

## JOURNAL OF THE HOUSE

### Sixty-third Legislative Assembly

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**Bismarck, April 16, 2013**

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

The prayer was offered by Reverend LaRue Goetz, Revival Prayer Fellowship, Bismarck.

The roll was called and all members were present except Representative Kreun.

A quorum was declared by the Speaker.

#### SECOND READING OF SENATE BILL

**SB 2255:** A BILL for an Act to amend and reenact section 16.1-08.1-01 and subsection 2 of section 16.1-08.1-03.3 of the North Dakota Century Code, relating to campaign contributions.

#### 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 88 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boehning; Boschee; Brabandt; Brandenburg; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Wall; Weisz; Wieland; Williams; Zaiser

**NAYS:** Boe; Carlson; Larson; Vigesaa; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

SB 2255 passed.

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#### CONSIDERATION OF MESSAGE FROM THE SENATE

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1025 as printed on HJ pages 1227-1229 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

#### APPOINTMENT OF CONFERENCE COMMITTEE

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1025: Reps. Kretschmar, Klemin, Delmore.

#### CONSIDERATION OF MESSAGE FROM THE SENATE

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1033 as printed on HJ page 1396 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

#### APPOINTMENT OF CONFERENCE COMMITTEE

**THE SPEAKER APPOINTED** as a Conference Committee on Reengrossed HB 1033: Reps. Kempenich, Porter, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1041 as printed on HJ pages 1396-1397 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1041: Reps. Weisz, Wieland, Holman.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to HB 1136 as printed on HJ pages 1397-1422 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1136: Reps. Klemin, Kretschmar, Hanson.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1205 as printed on HJ page 1423 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1205: Reps. Vigesaa, Frantsvog, Delmore.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1289 as printed on HJ page 1150 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Reengrossed HB 1289: Reps. Brandenburg, Grande, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1306 as printed on HJ page 1424 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Reengrossed HB 1306: Reps. Bellew, Boehning, Amerman.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**REP. VIGESAA MOVED** that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on SB 2219, which motion prevailed.

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

**SB 2219:** Reps. Wieland, Bellew, Holman

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. KASPER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1202 as printed on HJ pages 1113-1114, which motion prevailed on a voice vote.

Engrossed HB 1202, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1202:** A BILL for an Act to amend and reenact section 54-59-08 of the North Dakota Century Code, relating to use of wide area network services.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1202 passed.

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**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. KASPER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1219 as printed on HJ page 1058, which motion prevailed on a voice vote.

Engrossed HB 1219, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1219:** A BILL for an Act to amend and reenact section 15-10-18.3 of the North Dakota Century Code, relating to tuition for dependents of disabled veterans.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1219 passed.

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**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. KASPER MOVED** that the House do concur in the Senate amendments to Reengrossed HB 1368 as printed on HJ page 1151, which motion prevailed on a voice vote.

Reengrossed HB 1368, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1368:** A BILL for an Act to amend and reenact section 44-08-04 of the North Dakota Century Code, relating to travel expenses for state employees.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 1 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Nelson, M.

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1368 passed.

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**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. BELTER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1410 as printed on HJ page 1360, which motion prevailed on a voice vote.

Engrossed HB 1410, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1410:** A BILL for an Act to create and enact a new section to chapter 57-39.2, a new subsection to section 57-39.2-04, and a new subsection to section 57-40.2-04 of the North Dakota Century Code, relating to sales and use tax exemptions for materials used to construct a processing facility to produce liquefied natural gas and for liquified natural gas used for agricultural, industrial, or railroad purposes; to amend and reenact subsection 4 of section 57-40.2-03.3 and section 57-43.2-02.3 of the North Dakota Century Code, relating to exemption from special fuels taxes for liquified natural gas used for agricultural, industrial, or railroad purposes and materials used to liquify natural gas; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1410 passed.

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**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. BELTER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1167 as printed on HJ page 1463, which motion prevailed on a voice vote.

Engrossed HB 1167, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1167:** A BILL for an Act to create and enact a new section to chapter 21-10 of the North Dakota Century Code, relating to the definition of earnings of the legacy fund.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovda; Fehr; Frantsvog; Froseth; Glassheim; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigasaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1167 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. N. JOHNSON MOVED** that the conference committee report on HB 1157 as printed on HJ page 1383 be adopted, which motion prevailed on a voice vote.

HB 1157, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1157:** A BILL for an Act to amend and reenact section 24-05-04 of the North Dakota Century Code, relating to county road machinery.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 4 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Dockter; Dosch; Drovda; Fehr; Frantsvog; Froseth; Glassheim; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Strinden; Sukut; Thoreson; Toman; Trottier; Vigasaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Delzer; Grande; Keiser; Streyle

**ABSENT AND NOT VOTING:** Kreun

Engrossed HB 1157 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. RUBY MOVED** that the conference committee report on Engrossed HCR 3016 as printed on HJ page 1383 be adopted, which motion prevailed on a voice vote.

Engrossed HCR 3016, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3016:** A concurrent resolution directing the Legislative Management to study the use of natural gas as fuel in motor vehicles.

**ROLL CALL**

The question being on the final adoption of the amended resolution, which has been read. The roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyson; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HCR 3016 was declared adopted on a recorded roll call vote.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. KEISER MOVED** that the conference committee report on HB 1080 as printed on HJ page 1383 be adopted, which motion prevailed on a voice vote.

HB 1080, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1080:** A BILL for an Act to amend and reenact subsection 31 of section 65-01-02, sections 65-02-06.1, 65-02-09, and 65-05-05, subsection 2 of section 65-05-08, subsection 11 of section 65-05-12.2, subsection 3 of section 65-05.1-01, subdivision a of subsection 6 of section 65-05.1-01, subsection 7 of section 65-05.1-02, section 65-05.1-02.1, subsection 1 of section 65-05.1-03, subsections 3, 4, 5, and 6 of section 65-05.1-04, subsection 1 of section 65-05.1-06.1, subdivision f of subsection 2 of section 65-05.1-06.1, subsection 3 of section 65-05.1-06.1, and sections 65-05.1-06.2 and 65-05.1-07 of the North Dakota Century Code, relating to definition of wages and federal wages for national guard employees, biennial report requirements, out-of-state claim filing, discontinuation of benefits during incarceration, permanent partial impairment law for amputations, vocational consultants, and claimants; and to provide for application.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 90 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning;

Larson; Looyesen; Louser; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Glassheim; Maragos; Silbernagel

**ABSENT AND NOT VOTING:** Kreun

Engrossed HB 1080 passed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. KEISER MOVED** that the conference committee report on HB 1163 as printed on HJ page 1383 be adopted, which motion prevailed on a voice vote.

HB 1163, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF HOUSE BILL

**HB 1163:** A BILL for an Act to amend and reenact paragraph 7 of subdivision b of subsection 10 of section 65-01-02 of the North Dakota Century Code, relating to workers' compensation definitions of compensable injury; and to provide for application.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 65 YEAS, 28 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Becker; Bellew; Belter; Boehning; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Dockter; Dosch; Fehr; Frantsvog; Froseth; Grande; Hatlestad; Headland; Heilman; Heller; Hofstad; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Larson; Looyesen; Louser; Martinson; Meier; Monson; Nathe; Nelson, J.; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Speaker Devlin

**NAYS:** Amerman; Beadle; Boe; Boschee; Delmore; Drovdal; Glassheim; Gruchalla; Guggisberg; Haak; Hanson; Hawken; Hogan; Holman; Hunskor; Kelsh, J.; Kelsh, S.; Kretschmar; Maragos; Mock; Mooney; Muscha; Nelson, M.; Onstad; Oversen; Strinden; Williams; Zaiser

**ABSENT AND NOT VOTING:** Kreun

Engrossed HB 1163 passed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. KEISER MOVED** that the conference committee report on Engrossed HB 1251 as printed on HJ page 1383 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1251, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF HOUSE BILL

**HB 1251:** A BILL for an Act to amend and reenact sections 35-13-01 and 35-13-04 of the North Dakota Century Code, relating to repairman's liens.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 90 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemmin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Brabandt; Meier; Rohr

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1251 passed.

