

JOURNAL OF THE SENATE

Sixty-second Legislative Assembly

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Bismarck, March 23, 2011

The Senate convened at 1:00 p.m., with President Pro Tempore Wardner presiding.

The prayer was offered by Senator Karen Krebsbach, District 40.

The roll was called and all members were present.

A quorum was declared by the President.

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 Fiftieth and Fifty-first Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 782, line 20, after "led" remove "by"

Page 807, line 41, remove "SB 2182,"

Page 807, line 43, after "SB 2169," insert "SB 2182,"

Page 808, after line 2, insert:

"HOUSE AMENDMENTS TO SENATE BILL NO. 2182

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact section 51-12-01 of the North Dakota Century Code, relating to false and misleading advertising; and to provide a penalty.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 51-12-01 of the North Dakota Century Code is amended and reenacted as follows:

51-12-01. False and misleading advertising prohibited.

1. No person with intent to sell, dispose of, increase the consumption of, or induce the public to enter an obligation relative to or to acquire title or interest in any ~~food, drug, medicine, patent and proprietary product, merchandise, security, service, performance, medical treatment, paint, varnish, oil, clothing, wearing apparel, machinery,~~ or anything offered to the public may make, publish, disseminate, circulate, broadcast, or place before the public, or directly or indirectly shall cause to be made, published, disseminated, circulated, broadcast, or placed before the public in a newspaper, or other publication, or in the form of a book, notice, handbill, poster, bill, circular, pamphlet, tab, label, letter, television or radio broadcast, placement on the internet, or in any other way, an advertisement or web page that contains any assertion, representation, or statement of fact, including the price thereof or name suggesting the business location of the offeror, which is untrue, deceptive, or misleading regarding such ~~food, drug, medicine, patent and proprietary product, merchandise, security, service, performance, medical treatment, paint, varnish, oil, clothing, wearing apparel, machinery,~~ price, business location, or anything offered to the public.
2. It is not a violation of this section to advertise a performance by a performing group if at least one member of the performing group was a member of the recording group, the performance is identified as a

"salute" or "tribute" to the recording group, the performance is expressly authorized in the advertising by the recording group, the advertising does not relate to a live music performance taking place in this state, or the advertising contains a disclaimer that the performing group is not the recording group or is not affiliated with the recording group.

3. This section imposes liability on only the offeror of a product or service. This section does not impose liability on a publisher, other advertising media, or an advertising agency that relies on the assurances of a person placing an advertisement that the claims or representations are true."

Renumber accordingly"

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

CONSIDERATION OF AMENDMENTS

HB 1321, as reengrossed: SEN. LARSEN (Agriculture Committee) MOVED that the amendments on SJ pages 814-815 be adopted and then be **REFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

HB 1269, as reengrossed: SEN. OLAFSON (Judiciary Committee) MOVED that the amendments on SJ page 813 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

HB 1328, as engrossed: SEN. SORVAAG (Judiciary Committee) MOVED that the amendments on SJ page 815 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

HB 1010, as engrossed: SEN. FISCHER (Appropriations Committee) MOVED that the amendments on SJ pages 809-810 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

HB 1175, as engrossed: SEN. MURPHY (Industry, Business and Labor Committee) MOVED that the amendments on SJ pages 812-813 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

HB 1142, as engrossed: SEN. OLAFSON (Judiciary Committee) MOVED that the amendments on SJ pages 810-812 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

MOTION

SEN. CHRISTMANN MOVED that HB 1142 be placed at the top of the Fourteenth order, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1142: A BILL for an Act to create and enact a new chapter to title 53 of the North Dakota Century Code, relating to registered agritourism activity liability.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 37 YEAS, 10 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

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

NAYS: Berry; Cook; Fischer; Flakoll; Lee, J.; Marcellais; Oehlke; Sorvaag; Stenehjerm; Triplett

Engrossed HB 1142, as amended, passed.

MOTION

SEN. O'CONNELL MOVED that the Senate reconsider its action whereby Engrossed HB 1241, as amended, passed.

REQUEST

SEN. O'CONNELL REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the motion to reconsider the action whereby Engrossed HB 1241, as amended, passed, the roll was called and there were 46 YEAS, 1 NAY, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: 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

NAYS: Andrist

The motion prevailed on a recorded roll call vote.

MOTION

SEN. KREBSBACH MOVED that the Senate reconsider its action whereby the amendments to Engrossed HB 1241, as amended, were adopted.

POINT OF PERSONAL PRIVILEGE

SEN. ANDRIST rose on a point of personal privilege.

REMARKS OF SENATOR ANDRIST

MR. PRESIDENT: I am not as young and not as nimble as I used to be but, my colleagues, you all also know that I have a passion for my rural community and for the industry that has brought it hope and revival. You also know that I am a fervent capitalist and I am a firm believer in the market system and have always been a defender and supporter of the oil industry, and am thrilled to have them and their presence.

It has really brought me a lot of pain and sleeplessness to know that I have been portrayed by the lobbyists for the industry as a pariah who is trying to cripple the industry and its drilling activity. I do not wish to imply that I thought that drill-and-run practices were commonplace in the industry. I know they aren't. The vast majority, well over ninety percent and probably ninety-eight percent, of the drilling has been done very righteously by the industry according to the rules and there has never been a problem with fulfilling lease commitments by bringing in rigs within the expiration of the lease.

