

JOURNAL OF THE SENATE

Sixty-second Legislative Assembly

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Bismarck, April 18, 2011

The Senate convened at 8:00 a.m., with President Wrigley presiding.

The prayer was offered by Pastor Dale Nabben, Assistant Secretary of the Senate.

The roll was called and all members were present.

A quorum was declared by the President.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. WANZEK MOVED that the conference committee report on SB 2008 as printed on SJ pages 1487-1488 be adopted, which motion prevailed on a voice vote.

SB 2008, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2008: A BILL for an Act to provide an appropriation for defraying the expenses of the public service commission; to amend and reenact section 49-01-05 of the North Dakota Century Code, relating to the salary of public service commissioners; to provide for a legislative management study; and to authorize a transfer.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed SB 2008 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. ANDRIST MOVED that the conference committee report on Engrossed SB 2157 as printed on SJ page 1489 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2157, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2157: A BILL for an Act to create and enact two new subdivisions to subsection 2 of section 39-06.1-06 of the North Dakota Century Code, relating to the fee for entering a road closed due to hazardous conditions; to amend and reenact section 39-10-21.1 of the North Dakota Century Code, relating to entering a closed road; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson;

Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed SB 2157 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. WARNER MOVED that the conference committee report on SB 2014 as printed on SJ pages 1488-1489 be adopted, which motion prevailed on a voice vote.

SB 2014, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2014: A BILL for an Act to provide an appropriation for defraying the expenses of the committee on protection and advocacy.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed SB 2014 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. HOGUE MOVED that the conference committee report on Engrossed HB 1246 as printed on SJ pages 1478-1479 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1246, as amended, was placed on the Fourteenth 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed HB 1246, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. UGLEM MOVED that the conference committee report on Engrossed HB 1318 as printed on SJ page 1480 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1318, as amended, was placed on the Fourteenth 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 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

NAYS: Fischer; Luick

Engrossed HB 1318, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. SCHAIBLE MOVED that the conference committee report on Engrossed HB 1074 as printed on SJ page 1478 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1074, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1074: A BILL for an Act to amend and reenact subsection 1 of section 15.1-29-14 and section 15.1-32-19 of the North Dakota Century Code, relating to school district reimbursement for boarding care costs; to provide an appropriation; 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, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed HB 1074, as amended, passed and the emergency clause was declared carried.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. OEHLKE MOVED that the conference committee report on HB 1124 as printed on SJ page 1478 be adopted, which motion prevailed on a voice vote.

HB 1124, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1124: A BILL for an Act to create and enact a new subsection to section 57-38-01.8 and a new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to the individual income tax credit for installation of geothermal and wind energy devices; to amend and reenact subsection 3 of section 57-35.3-05, section 57-35.3-07, subsections 1 and 6 of section 57-38-01.21, section 57-38-01.28, subsection 1 of section 57-38-01.31, section 57-38-29.3, subsections 2 and 3 of section 57-38-30.3, section 57-38-59.2, subsection 1 of section 57-38.3-02,

subsection 3 of section 57-38.3-04, section 57-38.4-01, and subsection 1 of section 57-38.4-02 of the North Dakota Century Code, relating to the tuition scholarship tax credit for financial institution tax purposes, the tax credit for planned gifts and qualified endowments, the marriage penalty tax credit, the employer tax credit for mobilized employees, the long-term care partnership plan insurance coverage tax credit, the qualified dividend and long-term capital gain income tax exclusion, return filing requirements for individuals, withholding on lottery winnings, setoff of income tax refunds by the internal revenue service, and the use of the domestic disclosure spreadsheet for the water's edge method election for reporting income; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

HB 1124, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BURCKHARD MOVED that the conference committee report on Engrossed HB 1144 as printed on SJ pages 1489-1490 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1144, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1144: A BILL for an Act to create and enact chapter 57-02.4 of the North Dakota Century Code, relating to crew housing permit fees for crew housing facilities; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed HB 1144, as amended, passed and the emergency clause was declared carried.

MOTION

SEN. CHRISTMANN MOVED that Sen. Freborg replace Sen. G. Lee on the Conference Committee on SB 2150, which motion prevailed on a voice vote.

