

JOURNAL OF THE SENATE

Sixty-third Legislative Assembly

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Bismarck, February 13, 2013

The Senate convened at 1:00 p.m., with President Wrigley presiding.

The prayer was offered by Pastor Tim Johnson, Good Shepherd Lutheran Church, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

MOTION

SEN. KLEIN MOVED that HB 1269 be moved to the top of the calendar, which motion prevailed.

SECOND READING OF HOUSE BILL

HB 1269: A BILL for an Act to provide an appropriation to the state water commission for water projects; and to declare an emergency.

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 43 YEAS, 4 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Unruh; Wanzek; Wardner; Warner

NAYS: Grabinger; Murphy; Nelson; Triplett

Engrossed HB 1269 passed and the emergency clause was declared carried.

CONSIDERATION OF AMENDMENTS

SB 2271: SEN. DEVER (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2241: SEN. J. LEE (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2243: SEN. AXNESS (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2269, as engrossed: SEN. DEVER (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2342: SEN. ANDERSON (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**,

which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2353: SEN. SORVAAG (Political Subdivisions Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2350: SEN. J. LEE (Political Subdivisions Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2244: SEN. DEVER (Human Services Committee) MOVED that the amendments be adopted and then be **REREFERRED** to the **Appropriations Committee** with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2366: SEN. OEHLKE (Finance and Taxation Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2325: SEN. BURCKHARD (Finance and Taxation Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2147: SEN. MURPHY (Industry, Business and Labor Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2304: SEN. SINNER (Industry, Business and Labor Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2256: SEN. AXNESS (Human Services Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2321: SEN. MURPHY (Industry, Business and Labor Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2332: SEN. SCHAIBLE (Education Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2287: SEN. SINNER (Industry, Business and Labor Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SCR 4010: SEN. POOLMAN (Education Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

MOTION

SEN. KLEIN MOVED that after action taken on the Sixth order, SB 2306 be placed on the Eleventh order for second reading and final passage, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SB 2306: SEN. HECKAMAN (Education Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO PASS**, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2306: A BILL for an Act to create and enact a new section to chapter 15.1-19 of the North Dakota Century Code, relating to youth suicide prevention.

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: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed SB 2306 passed.

MOTION

SEN. KLEIN MOVED that SB 2240, which is on the Sixth order, be laid over one legislative day, and that SB 2007, SB 2078, SB 2017, SB 2022, and SB 2021, which are on the Eleventh order, be laid over one legislative day, which motion prevailed.

CONSIDERATION OF AMENDMENTS

SB 2277: SEN. COOK (Finance and Taxation Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed on a voice vote.

CONSIDERATION OF AMENDMENTS

SB 2349: SEN. UNRUH (Industry, Business and Labor Committee) MOVED that the amendments be adopted and then be placed on the Eleventh order with **DO NOT PASS**, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2327: A BILL for an Act to provide an appropriation to the department of emergency services for fire training.

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 6 YEAS, 41 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Dever; Kilzer; Mathern; Schaible; Schneider; Sinner

NAYS: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

SB 2327 failed.

SECOND READING OF SENATE BILL

SB 2098: A BILL for an Act to amend and reenact sections 39-04-36 and 39-04-39.2 of the North Dakota Century Code, relating to the return of vehicle registration fees; 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 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner

NAYS: Erbele; Warner

Engrossed SB 2098 passed.

SECOND READING OF SENATE BILL

SB 2001: A BILL for an Act providing an appropriation for defraying the expenses of the legislative branch of state government; to provide for applications, transfers, and cancellation of unexpended appropriations; to amend and reenact sections 54-03-20 and 54-35-10 of the North Dakota Century Code, relating to legislative compensation; to provide an effective date; and to declare an emergency.

ROLL CALL

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

YEAS: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed SB 2001 passed and the emergency clause was declared carried.

SECOND READING OF SENATE BILL

SB 2315: A BILL for an Act to amend and reenact section 38-08-06.4 of the North Dakota Century Code, relating to flaring.

