150:** Reps. R. Kelsch; Monson; Mueller

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has appointed as a conference committee to act with a like committee from the Senate on:

**SB 2017:** Reps. Brandenburg; Thoreson; Kroeber

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

**MR. SPEAKER:** The President has appointed Sen. Holmberg to replace Sen. Erbele on the Conference Committee on SB 2014.

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

**MR. SPEAKER:** The Senate has not adopted the conference committee report on: SB 2056.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has adopted the conference committee report on: HB 1074, HB 1124.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2085, SB 2145, SB 2193, SB 2195, SB 2206.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1246, HB 1318.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2067, SB 2138, SB 2155, SB 2158, SB 2182.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2218, SB 2222, SB 2271, SB 2295, SB 2311.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2187, SB 2302.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1029, HB 1270, HB 1433.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2065.

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

**MR. SPEAKER:** The President has signed: HCR 3048.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**

**MR. PRESIDENT:** The Speaker has signed: HCR 3048.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2065.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolution was delivered to the Secretary of State for filing on April 14, 2011: HCR 3048.

**MOTION**

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

**MOTION**

**REP. VIGESAA MOVED** that the House be on the Fourth, Fifth, Seventh, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Friday, April 15, 2011, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1006:** Your conference committee (Sens. Krebsbach, Grindberg, O'Connell and Reps. Kempenich, Dahl, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1413-1414, adopt amendments as follows, and place HB 1006 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1413 and 1414 of the House Journal and pages 1168 and 1169 of the Senate Journal and that House Bill No. 1006 be amended as follows:

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

Page 1, replace line 14 with:

"Capital assets	400,000	380,000	780,000"
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Page 1, replace lines 16 and 17 with:

"Total all funds	\$12,918,666	\$165,022	\$13,083,688
Less estimated income	<u>12,368,666</u>	<u>165,022</u>	<u>12,533,688"</u>

Page 1, after line 19, insert:

**"SECTION 2. LIMITED DEPLOYMENT-COOPERATIVE AIRSPACE PROJECT.** The aeronautics commission may use federal or special funds appropriated in section 1 of this Act to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment.

**SECTION 3. EMERGENCY.** The sum of \$450,000 from special funds for aircraft replacement included in the capital assets line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1006 - Aeronautics Commission - Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$1,005,639	\$1,005,639		\$1,005,639	\$1,005,639	
Operating expenses	2,258,049	2,258,049		2,258,049	2,258,049	
Capital assets	330,000	330,000	450,000	780,000	780,000	
Grants	9,040,000	9,040,000		9,040,000	9,040,000	
Total all funds	\$12,633,688	\$12,633,688	\$450,000	\$13,083,688	\$13,083,688	\$0
Less estimated income	12,083,688	12,083,688	450,000	12,533,688	12,533,688	0
General fund	\$550,000	\$550,000	\$0	\$550,000	\$550,000	\$0
FTE	6.00	6.00	0.00	6.00	6.00	0.00

### Department No. 412 - Aeronautics Commission - Detail of Conference Committee Changes

	Adds Funding for Purchase of Replacement Aircraft <sup>1</sup>	Total Conference Committee Changes
Salaries and wages		
Operating expenses		
Capital assets	450,000	450,000
Grants		
Total all funds	\$450,000	\$450,000
Less estimated income	450,000	450,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Funding is added for the purchase of a replacement aircraft. The replacement aircraft is estimated to have a purchase price of \$550,000 less a trade-in allowance of \$100,000. This funding was also added by the Senate. The conference committee added an emergency clause to the bill relating to this funding.

A section is added to the bill to provide that the Aeronautics Commission may use federal or special funds within the appropriation provided for the 2011-13 biennium to support the limited deployment-cooperative airspace project involving ADS-B navigational system general aviation equipment. This section was also added by the Senate.