As I explained yesterday, lease prices have gone up tenfold. Because of the rush to get wells drilled before leases expire, there are a few people using the practice of drill-and-run trying to find some way to freeze that lease without actually trying to make a serious drilling attempt. So the amendment that I offered really would have just provided the same rules that the state has embedded in their leases and that the federal government has embedded in their leases saying that drilling means serious drilling. I hope that the industry will take from this statement that this is a wrong that I've been trying to right. It is brought about by a few of the people, and we have addressed other concerns in this body of abuses in the industry. This is not an indictment against the industry, it is the reality of the frenzy of the oil development in the west. This is a practice that I think we need to find a way stop and I hope that the industry will in good faith try to deal with it.

I've heard the train whistle and I don't intend to say a whole lot more about this but I want

you to know that I love the oil industry and I love the oil the people, but I'd appreciate if it would work with us to deal with some of the abuses that we're experiencing out there that affect our people, and we love them, too.

REQUEST

SEN. ANDRIST REQUESTED that his remarks be printed in the Journal, which request was granted.

The question being on the motion to reconsider the action whereby the amendments to Engrossed HB 1241, as amended, were adopted.

REQUEST

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

ROLL CALL

The question being on the motion to reconsider the action whereby the amendments to Engrossed HB 1241, as amended, were adopted, the roll was called and there were 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; 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

NAYS: Andrist; Hogue

The motion prevailed on a recorded roll call vote.

SECOND READING OF HOUSE BILL

HB 1241: A BILL for an Act to create and enact a new section to chapter 38-11.1 and section 38-11.1-04.1 of the North Dakota Century Code, relating to notice of oil and gas drilling operations and compensation for loss of agricultural production and income caused by oil and gas production; to amend and reenact sections 38-11.1-02, 38-11.1-04, 38-11.1-08, and 47-16-39.1 of the North Dakota Century Code, relating to damage and disruption payments for damages caused by oil and gas production, agreement with offer of settlement, and the obligation to pay oil and gas royalties; to repeal section 38-11.1-05 of the North Dakota Century Code, relating to notice of oil and gas drilling operations; and to provide an effective date.

MOTION

SEN. ANDRIST MOVED that Engrossed HB 1241, as amended, be amended as follows.

In lieu of the amendments adopted by the Senate as printed on page 772 and 773 of the Senate Journal, Engrossed House Bill No. 1241 is amended as follows:

Page 1, line 1, replace the second "and" with a comma

Page 1, line 1, after "38-11.1-04.1" insert ", and a new section to chapter 47-16"

Page 1, line 2, replace the second "and" with a comma

Page 1, line 3, after the second "production" insert ", and definition of drilling"

Page 1, line 4, remove the first "and"

Page 1, line 4, after "sections" insert "38-11.1-02,"

Page 1, line 4, after "38-11.1-04" insert ", 38-11.1-08,"

Page 1, line 6, after "production" insert ", agreement with offer of settlement,"

Page 1, line 6, after "royalties" insert "; to repeal section 38-11.1-05 of the North Dakota Century Code, relating to notice of oil and gas drilling operations; and to provide an effective date"

Page 1, after line 8, insert:

"SECTION 1. AMENDMENT. Section 38-11.1-02 of the North Dakota Century Code is amended and reenacted as follows:

38-11.1-02. Purpose and interpretation.

It is the purpose of this chapter to provide the maximum amount of constitutionally permissible protection to surface owners and other persons from the undesirable effects of development of minerals. This chapter is to be interpreted in light of the legislative intent expressed herein. Sections 38-11.1-04 and ~~38-11.1-05~~38-11.1-04.1 must be interpreted to benefit surface owners, regardless of whether the mineral estate was separated from the surface estate and regardless of who executed the document which gave the mineral developer the right to conduct drilling operations on the land. Sections 38-11.1-06 through 38-11.1-10 must be interpreted to benefit all persons."

Page 3, after line 9, insert:

"SECTION 4. AMENDMENT. Section 38-11.1-08 of the North Dakota Century Code is amended and reenacted as follows:

38-11.1-08. Agreement - Offer of settlement.

Unless both parties provide otherwise by written agreement, at the time the notice required by ~~section 38-11.1-05~~subsection 2 of section 38-11.1-04.1 is given, the mineral developer shall make a written offer of settlement to the person seeking compensation for damages when the notice required by ~~section 38-11.1-05~~subsection 2 of section 38-11.1-04.1 is given. The person seeking compensation may accept or reject any offer so made."

Page 4, line 8, overstrike "from initial" and insert immediately thereafter "after"

Page 4, line 8, after "production" insert "is marketed"

Page 4, line 9, after "operator" insert "thereafter"

Page 4, after line 24, insert:

"SECTION 7. A new section to chapter 47-16 of the North Dakota Century Code is created and enacted as follows:

Drilling - Definition for oil and gas lease purposes.

Notwithstanding any provision in an oil and gas lease to the contrary, in any clause of an oil and gas lease which permits extension of the primary term of the lease, drilling means that an actual drilling rig, capable of drilling the well to the total proposed depth, whether total vertical depth in a vertical well or total measured depth in a horizontal well, is on location and actively drilling before the expiration of the primary term of the lease. The spud date of the well must be listed on the department of mineral resources rig list as being before the expiration of the primary term of the lease to extend the lease.

SECTION 8. REPEAL. Section 38-11.1-05 of the North Dakota Century Code is repealed.