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

**REP. D. JOHNSON MOVED** that the conference committee report on Engrossed HB 1227 as printed on HJ page 1521 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1227, as amended, was placed on the Eleventh order of business.

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

**HB 1227:** A BILL for an Act to create and enact section 19-20.1-17.1 of the North Dakota Century Code, relating to the imposition of civil penalties; to amend and reenact sections 19-20.1-02, 19-20.1-03, 19-20.1-03.1, 19-20.1-03.4, 19-20.1-04, 19-20.1-06, 19-20.1-08, 19-20.1-10, 19-20.1-11, 19-20.1-12, 19-20.1-13, 19-20.1-14, 19-20.1-15, 19-20.1-16, 19-20.1-17, and 19-20.1-18 of the North Dakota Century Code, relating to fertilizers, fertilizer materials, micronutrients, specialty fertilizers, soil amendments, and plant amendments; to repeal sections 19-20.1-01, 19-20.1-03.3, 19-20.1-05.1, 19-20.1-07, and 19-20.2-11 of the North Dakota Century Code, relating to the agriculture commissioner, protected information, rulemaking, and storage and fees; and to provide a penalty.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 88 YEAS, 5 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemmin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Boe; Delzer; Nelson, J.; Ruby; Weisz

**ABSENT AND NOT VOTING:** Kreun

Reengrossed HB 1227 passed.

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

**REP. WEISZ MOVED** that the conference committee report on Engrossed SB 2087 as printed on HJ page 1521 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. K. KOPPELMAN MOVED** that the conference committee report on Engrossed SB 2113 as printed on HJ page 1521 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. BELTER MOVED** that the conference committee report on SB 2114 as printed on HJ page 1522 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. BELTER MOVED** that the conference committee report on SB 2207 as printed on HJ page 1522 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. N. JOHNSON MOVED** that the conference committee report on Engrossed SB 2352 as printed on HJ page 1522 be adopted, which motion prevailed on a voice vote.

**ANNOUNCEMENT**

**SPEAKER DEVLIN ANNOUNCED** that the House would stand in recess until 12:30 p.m.

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

**CORRECTION AND REVISION OF THE JOURNAL**

**MR. SPEAKER:** Your **Committee on Correction and Revision of the Journal (Rep. Kretschmar, Chairman)** has carefully examined the Journal of the Sixty-third and Sixty-fifth Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1296, line 16, after "has" insert "amended and subsequently"

Page 1296, line 16, remove ", unchanged"

Page 1393, line 45, remove the comma

Page 1393, line 46, remove "which motion prevailed"

Page 1394, line 2, replace "1343" with "1373"

Page 1394, line 15, replace "Delmore" with "Hunskor"

Page 1463, line 5, replace "Rohr" with "Ruby"

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

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1002 as printed on HJ pages 1039-1041 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1002: Reps. Grande, Martinson, Williams.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1003 as printed on HJ pages 1511-1515 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1003: Reps. Brandenburg, Kempenich, Glassheim.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to

Engrossed HB 1004 as printed on HJ pages 1505-1506 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1004: Reps. Brandenburg, Thoreson, Guggisberg.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1006 as printed on HJ pages 1508-1510 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1006: Reps. Brandenburg, Kempenich, Glassheim.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1008 as printed on HJ pages 1203-1206 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1008: Reps. Streyle, Dosch, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1009 as printed on HJ pages 1296-1299 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1009: Reps. Monson, Skarphol, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1014 as printed on HJ page 1041 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1014: Reps. J. Nelson, Kreidt, Holman.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1018 as printed on HJ pages 1340-1343 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1018: Reps. Streyle, Grande, Williams.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1019 as printed on HJ pages 1454-1457 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Reengrossed HB 1019:  
Reps. Dosch, Monson, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1022 as printed on HJ pages 1394-1396 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1022:  
Reps. Kempenich, Sanford, Glassheim.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1170 as printed on HJ pages 1309-1310 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1170:  
Reps. Damschen, Fehr, Oversen.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1198 as printed on HJ pages 1506-1508 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Reengrossed HB 1198:  
Reps. Belter, Headland, S. Kelsh.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1099 as printed on HJ page 1397 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1099:  
Reps. Kempenich, Dosch, Guggisberg.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to HB 1128 as printed on HJ page 1249 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on HB 1128:  
Reps. K. Koppelman, Brabandt, Toman.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1138 as printed on HJ pages 1224-1225 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1138:  
Reps. K. Koppelman, Boehning, Karls.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to

Engrossed HB 1300 as printed on HJ pages 1301-1302 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1300: Reps. Hatlestad, Froseth, Haak.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1412 as printed on HJ pages 1230-1231 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HB 1412: Reps. Larson, Steiner, Delmore.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HCR 3011 as printed on HJ pages 1232-1233 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HCR 3011: Reps. Paur, Klemin, Maragos.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HCR 3034 as printed on HJ page 1360 and that a conference committee be appointed to meet with a like committee from the Senate, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE SPEAKER APPOINTED** as a Conference Committee on Engrossed HCR 3034: Reps. Maragos, Karls, Toman.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**REP. VIGESAA MOVED** that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on SB 2005, Engrossed SB 2006, Reengrossed SB 2007, Engrossed SB 2008, Engrossed SB 2009, SB 2010, SB 2011, SB 2016, Engrossed SB 2017, Engrossed SB 2019, Reengrossed SB 2021, Engrossed SB 2022, SB 2023, Engrossed SB 2024, SB 2354, and Reengrossed SB 2369, which motion prevailed.

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

**SB 2005:** Reps. J. Nelson, Kreidt, Holman

**Engrossed SB 2006:** Reps. Kempenich, Sanford, Glassheim

**Reengrossed SB 2007:** Reps. Kreidt, J. Nelson, Holman

**Engrossed SB 2008:** Reps. Hawken, Thoreson, Guggisberg

**Engrossed SB 2009:** Reps. Dosch, Grande, Boe

**SB 2010:** Reps. Kreidt, J. Nelson, Holman

**SB 2011:** Reps. Kempenich, Brandenburg, Guggisberg

**SB 2016:** Reps. Dosch, Martinson, Boe

**Engrossed SB 2017:** Reps. Kreidt, Wieland, Holman

**Engrossed SB 2019:** Reps. Streyle, Martinson, Williams

**Reengrossed SB 2021:** Reps. Thoreson, Sanford, Glassheim

**Engrossed SB 2022:** Reps. Sanford, Hawken, Guggisberg

**SB 2023:** Reps. Sanford, Thoreson, Guggisberg

**Engrossed SB 2024:** Reps. J. Nelson, Pollert, Holman

**SB 2354:** Reps. Hofstad, Fehr, Mooney

**Reengrossed SB 2369:** Reps. Kasper, Boehning, Zaiser

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. DELZER MOVED** that the House do concur in the Senate amendments to Engrossed HB 1023 as printed on HJ pages 1151-1152, which motion prevailed on a voice vote.