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 13 YEAS, 34 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Axness; Dotzenrod; Flakoll; Grabinger; Heckaman; Marcellais; Mathern; Nelson; Robinson; Schneider; Sinner; Triplett; Warner

NAYS: Anderson; Andrist; Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Erbele; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Miller; Murphy; O'Connell; Oehlke; Poolman; Schaible; Sitte; Sorvaag; Unruh; Wanzek; Wardner

SB 2315 failed.

SECOND READING OF SENATE BILL

SB 2233: A BILL for an Act to provide a declaration of water policy and goals and objectives for water project development, the Mouse River enhanced flood control project, the Southwest pipeline project, the Garrison diversion unit, and the Fargo-Moorhead

flood control project; to create and enact a new section to chapter 6-09.4 of the North Dakota Century Code, relating to an infrastructure revolving loan fund; to amend and reenact sections 57-51.1-07, 61-24.7-01, 61-24.7-05, and 61-40-06 of the North Dakota Century Code, allocation of moneys in the oil extraction tax development fund, the Red River water supply project, and oversight of the western area water supply project; to repeal sections 61-24.7-02, 61-24.7-03, and 61-24.7-04 of the North Dakota Century Code, relating to funding of the Red River valley water supply project; and to provide a continuing appropriation.

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: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

SB 2233 passed.

SECOND READING OF SENATE BILL

SB 2261: A BILL for an Act to create and enact two new sections to chapter 57-40.6 of the North Dakota Century Code, relating to the creation of a prepaid wireless emergency 911 fee; to amend and reenact section 57-40.6-01, subsection 1 of section 57-40.6-02, sections 57-40.6-03, 57-40.6-08, and 57-40.6-13 of the North Dakota Century Code, relating to prepaid wireless services and limitation of liability for prepaid wireless service providers or sellers; and to provide an effective 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: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

SB 2261 passed.

SECOND READING OF SENATE BILL

SB 2262: A BILL for an Act to amend and reenact sections 57-40.6-01 and 57-40.6-08, subdivision i of subsection 1 of section 57-40.6-10, and section 57-40.6-12 of the North Dakota Century Code, relating to fees for 911 services; to repeal sections 57-40.6-02, 57-40.6-03, 57-40.6-03.1, 57-40.6-04, and 57-40.6-05 of the North Dakota Century Code, relating to fees for 911 services; and to provide an appropriation.

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 20 YEAS, 27 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Andrist; Berry; Burckhard; Carlisle; Cook; Grabinger; Grindberg; Hogue; Kilzer; Krebsbach; Laffen; Lee, G.; Luick; Lyson; Nelson; O'Connell; Sinner; Unruh; Wardner

NAYS: Armstrong; Axness; Bowman; Campbell; Dever; Dotzenrod; Erbele; Flakoll; Heckaman; Holmberg; Klein; Larsen; Lee, J.; Marcellais; Mathern; Miller; Murphy; Oehlke; Poolman; Robinson; Schaible; Schneider; Sitte; Sorvaag; Triplett; Wanzek; Warner

SB 2262 failed.

SECOND READING OF SENATE BILL

SB 2079: A BILL for an Act to create and enact a new section to chapter 54-17 of the North Dakota Century Code, relating to the authority of the housing finance agency.

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: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

SB 2079 passed.

SECOND READING OF SENATE BILL

SB 2242: A BILL for an Act to create and enact a new subsection to section 20.1-01-02 and a new subsection to section 20.1-03-12 of the North Dakota Century Code, relating to disabled veterans and hunting fees; and to amend and reenact subsection 6 of section 20.1-03-12 of the North Dakota Century Code, relating to fishing fees for disabled veterans.

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: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed SB 2242 passed.

SECOND READING OF SENATE BILL

SB 2296: A BILL for an Act to amend and reenact subsections 1 and 2 of section 57-02-08.8 of the North Dakota Century Code, relating to an increase in the amount of valuation covered by the disabled veterans credit; 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 NOT PASS, the roll was called and there were 4 YEAS, 43 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Hogue; Luick; O'Connell; Unruh

NAYS: Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell;

Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Wanzek; Wardner; Warner

Engrossed SB 2296 failed.