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

MR. PRESIDENT: The House has amended and subsequently passed: SB 2015.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2015

Page 1, line 3, replace "and" with "to create and enact a new section to chapter 48-01.2 and a new section to chapter 54-27 of the North Dakota Century Code, and a new subdivision to subsection 6 of section 1 of House Bill No. 1438 as enacted by the sixty-second legislative assembly, relating to public improvement project bids, reports

on federal grants, and an employer's prohibition on firearm possession; to amend and reenact sections 54-16-03.1 and 54-35-02.3 of the North Dakota Century Code, relating to petitions to the emergency commission and the legislative management employee benefits programs committee;"

Page 1, line 3, after "intent" insert "; to provide for a legislative management study; to provide for retroactive application; and to declare an emergency"

Page 1, replace line 17 with:

"Capital assets	2,420,298	6,069,845	8,490,143"
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Page 1, replace line 19 with:

"Prairie public broadcasting	1,337,138	(337,138)	1,000,000"
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Page 1, replace lines 22 through 24 with:

"Total all funds	\$50,937,875	(\$8,209,715)	\$42,728,160
Less estimated income	<u>14,688,779</u>	<u>(4,174,318)</u>	<u>10,514,461</u>
Total general fund	\$36,249,096	(\$4,035,397)	\$32,213,699"

Page 2, replace line 7 with:

"Prairie public broadcasting	\$2,016,200	\$0"
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Page 2, replace line 13 with:

"Capitol complex parking lot repairs	0	500,000"
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Page 2, replace line 15 with:

"Total all funds	\$6,681,735	\$3,350,000"
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Page 2, replace line 17 with:

"Total general fund	\$4,858,100	\$3,350,000"
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Page 2, after line 21, insert:

"SECTION 3. APPROPRIATION - TRANSFER - GENERAL FUND TO PUBLIC TRANSPORTATION FUND. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000, which the office of management and budget shall transfer to the public transportation fund during the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 2, remove lines 30 and 31

Page 3, remove lines 1 and 2

Page 3, line 19, replace "sixty-third" with "sixty-second"

Page 3, line 21, replace "the same percentage increase" with "three percent annually"

Page 3, line 24, replace "four" with "three"

Page 3, line 25, replace "one" with "three"

Page 3, after line 30, insert:

"SECTION 10. INFORMATION TECHNOLOGY PROJECT PLANNING. Each executive branch state agency, excluding entities under the control of the state board of higher education, considering the development of an information technology

project with an estimated cost of \$100,000 or more shall involve the information technology department in the planning and study of the project, for the biennium beginning July 1, 2011, and ending June 30, 2013. A state agency must receive a recommendation from the information technology department prior to proceeding with any study relating to the project.

SECTION 11. DRAFT APPROPRIATIONS ACTS - ALTERNATIVE FORMAT PILOT PROJECT - SIXTY-THIRD LEGISLATIVE ASSEMBLY - EXCEPTION.

Notwithstanding subsection 7 of section 54-44.1-06, the draft of proposed appropriations acts submitted by the governor for introduction to the sixty-third legislative assembly for the highway patrol, protection and advocacy project, secretary of state, and public service commission must be at the same level of ongoing funding as provided by the sixty-second legislative assembly. The governor shall attach a proposed draft amendment to the draft appropriations acts for these agencies making the funding changes necessary to provide for the appropriations as recommended by the governor, for the biennium beginning July 1, 2013, and ending June 30, 2015.

SECTION 12. A new section to chapter 48-01.2 of the North Dakota Century Code is created and enacted as follows:

Bids less than authorized project amount - Additional expense approval - Budget section report.

Upon accepting a bid under this chapter, if the accepted bid is less than all funds dedicated to the public improvement, the governing body of an entity that has received an appropriation of moneys from the general fund of the state treasury for the public improvement shall immediately notify the office of management and budget. Any change order or expenses exceeding the bid amount must be submitted to the office of management and budget for approval. The office of management and budget shall report all approved change orders or additional expenses to the budget section of the legislative management.

SECTION 13. A new section to chapter 54-27 of the North Dakota Century Code is created and enacted as follows:

Report on federal grants by state agency.

Each state agency, excluding entities under the control of the state board of higher education, shall report to the office of management and budget before applying for a federal grant for which the agency may receive estimated funding of twenty-five thousand dollars or more. The report must include the purpose of the grant; the potential amount of the grant; any additional employees that may be required because of the grant; the time period covered by the grant; and grant requirements, including state matching requirements or maintenance of effort. The state agency shall provide updates on the status of the grant application as required by the office of management and budget. At each meeting of the budget section of the legislative management, the office of management and budget shall report to the budget section on the reports received from state agencies under this section.

SECTION 14. A new subdivision to subsection 6 of section 1 of House Bill No. 1438, as enacted by the sixty-second legislative assembly, is created and enacted as follows:

The state hospital.

SECTION 15. AMENDMENT. Section 54-16-03.1 of the North Dakota Century Code is amended and reenacted as follows:

54-16-03.1. Submission of petition to emergency commission.