Engrossed HB 1023, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1023:** A BILL for an Act to provide an appropriation for defraying the expenses of various state departments and institutions; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 94 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Kreun; Laning; Larson; Looysen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

Reengrossed HB 1023 passed and the emergency clause was declared carried.

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**POINT OF PERSONAL PRIVILEGE**

**REP. BEADLE** rose on a point of personal privilege.

**REMARKS OF REPRESENTATIVE BEADLE**

**MR. SPEAKER AND MEMBERS OF THE ASSEMBLY:** As many of you know I coached debate for six years after competing in it for many years prior to that. I, and my students, had the opportunity to represent the State of North Dakota at both state and national level competitions. However, what 3 students from Shanley High School accomplished over this past weekend is truly unprecedented in North Dakota. These students won the International Public Policy Forum international championship.

Founded in 2001, the Bickel & Brewer/New York University International Public Policy Forum. (IPPF) is the only contest that gives high school students around the globe the opportunity to engage in written and oral debates on issues of public policy. This program is available to all public and private high schools for free, and is considered one of the premier academic competitions in the world. 216 schools from 36 states and 30 countries entered the competition in October, with the top 8 teams competing this past weekend in New York City. There, Shanley's team of Chase Johnson, a senior, and twin brothers Seb and Tom Startz, juniors, defeated Hamilton High School of Chandler, Arizona to claim the international title. These students were coached by Dr. Robert Littlefield and Brett Johnson.

Chase Johnson and his Speech Coach Brian Geffre are here today. While these students have already won an international competition, they aren't done. All three of them are competing today in the qualifying tournament to represent their state in the National Forensics League's national tournament. Chase Johnson is competing in US Extemporaneous Speaking and is able to join us today during his lunch break, while Seb and Tom Startz are competing in International Extemporaneous Speaking and are in Mandan right now preparing for their next round of competition.

Members of the assembly, it is my belief that nothing prepares students for college, or beyond, better than debate. These students should be proud of how they represented the state of North Dakota, they should be proud of how they represented Shanley High School, and they should be proud of how they represented themselves in this competition. I ask that this assembly congratulates them on their achievement as it is truly a great accomplishment for them, and for the state of North Dakota.

Thank you Mr. Speaker.

#### REQUEST

**REP. VIGESAA REQUESTED** that the remarks of Rep. Beadle be printed in the Journal, which request was granted.

#### SIXTH ORDER OF BUSINESS

**SPEAKER DEVLIN DEEMED** approval of the amendments to Engrossed SB 2015.

Engrossed SB 2015, as amended, was placed on the Fourteenth order of business on the calendar.

#### SECOND READING OF SENATE BILL

**SB 2015:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide for refusal of admission of inmates; to provide for a legislative management study; to provide for a report to legislative management; to provide for a transfer; to provide an exemption; and to amend and reenact subsection 2 of section 12.1-32-07 of the North Dakota Century Code, relating to supervision fees.

#### 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 69 YEAS, 25 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Beadle; Bellew; Belter; Boehning; Boschee; Brandenburg; Carlson; Damschen; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Grande; Gruchalla; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Kreun; Larson; Looysen; Louser; Maragos; Martinson; Meier; Nathe; Nelson, J.; Owens; Paur; Pollert; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trottier; Vigesaa; Wall; Weisz; Wieland; Williams; Speaker Devlin

**NAYS:** Amerman; Becker; Boe; Brabandt; Delmore; Glassheim; Guggisberg; Hogan; Holman; Hunskor; Kelsh, J.; Kelsh, S.; Laning; Mock; Monson; Mooney; Muscha; Nelson, M.; Onstad; Oversen; Porter; Rohr; Strinden; Toman; Zaiser

Engrossed SB 2015, as amended, passed.

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#### SIXTH ORDER OF BUSINESS

**SB 2242, as engrossed: REP. SILBERNAGEL (Energy and Natural Resources Committee) MOVED** that the amendments on HJ page 1497 be adopted and then be placed on the Fourteenth order with **DO PASS**.

#### REQUEST

**REP. MOCK REQUESTED** that the House divide the amendments to Engrossed SB 2242, as amended, which request was granted.

**DIVISION A:** Section 3 of the amendments

**DIVISION B:** The remainder of the amendments

#### REQUEST

**REP. S. KELSH REQUESTED** a recorded roll call vote on Division A of the proposed amendments to Engrossed SB 2242, as amended, which request was granted.

#### ROLL CALL

The question being the adoption of Division A of the proposed amendments to Engrossed SB 2242, as amended, the roll was called and there were 68 YEAS, 26 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Becker; Bellew; Belter; Boe; Boehning; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Grande; Hatlestad; Hawken; Headland; Heller; Hofstad; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Kreun; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Monson; Nathe; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Sukut; Thoreson; Trotter; Vigasaa; Wall; Weisz; Wieland; Speaker Devlin

**NAYS:** Amerman; Beadle; Boschee; Delmore; Glassheim; Gruchalla; Guggisberg; Haak; Hanson; Heilman; Hogan; Holman; Hunskor; Kelsh, J.; Kelsh, S.; Mock; Mooney; Muscha; Nelson, J.; Nelson, M.; Onstad; Oversen; Strinden; Toman; Williams; Zaiser

Division A of the proposed amendments to Engrossed SB 2242, as amended, was adopted on a recorded roll call vote.

The question being the adoption of Division B of the proposed amendments to Engrossed SB 2242, as amended, the motion passed on a voice vote.

Division B of the proposed amendments to Engrossed SB 2242, as amended, was adopted on a voice vote.

Therefore, the question being on the motion to adopt the amendments to Engrossed SB 2242, which includes Division A and Division B, the proposed amendments were adopted on a voice vote.

#### **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 1 of section 54-17.8-06 of the North Dakota Century Code as created by House Bill No. 1278, as approved by the sixty-third legislative assembly, relating to the members of the North Dakota outdoor heritage advisory board.

#### **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 94 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Becker; Bellew; Belter; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Dockter; Dosch; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Heilman; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Kreun; Laning; Larson; Looyesen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trotter; Vigasaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

Engrossed SB 2242, as amended, passed.

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

**SB 2218, as engrossed: REP. BOE (Appropriations Committee) MOVED** that the amendments on HJ pages 1495-1497 be adopted and then be placed on the Fourteenth order with **DO PASS**.

#### **REQUEST**

**REP. KASPER REQUESTED** that the House divide the amendments to Engrossed SB 2218, which request was granted.

**DIVISION A:** The part of the proposed amendments reading: "Page 3, line 24, replace

"\$5,000,000" with "\$3,000,000" "

**DIVISION B:** The remainder of the amendments

**REQUEST**

**REP. D. JOHNSON REQUESTED** a verification vote on Division A of the proposed amendments to Engrossed SB 2218, which request was granted.

The question being the adoption of Division A of the proposed amendments to Engrossed SB 2218, the motion failed on a verification vote.

Division A of the proposed amendments to Engrossed SB 2218 failed on a verification vote.

The question being the adoption of Division B of the proposed amendments to Engrossed SB 2218, the motion passed on a voice vote.

Division B of the proposed amendments to Engrossed SB 2218 was adopted on a voice vote.