HB 1006 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1144, as engrossed:** Your conference committee (Sens. Burckhard, Hogue, Triplett and Reps. Hatlestad, Froseth, S. Meyer) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1302-1303, adopt amendments as follows, and place HB 1144 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1302 and 1303 of the House Journal and pages 1031 and 1032 of the Senate Journal and that Engrossed House Bill No. 1144 be amended as follows:

Page 1, line 2, replace "special use" with "crew housing"

Page 1, line 8, remove "single or multisectional"

Page 1, line 9, replace "used as" with "or skid units, ordinarily designed for"

Page 1, line 9, after "quarters" insert "or a place of business, on a temporary or permanent basis"

Page 1, line 9, remove "whether or not attached to utility services"

Page 1, line 13, replace "special use" with "crew housing"

Page 1, line 14, replace ""Special use" with ""Crew housing"

Page 1, after line 16, insert:

"3. "Skid unit" means a structure or group of structures, either single or multisectional, which is not built on a permanent chassis and is ordinarily designed for human living quarters or a place of business, on a temporary or permanent basis."



Page 1, line 17, remove "special use"

Page 1, line 20, replace "special use" with "crew housing"

Page 1, line 20, after the underscored period insert "Crew housing permit fees imposed by a city or county must be determined on the basis of the value of services and facilities provided to the crew housing facility by the city or county, or both."

Page 1, after line 22, insert:

**"57-02.4-03. Exemptions.**

This chapter does not apply to:

1. Real property that is exempt from property taxation or subject to payments in lieu of taxes.
2. Mobile or manufactured homes as defined under chapter 57-55.
3. A recreational vehicle, camper, or camper trailer required to be licensed by the motor vehicle division of the department of transportation.
4. Park model trailers for which the owner has paid a park model trailer fee under section 39-18-03.2.

**57-02.4-04. Reporting requirement.**

A county or city may establish reporting requirements for crew housing facilities subject to permit fees within the jurisdiction of the county or city."

Renumber accordingly

Engrossed HB 1144 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2187, as engrossed:** Your conference committee (Sens. Dever, Sorvaag, Nelson and Reps. Nathe, Vigesaa, Gruchalla) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1052, adopt further amendments as follows, and place SB 2187 on the Seventh order:

That the Senate accede to the House amendments as printed on page 1052 of the Senate Journal and pages 1184 and 1185 of the House Journal and that Engrossed Senate Bill No. 2187 be further amended as follows:

Page 1, line 3, remove the third "and"

Page 1, line 3, after "application" insert "; and to declare an emergency"

Page 4, after line 11, insert:

**"SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed SB 2187 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2218, as engrossed:** Your conference committee (Sens. Hogue, Burckhard, Triplett and Reps. Weiler, Owens, Zaiser) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 996-997, adopt amendments as follows, and place SB 2218 on the Seventh order:

That the House recede from its amendments as printed on pages 996 and 997 of the Senate Journal and pages 1111 and 1112 of the House Journal and that Engrossed Senate Bill

No. 2218 be amended as follows:

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 40-63-07 of the North Dakota Century Code, relating to restrictions on renaissance fund organization investments in enterprises owned by renaissance fund organization officers or employees;"

Page 1, line 1, replace "subsection" with "subsections 2 and"

Page 1, after line 4, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 40-63-07 of the North Dakota Century Code is amended and reenacted as follows:

2. The purpose of a renaissance fund organization is solely to raise funds to be used to ~~make investments in~~ finance zone projects and to make investments in other projects located in designated renaissance zone cities ~~zones~~. A renaissance fund organization may provide financing to projects undertaken by individuals, partnerships, limited partnerships, limited liability companies, trusts, corporations, nonprofit organizations, and public entities. The financing may include any combination of equity investments, loans, guarantees, and commitments for financing. The amount of financing is not limited by this chapter."

Page 1, line 10, overstrike "these additional" and insert immediately thereafter "the"

Page 1, line 10, overstrike "may not" and insert immediately thereafter "shall"

Page 1, line 11, overstrike "more than fifty percent of such" and insert immediately thereafter "those"

Page 1, line 11, overstrike "for organization investments outside of" and insert immediately thereafter "to finance projects within"

Page 1, after line 12, insert:

**"SECTION 3.** A new subsection to section 40-63-07 of the North Dakota Century Code is created and enacted as follows:

Renaissance fund organization officers and employees may be actively involved in the enterprises in which the renaissance fund organization invests but the renaissance fund organization may not invest in any enterprise if any one renaissance fund organization officer or employee owns more than forty-nine percent of the ownership interest in the enterprise. A renaissance fund organization may not invest in an enterprise if renaissance fund organization officers and employees collectively own more than forty-nine percent of the ownership interests, either through direct ownership or through ownership of interest in a passthrough entity."