SECTION 9. EFFECTIVE DATE. Sections 2 and 5 of this Act become effective for drilling operations commenced after July 31, 2011."

Renumber accordingly

REQUEST

SEN. FLAKOLL REQUESTED a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1241, as amended, which request was granted.

ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1241, as amended, the roll was called and there were 4 YEAS, 43 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Burckhard; Hogue; Larsen

NAYS: Berry; Bowman; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Holmberg; Kilzer; Klein; Krebsbach; Laffen; 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

The proposed amendments to Engrossed HB 1241, as amended, failed on a recorded roll call vote.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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 1241, as amended, passed.

SECOND READING OF HOUSE BILL

HB 1162: A BILL for an Act to create and enact section 28-32-08.2 of the North Dakota Century Code, relating to fiscal notes for agency rules; to amend and reenact subsection 5 of section 28-32-03, subsection 1 of section 28-32-10, and subsection 2 of section 28-32-18 of the North Dakota Century Code, relating to notice of emergency rulemaking and the administrative rules committee carrying over consideration of administrative rules; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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 1162, as amended, passed.

SECOND READING OF HOUSE BILL

HB 1413: A BILL for an Act to amend and reenact subsections 1 and 7 of section 61-03-21.3 of the North Dakota Century Code, relating to removal of dangers in or on the bed of navigable waters; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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 1413, as amended, passed and the emergency clause was declared carried.

SECOND READING OF HOUSE BILL

HB 1005: A BILL for an Act to provide an appropriation for defraying the expenses of the Indian affairs commission.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; 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

ABSENT AND NOT VOTING: Flakoll

Engrossed HB 1005, as amended, passed.

REQUEST

SEN. FLAKOLL REQUESTED that the record show that he intended to vote "YEA" on HB 1005, which request was granted.

SECOND READING OF HOUSE BILL

HB 1260: A BILL for an Act to amend and reenact section 51-21-05 of the North Dakota Century Code, relating to civil liability for retail theft.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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

HB 1260 passed.

SECOND READING OF HOUSE BILL

HB 1307: A BILL for an Act to amend and reenact section 5-02-06 of the North Dakota Century Code, relating to individuals under twenty-one years of age allowed in alcoholic beverage establishments.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 17 YEAS, 30 NAYS,

0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Christmann; Dotzenrod; Erbele; Fischer; Holmberg; Klein; Murphy; Nodland; O'Connell; Schneider; Stenehjerm; Taylor; Triplett; Wanzek; Warner

NAYS: Bowman; Burckhard; Cook; Dever; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Kilzer; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Nelson; Nething; Oehlke; Olafson; Robinson; Schaible; Sitte; Sorvaag; Uglem; Wardner

HB 1307 lost.

MOTION

SEN. CHRISTMANN MOVED that HB 1467 be placed at the top of the Fourteenth order, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1467: A BILL for an Act to amend and reenact section 57-51.1-03 of the North Dakota Century Code, relating to a triggered oil extraction tax rate reduction; to provide an effective date; and to provide an expiration date.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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 1467 passed.

MOTION

SEN. CHRISTMANN MOVED that HB 1418 be placed at the top of the Fourteenth order, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1418: A BILL for an Act to provide standards for audits of pharmacy records; and to provide a penalty.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 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 1418 passed.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 2:30 p.m., which motion

prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Pro Tempore Wardner presiding.

MOTION

SEN. CHRISTMANN MOVED that the Senate resolve itself into a Memorial Service, which motion prevailed.

SENATE MEMORIAL SERVICE

Memorial Service Committee

Senator Dick Dever, Chairman
Senator Robert Erbele
Senator Carolyn C. Nelson
Senator Dave Oehlke

Moderator

Senator Rich Wardner, President Pro Tempore

Invocation

Reverend Dale Nabben

Introduction of Guests

Senator Rich Wardner, President Pro Tempore

Senate Chorus

"Precious Lord"

Directed by Senator Robert Erbele
Accompanied by Levi Andrist

First and Second Reading of Senate Memorial Resolution

William R. Horton, Secretary of the Senate

Presentation of Resolutions and Roses

Senator Rich Wardner, President Pro Tempore
Alvin A. Jaeger, Secretary of State

Senate Chorus

"They Shall Soar Like Eagles"

Directed by Senator Robert Erbele
Accompanied by Senator Carolyn C. Nelson and Arvy Smith

Memorial Address

Elroy Lindaas, Former Senator from District 20

Senate Chorus Benediction Hymn

"Go Ye Now in Peace"

DECEASED MEMBERS

John D. Decker

40th and 41st Legislative Assemblies, District 5
Died February 26, 2009

Donald W. Hanson

45th through the 47th Legislative Assemblies, District 45
Died May 13, 2009

Geraldine "Jerry" Meyer

48th through the 51st Legislative Assemblies, District 3
Died July 22, 2010

Walter A. Meyer

49th through the 51st Legislative Assemblies, District 53

Died October 6, 2010

Theron L. Strinden

38th and 39th Legislative Assemblies, District 38
41st through 46th Legislative Assemblies, District 24
Died March 3, 2011

William J. Thoreson

41st and 42nd Legislative Assemblies, District 12
Died March 3, 2009

Carrol Torgerson

38th and 39th Legislative Assemblies, District 16,
40th and 41st Legislative Assemblies, District 23
Died June 26, 2010

Gerald J. "Jerry" Waldera

48th through the 51st Legislative Assemblies, District 37
Died November 26, 2009

MOTION

SEN. CHRISTMANN MOVED that the Senate be on the Ninth order of business for the first reading of SMR 8001, which motion prevailed.