MOTION

SEN. KLEIN MOVED that Senate rule 329 be amended, replacing "twenty-seventh legislative day" with "twenty-eighth legislative day", which motion prevailed.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The Senate has passed, and your favorable consideration is requested on: SB 2210, SB 2254, SB 2375.

MOTION

SEN. KLEIN MOVED that the Senate be on the Fourth, Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 1:00 p.m., Thursday, February 14, 2013, which motion prevailed.

REPORT OF STANDING COMMITTEE

SB 2036: 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** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2036 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact section 57-02-08.9 of the North Dakota Century Code, relating to a residential property tax credit;"

Page 1, line 4, after the first semicolon insert "to provide for a legislative management study; to provide for a report by the tax commissioner;"

Page 1, after line 6, insert:

"SECTION 1. Section 57-02-08.9 of the North Dakota Century Code is created and enacted as follows:

57-02-08.9. Residential property tax credit - Certification - Distribution.

1. An individual is entitled to receive a reduction of one thousand one hundred twenty-five dollars or fifty percent, whichever is less, of the taxable valuation of the individual's primary residence as provided in this section. A reduction under this section applies regardless of whether the individual is the head of a family. If an individual is entitled to a reduction in taxable valuation under this section and section 57-02-08.1 or 57-02-08.8, any reduction under this section must be applied first and then any reduction under sections 57-02-08.1 and 57-02-08.8 must be applied. The reduction under this section, alone or in combination with any other reduction allowed by law, may not exceed the taxable valuation of the primary residence.
2. An estate, trust, corporation, or passthrough entity that owns residential property used as part of a farming or ranching operation is entitled to a reduction as provided in subsection 1 if that residential property is occupied as a primary residence, as of the assessment date of the taxable year, by an individual who is a beneficiary of the estate or trust or who holds an ownership interest in the corporation or passthrough entity. Either the occupant or the entity that owns the residence may be the applicant for purposes of this subsection. An estate, trust, corporation, or passthrough entity may not claim a reduction for more than one property under this section.

3. The reduction under this section continues to apply if the individual does not reside in the primary residence if the individual's absence is due to confinement in a nursing home, hospital, or other care facility, for as long as that confinement lasts and the portion of the primary residence previously occupied by the individual is not rented to another individual.
4. Individuals residing together, as spouses or when one or more is a dependent of another, are entitled to only one reduction between or among them under this section. Individuals residing together, who are not spouses or dependents, who are coowners of the property are each entitled to a percentage of a full reduction under this section equal to their ownership interests in the property.
5. To claim the reduction under this section, an applicant must sign and file with the assessor, by March first of the year for which a reduction is claimed, a claim form containing a verified statement of facts establishing the applicant's eligibility as of February first of that year.
6. The assessor shall attach the statement filed under subsection 5 to the assessment sheet and shall show the reduction on the assessment sheet.
7. All forms necessary to effectuate this section must be prescribed, designed, and made available by the tax commissioner. Claim forms must include the full name, address, and social security or taxpayer identification number of the applicant, and any other information prescribed by the tax commissioner. The tax commissioner shall include on claim forms a statement to the effect that the applicant, by signing, declares the application to be true, correct, and complete and subject to the penalties under section 12.1-11-02 for making a false statement in a governmental matter. The county director of tax equalization shall make these forms available to applicants upon request.
8. A social security or taxpayer identification number contained in any form under this section is confidential and may be disclosed only to county officers, the tax commissioner, or a court and only for purposes of administering this section. A county officer, the tax commissioner, or a court in possession of a form or other document under this section shall delete or obscure any social security or taxpayer identification number on any copy of the form or other document released to the public.
9. A reduction under this section terminates at the end of the taxable year for which the application was approved. A reduction under this section is effective for the entire taxable year for which the application was approved, without regard to any change of ownership of the residence which occurs after the assessment date.
10. If any applicant is found to have claimed a reduction under this section for more than one primary residence for the same taxable year, all reductions under this section for that applicant for that taxable year and the ensuing two taxable years must be canceled. If an applicant received a reduction that is canceled under this section, the auditor of the county in which such property is located shall enter the amount of the canceled reduction as omitted property on the assessment roll of property that has escaped taxation.
11. Determinations concerning eligibility for a reduction under this section may be appealed through the informal equalization process and formal abatement process.
12. This section does not reduce the liability of any individual for special assessments levied upon any property.
13. For the purposes of this section:

- a. "Dependent" has the same meaning it has for federal income tax purposes.
 - b. "Owned" means the applicant holds a present ownership interest, including ownership in fee simple, holding a present life estate or other terminable present ownership interest, or being a purchaser under a contract for deed, but does not include a mere right of occupancy or a tenancy under a lease.
 - c. "Primary residence", for purposes of a residential property taxable valuation reduction under this section, means a dwelling in this state owned and occupied by the applicant as that applicant's primary residence as of the assessment date of the taxable year and which is not exempt from property taxes as a farm residence.
14. Before April first of each year, the county auditor of each county shall certify to the tax commissioner, on forms prescribed by the tax commissioner, the full name, address, and social security or taxpayer identification number of each individual or entity for whom the reduction under this section was allowed for the preceding year, the legal description of the property, the taxable value of the property, the dollar amount of each reduction in taxable value allowed, and the total of the tax mill rates for the preceding year of all taxing districts in which the property was contained, exclusive of any state mill rates, and any other information prescribed by the tax commissioner.
 15. By June first of each year, the tax commissioner shall review the certifications under subsection 14, make any required corrections, and certify to the state treasurer for payment to each county the sum of the amounts computed by multiplying the reduction allowed for each qualifying primary residence in the county for the preceding year by the total of the tax mill rates for the preceding year of all taxing districts in which the property was contained. In reviewing certifications, the tax commissioner may refer to any income tax return information or other information available to the tax commissioner.
 16. Upon receipt of the payment from the state treasurer, the county treasurer shall apportion and distribute it without delay to the county and to the taxing districts of the county on the same basis the general real estate tax for the preceding year is apportioned and distributed.
 17. The tax commissioner shall certify annually to the state treasurer for deposit in the state medical center fund the amount computed by multiplying one mill times the reduction allowed under this section for the preceding year for all primary residences in the state.
 18. Supplemental certifications by the county auditor and the tax commissioner and supplemental payments by the state treasurer may be made after the dates prescribed in this section to make any corrections necessary because of errors or approval of any application for equalization or abatement filed by an individual or entity because all or part of the reduction under this section was not allowed."

Page 3, after line 5, insert:

"SECTION 6. LEGISLATIVE MANAGEMENT STUDY - PROPERTY TAX ELIMINATION. The legislative management shall designate a committee during the 2013-14 interim to study the feasibility and desirability of eliminating property taxes and providing replacement revenue for political subdivisions through alternative sources. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

SECTION 7. TAX COMMISSIONER REPORT ON ASSESSOR COMPLIANCE RULES. Before January 1, 2014, the tax commissioner shall report to the legislative

management on the development of rules for detailed and efficient administration of section 57-01-05 regarding supervision of assessment officials."

Page 3, line 6, replace "is" with "becomes"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2074: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2074 was placed on the Sixth order on the calendar.

Page 1, line 7, replace "involved" with "retained"

Page 1, line 8, remove the overstrike over "retained"

Page 1, line 8, remove "involved"

Page 1, line 8, remove the overstrike over "thousand"

Page 1, line 8, remove "hundred"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2123: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO NOT PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2123 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2171: 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** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2171 was placed on the Sixth order on the calendar.

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

Page 1, line 1, remove "and 5"

Page 1, line 5, replace "Subsections" with "Subsection"

Page 1, line 5, remove "and 5"

Page 1, line 6, replace "are" with "is"

Page 1, line 17, overstrike "eighteen" and insert immediately thereafter "twenty-six"

Page 1, line 21, overstrike "eighteen" and insert immediately thereafter "twenty-six"

Page 1, line 22, replace "twenty-six" with "thirty"

Page 2, line 1, replace "twenty-six" with "thirty"

Page 2, line 7, replace "forty-two" with "thirty-eight"

Page 2, line 11, replace "forty-two" with "thirty-eight"

Page 2, line 12, replace "fifty" with "forty-two"

Page 2, line 24, remove the overstrike over "A person is ineligible for the exemption under ~~this subsection if the value of the~~"

Page 2, remove the overstrike over lines 25 and 26

Page 2, line 27, remove the overstrike over "~~homestead, exceeds~~" and insert immediately thereafter "two hundred"

Page 2, line 27, remove the overstrike over "~~seventy-five thousand dollars, including the value of any~~"

Page 2, line 28, remove the overstrike over "~~assets divested within the last three years.~~"

Page 3, line 1, remove the overstrike over "h."