Page 1, line 13, replace "This" with "The changes in sections 1 and 2 of this"

Page 1, line 13, replace "is" with "requiring a renaissance fund organization to limit its financing to projects located in a renaissance zone are"

Page 1, line 13, replace "taxable years beginning" with "new financing initiated"

Page 1, line 14, replace "2010" with "2011. Section 3 of this Act is effective for investments made in or by a renaissance fund organization after December 31, 2011"

Renumber accordingly

Engrossed SB 2218 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2222, as reengrossed:** Your conference committee (Sens. Flakoll, Klein, Heckaman and Reps. D. Johnson, Holman, Trottier) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1119-1120, adopt amendments as follows, and place SB 2222 on the Seventh order:

That the House recede from its amendments as printed on pages 1119 and 1120 of the Senate Journal and pages 1214 and 1215 of the House Journal and that Reengrossed Senate Bill No. 2222 be amended as follows:

Page 1, line 1, remove "and to provide an"

Page 1, line 2, replace "appropriation" with "to provide for crop insurance development grants; and to provide an expiration date"

Page 1, line 7, remove "The governor or the governor's designee:"

Page 1, line 8, remove "b."

Page 1, remove lines 9 through 11

Page 1, line 12, replace "d." with "b."

Page 1, line 14, replace "e." with "c."

Page 1, line 15, after the underscored semicolon insert:

"d. One individual involved in the crop insurance industry, appointed by the governor:"

Page 1, line 16, replace "f." with "e."

Page 2, line 6, replace "4" with "3"

Page 2, remove lines 8 through 13

Page 2, replace lines 16 through 26 with:

- "1. The crop insurance development board shall assess the feasibility and desirability of proposals submitted by individuals and by public and nonpublic entities pertaining to the development and implementation of crop insurance instruments. The board may authorize the awarding of grants to assist with future actuarial and development costs.
2. Grants may be awarded for up to seventy-five percent of the first fifty thousand dollars and up to fifty percent of the costs thereafter.
3. The board shall establish conditions pertaining to the receipt of grants, including the repayment of some or all of the grants with moneys received by the applicant from the federal crop insurance corporation for continued development of the proposal. The board shall forward any moneys received as repayments under this section to the state treasurer for deposit in the agricultural fuel tax fund."

Page 3, replace lines 4 through 9 with:

**"SECTION 5. CROP INSURANCE DEVELOPMENT GRANTS.** During each biennium, the agricultural products utilization commission shall reserve \$150,000 from the agricultural fuel tax fund for the purpose of awarding grants that have been approved by the crop insurance development board in accordance with this Act. If any portion of the reserved amount remains unexpended at the conclusion of a biennium, the unexpended amount must also be made available for the purpose of awarding grants during the ensuing biennium.

**SECTION 6. EXPIRATION DATE.** This Act is effective through June 30, 2015, and after that date is ineffective."

Renumber accordingly

Reengrossed SB 2222 was placed on the Seventh order of business on the calendar.

#### **REPORT OF CONFERENCE COMMITTEE**

**SB 2271, as reengrossed:** Your conference committee (Sens. Dever, Berry, Mathern and Reps. Damschen, Porter, Kilichowski) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1153-1160, adopt amendments as follows, and place SB 2271 on the Seventh order:

That the House recede from its amendments as printed on pages 1153-1160 of the Senate Journal and pages 1336-1342 of the House Journal and that Reengrossed Senate Bill No. 2271 be amended as follows:

Page 1, line 1, replace "chapter" with "chapters"

Page 1, line 1, after "43-57" insert ", 43-58, and 43-59"

Page 1, line 2, after the first "to" insert "creation of the state board of integrative health,"

Page 1, line 2, after "naturopaths" insert ", and regulation of music therapists"

Page 1, line 4, after the semicolon insert "to provide an appropriation;"

Page 1, line 13, replace "43-57" with "43-58"

Page 2, line 21, remove "Approved naturopathic medical college" means a college and program granting the

Page 2, remove lines 22 through 29

Page 2, line 30, remove "2."