FIRST READING OF SENATE MEMORIAL RESOLUTION

Memorial Resolutions Committee introduced:

SMR 8001: A memorial resolution for deceased members of the Senate of North Dakota. Was read the first time.

MOTION

SEN. CHRISTMANN MOVED that the rules be suspended, that SMR 8001 not be printed, not be referred to committee, but be read in its entirety, be printed in the Journal, and placed on the calendar for immediate second reading and final passage, which motion prevailed.

Memorial Resolutions Committee introduced:

SENATE MEMORIAL RESOLUTION NO. 8001

A memorial resolution for deceased members of the Senate of North Dakota.

WHEREAS, God has welcomed to their eternal home our former colleagues:

John D. Decker, who served in the 40th and 41st Legislative Assemblies, from District 5, died February 26, 2009;

Donald W. Hanson, who served in the 45th through the 47th Legislative Assemblies, from District 45, died May 13, 2009;

Geraldine "Jerry" Meyer, who served in the 48th through the 51st Legislative Assemblies, from District 3, died July 22, 2010;

Walter A. Meyer, who served in the 49th through the 51st Legislative Assemblies, from District 53, died October 6, 2010;

Theron L. Strinden, who served in the 38th and 39th Legislative Assemblies, from District 38, and in the 41st through 46th Legislative Assemblies, from District 24, died March 3, 2011;

William J. Thoreson, who served in the 41st and 42nd Legislative Assemblies, from District 12, died March 3, 2009;

Carrol Torgerson, who served in the 38th and 39th Legislative Assemblies, from District 16, and in the 40th and 41st Legislative Assemblies, from District 23, died June 26, 2010;

Jerry Waldera, who served in the 48th through the 51st Legislative Assemblies, from District 37, died November 26, 2009;

WHEREAS, we now pause to mourn the passing of our former Senate colleagues and to honor their memories; and

WHEREAS, these legislators rendered outstanding service to the people of the state by their contributions to public service;

NOW, THEREFORE, BE IT RESOLVED BY THE SENATE OF NORTH DAKOTA:

That we express our sorrow on their passing and our appreciation, on behalf of the people of North Dakota, of the loyal and devoted service of our former colleagues; and

BE IT FURTHER RESOLVED, that for the perpetuation of their memory this token of respect and sympathy by their successors in trust be printed in the Journal of the Senate and that the Secretary of State present enrolled copies of this resolution to the surviving families of these deceased senators.

SECOND READING OF SENATE CONCURRENT RESOLUTION

SMR 8001: A memorial resolution for deceased members of the Senate of North Dakota.

The question being on the final adoption of the resolution, which has been read.

SMR 8001 was declared adopted on a voice vote.

MOTION

SEN. CHRISTMANN MOVED that the Memorial Address by Former Senator Elroy Lindaas and the Invocation by Reverend Dale Nabben be printed in the Journal, which motion prevailed.

INVOCATION BY REVEREND DALE NABBEN

Psalm 90:1-2, "Lord, You have been our dwelling place throughout all generations. Before the mountains were born or You brought forth the Earth and the world, from everlasting to everlasting, You are God."

O Lord, as we remember the Senators whose journey on Earth has come to an end, we thank you for their service, dedication, and determination to do what they felt best for our State.

O Lord, you know the debates, the bantering, the laughter, the tears, the issues, the ideas, the tensions, the struggles, the personalities, the successes, and the disappointments.

As we remember and as we move forward, help us to treasure the memories and our kinship; granting us a clear vision as we strive to make the Great State of North Dakota even greater for the generations yet to be conceived.

In Jesus's name, Amen.

MEMORIAL ADDRESS BY FORMER SENATOR ELROY LINDAAS

Mr. President, Senators, Colleagues, Honored Guests, Ladies, and Gentlemen, first of all I want to thank the Memorial Committee for giving me the privilege and honor of addressing this gathering. The 20 years I served in this North Dakota Senate were indeed an honor and a privilege in themselves. The respect I hold for my colleagues and those who work with this process will follow me for the rest of my days.

Our branch of government, naturally, is the legislative branch. The term "government" is often used in a negative tone. One might ask, "What is Government"? In my opinion, government comprises folks who take an active part in decision-making and civic affairs. Just last week, organized townships all across North Dakota met to do business at the grassroots level. Periodically, at the county level, Commissioners meet at regular intervals to take up topics such as roads and bridges, social services, local law enforcement, and a whole variety of other issues. When I visit our county seat, I walk past our veterans memorial dedicated to those who have served. I can't help but look up at our magnificent courthouse. Also on the courthouse lawn is a bust of Abraham Lincoln who I think said it best with a line from his Gettysburg Address, "This Government of the people, By the people and For the people...", essentially saying government is not for other entities or about satisfying selfish interests. There were times while serving in this Senate, when we were working through some difficult legislation that was very intense, and it would cause me to pause as I walked from my car and looked up at this Capitol Building. I paused to put things into perspective and be invigorated, to realize that we do this for the good of all our citizens. Twice I have had the opportunity to travel to Washington, DC and also pause in front of our nation's capitol building. I was once again inspired by how symbolic and important these sights are to our great democracy.