Therefore, the question being on the motion to adopt the amendments to Engrossed SB 2218, which consists of Division B only, the proposed amendments were adopted on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2218:** A BILL for an Act to provide workforce development grants to tribally controlled community colleges through the North Dakota department of commerce; and to provide an appropriation.

**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 71 YEAS, 23 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Boe; Boschee; Brandenburg; Delmore; Dockter; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Heilman; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Karls; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Kretschmar; Kreun; Laning; Larson; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Porter; Rohr; Rust; Sanford; Schmidt; Silbernagel; Skarphol; Steiner; Strinden; Thoreson; Trottier; Vigesaa; Wall; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Becker; Bellew; Belter; Boehning; Brabandt; Carlson; Damschen; Delzer; Dosch; Drovdal; Headland; Heller; Klein; Kreidt; Looyesen; Paur; Pollert; Ruby; Schatz; Streyle; Sukut; Toman; Weisz

Engrossed SB 2218, as amended, passed.

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**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has passed, unchanged: SB 2255.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2015, SB 2242.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1021.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021**

Page 1, replace lines 10 through 14 with:

"Workforce safety and insurance operations	\$58,413,293	\$5,555,225	\$63,968,518
Litigation contingency	<u>0</u>	<u>750,000</u>	<u>750,000</u>
Total special funds	\$58,413,293	\$6,305,225	\$64,718,518
Full-time equivalent positions	247.14	7.00	254.14"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 7 with:

**"SECTION 2. LITIGATION CONTINGENCY.** Funding included in the litigation contingency line item in section 1 of this Act may be spent by workforce safety and insurance only for fees and other costs associated with workforce safety and insurance pursuing a civil action for damages relating to the unsuccessful advanced information management computer system project."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Workforce Safety and Insurance - Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
Workforce Safety and Insurance	\$63,131,407			
Workforce Safety and Insurance operation		56,014,723	7,953,795	63,968,518
Accrued leave payments		1,662,965	(1,662,965)	
Litigation Contingency			750,000	750,000
Total all funds	\$63,131,407	\$57,677,688	\$7,040,830	\$64,718,518
Less estimated income	63,131,407	57,677,688	7,040,830	64,718,518
General fund	\$0	\$0	\$0	\$0
FTE	250.14	250.14	4.00	254.14

**Department No. 485 - Workforce Safety and Insurance - Detail of Senate Changes**

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Adds Funding for Contingent Litigation Fees and Costs <sup>3</sup>	Adds Funding for Information Technology Projects <sup>4</sup>	Removes Funding for Business Process Analysis <sup>5</sup>	Removes Funding for Information Technology Staffing Analysis <sup>6</sup>
Workforce Safety and Insurance						
Workforce Safety and Insurance operation	1,397,598	1,662,965		4,725,000	(500,000)	(100,000)
Accrued leave payments		(1,662,965)				
Litigation Contingency			750,000			
Total all funds	\$1,397,598	\$0	\$750,000	\$4,725,000	(\$500,000)	(\$100,000)
Less estimated income	1,397,598	0	750,000	4,725,000	(500,000)	(100,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Restores Information Technology Staff <sup>7</sup>	Total Senate Changes
Workforce Safety and Insurance		
Workforce Safety and Insurance operation	768,232	7,953,795
Accrued leave payments		(1,662,965)
Litigation Contingency		750,000
Total all funds	\$768,232	\$7,040,830
Less estimated income	768,232	7,040,830
	\$0	\$0

General fund	_____	<input type="text"/>
FTE	4.00	<input type="text" value="4.00"/>

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> This amendment provides contingent funding for litigation costs that may be necessary in order to recover expenses paid to Aon eSolutions.

<sup>4</sup> This amendment adds funding for information technology projects. The agency may determine which projects are developed.

<sup>5</sup> This amendment removes the funding added by the House for the business process analysis.

<sup>6</sup> This amendment removes the funding added by the House for an information technology staffing analysis.

<sup>7</sup> This amendment restores the 4 FTE information technology positions and the related funding transferred to the Information Technology Department in the executive budget and the House version.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1013.

#### SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1013

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	\$14,409,300	\$2,211,536	\$16,620,836
Accrued leave payments	0	0	0
Operating expenses	29,099,187	631,615	29,730,802
Funding pool for initiatives	0	2,750,000	2,750,000
Grants - state school aid	918,459,478	(918,459,478)	0
Integrated formula payments	0	1,809,800,000	1,809,800,000
Grants - special education contracts	16,000,000	500,000	16,500,000
Grants - transportation	48,500,000	5,000,000	53,500,000
Grants - other grants	304,609,393	(31,903,132)	272,706,261"

Page 2, replace lines 10 through 12 with:

"Total all funds	\$1,678,082,358	\$523,675,541	\$2,201,757,899
Less estimated income	<u>434,485,707</u>	<u>2,758,442</u>	<u>437,244,149</u>
Total general fund	\$1,243,596,651	\$520,917,099	\$1,764,513,750"

Page 2, replace lines 18 through 24 with:

"Salaries and wages	\$3,450,359	\$482,347	\$3,932,706
Accrued leave payments	0	0	0
Operating expenses	1,695,726	200,000	1,895,726
Grants	<u>2,252,500</u>	<u>266,500</u>	<u>2,519,000</u>
Total all funds	\$7,398,585	\$948,847	\$8,347,432
Less estimated income	<u>2,134,610</u>	<u>266,237</u>	<u>2,400,847</u>
Total general fund	\$5,263,975	\$682,610	\$5,946,585"

Page 2, remove lines 30 and 31

Page 3, replace line 1 with:

"Salaries and wages	\$5,932,638	\$1,254,447	\$7,187,085
Accrued leave payments	0	0	0
Operating expenses	1,633,911	274,883	1,908,794"

Page 3, replace lines 4 through 6 with:

"Total all funds	\$7,808,249	\$2,681,651	\$10,489,900
Less estimated income	<u>1,193,277</u>	<u>1,382,391</u>	<u>2,575,668</u>
Total general fund	\$6,614,972	\$1,299,260	\$7,914,232"

Page 3, replace lines 12 through 19 with:

"Salaries and wages	\$3,815,825	\$780,860	\$4,596,685
Accrued leave payments	0	0	0
Operating expenses	707,006	13,800	720,806
Capital assets	<u>39,500</u>	<u>3,284,900</u>	<u>3,324,400</u>
Total all funds	\$4,562,331	\$4,079,560	\$8,641,891
Less estimated income	<u>835,091</u>	<u>24,264</u>	<u>859,355</u>
Total general fund	\$3,727,240	\$4,055,296	\$7,782,536
Full-time equivalent positions	29.50	0.50	30.00"

Page 3, replace lines 24 through 26 with:

"Grand total general fund	\$1,259,202,838	\$526,954,265	\$1,786,157,103
Grand total special funds	<u>438,648,685</u>	<u>4,431,334</u>	<u>443,080,019</u>
Grand total all funds	\$1,697,851,523	\$531,385,599	\$2,229,237,122"

Page 4, after line 4, insert:

"Funding pool for initiatives	0	2,750,000
Information technology staffing analysis	0	100,000
Early childhood care and education study	0	200,000
Governing North Dakota textbook	0	20,000"

Page 4, replace lines 6 through 8 with:

"Total department of public instruction - all funds	\$22,101,716	\$3,070,000
Total department of public instruction - estimated income	<u>21,717,716</u>	<u>0</u>
Total department of public instruction - general fund	\$384,000	\$3,070,000"

Page 4, after line 18, insert:

"Remodel of west wing	0	2,762,000"
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Page 4, replace lines 21 through 26 with:

"Total school for the blind - all funds	\$70,000	\$3,302,829
Total school for the blind - estimated income	<u>0</u>	<u>110,329</u>
Total school for the blind - general fund	\$70,000	\$3,192,500
Grand total - all funds	\$23,170,246	\$7,375,088

Grand total - estimated income	<u>22,612,446</u>	<u>1,112,588</u>
Grand total - general fund	\$557,800	\$6,262,500"

Page 5, remove lines 15 through 30

Page 6, remove lines 1 and 2

Page 7, line 13, replace "three" with "thirteen"

Page 7, line 15, replace "Forty-six" with "Fifty-two"

Page 7, line 17, replace "Forty-six" with "Fifty"

Page 7, line 28, replace "Forty-six" with "Fifty"

Page 8, line 4, replace "Twenty-six" with "Thirty"

Page 9, after line 2, insert:

**"SECTION 11. SUPERINTENDENT - SCHOOL FOR THE DEAF - AUTHORIZATION - CONTINGENT FUNDING.** The salaries and wages line item in subdivision 3 of section 1 of this Act includes \$142,242 from the general fund to provide funding for a full-time superintendent at the school for the deaf. The school for the deaf may use the funding to fill a full-time superintendent position as directed by the superintendent of public instruction. This funding is contingent on the superintendent of public instruction certifying to the director of the office of management and budget that the position has been filled by a full-time superintendent. The office of management and budget shall prorate the amount of funding available to the school for the deaf based on the retirement date of the current superintendent of the school for the deaf.

**SECTION 12. SUPERINTENDENT - SCHOOL FOR THE BLIND - AUTHORIZATION - CONTINGENT FUNDING.** The salaries and wages line item in subdivision 4 of section 1 of this Act includes \$144,670 from the general fund to provide funding for a full-time superintendent at the school for the blind. In addition, a .5 full-time equivalent position is added, which is contingent on a determination made by the superintendent of public instruction that the position should be filled by a full-time superintendent. The school for the blind may use the funding to fill a full-time superintendent position as directed by the superintendent of public instruction. This funding is contingent on the superintendent of public instruction certifying to the director of the office of management and budget that the position has been filled by a full-time superintendent. The office of management and budget shall prorate the amount of funding available to the school for the blind based on the retirement date of the current superintendent of the school for the blind."

Page 9, after line 10, insert:

**"SECTION 15. INFORMATION TECHNOLOGY STAFFING ANALYSIS.** Subdivision 1 of section 1 of this Act includes \$100,000 from the general fund for the superintendent of public instruction to contract with the information technology department and a private consultant to conduct an information technology staffing analysis for the biennium beginning July 1, 2013, and ending June 30, 2015. The analysis must include a review of the department of public instruction information technology staffing duties, responsibilities, and staffing levels and must consider the feasibility and desirability of transferring additional information technology positions to the information technology department and must provide recommendations regarding the appropriate level of information technology staff for the department of public instruction."

Page 9, replace lines 15 through 21 with:

**"SECTION 17. LEGISLATIVE INTENT - REIMBURSEMENT OF TITLE FUNDING DUE TO FEDERAL SEQUESTRATION.** If, as a result of the federal sequestration order for fiscal year 2013, issued pursuant to section 251A of the Balanced Budget and Emergency Deficit Control Act, as amended [2 U.S.C. 901A],

school districts experience a reduction in funds provided under title I, part A of the Elementary and Secondary Education Act of 1965, as amended [20 U.S.C. 6301, et seq.], it is the intent of the legislative assembly that the superintendent of public instruction introduce legislation to the sixty-fourth legislative assembly seeking state funding for school districts to offset these federal funding reductions."

Page 9, line 23, replace "\$1,500,000" with "\$1,766,500"

Page 10, line 25, replace "nine" with "ten"

Page 10, line 26, replace "thirty-three" with "ninety-two"

Page 10, line 27, replace "twelve" with "fourteen"

Page 10, line 27, replace "four" with "six"

Page 10, line 27, remove "seven"

Page 12, line 9, after "thousand" insert "five hundred"

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1013 - Summary of Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Information Technology Department				
Total all funds	\$0	\$880,953	(\$880,953)	\$0
Less estimated income	0	880,953	(880,953)	0
General fund	\$0	\$0	\$0	\$0
Department of Public Instruction				
Total all funds	\$2,194,721,295	\$2,068,395,430	\$133,362,469	\$2,201,757,899
Less estimated income	1,151,411,433	436,763,161	480,988	437,244,149
General fund	\$1,043,309,862	\$1,631,632,269	\$132,881,481	\$1,764,513,750
State Library				
Total all funds	\$8,622,432	\$7,928,807	\$418,625	\$8,347,432
Less estimated income	2,400,847	2,388,159	12,688	2,400,847
General fund	\$6,221,585	\$5,540,648	\$405,937	\$5,946,585
School for the Deaf				
Total all funds	\$10,347,658	\$10,096,929	\$392,971	\$10,489,900
Less estimated income	2,575,668	2,566,583	9,085	2,575,668
General fund	\$7,771,990	\$7,530,346	\$383,886	\$7,914,232
Vision Services - School for the Blind				
Total all funds	\$5,735,221	\$5,561,739	\$3,080,152	\$8,641,891
Less estimated income	859,355	849,784	9,571	859,355
General fund	\$4,875,866	\$4,711,955	\$3,070,581	\$7,782,536
Bill total				
Total all funds	\$2,219,426,606	\$2,092,863,858	\$136,373,264	\$2,229,237,122
Less estimated income	1,157,247,303	443,448,640	(368,621)	443,080,019
General fund	\$1,062,179,303	\$1,649,415,218	\$136,741,885	\$1,786,157,103

#### House Bill No. 1013 - Information Technology Department - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages		\$880,953	(\$880,953)	
Total all funds	\$0	\$880,953	(\$880,953)	\$0
Less estimated income	0	880,953	(880,953)	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	6.00	(6.00)	0.00

#### Department No. 112 - Information Technology Department - Detail of Senate Changes

	Removes Transfer of FTE Positions to the Information Technology Department <sup>1</sup>	Total Senate Changes
Salaries and wages	(\$880,953)	(\$880,953)
Total all funds	(\$880,953)	(\$880,953)
Less estimated income	(880,953)	(880,953)
General fund	\$0	\$0
FTE	(6.00)	(6.00)

<sup>1</sup> Funding added by the House for 6 FTE positions to be transferred from the Department of Public Instruction is removed.

This amendment removes:

- A section added by the House requiring the Superintendent of Public Instruction to transfer 6 FTE information technology positions to the Information Technology Department by September 30, 2014, or request Budget Section approval for an extension of the deadline. The section also provides the department may seek Emergency Commission approval to transfer funding from the salaries and wages line item to the operating expenses line item to pay for the services provided by the Information Technology Department.
- A section added by the House to authorize 6 FTE positions and appropriate \$880,953 from special funds derived from other income to the Information Technology Department for positions to be transferred from the Department of Public Instruction.