When an emergency exists, a state officer may present to the emergency commission an itemized petition requesting approval to transfer money and spending authority between funds or line items pursuant to section 54-16-04; accept and expend federal funds pursuant to section 54-16-04.1; accept and expend state

contingency funds pursuant to section 54-16-09; accept and expend other funds pursuant to section 54-16-04.2; or recommend full-time equivalent positions pursuant to section 54-16-04.3. Any petition to the emergency commission by a state officer must be approved or recommended by the emergency commission prior to submission for consideration by the budget section.

SECTION 16. AMENDMENT. Section 54-35-02.3 of the North Dakota Century Code is amended and reenacted as follows:

54-35-02.3. Employee benefits programs committee - Appointment - Selection of chairman.

The legislative management, during each biennium, shall appoint an employee benefits programs committee in the same manner as the legislative management appoints other interim committees. The legislative management shall appoint ~~five~~^{seven} members of the house of representatives and ~~four~~^{six} members of the senate to the committee. The legislative management shall designate the chairman of the committee. The committee shall operate according to the statutes and procedure governing the operation of other legislative management interim committees.

SECTION 17. LEGISLATIVE MANAGEMENT STUDY - HOME RULE AMENDMENTS. During the 2011-12 interim, the legislative management shall consider studying procedures for proposing, adopting, and implementing changes to county and city home rule charters and ordinances and resolutions adopted under home rule powers. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 18. RETROACTIVE APPLICATION. House Bill No. 1141, as approved by the sixty-second legislative assembly, is retroactive in application to January 1, 2011. Upon the effective date of this Act, the director of the office of management and budget shall recalculate the maximum monthly lodging reimbursement for members of the sixty-second legislative assembly based upon section 1 of House Bill No. 1141 to be effective beginning January 1, 2011.

SECTION 19. EMERGENCY. Section 18 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Office of Management and Budget - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$18,517,763	\$18,517,763		\$18,517,763
Operating expenses	13,765,254	13,765,254		13,765,254
Capital assets	8,390,143	9,390,143	(900,000)	8,490,143
Grants	55,000	55,000		55,000
Emergency Commission contingency fund	700,000	700,000		700,000
Prairie Public Broadcasting	1,337,138	1,837,138	(837,138)	1,000,000
State student internship program	200,000	200,000		200,000
Transfer to public transportation fund			100,000	100,000
Total all funds	\$42,965,298	\$44,465,298	(\$1,637,138)	\$42,828,160
Less estimated income	10,914,461	10,914,461	(400,000)	10,514,461
General fund	\$32,050,837	\$33,550,837	(\$1,237,138)	\$32,313,699
FTE	131.50	131.50	0.00	131.50

Department No. 110 - Office of Management and Budget - Detail of House Changes

Reduces	Removes Funding for	Reduces	Adds Transfer	Total House Changes
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	Funding for Prairie Public Broadcasting ¹	Capitol Grounds Signage Projects ²	Funding for Parking Lot Repairs ³	to Public Transportation Fund ⁴	
Salaries and wages					
Operating expenses					
Capital assets		(400,000)	(500,000)		(900,000)
Grants					
Emergency Commission contingency fund					
Prairie Public Broadcasting	(837,138)				(837,138)
State student internship program					
Transfer to public transportation fund				100,000	100,000
Total all funds	(\$837,138)	(\$400,000)	(\$500,000)	\$100,000	(\$1,637,138)
Less estimated income	0	(400,000)	0	0	(400,000)
General fund	(\$837,138)	\$0	(\$500,000)	\$100,000	(\$1,237,138)
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding from the general fund for Prairie Public Broadcasting is reduced by \$837,138 to provide total funding of \$1,000,000. The executive recommendation provided \$1,337,138 of funding for Prairie Public Broadcasting, and the Senate added an additional \$500,000 of one-time funding.

² Funding from the Capitol building fund for exterior signage at the Capitol complex is removed.

³ Funding for Capitol complex parking lot repairs is reduced by \$500,000. The Senate added a total of \$1,000,000 from the general fund for Capitol complex parking lot repairs.

⁴ A section is added to provide a transfer of \$100,000 from the general fund to the public transportation fund during the 2011-13 biennium.