Although I have never met most of those whose lives we commemorate here today, there is a common bond we all share with them. We have all worked together for the common good

of our citizens. This chamber typically strives for reasonable and thoughtful legislation. Members of this legislative assembly are public-spirited folks who represent a cross-section of our society, coming with a variety of personalities, talents, and perspectives. The old children's game with the line of "Doctor, Lawyer, Merchant, Chief" has true significance in the makeup of today's Senate. We have some of each. Along with farmers, educators, and all the other occupations that round out this body, are perspectives that are formed by life's lessons and experiences. Our values are instilled by our parents, our families, our relationships with our peers, our education and our Faith. To serve in this legislature is a high calling and these public servants deserve our respect. The term "politician" seems to dredge up a negative connotation. Often it is used as a derogatory label, in jest at best. I believe that those who represent their constituents here in Bismarck do not take their responsibilities lightly. Issues are typically more complicated than most folks seem to think. Those who take up these causes cannot afford to be cynical.

Life is truly a journey. While the beginning of our journey has become the source of an emotional debate as to when life itself begins, the answer to that question lies within our conscience and our faith. The journey on Earth, of course, ends when we pass away.

Our first recollection begins when we become aware of those who surround us: our parents, our immediate family, and those to whom we are exposed in our very young years. As we begin our education, the number of those who accompany us on this journey increases. Some become close friends and have a distinct effect on our perspectives. These along with our parents, our teachers, our partners in faith, and others we encounter influence our values and help adjust our moral compass. Of course, let us not forget our spouses. Those who have journeyed close to us, shared our lives, and made this journey complete.

For some of our acquaintances, their journey took them into military service, protecting our democracy and freedom, many in foreign lands. Others have made their mark by less dramatic ventures, though they have made significant contributions to our society. Both men and women, some of whom we can name, have used their talents and ambitions to make life better for everyone.

We have all been given personal resources to use to accomplish good. We were given two ears with which to listen, two eyes with which to observe, a brain with which to reason, a voice to offer our unique perspective, a conscience to sort out right and wrong, and a spirit of cooperation to achieve the best possible solutions to problems, whatever they might be. Sometimes we need a toughened skin to ward off the proverbial slings and arrows; however, we must guard ourselves that our skin does not become too thick or calloused. Because if that happens we could become insensitive to not only our own feelings, but more importantly the feelings of others. While we deal with the issues of our society, we must always be aware of the ultimate causes that make life better for everyone. We have done this many times, not with common philosophies, but with common goals. It has been said, "we can disagree without being disagreeable."

In the grand scheme of things, the journey of our lifetime is but a blink of an eye. In that period of time, much of what we accomplish is for those who follow us in their life's journey.

To you, family and friends of these departed Senators, we offer our sincere condolences. We thank you for sharing these individuals with us and with the citizens of North Dakota. For them, their journeys on earth have ended, but not without their contribution of time, energy, wisdom, and talents. We are thankful that their journeys enabled them to serve in this astute body. May God bless their memory and the people they have served. Thank you.

MOTION

SEN. CHRISTMANN MOVED that the Senate Memorial Service be dissolved, which motion prevailed.

MOTION

SEN. CHRISTMANN MOVED that the Senate be on the Fourth, Fifth, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 1:00 p.m., Thursday, March 24, 2011, which motion prevailed.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has passed, unchanged: HB 1133, HB 1182, HB 1428, HCR 3019, HCR 3021, HCR 3026, HCR 3040.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has passed, the emergency clause carried, unchanged: HB 1132, HB 1335, HB 1459.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has failed to pass, unchanged: HB 1163.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has passed, and your favorable consideration is requested on: HCR 3045.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has passed, unchanged: SB 2134, SB 2175, SB 2366, SCR 4008, SCR 4018, SCR 4019, SCR 4022.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently passed: SB 2027, SB 2060, SB 2254, SCR 4002.

HOUSE AMENDMENTS TO SENATE BILL NO. 2027

Page 1, line 12, remove "or unless remodeling or"

Page 1, remove line 13

Page 1, line 14, replace "manufacturer, or patented apparatus or appliance" with "or unless as provided in section 44-08-01"

Renumber accordingly

HOUSE AMENDMENTS TO SENATE BILL NO. 2060

Page 1, line 7, remove "up to two working hours"

Page 1, line 8, remove "per day"

Renumber accordingly

HOUSE AMENDMENTS TO SENATE BILL NO. 2254

Page 1, line 5, after the third comma insert "16.1-11.1-01,"

Page 1, line 8, after the sixth comma insert "40-38-01,"

Page 9, line 16, overstrike "and the names and addresses of the party's district"

Page 9, line 17, overstrike "chairmen"

Page 9, line 24, remove the overstrike over "The secretary of"

Page 9, line 25, remove the overstrike over "~~state must be notified of any changes in membership of the state's committee officers~~"

Page 9, line 26, remove the overstrike over the overstruck period

Page 17, line 27, replace "poltical" with "political"

Page 17, after line 28, insert:

"SECTION 24. AMENDMENT. Section 16.1-11.1-01 of the North Dakota Century Code is amended and reenacted as follows:

16.1-11.1-01. Counties may conduct mail ballot elections - Polling places - Records.