Page 3, remove lines 1 through 3

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

Page 3, line 4, replace "a person" with "an individual"

Page 3, line 4, after "chapter" insert "and under chapter 43-58 or 43-59"

Page 3, remove lines 5 through 17

Page 3, line 20, after the first "of" insert "at least"

Page 3, line 20, remove ", one of whom must be a naturopath, one of whom must be an"

Page 3, line 21, replace "acupuncturist, one of whom" with ". Each profession regulated by the board must have one member on the board representing that profession. In addition, one member"

Page 3, line 21, replace the second "of whom" with "member"

Page 3, line 22, after the underscored comma insert "one member must be an advanced practice registered nurse."

Page 3, line 22, after "and" insert "at least"

Page 3, line 22, replace "of whom" with "but no more than two members"

Page 3, line 22, replace "a layperson" with "laypersons"

Page 3, line 25, remove "four"

Page 3, line 26, remove "naturopath"

Page 3, line 26, after "appointment" insert "for a newly regulated profession"

Page 3, line 26, remove ", and except the"

Page 3, line 27, remove "acupuncturist appointment, who needs not be licensed"

Page 4, line 1, remove "no more than two"

Page 4, line 2, replace "members appointed annually" with "appointments distributed evenly from year to year"

Page 4, line 13, after "chapter" insert "and chapters 43-58 and 43-59"

Page 4, line 14, remove "of naturopathic medicine which are consistent"

Page 4, line 15, replace "with the education provided by approved naturopathic medical colleges" with ", which must be consistent with the required education for each profession regulated by the board"

Page 4, line 18, replace "approve naturopathic medical colleges" with "establish educational standards for each profession regulated by the board as appropriate"

Page 4, line 27, replace "under this chapter" with "by the board"

Page 4, line 29, after "chapter" insert ", chapter 43-58, and chapter 43-59"

Page 5, line 1, replace "licensed" with "regulated"

Page 5, remove lines 2 through 30

Page 6, remove lines 1 through 30

Page 7, replace lines 1 through 16 with:

**"43-57-04. Board duties in regulating professions - Subgroups.**

1. The board shall establish a subgroup for each profession regulated by the board. The board shall appoint at least three and no more than five members of the profession to serve as volunteer members of the subgroup. A subgroup member must be a licensed member of the profession, except in the case of a newly regulated profession in which case each subgroup member must be eligible for licensure. The board may appoint a board member to serve on a subgroup representing that board member's profession. The subgroup members serve at the pleasure of the board.
2. A subgroup established under this section shall serve in an advisory capacity to advise the board when requested by the board. The subgroup on its own motion may advise the board as the subgroup determines necessary.
3. The board may not take any action that impacts a profession regulated by the board as a whole or which impacts one or more licensees of that profession unless the board first consults with and requests the recommendation of the appropriate subgroup. If the board takes an action that is contrary to a subgroup's recommendation, the board shall articulate in writing why the subgroup's recommendation was not followed.

**43-57-05. Petition to the board - Inclusion as a board-regulated profession - Consideration of additional health care professions.**

1. An existing occupational or professional board of this state or agency of this state which regulates the practice of a health profession or a representative of a health profession that is not regulated by this state may submit to the board a petition and proposed bill draft requesting inclusion of that health profession as a profession regulated by the board. Upon receipt of a petition and proposed bill draft submitted under this section, the board shall review the petition and may work with the person submitting the petition to provide assistance in accomplishing this requested inclusion.
2. If a committee of the legislative assembly considers a measure to regulate a health care profession with fewer than fifty likely members, the committee shall consider whether it is desirable and feasible to have the state board of integrative health, some other existing board, or an existing state agency regulate that profession rather than create a new board.
3. If the membership of a board-regulated profession increases to at least one hundred licensees, the board may introduce legislation creating an independent board to regulate that profession."