Page 3, line 3, remove the overstrike over "i."

Page 3, line 3, remove "h."

Page 3, remove lines 5 through 24

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2194: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2194 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2198: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2198 was placed on the Sixth order on the calendar.

Page 2, line 14, after "29-27-07" insert "or is serving a term of imprisonment in a county jail or regional corrections center"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2214: Appropriations Committee (Sen. Holmberg, Chairman) recommends **DO PASS** (10 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SB 2214 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2219: Natural Resources Committee (Sen. Lyson, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2219 was rereferred to the **Appropriations Committee**.

REPORT OF STANDING COMMITTEE

SB 2225: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2225 was placed on the Sixth order on the calendar.

Page 1, line 14, overstrike "licensed by recognized denominations pursuant to chapter 10-33"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2228: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO NOT PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2228 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2230: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO NOT PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2230 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2252: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2252 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 1-08 of the North Dakota Century Code, relating to a state policy on discrimination on the basis of sexual orientation; and to amend and reenact subsection 1 of section 14-02.4-02 and section 14-02.4-20 of the North Dakota Century Code, relating to the definition of age and to the relief for discriminatory practices.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 1-08 of the North Dakota Century Code is created and enacted as follows:

State policy - Discrimination based on sexual orientation.

It is the policy of the state of North Dakota that this state does not condone discrimination on the basis of sexual orientation. Sexual orientation means actual heterosexuality, bisexuality, or homosexuality. This section does not:

1. Create a right to a cause of action for damages for a claim of discrimination on the basis of sexual orientation;
2. Create any rights or protections with respect to discrimination on the basis of sexual orientation; or
3. Amend or change state personnel policies, contracting policies, or other law or policy related to state action.

SECTION 2. AMENDMENT. Subsection 1 of section 14-02.4-02 of the North Dakota Century Code is amended and reenacted as follows:

1. "Age" insofar as it refers to any prohibited unfair employment or other practice means at least ~~forty~~forty-five years of age.

SECTION 3. AMENDMENT. Section 14-02.4-20 of the North Dakota Century Code is amended and reenacted as follows:

14-02.4-20. Relief.

If the department, as the result of an administrative hearing, or the court determines that the respondent has engaged in or is engaging in a discriminatory practice, the department or the court may enjoin the respondent from engaging in the unlawful practice and order temporary or permanent injunctions, equitable relief, and backpay limited to no more than ~~two years~~one year from the date a minimally sufficient complaint was filed with the department or the court. Neither the department nor an administrative hearing officer may order compensatory or punitive damages under this chapter. Interim earnings or amounts earnable with reasonable diligence by the person discriminated against reduce the backpay otherwise allowable. In any action or proceeding under this chapter, the court may grant the prevailing party a reasonable attorney's fee as part of the costs. If the court finds that the complainant's allegation of a discriminatory practice is false and not made in good faith, the court shall order the complainant to pay court costs and reasonable attorney's fees incurred by the respondent in responding to the allegation."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2272: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2272 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2288: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2288 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2289: Industry, Business and Labor Committee (Sen. Klein, Chairman) recommends **DO NOT PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2289 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2290: 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** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2290 was placed on the Sixth order on the calendar.

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

Page 1, line 1, remove "and 57-38-01.34 and a new"

Page 1, line 2, remove "subdivision to subsection 7 of section 57-38-30.3"

Page 1, line 3, remove ", renter's income tax"

Page 1, line 4, remove "credit, or agricultural property tax credit"

Page 1, line 8, remove "**- Agricultural property tax credit**"

Page 1, line 10, replace "four" with "one"

Page 1, line 10, replace "five" with "one"

Page 1, line 10, after "hundred" insert "twenty-five"

Page 1, line 10, after "dollars" insert "or fifty percent, whichever is less."