1. The board of county commissioners of a county may conduct an election by mail ballot. The mail ballot election must include city elections administered by the county auditor and may include any other election administered by the county auditor pursuant to an agreement with the governing body of a political subdivision within the county. The board shall designate one or more polling places in the county to be open on the day of the election for voting in the usual manner. The county auditor shall place a notice at all polling places in the county used at the last statewide election which states the location of the polling places open for the election. The county auditor shall keep a record of each mail ballot provided to qualified electors and provide to the election board at each polling place open on the day of the election a list of every person who applied for a mail ballot.
2. The board of county commissioners of a county may conduct an election partially by mail ballot. If the board of county commissioners chooses to conduct an election partially by mail ballot, the commission may use mail ballots for any precinct in which fewer than four hundred votes were cast for the office of governor at the last general election at which that office was on the ballot.

Page 18, line 24, remove the overstrike over "a"

Page 19, line 23, overstrike "direct"

Page 26, after line 20, insert:

"SECTION 44. AMENDMENT. Section 40-38-01 of the North Dakota Century Code is amended and reenacted as follows:

40-38-01. Public library and reading room - Establishment - Election.

The governing body of any city or county upon petition of not less than fifty-one percent of the qualified electors of the city or county as determined by the total number of votes cast at the last general election or upon a majority vote of the qualified electors thereof voting on the question shall establish and maintain public library service within its geographic limits by means of a public library and reading room or other public library service, either singly or in cooperation with the state library, or with one or more cities or counties, or by participation in an approved state plan for rendering public library service under the Library Services and Construction Act [20 U.S.C. 351-358], and acts amendatory thereof. Such question shall be submitted to the qualified electors upon resolution of the governing body or upon the petition of not less than twenty-five percent of that number of qualified electors of the city or county that voted at the last general election, filed with the governing body not less than ~~sixty~~ninety days before the next regular election. Library service may be discontinued within any city or county by any of the methods by which library services may be established, except that once established, such service shall not be discontinued until after it has been in operation for at least five years from the date of establishment."

Renumber accordingly

**HOUSE AMENDMENTS TO ENGROSSED SENATE
CONCURRENT RESOLUTION NO. 4002**

Page 1, line 1, remove "riparian"

Page 1, line 2, replace "landowner" with "state of North Dakota"

Page 1, line 5, after "agriculture" insert "and the energy industry"

Page 1, after line 7, insert:

"WHEREAS, access to the water in the Missouri River water system is needed to provide a necessary ingredient for hydraulic fracturing, an essential tool for oil and gas development in this state; and"

Page 1, line 18, replace "riparian landowner" with "state of North Dakota"

Renumber accordingly

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 2361.

HOUSE AMENDMENTS TO SENATE BILL NO. 2361

Page 3, line 8, remove "State and local government code enforcement agencies are not liable in"

Page 3, remove lines 9 through 12

Renumber accordingly

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

MR. PRESIDENT: The House has failed to pass, unchanged: SB 2055, SB 2345, SCR 4023.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2066, SB 2101, SB 2120, SB 2256.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1009, HB 1017, HB 1022, HB 1023, HB 1024, HB 1097, HB 1196, HB 1197, HB 1216, HB 1221, HB 1343, HB 1415, HCR 3008.

SIGNING OF BILLS AND RESOLUTIONS

The President has signed the following enrolled resolution: SMR 8001.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following resolution was delivered to the Secretary of State for filing on March 23, 2011: SMR 8001.

REPORT OF STANDING COMMITTEE

HB 1072: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1072 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1092, as engrossed: Education Committee (Sen. Freborg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1092 was placed on the Sixth order on the calendar.

Page 1, line 3, after "reenact" insert "subsection 2 of section 15-20.4-03 and"

Page 1, line 4, after "to" insert "authorization to operate academic or professional postsecondary educational institutions and"

Page 1, after line 10, insert:

"SECTION 2. AMENDMENT. Subsection 2 of section 15-20.4-03 of the North Dakota Century Code is amended and reenacted as follows:

2. Prescribe forms and conditions for, receive, investigate as it may deem necessary, and act upon applications for authorization to operate postsecondary educational institutions. Authorization to operate an academic or professional postsecondary educational institution offering

educational credentials may be issued only upon approval of the executive officer and the commissioner of the state board of higher education or the commissioner's designee."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1112: Judiciary Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1112 was placed on the Sixth order on the calendar.

Page 1, line 1, after "21-04-09" insert "and subsection 1 of section 21-06-07"

Page 1, line 2, remove "security for"

Page 3, line 4, overstrike "reciprocal"

Page 3, after line 10, insert:

"SECTION 2. AMENDMENT. Subsection 1 of section 21-06-07 of the North Dakota Century Code is amended and reenacted as follows:

1. Counties, cities, school districts, park districts, and townships in this state may invest moneys in their general fund, or balances in any special or temporary fund, in:
 - a. Bonds, treasury bills and notes, or other securities that are a direct obligation of, or an obligation insured or guaranteed by, the treasury of the United States, or its agencies, instrumentalities, or organizations created by an act of Congress.
 - b. Securities sold under agreements to repurchase written by a financial institution in which the underlying securities for the agreement to repurchase are of a type listed above.
 - c. Certificates of deposit fully insured by the federal deposit insurance corporation or by the state.
 - d. Obligations of the state.
 - e. Certificates of deposit fully insured or guaranteed by the federal deposit insurance corporation and placed for the benefit of the public depositor by a public depository through an appropriate ~~reciprocal~~ deposit placement service as determined by the commissioner of financial institutions."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1124: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1124 was placed on the Sixth order on the calendar.