Page 7, line 17, replace "**43-57-11.**" with "**43-57-06.**"

Page 7, line 19, after "chapter" insert "and under chapter 43-58 or 43-59"

Page 7, line 20, replace "**43-57-12.**" with "**43-57-07.**"

Page 8, remove lines 6 through 8

Page 8, line 9, replace "**43-57-14.**" with "**43-57-08.**"

Page 10, line 1, replace "**43-57-15.**" with "**43-57-09.**"

Page 10, line 25, replace "**43-57-16.**" with "**43-57-10.**"

Page 11, line 4, replace "**43-57-17.**" with "**43-57-11.**"

Page 11, line 5, after "chapter" insert ", chapter 43-58, or chapter 43-59"

Page 11, line 7, after "chapter" insert ", chapter 43-58, or chapter 43-59"

Page 11, after line 8, insert:

**"SECTION 4.** Chapter 43-58 of the North Dakota Century Code is created and enacted as follows:

**43-58-01. Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "Approved naturopathic medical college" means a college and program granting the degree of doctor of naturopathy or naturopathic medicine which must require as a minimum a four-year, full-time resident program of academic and clinical study and which:
  - a. Is accredited, or has the status of candidate for accreditation, by an organization approved by the board, such as the council on naturopathic medical education; or
  - b. Has been approved by the board after an investigation that determines that the college or program meets education standards

equivalent to those established by the accrediting agency under subdivision a and complies with the board's rules.

2. "Board" means the state board of integrative health care created under chapter 43-57.
3. "Homeopathic preparations" means nonprescriptive substances prepared according to the official homeopathic pharmacopoeia of the United States. The term does not include prescriptive drugs.
4. "Licensee" means an individual licensed by the board under this chapter.
5. "Naturopath" means an individual licensed to practice naturopathic health care under this chapter.
6. "Naturopathic health care", "naturopathic medicine", or "naturopathy" means a system of primary health care practiced by naturopaths for the prevention, diagnosis, and treatment of human health conditions, injury, and disease. The purpose of naturopathic health care, naturopathic medicine, or naturopathy is to promote or restore health by the support and stimulation of the individual's inherent self-healing processes. This is accomplished through education of the patient by a naturopath and through the use of natural therapies and therapeutic substances.
7. "Naturopathic physical application" means the therapeutic use by a naturopath of the actions or devices of electrical muscle stimulation, galvanic, diathermy, ultrasound, ultraviolet light, hydrotherapy, and naturopathic manipulative therapy. The term does not include manipulation of the spine.

#### **43-58-02. Exemptions.**

Many of the therapies used by a naturopath, such as the use of nutritional supplements, herbs, foods, homeopathic preparations, and such physical forces as heat, cold, water, touch, and light, are not the exclusive privilege of naturopaths, and their use, practice, prescription, or administration by individuals not licensed to practice naturopathic medicine is not prohibited by this chapter. This chapter does not restrict or apply to the scope of practice of any other profession licensed, certified, or registered under the laws of this state.

#### **43-58-03. License required - Title restrictions.**

1. Effective January 1, 2012, a person may not practice naturopathy without a current naturopathic license issued by the board.
2. A naturopath may use the title "naturopath" or "doctor of naturopathic medicine" and the abbreviation "N.D." when used to reflect either of these titles. Effective January 1, 2012, a person that uses these terms or initials as identification without having received a naturopathic license under this chapter is engaging in the practice of naturopathy without a license.

#### **43-58-04. Qualifications for licensure.**

In order to obtain a license to practice naturopathic medicine in this state, an application must be made to the board. The application must be upon the form adopted by the board and must be made in the manner prescribed by the board.

#### **43-58-05. Application for licensure.**

1. An applicant for naturopathic licensure shall file an application on forms provided by the board showing to the board's satisfaction that the applicant is of good moral character and satisfied all of the requirements of this chapter and chapter 43-57, including:

- a. Successful graduation of an approved naturopathic medical college;
  - b. Successful completion of an examination prescribed or endorsed by the board, such as part I and part II of the naturopathic physicians licensing examinations;
  - c. Physical, mental, and professional capability for the practice of naturopathic medicine in a manner acceptable to the board; and
  - d. A history free of any finding by the board, any other state licensure board, or any court of competent jurisdiction of the commission of any act that would constitute grounds for disciplinary action under this chapter and chapter 43-57. The board may modify this restriction for cause.
2. The application must be accompanied by the board-established license fees and application fees and by the documents, affidavits, and certificates necessary to establish that the applicant possesses the necessary qualifications.