This amendment also:

- Adjusts Section 2 to reflect the removal of one-time funding for Prairie Public Broadcasting and the reduction of funding for Capitol complex parking lot repairs.
- Removes Section 5 which transfers \$388,580,000 from the permanent oil tax trust fund to the property tax relief sustainability fund.
- Adjusts Section 9 to provide intent that funding is provided to each state agency equal to a 3 percent state employee salary increase each year of the 2011-13 biennium, the same as the executive recommendation. The Senate included intent that funding is provided equal to a salary increase of 4 percent the first year of the biennium and 1 percent the second year of the biennium.
- Adds a section regarding Information Technology Department review of proposed state agency information technology projects with an estimated cost of \$100,000 or more.
- Adds a section to require certain draft appropriations acts to be submitted to the 63rd Legislative Assembly in an alternative format.
- Enacts two new sections to the North Dakota Century Code relating to public improvement project bids and reports on federal grants.
- Amends Section 54-16-03.1 relating to the action of the Emergency Commission.
- Amends Section 54-35-02.3 relating to the membership of the Employee Benefits Programs Committee.
- Provides for a Legislative Management study of amending county and city home rule charters, ordinances, and resolutions.
- Adds a section to retroactively apply the provisions of House Bill No. 1141 relating to monthly lodging rates of members of the Legislative Assembly. The section is declared to be an emergency measure.

- Adds a section to create a new subdivision to subsection 6 of a new unnumbered section added to Chapter 52.1-02 in 2011 House Bill No. 1438 relating to an employer's prohibition of firearms.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2057.

HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2057

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
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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, ~~2011~~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, 2011) 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 requirementsCenters of excellence program.

4. ~~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 programfund 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 Budget	Senate Version	House Changes	House 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 ¹	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

¹ 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 ¹	Adds Funding for Department of Commerce ²	Adds Funding for Tourism Infrastructure Grants ³	Adds Funding for IDEA Center Grant ⁴	Adds Funding for USS North Dakota Grant ⁵	Adds Funding for Minot Air Force Base Realignment Grant ⁶
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 ¹	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

¹ 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.

² 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.

³ 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.

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

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

⁶ 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.

⁷ 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.

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.

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

MR. SPEAKER: The President has appointed Sen. Freborg to replace Sen. G. Lee on the Conference Committee on SB 2150.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1142.

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 2008, SB 2014, SB 2157.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1085, HB 1091, HB 1204.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1124, HB 1246, HB 1318.

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: HB 1074, HB 1144.

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 1152, HCR 3016.

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 2073, SB 2295.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently

passed, and the emergency clause carried: HB 1006.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2098, SB 2169, SB 2187, SB 2213, SB 2218, SB 2222, SB 2231, SB 2247, SB 2253, SB 2271, SB 2302, SB 2308, SB 2311, SB 2361.

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

MR. SPEAKER: Your signature is respectfully requested on: SCR 4002.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 1:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Wrigley presiding.

CORRECTION AND REVISION OF THE JOURNAL

MR. PRESIDENT: Your **Committee on Correction and Revision of the Journal (Sen. Andrist, Chairman)** has carefully examined the Journal of the Sixty-eighth and Sixty-ninth Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1471, line 40, replace "D. Johnson, Holman, Trottier" with "D. Johnson, Trottier, Holman"

Page 1477, remove lines 15 through 16

Page 1478, line 43, replace "page 1179" with "pages 1179-1180"

Page 1484, line 25, replace "**SB 2042**" with "**SB 2042, as engrossed**"

Page 1485, line 2, replace "SB 2042" with "Engrossed SB 2042"

Page 1485, line 5, replace "page 1484" with "pages 1484-1485"

SEN. ANDRIST MOVED that the report be adopted, which motion prevailed.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. HOLMBERG MOVED that the Senate do not concur in the House amendments to Engrossed SB 2015 as printed on SJ pages 1496-1501 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on Engrossed SB 2015: Sens. Holmberg, Stenehjem, Taylor.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. HOLMBERG MOVED that the Senate do not concur in the House amendments to Engrossed SB 2057 as printed on SJ pages 1501-1515 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

THE PRESIDENT APPOINTED as a Conference Committee on Engrossed SB 2057: Sens. Grindberg, Holmberg, O'Connell.

REPORT OF CONFERENCE COMMITTEE

SB 2281, as engrossed: Your conference committee (Sens. Flakoll, Luick, Heckaman and Reps. Wall, Rohr, Hanson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1053-1054, adopt amendments as follows, and place SB 2281 on the Seventh order:

That the House recede from its amendments as printed on pages 1053 and 1054 of the Senate Journal and pages 1215-1217 of the House Journal and that Engrossed Senate Bill

No. 2281 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-18.2 of the North Dakota Century Code, relating to concussion management program requirements; and to provide for a legislative management study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-18.2 of the North Dakota Century Code is created and enacted as follows:

Student athletics - Concussion management program - Requirements.