Page 1, line 1, after "57-38-01.8" insert "and a new subdivision to subsection 7 of section 57-38-30.3"

Page 1, line 2, after "geothermal" insert "and wind"

Page 1, line 5, replace "sections" with "section"

Page 1, line 6, replace the first "and" with ", subsection 1 of section 57-38.3-02, subsection 3 of section 57-38.3-04, section"

Page 1, line 11, after the second comma insert "setoff of income tax refunds by the internal revenue service,"

Page 2, line 19, after "geothermal" insert "or wind"

Page 2, line 22, after "geothermal" insert "or wind"

Page 10, after line 6, insert:

"SECTION 9. A new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

Wind energy device installation credit under section 57-38-01.8."

Page 10, after line 19, insert:

"SECTION 11. AMENDMENT. Subsection 1 of section 57-38.3-02 of the North Dakota Century Code is amended and reenacted as follows:

1. "Claimant agency" means the department of human services, job service North Dakota, workforce safety and insurance, the insurance commissioner, the North Dakota guaranteed student loan program, the industrial commission acting as the state housing finance agency under chapter 54-17, a housing authority created under section 23-11-02, or the state court administrator on behalf of the state courts for purposes of court-ordered fines, fees, or costs due the state or the internal revenue service. On or before September first of each year, the state housing finance agency shall conduct an election by mail among housing authorities of the state and certify to the tax commissioner which housing authority received the greatest number of votes and is capable of compliance with the duties of a claimant agency under section 57-38.3-05. During the ensuing calendar year, the housing authority certified as selected under this subsection shall act as the claimant agency for all housing authorities for the purposes of submitting debtor information to the tax commissioner for fund transfers and for providing notice to the debtor as required by section 57-38.3-05.

SECTION 12. AMENDMENT. Subsection 3 of section 57-38.3-04 of the North Dakota Century Code is amended and reenacted as follows:

3. A claim made by any child support unit of the department of human services has priority in setting off any refund. Other claims by state claimant agencies rank by date of certification under section 57-38.3-05 in the office of the commissioner with the claim earlier certified having priority. Claims made by the internal revenue service may be offset up to the amount of refund owing after other state priority offsets."

Page 13, line 6, replace "This Act is" with "Sections 1 through 9 and sections 12 and 13 of this Act are"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1125, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1125 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1126, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1126 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to provide reports to the legislative management;"

Page 1, line 9, after "commissioner" insert "and department of human services, in consultation with the advisory committee established under section 26.1-54-05,"

Page 1, line 19, after "2." insert "Plan for the implementation of an American health benefit exchange for the state which at a minimum provides for eligibility determination and enrollment of individuals in the state's medical assistance program and the state's children's health insurance program: simplification: and medical assistance and children's health insurance program coordination with the state health insurance exchange in a manner that meets the requirements of the Patient Protection and Affordable Care Act [Pub. L. 111-148] as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152].

3."

Page 2, line 1, replace "3." with "4."

Page 2, line 4, replace "4." with "5."

Page 2, line 7, after "commissioner" insert "and department of human services"

Page 2, line 10, after "commissioner" insert "and department of human services"

Page 2, line 13, after "the" insert "department of human services and"

Page 2, line 16, after the second "the" insert "department of human services."

Page 2, line 16, after "commissioner" insert an underscored comma

Page 2, after line 17, insert:

"26.1-54-05. Advisory committee.

An advisory committee is established to assist the commissioner and the department of human services in addressing the complexity and interdependence of the technology systems required by the health benefit exchange. The advisory committee membership is made up of the commissioner or the commissioner's designee, the executive director of the department of human services or the director's designee, the chief information officer or the chief information officer's designee, the governor or the governor's designee, and two members of the legislative assembly appointed by the chairman of the legislative management."

Page 2, line 26, after "commissioner" insert ", department of human services, and advisory committee"

Page 2, line 28, after "commissioner" insert "and department of human services"

Page 2, line 29, after "commissioner" insert "or department of human services"

Page 3, line 1, after "commissioner" insert "or department of human services"

Re-number accordingly

REPORT OF STANDING COMMITTEE

HB 1165, as engrossed: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **DO PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1165 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1174, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1174 was placed on the Sixth order on the calendar.

Page 1, line 15, after "shall" insert "either"

Page 1, line 16, replace "requested" with "in paper or facsimile format"

Page 1, line 16, overstrike "no more"

Page 1, line 17, overstrike "than"

Page 1, line 18, after "pages" insert "or in an electronic, digital, or other computerized format at a charge of thirty dollars for the first twenty-five pages and twenty-five cents per page after twenty-five pages"

Page 1, line 19, remove "If this charge exceeds fifty dollars and the health care provider is"

Page 1, remove lines 20 through 24

Page 2, remove lines 1 through 3

Page 2, line 29, remove "or medical bills"

Page 2, line 29, overstrike "provided" and insert immediately thereafter "or medical bills in paper or facsimile format"

Page 2, line 30, after the period insert "In an electronic, digital, or other computerized format, a person may not charge more than thirty dollars for the first twenty-five pages and twenty-five cents per page after twenty-five pages for providing a copy of medical records or medical bills to a basic no-fault insurer pursuant to this chapter."