**43-58-06. Initial applications - Education and testing exception.**

Notwithstanding the education and examination requirements for licensure under subdivisions a and b of subsection 1 of section 43-58-05, if an applicant was a bona fide resident of the state from January 1, 2011, through December 31, 2011, was practicing naturopathic medicine in this state immediately preceding January 1, 2012, was required to apply for licensure under this chapter in order to continue that practice, and does not meet the educational or examination requirements or both, the board may issue a license or limited license to that applicant if, following an examination of the applicant's education and experience, the board determines the applicant has sufficient education and experience to prepare the applicant to practice naturopathic medicine.

**43-58-07. Licensure granted without examination to individuals licensed in other states.**

1. The board may issue a naturopathic license by endorsement to an applicant who has complied with licensure requirements and who has passed an examination given by a recognized certifying agency approved by the licensing agency if the board determines the examination was equivalent in every respect to the examination required under this chapter.
2. The board may enter reciprocal agreements with licensing agencies of other states providing for reciprocal waiver of further examination or any part of the examination.
3. If an applicant is exempt from the examination required under this chapter, the applicant shall comply with the other requirements for licensure. The board may adopt rules allowing for temporary and special licensure to be in effect during the interval between board meetings.

**43-58-08. Practice of naturopathic health care.**

1. A naturopath may practice naturopathic medicine as a limited practice of the healing arts as exempted under section 43-17-02. A naturopath may not:
  - a. Prescribe, dispense, or administer any prescription drug;
  - b. Administer ionizing radioactive substances for therapeutic purposes;
  - c. Perform a surgical procedure; or



- d. Claim to practice any licensed health care profession or system of treatment other than naturopathic medicine unless holding a separate license in that profession. A naturopath may not hold out to the public that the naturopath is a primary care provider.
2. A naturopath may prescribe and administer for preventive and therapeutic purposes a prescriptive device and the following nonprescriptive natural therapeutic substances, drugs, and therapies:
  - a. Food, vitamins, minerals, dietary supplements, enzymes, botanical medicines, and homeopathic preparations;
  - b. Topical drugs, health care counseling, nutritional counseling and dietary therapy, naturopathic physical applications, and therapeutic devices; and
  - c. Barrier devices for contraception.
3. A naturopath may perform or order for diagnostic purposes a physical or official examination, ultrasound, phlebotomy, clinical laboratory test or examination, physiological function test, and any other noninvasive diagnostic procedure commonly used by physicians in general practice and as authorized by the board.

#### **43-58-09. Public health duties.**

A naturopath has the same powers and duties as a licensed physician with regard to public health laws, reportable diseases and conditions, communicable disease control and prevention, recording of vital statistics, health and physical examinations, and local boards of health, except that the authority and responsibility are limited to activities consistent with the scope of practice established under this chapter and chapter 43-57.

#### **43-58-10. Employment by hospitals.**

A hospital may employ a naturopath in the same manner as provided under section 43-17-42.

**SECTION 5.** Chapter 43-59 of the North Dakota Century Code is created and enacted as follows:

#### **43-59-01. Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "Board" means the state board of integrative health care created under chapter 43-57.
2. "Licensee" means an individual licensed by the board under this chapter.
3. "Music therapist" is an individual who practices music therapy.
4. "Music therapy" is the specialized use of music and the materials of music to restore, maintain, and improve the following areas of functioning: cognitive, psychological, social or emotional, affective, physical, sensory or sensorimotor, motor, communicative, and physiological functioning. Techniques used in the practice of music therapy include the use of music to provide participatory individual and group experiences; musical improvisation; therapeutic development of verbal skills and nonverbal behavior; receptive music learning; lyric discussions; memory recall; music and imagery; self-expression through composition and songwriting; socialization and enhancement of self-esteem through music performance; relaxation to music, including stress and pain management; learning through music; cultural and spiritual expression; development of fine and gross motor skills through

responses to rhythm; respiratory and speech improvements through sound production; sensory integration and stimulation; increased awareness of music for development of recreation and leisure interests; and interactive verbal techniques to help facilitate, elicit, or summarize the techniques listed in this subsection and build the therapeutic relationship.