1. Each school district and nonpublic school that sponsors or sanctions any athletic activity in this state and requires a participating student to regularly practice or train, and compete, is subject to the terms of a concussion management program.
2. The concussion management program must set forth in clear and readily comprehensible language the signs and symptoms of a concussion.
3. The concussion management program must require that an official remove a student from competition and that a student's coach or a student's athletic trainer remove the student from practice, training, or competition if:
 - a. The student reports any sign or symptom of a concussion, as set forth in accordance with this section;
 - b. The official, coach, or athletic trainer determines that the student exhibits any sign or symptom of a concussion, as set forth in accordance with this section; or
 - c. The official, coach, or athletic trainer is notified that the student has reported or exhibited any sign or symptom of a concussion by a licensed, registered, or certified health care provider whose scope of practice includes the recognition of concussion signs and symptoms.
4. The concussion management program must require that any student who is removed in accordance with subsection 3 must be examined as soon as practicable by a licensed, registered, or certified health care provider whose scope of practice includes the diagnosis and treatment of concussion.
5. A student who is removed in accordance with subsection 3 may not be allowed to return to practice, training, or competition until the student or the student's parent obtains written authorization from a licensed, registered, or certified health care provider whose scope of practice includes the diagnosis and treatment of concussion and provides that authorization to the student's coach or athletic trainer.
6. The concussion management program must require that each official, coach, and athletic trainer receive biennial training regarding the nature and risk of concussion.
7. The student's school district or nonpublic school shall ensure that before a student is allowed to participate in the athletic activity described in subsection 1, the student and the student's parent shall document that they have viewed information regarding concussions incurred by students participating in athletic activities. The required information must be provided by the student's school district or nonpublic school and must be made available in printed form or in a verifiable electronic format.

8. This section does not create any liability for, or create a cause of action against:
 - a. A school district, its officers, or its employees; or
 - b. A nonpublic school, its officers, or its employees.
9. A school district or a nonpublic school may contract for and accept gifts, grants, and donations from any public or nonpublic source, in order to meet the requirements of this section.
10. For the purposes of this section, "official" means an umpire, a referee, a judge, or any other individual formally officiating at an athletic event.

SECTION 2. CONCUSSION MANAGEMENT PROGRAMS - LEGISLATIVE MANAGEMENT STUDY. During the 2011-12 biennium, the legislative management shall study concussion management with respect to youth athletics, including the nature, scope, and applicability of programs designed to prevent or eliminate concussions. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Renumber accordingly

Engrossed SB 2281 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. FLAKOLL MOVED that the conference committee report on Engrossed SB 2281 as printed on SJ pages 1516-1518 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2281, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2281: A BILL for an Act to create and enact a new section to chapter 15.1-18.2 of the North Dakota Century Code, relating to concussion management program requirements; and to provide for a legislative management study.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed SB 2281 passed.

REPORT OF CONFERENCE COMMITTEE

SB 2161, as engrossed: Your conference committee (Sens. Olafson, Andrist, Dotzenrod and Reps. Koppelman, Kretschmar, Kilichowski) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1151, adopt amendments as follows, and place SB 2161 on the Seventh order:

That the House recede from its amendments as printed on page 1151 of the Senate Journal and pages 1308 and 1309 of the House Journal and that Engrossed Senate Bill No. 2161 be amended as follows:

Page 1, line 17, remove the underscored colon

Page 1, line 18, replace "(1) is" with "is"

Page 1, line 18, replace "naturally occurring hazard" with "condition"

Page 1, line 19, remove " ; and"

Page 1, remove lines 20 through 23

Page 2, replace lines 1 through 4 with " , unless:

- (1) The political subdivision is served with written notice that is either in its possession or verified by receipt;
- (2) The condition is unusually hazardous or unusually dangerous, meaning, in the context of this subsection, it is so peculiarly dangerous there is a substantial risk that an individual exercising due care and driving within the limits of the law could not drive on that part of the congressional section line safely; and
- (3) The political subdivision either fails to take action to mitigate the condition or fails to order mitigation of the condition, or fails to provide warning that the congressional section line has a hazardous condition, as soon as is practicable, but not to exceed ten days after service of the notice."

Page 2, line 5, remove "paragraph 2 of"

Page 2, line 5, remove "creates a"

Page 2, line 6, replace "hazard by altering" with "causes or contributes to an unusually hazardous or unusually dangerous condition on"

Page 2, line 6, replace "is" with "may be"

Page 2, line 6, remove "any"

Page 2, line 6, remove "caused"

Page 2, line 7, remove "by the alteration"

Page 2, line 8, replace "seek" with "issue"

Page 2, line 8, replace "alters" with "causes or contributes to an unusually hazardous or unusually dangerous condition on"

Page 2, line 9, remove "restore the congressional section line to its original"

Page 2, line 10, replace "state" with "mitigate the condition"

ReNUMBER accordingly

Engrossed SB 2161 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. OLAFSON MOVED that the conference committee report on Engrossed SB 2161 as printed on SJ page 1518-1519 be adopted, which motion failed on a verification vote.