**House Bill No. 1013 - Department of Public Instruction - Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$16,611,338	\$15,602,405	\$1,018,431	\$16,620,836
Operating expenses	30,149,802	29,630,802	100,000	29,730,802
Integrated formula payments	1,787,400,000	1,684,550,000	125,250,000	1,809,800,000
Grants - Special education contracts	16,500,000	16,500,000		16,500,000
Grants - Transportation	53,500,000	48,500,000	5,000,000	53,500,000
Grants - Other grants	273,410,155	270,640,155	2,066,106	272,706,261
Rapid enrollment grants	17,000,000			
Transportation efficiency	30,000	30,000		30,000
National board certification	120,000	120,000		120,000
Accrued leave payments		322,068	(322,068)	
Funding pool for initiatives		2,500,000	250,000	2,750,000
Total all funds	\$2,194,721,295	\$2,068,395,430	\$133,362,469	\$2,201,757,899
Less estimated income	1,151,411,433	436,763,161	480,988	437,244,149
General fund	\$1,043,309,862	\$1,631,632,269	\$132,881,481	\$1,764,513,750
FTE	99.75	99.75	0.00	99.75

**Department No. 201 - Department of Public Instruction - Detail of Senate Changes**

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Increases Funding Pool for Initiatives <sup>3</sup>	Increases Funding for Passthrough Grants <sup>4</sup>	Increases Funding for the Teacher Mentoring Program <sup>5</sup>	Adds Funding for Pathfinders Parent Project <sup>6</sup>
Salaries and wages	\$696,363	\$322,068				
Operating expenses						
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants				915,000	1,000,000	131,106

Rapid enrollment grants						
Transportation efficiency						
National board certification						
Accrued leave payments		(322,068)				
Funding pool for initiatives			250,000			
Total all funds	\$696,363	\$0	\$250,000	\$915,000	\$1,000,000	\$131,106
Less estimated income	480,988	0	0	0	0	0
General fund	\$215,375	\$0	\$250,000	\$915,000	\$1,000,000	\$131,106
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Governing North Dakota Textbook <sup>7</sup>	Increases Funding for Transportation Grants <sup>8</sup>	Adds Funding for Study of Information Technology FTE Positions and Services <sup>9</sup>	Decreases Funding Related to Isolated Schools <sup>10</sup>	Decreases Funding Related to Home Education Supervision Factor <sup>11</sup>	Decreases Funding Related to the School District Size Weighting Factor <sup>12</sup>
Salaries and wages						
Operating expenses			100,000			
Integrated formula payments				(1,300,000)	(515,000)	(435,000)
Grants - Special education contracts						
Grants - Transportation		5,000,000				
Grants - Other grants	20,000					
Rapid enrollment grants						
Transportation efficiency						
National board certification						
Accrued leave payments						
Funding pool for initiatives						
Total all funds	\$20,000	\$5,000,000	\$100,000	(\$1,300,000)	(\$515,000)	-\$435,000.00
Less estimated income	0	0	0	0	0	0
General fund	\$20,000	\$5,000,000	\$100,000	(\$1,300,000)	(\$515,000)	(\$435,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Decreases Funding Related to Changes in Other In-Lieu Revenue Percentages <sup>13</sup>	Increases Funding Related to a Decrease in the Local Tax Contribution <sup>14</sup>	Increases Funding Related to Changes in the Minimum Local Effort Calculation <sup>15</sup>	Total Senate Changes
Salaries and wages				\$1,018,431
Operating expenses				100,000
Integrated formula payments	(2,700,000)	119,600,000	10,600,000	125,250,000
Grants - Special education contracts				5,000,000
Grants - Transportation				2,066,106
Grants - Other grants				
Rapid enrollment grants				
Transportation efficiency				
National board certification				
Accrued leave payments				(322,068)
Funding pool for initiatives				250,000
Total all funds	(\$2,700,000)	\$119,600,000	\$10,600,000	\$133,362,469
Less estimated income	0	0	0	480,988
General fund	(\$2,700,000)	\$119,600,000	\$10,600,000	\$132,881,481
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> This amendment increases the flexible funding pool added by the House to provide one-time funding totaling \$2,750,000 for the following items that were **not** included in the executive recommendation:

- Management information systems - Website updates.
- Safe and drug-free schools salary funding.

- Statewide accreditation system.
- Business manager training program.

Funding is also included in the pool for the following items included in the executive recommendation:

- Management information systems - STARS maintenance and development (\$719,000).
- Common core state standards (\$500,000).
- Teacher and principal evaluation systems (\$400,000).

The funding provided for the Superintendent's initiatives funding pool is offset by funding reductions in line items related to the initiatives included in the executive recommendation, for a net increase in funding of \$1,131,000 from the general fund.

<sup>4</sup> This amendment increases funding in the other grants line item to restore funding increases included in the executive recommendation and removed by the House for the following passthrough grants:

- North Central Council for School Television (\$50,000) to provide a total of \$535,000, the same as the executive recommendation.
- Rural art outreach project (\$35,000) to provide a total of \$415,000, the same as the executive recommendation.
- National writing projects (\$15,000) to provide a total of \$173,000, the same as the executive recommendation.

In addition, funding for a passthrough grant for the Gearing Up for Kindergarten program removed by the House is restored to \$815,000, the same as the executive recommendation.

<sup>5</sup> Funding for the teacher mentoring program removed by the House is restored to provide a total of \$2.3 million from the general fund, the same as the executive recommendation.

<sup>6</sup> Funding is added for a passthrough grant to the Pathfinders Parent Project. This funding was not included in the executive recommendation.

<sup>7</sup> One-time funding is added for a grant to the State Historical Society for the republication of the *Governing North Dakota* textbook. This funding was not included in the executive recommendation.

<sup>8</sup> This amendment restores the increase in transportation grants included in the executive recommendation and removed by the House to provide a total of \$53.5 million from the general fund.

<sup>9</sup> This amendment adds one-time funding for the Superintendent of Public Instruction to contract with the Information Technology Department and a private consultant to conduct an information technology staffing analysis.

<sup>10</sup> Funding added by the House related to a change in the average daily membership eligibility criteria for isolated schools from 100 students to 125 students is removed. The executive recommendation did not include this change.

<sup>11</sup> Funding is reduced for savings related to a reduction in the home education supervision factor from .50 to .20. The executive recommendation did not include this change.

<sup>12</sup> Funding added by the House for changes in the school district size weighting factor is reduced by the Senate. The executive recommendation did not change the school district size weighting factors.

<sup>13</sup> Funding is reduced for savings related to changes in the percentage of other in-lieu revenue included in the formula. The executive recommendation did not include this change.

<sup>14</sup> Funding for integrated formula payments is increased due to a decrease in the local contribution from 70 mills to 50 mills, the same as the executive recommendation.

<sup>15</sup> Funding for integrated formula payments is increased due to changes in the minimum local effort calculation. The executive recommendation did not include this change.

This amendment also:

- Changes the section of the bill related to the salary of the Superintendent of Public Instruction to provide 4 percent annual salary increases, the same as the executive budget. The House provided 3 percent annual increases.
- Removes two sections added by the House related to the transfer of 6 FTE positions to the Information Technology Department, including a section providing an appropriation of \$883,953 from special funds to the Information Technology Department for defraying the expenses of 6 FTE information technology positions transferred from the Department of Public Instruction.
- Removes a section added by the House related to a study of the costs and benefits of accepting federal funds and the consequences of declining federal funds.
- Removes a legislative intent section added by the House allowing school districts to participate in the Gearing Up for Kindergarten program.
- Amends a section related to the distribution of transportation grants to update reimbursement rates for the \$5 million increase restored by the Senate to the executive budget level.
- Adds a section to identify funding for an information technology staffing analysis of the Department of Public Instruction.
- Amends North Dakota Century Code Section 15.1-18.1-02 related to the national certification program to increase the payment from \$1,000 to \$1,500 effective July 1, 2015. The change recommended in the executive budget was inadvertently not changed in the bill as introduced.
- Adds a section of legislative intent that the Superintendent of Public Instruction propose legislation to the 64th Legislative Assembly to replace any reductions to federal title funds due to sequestration with state funding.