**43-59-02. Music therapy - License required - Title restrictions - Exceptions.**

1. Effective August 1, 2012, a person may not hold out as practicing music therapy, hold out as being a music therapist, or use a title or other designation indicating the person is a music therapist in this state unless that person is an individual licensed under this chapter and chapter 43-57.
2. The licensure provisions of this chapter do not prevent or restrict the practice, services, or activities of any individual licensed in another profession or any individual supervised by a licensed professional from performing work incidental to the practice of that profession or occupation, if that individual does not represent the individual as a music therapist.

**43-59-03. Qualifications for licensure.**

1. In order to obtain a license to practice music therapy in this state, an application must be made to the board. The application must be upon the form adopted by the board and must be made in the manner prescribed by the board.
2. An applicant for licensure to practice music therapy shall file an application on forms provided by the board showing to the board's satisfaction that the applicant is an individual of good moral character, is at least eighteen years of age, and satisfied all the requirements established by the board which may include:
  - a. Successful graduation of a board-approved educational program;
  - b. Successful completion of a board-approved examination prescribed or endorsed by the board;
  - c. Hold in good standing a board-approved designation, such as:
    - (1) A music therapist board-certified credential from the certification board for music therapists; or
    - (2) A professional designation from the national music therapy registry, which may include registered music therapist, certified music therapist, and advanced certified music therapist.
  - d. Physical, mental, and professional capability for the practice of music therapy in a manner acceptable to the board;
  - e. A history free of any finding by the board, any other state licensure board, or any court of competent jurisdiction of the commission of any act that would constitute grounds for disciplinary action under this chapter or chapter 43-57. The board may modify this restriction for cause.
3. The application must be accompanied by the board-established license fees and application fees and by the documents, affidavits, and certificates necessary to establish that the applicant possesses the necessary qualifications.

**SECTION 6. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant to the state board of integrative health for assisting with costs associated with establishing the board, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Renumber accordingly

Reengrossed SB 2271 was placed on the Seventh order of business on the calendar.

#### **REPORT OF CONFERENCE COMMITTEE**

**SB 2295:** Your conference committee (Sens. Olafson, Nething, Nelson and Reps. Klemin, Kretschmar, Guggisberg) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1025-1026, adopt amendments as follows, and place SB 2295 on the Seventh order:

That the House recede from its amendments as printed on pages 1025 and 1026 of the Senate Journal and pages 1115 and 1116 of the House Journal and that Senate Bill No. 2295 be amended as follows:

Page 1, line 1, replace the first "section" with "sections 53-08-01 and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Section 53-08-01 of the North Dakota Century Code is amended and reenacted as follows:

#### **53-08-01. Definitions.**

In this chapter, unless the context or subject matter otherwise requires:

1. "Charge" means the amount of money asked in return for an invitation to enter or go upon the land. "Charge" does not include vehicle, parking, shelter, or other similar fees required by any public entity.
2. "Commercial purpose" means a deliberative decision of an owner to invite or permit the use of the owner's property for normal business transactions, including the buying and selling of goods and services. The term includes any decision of an owner to invite members of the public onto the premises for recreational purposes as a means of encouraging business transactions or directly improving the owner's commercial activities other than through good will. "Commercial purpose" does not include the operation of public lands by a public entity except any direct activity for which there is a charge for goods or services.
3. "Land" includes all public and private land, roads, water, watercourses, and ways and buildings, structures, and machinery or equipment thereon.
- ~~3-4.~~ "Owner" includes tenant, lessee, occupant, or person in control of the premises.
- ~~4-5.~~ "Recreational purposes" includes any activity engaged in for the purpose of exercise, relaxation, pleasure, or education."

Page 1, line 6, overstrike "**landowner**" and insert immediately thereafter "**owner**"

Page 1, after line 6, insert:

"1."