Page 2, line 31, remove "If this charge exceeds fifty dollars and the health care provider is capable of"

Page 3, remove lines 1 through 8

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1211, as engrossed: Education Committee (Sen. Freborg, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1211 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1215, as engrossed: Education Committee (Sen. Freborg, Chairman) recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1215 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1245, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1245 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new subsection to section 57-39.2-04 of the North Dakota Century Code, relating to a sales and use tax exemption for sales by thrift stores owned and operated by nonprofit corporations;"

Page 1, line 3, remove "of thirty days or more"

Page 1, line 11, remove the overstrike over "~~for periods of~~"

Page 1, line 11, after "~~thirty~~" insert "up to ninety"

Page 1, line 11, remove the overstrike over "~~consecutive calendar days~~"

Page 2, line 1, remove the overstrike over "~~for periods of~~"

Page 2, line 1, after "~~thirty~~" insert "up to ninety"

Page 2, line 1, remove the overstrike over "~~consecutive calendar days~~"

Page 2, line 27, overstrike "thirty or"

Page 2, line 27, after "more" insert "than ninety"

Page 2, line 30, overstrike "thirty or"

Page 2, line 30, after "more" insert "than ninety"

Page 2, after line 30, insert:

"SECTION 4. A new subsection to section 57-39.2-04 of the North Dakota Century Code is created and enacted as follows:

Gross receipts from sales made by a thrift store owned and operated by a nonprofit corporation exempt from federal taxation under section 501(c)(3) of the Internal Revenue Code [26 U.S.C. 501(c)(3)]."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1246, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1246 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide for a legislative management study;"

Page 1, line 7, overstrike "real property, not exceeding"

Page 1, line 7, remove "twenty"

Page 1, line 7, overstrike "acres"

Page 1, line 7, remove "[8.09 hectares]"

Page 1, line 7, overstrike "in extent,"

Page 1, overstrike lines 8 through 10

Page 1, line 11, overstrike "priest, rector, or other minister in charge of services," and insert immediately thereafter "buildings owned by any religious corporation or organization and used for the religious services of the organization, or if on the same parcel, dwellings with usual outbuildings, intended and ordinarily used for the residence of the bishop, priest, rector, or other minister in charge of services, land directly under and within the perimeter of those buildings, and up to a maximum of five additional acres [2.02 hectares] of area used for parking or reasonable landscaping or sidewalk area adjoining the main church building"

Page 1, line 13, after the period insert "If the residence of the bishop, priest, rector, or other minister in charge of services is located on property not adjacent to the church, that residence with usual outbuildings and land on which it is located, up to two acres [81 hectare], is exempt from taxation."

Page 1, line 16, overstrike "All real property owned by any religious corporation"

Page 1, overstrike lines 17 through 19

Page 1, after line 19, insert:

"SECTION 2. LEGISLATIVE MANAGEMENT STUDY - SALES TAX EXEMPTION FOR CHARITABLE NONPROFITS. During the 2011-12 interim, the

legislative management shall consider studying the feasibility and desirability of extending the sales tax exemption on purchases of tangible property to all charitable nonprofit organizations so that all such organizations are treated equally and fairly under state law. The legislative management also may undertake a comparative analysis of the efficacy of sales tax exemptions and rate reductions, including, for each exemption or reduction, a detailed analysis of the fiscal impact to the state; benefits to the state economy from eliminating or retaining the exemption or rate reduction; the relationship of the exemption or rate reduction to tax policies of other states and to federal or state laws or regulations; and who are the beneficiaries of each exemption or rate reduction, specifically including the extent to which the benefits flow to out-of-state concerns. 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

REPORT OF STANDING COMMITTEE

HB 1251, as engrossed: Judiciary Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (4 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1251 was placed on the Sixth order on the calendar.

Page 2, line 12, replace the second "agreement" with "section"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1252: Human Services Committee (Sen. J. Lee, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1252 was placed on the Sixth order on the calendar.

Page 1, line 7, after the period insert "The legislative management may not assign the committee any additional study charge unless the additional charge is directly related to the topic of federal health care reform. The membership of the committee must include at least three members from each of the house of representatives and senate industry, business and labor and human services standing committees, with at least one member from each of the four standing committees representing the minority party."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1304, as engrossed: Human Services Committee (Sen. J. Lee, Chairman) recommends **DO PASS** (5 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1304 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1310, as engrossed: Judiciary Committee (Sen. Nething, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1310 was placed on the Sixth order on the calendar.

Page 1, line 11, after "court" insert "unless the defendant and the prosecuting attorney agree that jurisdiction for the matter should remain with the district court"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1336: Judiciary Committee (Sen. Nething, Chairman) recommends **DO NOT PASS** (5 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1336 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1338, as engrossed: Judiciary Committee (Sen. Nething, Chairman) recommends

AMENDMENTS AS FOLLOWS and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1338 was placed on the Sixth order on the calendar.

Page 2, line 6, replace "The" with "If not otherwise prohibited by law. the"

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1371: Judiciary Committee (Sen. Nething, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1371 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1461: Judiciary Committee (Sen. Nething, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1461 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

HB 1464: Judiciary Committee (Sen. Nething, Chairman) recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1464 was placed on the Fourteenth order on the calendar.

FIRST READING OF HOUSE CONCURRENT RESOLUTION

HCR 3045: A concurrent resolution directing the Legislative Management to study the feasibility and desirability of requiring private or public employers or both to use the federal E-Verify program for new hires.

Was read the first time and referred to the **Government and Veterans Affairs Committee**.

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

William R. Horton, Secretary