REPORT OF CONFERENCE COMMITTEE

HB 1152, as reengrossed: Your conference committee (Sens. Uglem, J. Lee, Dever and Reps. J. Nelson, Devlin, Holman) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1424-1425, adopt amendments as follows, and place HB 1152 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1424 and 1425 of the House Journal and page 1173 of the Senate Journal and that Reengrossed House Bill No. 1152 be amended as follows:

Page 1, line 1, after the semicolon insert "to provide for legislative management studies;"

Page 1, after line 7, insert:

"SECTION 2. PATIENT-CENTERED MEDICAL HOMES - LEGISLATIVE MANAGEMENT STUDY. During the 2011-12 interim, the legislative management shall consider studying and evaluating the positive and negative impacts of implementation of patient-centered medical homes in the state, including consideration of whether implementation is resulting in North Dakota residents experiencing health care savings and improved medical results as well as whether implementation is impacting North Dakota's critical access hospitals. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

SECTION 3. HEALTH CARE DELIVERY - LEGISLATIVE MANAGEMENT STUDY. During the 2011-12 interim, the legislative management shall consider studying the future of health care delivery in the state. The study must focus on the delivery of health care in rural areas of the state and include input from the university of North Dakota school of medicine and health sciences center for rural health, hospitals, and the medical community. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly."

Page 1, line 13, after the period insert "This funding is considered to be one-time funding for the 2011-13 biennium. The department shall report to the appropriations committees of the sixty-third legislative assembly on the use of this one-time funding."

Renumber accordingly

Reengrossed HB 1152 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. UGLEM MOVED that the conference committee report on Reengrossed HB 1152 as printed on SJ page 1519-1520 be adopted, which motion prevailed on a voice vote.

Reengrossed HB 1152, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1152: A BILL for an Act to provide for medicaid supplemental payments to critical access hospitals; to provide for legislative management studies; and to provide an appropriation.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed HB 1152, as amended, passed.

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"

Page 1, replace lines 16 and 17 with:

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

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 ¹	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

¹ 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.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KREBSBACH MOVED that the conference committee report on HB 1006 as printed on SJ page 1520-1522 be adopted, which motion prevailed on a voice vote.

HB 1006, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1006: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 46 YEAS, 1 NAY, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

NAYS: Mathern

HB 1006, as amended, passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HCR 3016: Your conference committee (Sens. Berry, Uglem, Mathern and Reps. Kasper, Sukut, M. Nelson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1203-1204 and place HCR 3016 on the Seventh order.

HCR 3016 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BERRY MOVED that the conference committee report on Engrossed HCR 3016 as printed on SJ page 1522 be adopted.

REQUEST

SEN. CHRISTMANN REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed HCR 3016, the roll was called and there were 35 YEAS, 12 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Erbele; Fischer; Flakoll; Freborg; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Miller; Nething; Nodland; Oehlke; Olafson; Schaible; Sitte; Sorvaag; Stenehjerm; Uglem; Wanzek; Wardner

NAYS: Dotzenrod; Heckaman; Marcellais; Mathern; Murphy; Nelson; O'Connell; Robinson; Schneider; Taylor; Triplett; Warner

The conference committee report on Engrossed HCR 3016 was adopted on a recorded roll call vote.

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

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2015 and SB 2057, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2015: Sens. Holmberg; Stenehjem; Taylor

SB 2057: Sens. Grindberg; Holmberg; O'Connell

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

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1016 and HB 1194, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1016: Reps. Dosch; Monson; Williams

HB 1194: Reps. Weiler; Owens; S. Kelsh

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

MR. PRESIDENT: The House has not adopted the conference committee report on: SB 2157.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HCR 3016.

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 2281.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1152.

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: HB 1006.

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

MR. PRESIDENT: The House has adopted the conference committee report on: SB 2207.

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 1468, HCR 3047.

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 2008, SB 2014, SB 2327, SB 2336.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2073, SB 2295.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1417.

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

MR. PRESIDENT: The Speaker has signed: SB 2073, SB 2295.

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

MR. PRESIDENT: The Speaker has signed: SB 2098, SB 2169, SB 2187, SB 2213, SB 2218, SB 2222, SB 2231, SB 2247, SB 2253, SB 2271, SB 2302, SB 2308, SB 2311, SB 2361, SCR 4002.