Page 1, line 14, after "reduction" insert "under this section must be applied first and then any reduction"

Page 1, line 15, remove "first and then the reduction under this section must be"

Page 1, line 16, remove "applied"

Page 2, line 1, remove "and the definition of primary residence under"

Page 2, line 2, remove "subsection 13"

Page 3, line 24, remove "(1)"

Page 3, remove lines 29 through 31

Page 4, remove lines 1 and 2

Page 5, remove lines 1 through 31

Page 6, remove lines 1 through 5

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2310: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2310 was placed on the Eleventh order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2319: Judiciary Committee (Sen. Hogue, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2319 was placed on the Sixth order on the calendar.

Page 1, line 2, after "paraphernalia" insert "; and to provide a penalty"

Page 1, after line 6, insert:

"1."

Page 1, line 8, overstrike "manufacture,"

Page 1, after line 14, insert:

"2. A person may not use or possess with the intent to use drug paraphernalia to manufacture a controlled substance in violation of chapter 19-03.1. A person violating this subsection is guilty of a class C felony."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2323: Judiciary Committee (Sen. Hogue, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). SB 2323 was rereferred to the **Appropriations Committee**.

REPORT OF STANDING COMMITTEE

SB 2329: Education Committee (Sen. Flakoll, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2329 was placed on the Sixth order on the calendar.

Page 2, line 4, after "notification" insert "and necessary documentation"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2330: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2330 was rereferred to the **Appropriations Committee**.

REPORT OF STANDING COMMITTEE

SB 2358: 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** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). SB 2358 was placed on the Sixth order on the calendar.

Page 1, line 1, after "reenact" insert "subsection 2 of section 11-09.1-05, subsection 16 of section 40-05.1-06,"

Page 1, line 2, after "to" insert "a limitation on the rate of sales, use, and gross receipts taxes imposed by a city or county under home rule authority and"

Page 1, after line 5, insert:

"SECTION 1. AMENDMENT. Subsection 2 of section 11-09.1-05 of the North Dakota Century Code is amended and reenacted as follows:

2. Control its finances and fiscal affairs; appropriate money for its purposes, and make payments of its debts and expenses; subject to the limitations of this section levy and collect property taxes, sales and use taxes, farm

machinery gross receipts taxes, alcoholic beverage gross receipts taxes, motor vehicle fuels and special fuels taxes, motor vehicle registration fees, and special assessments for benefits conferred, for its public and proprietary functions, activities, operations, undertakings, and improvements; contract debts, borrow money, issue bonds, warrants, and other evidences of indebtedness; establish charges for any county or other services to the extent authorized by state law; and establish debt and mill levy limitations. Notwithstanding any authority granted under this chapter, all property must be assessed in a uniform manner as prescribed by the state board of equalization and the state supervisor of assessments and all taxable property must be taxed by the county at the same rate unless otherwise provided by law. A charter or ordinance or act of a governing body of a home rule county may not supersede any state law that determines what property or acts are subject to, or exempt from, ad valorem taxes. A charter or ordinance or act of the governing body of a home rule county may not supersede section 11-11-55.1 relating to the sixty percent petition requirement for improvements and of section 40-22-18 relating to the barring proceeding for improvement projects. After ~~December 31, 2005~~ June 30, 2013, sales and use taxes, farm machinery gross receipts taxes, and alcoholic beverage gross receipts taxes levied under this chapter:

- a. Must conform in all respects with regard to the taxable or exempt status of items under chapters 57-39.2, 57-39.5, 57-39.6, and 57-40.2 and may not be imposed at multiple rates with the exception of sales of fuel used to power motor vehicles, aircraft, locomotives, or watercraft, or to electricity, piped natural or artificial gas, or other fuels delivered by the seller or the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.
- b. May not be newly imposed or changed except to be effective on the first day of a calendar quarterly period after a minimum of ninety days' notice to the tax commissioner or, for purchases from printed catalogs, on the first day of a calendar quarter after a minimum of one hundred twenty days' notice to the seller.
- c. May not be limited to apply to less than the full value of the transaction or item as determined for state sales and use tax, except for farm machinery gross receipts tax purposes.
- d. Must be subject to collection by the tax commissioner under an agreement under section 57-01-02.1 and must be administered by the tax commissioner in accordance with the relevant provisions of chapter 57-39.2, including reporting and paying requirements, correction of errors, payment of refunds, and application of penalty and interest.
- e. May not be placed on the ballot for approval of a tax to be imposed after June 30, 2013, at a rate that, in combination with the rate of tax to be imposed by a city, would make the consolidated rate of county and city taxes more than two percent in any part of the county.

After December 31, 2005, any portion of a charter or any portion of an ordinance or act of a governing body of a home rule county passed pursuant to a charter which does not conform to the requirements of this subsection is invalid to the extent that it does not conform. The invalidity of a portion of a charter or ordinance or act of a governing body of a home rule county because it does not conform to this subsection does not affect the validity of any other portion of the charter or ordinance or act of a governing body of a home rule county or the eligibility for a refund under section 57-01-02.1. Any taxes imposed under this chapter on farm machinery, farm irrigation equipment, and farm machinery repair parts used exclusively for agricultural purposes, or on alcoholic beverages,

which were in effect on December 31, 2005, become gross receipts taxes after December 31, 2005.

SECTION 2. AMENDMENT. Subsection 16 of section 40-05.1-06 of the North Dakota Century Code is amended and reenacted as follows:

16. To impose registration fees on motor vehicles, farm machinery gross receipts taxes, alcoholic beverage gross receipts taxes, or sales and use taxes in addition to any other taxes imposed by law. After ~~December 31, 2005~~ June 30, 2013, sales and use taxes and gross receipts taxes levied under this chapter:
 - a. Must conform in all respects with regard to the taxable or exempt status of items under chapters 57-39.2, 57-39.5, 57-39.6, and 57-40.2 and may not be imposed at multiple rates with the exception of sales of fuel used to power motor vehicles, aircraft, locomotives, or watercraft, or to electricity, piped natural or artificial gas, or other fuels delivered by the seller or the retail sale or transfer of motor vehicles, aircraft, watercraft, modular homes, manufactured homes, or mobile homes.
 - b. May not be newly imposed or changed except to be effective on the first day of a calendar quarterly period after a minimum of ninety days' notice to the tax commissioner or, for purchases from printed catalogs, on the first day of a calendar quarter after a minimum of one hundred twenty days' notice to the seller.
 - c. May not be limited to apply to less than the full value of the transaction or item as determined for state sales and use tax purposes, except for farm machinery gross receipts tax.
 - d. Must be subject to collection by the tax commissioner under an agreement under section 57-01-02.1 and must be administered by the tax commissioner in accordance with the relevant provisions of chapter 57-39.2, including reporting and paying requirements, correction of errors, payment of refunds, and application of penalty and interest.
 - e. May not be placed on the ballot for approval of a tax to be imposed after June 30, 2013, at a rate that, in combination with the rate of tax to be imposed by the county, would make the consolidated rates of county and city taxes more than two percent in any part of the county."

Page 4, line 1, replace "This" with "Sections 3, 4, and 5 of this"

Page 4, line 1, replace "is" with "are"

Page 4, line 2, replace "June" with "September"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2370: 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** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2370 was placed on the Sixth order on the calendar.

Page 1, line 10, after "three-inch" insert "[7.62-centimeter]"

Page 1, line 10, replace "larger" with "smaller, or having a pressure of twenty-five pounds per square inch [1.75 per kilograms per square centimeter] or less"

Page 1, line 16, replace "transmission line" with "gathering pipeline"

Page 1, line 17, replace "transmission line" with "gathering pipeline"

Page 2, line 4, after "liquid" insert "or dense phase fluid"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SCR 4013: Education Committee (Sen. Flakoll, Chairman) recommends **DO PASS**
(6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SCR 4013 was placed on the
Eleventh order on the calendar.

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

William R. Horton, Secretary