### House Bill No. 1013 - State Library - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$3,932,706	\$3,705,227	\$227,479	\$3,932,706
Operating expenses	1,895,726	1,895,726		1,895,726
Grants	2,794,000	2,252,500	266,500	2,519,000
Accrued leave payments		75,354	(75,354)	
Total all funds	\$8,622,432	\$7,928,807	\$418,625	\$8,347,432
Less estimated income	2,400,847	2,388,159	12,688	2,400,847
General fund	\$6,221,585	\$5,540,648	\$405,937	\$5,946,585
FTE	29.75	29.75	0.00	29.75

### Department No. 250 - State Library - Detail of Senate Changes

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Increases State Aid to Libraries <sup>3</sup>	Total Senate Changes
Salaries and wages	\$152,125	\$75,354		\$227,479
Operating expenses				
Grants			266,500	266,500
Accrued leave payments		(75,354)		(75,354)
Total all funds	\$152,125	\$0	\$266,500	\$418,625
Less estimated income	12,688	0	0	12,688
General fund	\$139,437	\$0	\$266,500	\$405,937

FTE	0.00	0.00	0.00	0.00
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<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> This amendment restores the increase in state aid to libraries included in the executive recommendation and removed by the House to provide a total of \$1,766,500 from the general fund.

In addition, the section related to the distribution of state aid to public libraries is amended to provide for the distribution of aid totaling \$1,766,500.

**House Bill No. 1013 - School for the Deaf - Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$7,044,843	\$6,675,567	\$511,518	\$7,187,085
Operating expenses	1,908,794	1,892,495	16,299	1,908,794
Capital assets	1,194,021	1,194,021		1,194,021
Grants	200,000	200,000		200,000
Accrued leave payments		134,846	(134,846)	
Total all funds	\$10,347,658	\$10,096,929	\$392,971	\$10,489,900
Less estimated income	2,575,668	2,566,583	9,085	2,575,668
General fund	\$7,771,990	\$7,530,346	\$383,886	\$7,914,232
FTE	44.61	44.61	0.00	44.61

**Department No. 252 - School for the Deaf - Detail of Senate Changes**

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Restores Funding for Professional Development <sup>3</sup>	Adds Contingent Funding for a Full-Time Superintendent Position <sup>4</sup>	Total Senate Changes
Salaries and wages	\$234,430	\$134,846		\$142,242	\$511,518
Operating expenses			16,299		16,299
Capital assets					
Grants					
Accrued leave payments		(134,846)			(134,846)
Total all funds	\$234,430	\$0	\$16,299	\$142,242	\$392,971
Less estimated income	9,085	0	0	0	9,085
General fund	\$225,345	\$0	\$16,299	\$142,242	\$383,886
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> This amendment restores a funding increase for professional development included in the executive recommendation and removed by the House.

<sup>4</sup> Contingent funding is added for a full-time superintendent position. The position is currently vacant and is shared with North Dakota Vision Services - School for the Blind.

In addition, this amendment adds a section to provide the School for the Deaf may use up to \$142,242 provided from the general fund, contingent on the retirement of the current superintendent, to fill a full-time superintendent position. The salary authorization is to be prorated based on the retirement date of the current superintendent. The section also provides the Superintendent of Public Instruction may determine how the superintendent position at the School for the Deaf is filled.

### House Bill No. 1013 - Vision Services - School for the Blind - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,452,015	\$4,191,070	\$405,615	\$4,596,685
Operating expenses	720,806	720,806		720,806
Capital assets	562,400	562,400	2,762,000	3,324,400
Accrued leave payments		87,463	(87,463)	
Total all funds	\$5,735,221	\$5,561,739	\$3,080,152	\$8,641,891
Less estimated income	859,355	849,784	9,571	859,355
General fund	\$4,875,866	\$4,711,955	\$3,070,581	\$7,782,536
FTE	29.50	29.50	0.50	30.00

### Department No. 253 - Vision Services - School for the Blind - Detail of Senate Changes

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Adds Contingent Funding for a Full-Time Superintendent Position <sup>3</sup>	Adds Funding to Remodel West Wing of the School Building <sup>4</sup>	Total Senate Changes
Salaries and wages	\$173,482	\$87,463	\$144,670		\$405,615
Operating expenses					
Capital assets				2,762,000	2,762,000
Accrued leave payments		(87,463)			(87,463)
Total all funds	\$173,482	\$0	\$144,670	\$2,762,000	\$3,080,152
Less estimated income	9,571	0	0	0	9,571
General fund	\$163,911	\$0	\$144,670	\$2,762,000	\$3,070,581
FTE	0.00	0.00	0.50	0.00	0.50

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> Contingent funding and a .5 FTE position is added for a full-time superintendent position. Currently, the .5 FTE position related to the superintendent is filled by a Braille music instructor and the superintendent is shared with the School for the Deaf.

<sup>4</sup> One-time funding is provided to remodel the west wing of the school building occupied by Grand Forks Public Schools.

In addition, this amendment adds a section to provide the North Dakota Vision Services - School for the Blind may use up to \$144,670 provided from the general fund, contingent on the retirement of the current superintendent, to fill a full-time superintendent position. The salary authorization is to be prorated based on the retirement date of the current superintendent. The section provides a .5 FTE superintendent position added to the School for the Blind is contingent on a determination made by the Superintendent of Public Instruction that a full-time superintendent position is required at the School for the Blind. The

section also provides that the Superintendent of Public Instruction may determine how the superintendent position at the School for the Blind is filled.

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

**MR. SPEAKER:** The Senate has failed to pass, unchanged: HB 1140.

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

**MR. PRESIDENT:** The House has concurred in the Senate amendments and subsequently passed: HB 1023.

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

**MR. PRESIDENT:** The House has concurred in the Senate amendments and subsequently passed: HB 1167, HB 1202, HB 1219, HB 1368, and HB 1410.

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1002, HB 1003, HB 1004, HB 1006, HB 1008, HB 1009, HB 1014, HB 1018, HB 1019, HB 1022, HB 1099, HB 1128, HB 1138, HB 1170, HB 1198, HB 1300, HB 1412, HCR 3011, and HCR 3034, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1002:** Reps. Grande; Martinson; Williams  
**HB 1003:** Reps. Brandenburg; Kempenich; Glassheim  
**HB 1004:** Reps. Brandenburg; Thoreson; Guggisberg  
**HB 1006:** Reps. Brandenburg; Kempenich; Glassheim  
**HB 1008:** Reps. Streyle; Dosch; Boe  
**HB 1009:** Reps. Monson; Skarphol; Boe  
**HB 1014:** Reps. J. Nelson; Kreidt; Holman  
**HB 1018:** Reps. Streyle; Grande; Williams  
**HB 1019:** Reps. Dosch; Monson; Boe  
**HB 1022:** Reps. Kempenich; Sanford; Glassheim  
**HB 1099:** Reps. Kempenich; Dosch; Guggisberg  
**HB 1128:** Reps. K. Koppelman; Brabandt; Toman  
**HB 1138:** Reps. K. Koppelman; Boehning; Karls  
**HB 1170:** Reps. Damschen; Fehr; Oversen  
**HB 1198:** Reps. Belter; Headland; S. Kelsh  
**HB 1300:** Reps. Hatlestad; Froseth; Haak  
**HB 1412:** Reps. Larson; Steiner; Delmore  
**HCR 3011:** Reps. Paur; Klemin; Maragos  
**HCR 3034:** Reps. Maragos; Karls; Toman