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

MR. SPEAKER: The President has signed: SB 2060, SB 2062, SB 2064, SB 2065, SB 2066, SB 2068, SB 2088, SB 2089, SB 2091, SB 2094, SB 2099, SB 2100, SB 2110, SB 2112, SB 2115, SB 2116, SB 2117, SB 2119, SB 2121, SB 2122, SB 2124, SB 2125, SB 2133, SB 2136, SB 2142, SB 2146, SB 2154, SB 2164, SB 2166, SB 2168, SB 2170, SB 2172, SB 2174, SB 2176, SB 2186, SB 2188, SB 2190, SB 2192, SB 2196, SB 2198, SB 2202, SB 2204, SB 2208, SB 2226, SB 2234, SB 2236, SB 2242, SB 2244, SB 2246, SB 2254, SB 2258, SB 2270, SB 2278, SB 2280, SB 2282, SB 2284, SB 2286, SB 2288, SB 2292, SB 2294, SB 2306, SB 2318, SB 2326, SB 2342, SB 2352, SB 2356, SB 2366.

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

MR. SPEAKER: The President has signed: SB 2214.

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

MR. SPEAKER: The President has signed: HB 1029, HB 1214, HB 1270, HB 1433, HCR 3009.

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

MR. PRESIDENT: The Speaker has signed: HB 1010, HB 1013, HB 1030, HB 1031, HB 1034, HB 1035, HB 1036, HB 1040, HB 1045, HB 1048, HB 1049, HB 1071, HB 1077, HB 1080, HB 1260, HB 1265, HB 1302, HB 1308, HB 1310, HB 1311, HB 1313, HB 1314, HB 1316, HB 1317, HB 1320, HB 1322, HB 1325, HB 1328, HB 1329, HB 1334, HB 1335, HB 1338, HB 1355, HB 1364, HB 1367, HB 1382, HB 1386, HB 1389, HB 1393, HB 1413.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bill was delivered to the Governor for approval on April 18, 2011: SB 2214.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 15, 2011: SB 2060, SB 2062, SB 2064, SB 2065, SB 2066, SB 2068, SB 2088, SB 2089, SB 2091, SB 2094, SB 2099, SB 2100, SB 2110, SB 2112, SB 2115, SB 2116, SB 2117, SB 2119, SB 2121, SB 2122, SB 2124, SB 2125, SB 2133, SB 2136, SB 2142, SB 2146, SB 2154, SB 2164, SB 2166, SB 2168, SB 2170, SB 2172, SB 2174, SB 2176, SB 2186, SB 2188, SB 2190, SB 2192, SB 2196, SB 2198, SB 2202, SB 2204, SB 2208, SB 2226, SB 2234, SB 2236, SB 2242, SB 2244, SB 2246, SB 2254, SB 2258, SB 2270, SB 2278, SB 2280, SB 2282, SB 2284, SB 2286, SB 2288, SB 2292, SB 2294, SB 2306, SB 2318, SB 2326, SB 2342, SB 2352, SB 2356, SB 2366.

MOTION

SEN. CHRISTMANN MOVED that the Senate be on the Fourth, Fifth, Seventh, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Tuesday, April 19, 2011, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2044: Your conference committee (Sens. Nodland, G. Lee, Mathern and Reps. Weisz, Owens, Delmore) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 898-899, adopt amendments as follows, and place SB 2044 on the Seventh order:

That the House recede from its amendments as printed on pages 898 and 899 of the Senate Journal and pages 1067 and 1068 of the House Journal and that Senate Bill No. 2044 be amended as follows:

Page 1, line 1, after "reenact" insert "subsection 3 of section 39-12-02 and"

Page 1, line 2, after "to" insert "fees for issuing overweight permits and fees for"

Page 1, line 2, remove "home rule"

Page 1, line 2, after "counties" insert "; to provide for a legislative management study; and to declare an emergency"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 3 of section 39-12-02 of the North Dakota Century Code is amended and reenacted as follows:

3. An appropriate charge must be made for each permit and all funds collected hereunder by the highway patrol must be deposited in the state highway fund for use in the construction and maintenance of highways and operating expenses of the department of transportation. ~~Except for publicly. Permit fees generated by a political subdivision must be deposited in the local authority's general fund for support of the local road system.~~ Publicly owned vehicles that provide service beyond the agency's jurisdiction, official, publicly owned, emergency, or military vehicles are not subject to charges for permits. The minimum fee for selected charges is as follows:
 - a. The fee for the ten percent weight exemption, harvest and wintertime, is fifty dollars per month for fees paid on a monthly basis or two hundred fifty dollars per year for fees paid on a yearly basis. Unused fees paid on a monthly basis are refundable. Unused fees paid on a yearly basis are not refundable.
 - b. The fee for a non-self-issuing interstate permit is ten dollars per trip or three hundred dollars per calendar year for unlimited trips.
 - c. The fee for special mobile equipment is twenty-five dollars per trip.
 - d. The fee for engineering is twenty-five dollars per trip.
 - e. The fee for faxing a permit is five dollars.
 - f. The fee for a single trip permit is twenty dollars per trip.
 - g. The fee for a bridge length permit is thirty dollars per trip or one hundred fifty dollars per calendar year.
 - h. The fee for a longer combination vehicle permit is one hundred dollars per month for fees paid on a monthly basis.
 - i. The fee for an overwidth vehicle or load that is fourteen feet six inches [4.42 meters] or less is twenty dollars per trip or one hundred dollars per calendar year unless the vehicle is a noncommercial fish house trailer being moved by the owner, then the fee is twenty dollars per calendar year."