Page 1, line 8, replace "irrespective" with "regardless"

Page 1, line 10, replace "related to" with "is directly derived from"

Page 1, line 10, replace "parties" with "persons"

Page 1, after line 12, insert:

"2. This section does not apply to:

- a. A person that enters land to provide goods or services at the request of, and at the direction or under the control of, an owner; or
- b. An owner engaged in a for-profit business venture that directly or indirectly invites members of the public onto the premises for commercial purposes or during normal periods of commercial activity in which members of the public are invited."

Page 1, line 16, replace "arises out of" with "is directly derived from"

Page 1, line 16, after "those" insert "recreational"

Page 1, line 17, after "owed" insert "other than a person that enters land to provide goods or services at the request of, and at the direction or under the control of, the owner"

Renumber accordingly

SB 2295 was placed on the Seventh order of business on the calendar.

#### **REPORT OF CONFERENCE COMMITTEE**

**SB 2302, as engrossed:** Your conference committee (Sens. Laffen, Klein, Murphy and Reps. Ruby, N. Johnson, Gruchalla) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1057, adopt amendments as follows, and place SB 2302 on the Seventh order:

That the House recede from its amendments as printed on page 1057 of the Senate Journal and page 1186 of the House Journal and that Engrossed Senate Bill No. 2302 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 21-10 of the North Dakota Century Code, relating to the legacy and budget stabilization fund advisory board; to"

Page 1, line 1, remove "21-10-01,"

Page 1, line 1, remove the second comma

Page 1, line 2, replace "the membership" with "meetings"

Page 1, line 3, after "fund" insert "; and to declare an emergency"

Page 1, remove lines 5 through 24

Page 2, remove lines 1 through 30

Page 3, line 27, remove "Except for the budget stabilization fund"

Page 3, line 28, remove "and the legacy fund"

Page 3, line 28, overstrike ", the" and insert immediately thereafter "The"

Page 4, after line 5, insert:

**"SECTION 3.** A new section to chapter 21-10 of the North Dakota Century Code is created and enacted as follows:

**Legacy and budget stabilization fund advisory board.**

The legacy and budget stabilization fund advisory board is created to develop recommendations for the investment of funds in the legacy fund and the budget stabilization fund to present to the state investment board. The goal of investment for the legacy fund is principal preservation while maximizing total return. The board consists of two members of the senate appointed by the senate majority leader, two members of the house of representatives appointed by the house majority leader, the director of the office of management and budget or designee, the president of the Bank of North Dakota or designee, and the tax commissioner or designee. The board shall select a chairman and must meet at the call of the chairman. The board shall report at least semiannually to the budget section. Legislative members are entitled to receive compensation and expense reimbursement as provided under section 54-03-20 and reimbursement for mileage as provided by law for state officers. The legislative council shall pay the compensation and expense reimbursement for the legislative members. The legislative council shall provide staff services to the legacy and budget stabilization fund advisory board. The staff and consultants of the state retirement and investment office shall advise the board in developing asset allocation and investment policies.

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

Renumber accordingly

Engrossed SB 2302 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2311, as reengrossed:** Your conference committee (Sens. G. Lee, Freborg, Marcellais and Reps. D. Johnson, L. Meier, Hunskor) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1054-1055, adopt amendments as follows, and place SB 2311 on the Seventh order:

That the House recede from its amendments as printed on pages 1054 and 1055 of the Senate Journal and pages 1186 and 1187 of the House Journal and that Reengrossed Senate Bill No. 2311 be amended as follows:

Page 1, remove line 19

Page 1, line 20, replace "g." with "f."

Page 1, line 21, replace "h." with "g."

Page 1, replace lines 22 through 24 with:

"3. By September thirtieth of each year, the governor and the superintendent of public instruction shall jointly announce the award recipient and serve as the exclusive hosts of a ceremony and reception honoring the teacher of the year. The ceremony and reception must take place in the memorial hall of the state capitol or, if requested by the award recipient, at a location in the municipality within which the recipient resides or works."

Renumber accordingly

Reengrossed SB 2311 was placed on the Seventh order of business on the calendar.

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

**Buell J. Reich, Chief Clerk**