Page 1, line 12, after "ordinance" insert "or any city, including a home rule city"

Page 1, after line 13, insert:

"SECTION 3. LEGISLATIVE MANAGEMENT STUDY - MOTOR VEHICLE PERMIT FEES. During the 2011-12 interim, the legislative management shall consider studying motor vehicle permit fees, including overweight and overwidth permit fees charged by cities and counties. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-third legislative assembly.

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

Renumber accordingly

SB 2044 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1468, as reengrossed: Your conference committee (Sens. Dever, Sorvaag, Marcellais and Reps. Wieland, Grande, Guggisberg) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1330, adopt amendments as

follows, and place HB 1468 on the Seventh order:

That the Senate recede from its amendments as printed on page 1330 of the House Journal and page 905 of the Senate Journal and that Reengrossed House Bill No. 1468 be amended as follows:

Page 1, line 1, remove "provide for a legislative management study of the veterans' postwar trust"

Page 1, line 2, replace "fund and the veterans' aid trust fund" with "amend and reenact section 37-14-14 of the North Dakota Century Code, relating to the veterans' postwar trust fund"

Page 1, line 2, remove "office of"

Page 1, line 3, replace "management and budget for transfer to the veterans' aid fund" with "department of veterans' affairs and for a transfer from the department of veterans' affairs"

Page 1, replace lines 5 through 12 with:

"SECTION 1. AMENDMENT. Section 37-14-14 of the North Dakota Century Code is amended and reenacted as follows:

37-14-14. Veterans' postwar trust fund.

The veterans' postwar trust fund is a permanent trust fund of the state of North Dakota and consists of moneys transferred or credited to the fund, ~~pursuant to~~ under this chapter and other laws. Investment of the fund is the responsibility of the state treasurer who shall invest the fund only in those legal investments authorized by section 21-10-07. All income received from investments is to be utilized only for programs of benefit and service to veterans or their dependents, and all income earned in a biennium is appropriated to the administrative committee on veterans' affairs on a continuing basis in the following biennium and not in the biennium the income is earned for expenditure on these programs as authorized by law.

SECTION 2. APPROPRIATION - TRANSFER - DEPARTMENT OF VETERANS' AFFAIRS. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$210,000, or so much of the sum as may be necessary, to the department of veterans' affairs to be used in lieu of income generated from the veterans' postwar trust fund for programs authorized by law to benefit and serve veterans or their dependents, for the biennium beginning July 1, 2011, and ending June 30, 2013. The income generated by the veterans' postwar trust fund during the biennium beginning July 1, 2011, and ending June 30, 2013, must be held with the corpus of the fund for appropriation to the department of veterans' affairs as income for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 1, line 13, remove "- **TRANSFER - VETERANS' AID FUND**"

Page 1, line 15, remove "which the office"

Page 1, remove line 16

Page 1, line 17, replace "available in the fund for programs authorized by law to benefit and serve" with "to the department of veterans' affairs for the purpose of purchasing vans for the transport of"

Renumber accordingly

Reengrossed HB 1468 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HCR 3047: Your conference committee (Sens. Olafson, Lyson, Sitte and Reps. Koppelman, Owens, Conklin) recommends that the **SENATE RECEDE** from the Senate

amendments as printed on HJ page 1599, adopt amendments as follows, and place HCR 3047 on the Seventh order:

That the Senate recede from its amendments as printed on page 1599 of the House Journal and pages 1379 and 1380 of the Senate Journal and that House Concurrent Resolution No. 3047 be amended as follows:

Page 1, line 22, overstrike "compensation has been increased"

Page 1, line 22, overstrike "by the"

Page 1, line 22, overstrike "during that term"

Page 1, line 22, remove "if the rate of"

Page 1, line 23, replace "that increase is" with "has increased the compensation in an amount"

Page 1, line 23, after "general" insert "rate of"

Renumber accordingly

HCR 3047 was placed on the Seventh order of business on the calendar.

The Senate stood adjourned pursuant to Senator Christmann's motion.

William R. Horton, Secretary