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1025, HB 1033, HB 1041, HB 1136, HB 1205, HB 1289, and HB 1306, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1025:** Reps. Kretschmar; Klemin; Delmore  
**HB 1033:** Reps. Kempenich; Porter; Boe  
**HB 1041:** Reps. Weisz; Wieland; Holman  
**HB 1136:** Reps. Klemin; Kretschmar; Hanson  
**HB 1205:** Reps. Vigesaa; Frantsvog; Delmore  
**HB 1289:** Reps. Brandenburg; Grande; Boe  
**HB 1306:** Reps. Bellew; Boehning; Amerman

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

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

**HB 1272:** Sens. Luick; Schaible; Marcellais  
**HB 1286:** Sens. Laffen; Sorvaag; Murphy  
**HB 1291:** Sens. Schaible; Poolman; Heckaman  
**HCR 3006:** Sens. Berry; Armstrong; Nelson

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

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

**HB 1338:** Sens. Schaible; Dever; Marcellais

**HB 1405:** Sens. Schaible; Dever; Marcellais

**HB 1452:** Sens. Dever; Krebsbach; Nelson

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SCR 4010, and the President has appointed as a conference committee to act with a like committee from the House on:

**SCR 4010:** Sens. Flakoll; Hogue; Heckaman

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

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

**SB 2005:** Reps. J. Nelson; Kreidt; Holman

**SB 2006:** Reps. Kempenich; Sanford; Glassheim

**SB 2007:** Reps. Kreidt; J. Nelson; Holman

**SB 2008:** Reps. Hawken; Thoreson; Guggisberg

**SB 2009:** Reps. Dosch; Grande; Boe

**SB 2010:** Reps. Kreidt; J. Nelson; Holman

**SB 2011:** Reps. Kempenich; Brandenburg; Guggisberg

**SB 2016:** Reps. Dosch; Martinson; Boe

**SB 2017:** Reps. Kreidt; Wieland; Holman

**SB 2019:** Reps. Streyle; Martinson; Williams

**SB 2021:** Reps. Thoreson; Sanford; Glassheim

**SB 2022:** Reps. Sanford; Hawken; Guggisberg

**SB 2023:** Reps. Sanford; Thoreson; Guggisberg

**SB 2024:** Reps. J. Nelson; Pollert; Holman

**SB 2354:** Reps. Hofstad; Fehr; Mooney

**SB 2369:** Reps. Kasper; Boehning; Zaiser

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

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

**SB 2219:** Reps. Wieland; Bellew; Holman

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1080, HB 1157, HB 1163, HB 1227, HB 1251, HCR 3016.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2087, SB 2113, SB 2114, SB 2207, SB 2352.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently failed to pass: SB 2201, SB 2257.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2047, SB 2095, SB 2339.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1027, HB 1451.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1106, HB 1211, HB 1296, HB 1309, HB 1332, HB 1382, HCR 3019, HCR 3021, HCR 3029, HCR 3038.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1167, HB 1202, HB 1219, HB 1368, HB 1410.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2087, SB 2113, SB 2114, SB 2207, SB 2255, SB 2352.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2146, SB 2238, SB 2368.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1027, HB 1106, HB 1211, HB 1296, HB 1309, HB 1332, HB 1382, HB 1451, HCR 3019, HCR 3021, HCR 3029, HCR 3038.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1145, HB 1213, HB 1322, HB 1413.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2146, SB 2238, SB 2368.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The President has signed: SB 2146, SB 2238, SB 2368.

#### MOTION

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

#### MOTION

**REP. VIGESAA MOVED** that the House be on the Fourth, Seventh, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Wednesday, April 17, 2013, which motion prevailed.

#### REPORT OF STANDING COMMITTEE

**SB 2012, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2012 was placed on the Sixth order on the calendar.

Page 1, line 3, after "distributions" insert "; to provide an appropriation to the department of corrections and rehabilitation for costs related to a general license plate issue; to create and enact a new section to chapter 24-02 and section 39-04-14.4 of the North Dakota Century Code, relating to highway-rail grade crossing safety projects and motor vehicle registration renewals"

Page 1, line 3, replace the second "and" with a comma

Page 1, line 3, after "39-04-09" insert ", and 39-04-14"

Page 1, line 4, after "Code" insert "and section 27 of chapter 579 of the 2011 Session Laws"

Page 1, line 4, replace "and" with a comma

Page 1, line 5, after "plates" insert ", motor vehicle registration renewals, and transportation funding distributions to non-oil-producing political subdivisions"

Page 1, line 6, remove "a"

Page 1, line 7, replace "study" with "studies"

Page 1, remove lines 17 through 24

Page 2, replace lines 1 through 3 with:

"Salaries and wages	\$165,966,396	\$18,610,837	\$184,577,233
Accrued leave payments	0	7,280,897	7,280,897
Operating expenses	204,090,250	172,631,465	376,721,715
Capital assets	709,079,831	560,431,376	1,269,511,207
County and township road reconstruction program	0	190,000,000	190,000,000
County and township bridge reconstruction program	0	20,000,000	20,000,000
Grants	<u>67,767,407</u>	<u>21,520,623</u>	<u>89,288,030</u>
Total all funds	\$1,146,903,884	\$990,475,198	\$2,137,379,082
Less estimated income	<u>1,146,903,884</u>	<u>932,475,198</u>	<u>2,079,379,082</u>
Total general fund	\$0	\$58,000,000	\$58,000,000"

Page 2, replace lines 13 and 14 with:

"County and township road reconstruction program	142,000,000	190,000,000
County and township bridge reconstruction program	0	20,000,000"

Page 2, replace lines 20 through 22 with:

"Total all funds	\$608,000,575	\$761,600,000
Total special funds	<u>602,150,575</u>	<u>703,600,000</u>
Total general fund	\$5,850,000	\$58,000,000"

Page 3, line 3, replace "\$142,000,000" with "\$190,000,000"

Page 4, line 18, replace "\$27,000,000" with "\$20,000,000"

Page 4, line 25, after "institute" insert "with priority given to bridge projects located on roadways defined by the department of transportation as a county major collector roadway"

Page 5, line 22, remove "extends over a river, stream,"

Page 5, replace lines 23 and 24 with "has an opening of more than 20 feet [6.096 meters] as measured along the centerline of the roadway. It may also be the clear openings of more than 20 feet [6.096 meters] of a group of pipes as long as the pipes are spaced less than half the distance apart of the smallest diameter pipe."

Page 5, line 25, after "the" insert "existing roadway width on which the bridge will be constructed must meet current design standards, as on file with the department of transportation, for the county for which it is being constructed. The"

Page 6, line 18, replace "\$10,000,000" with "\$9,100,000"

Page 7, replace lines 3 through 14 with:

**"SECTION 9. APPROPRIATION - STATE TREASURER - 2011-13 BIENNIUM - TOWNSHIP TRANSPORTATION FUNDING DISTRIBUTIONS CORRECTION - EXEMPTION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$700,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing transportation funding distributions to counties and townships in accordance with this section, for the period beginning with the effective date of this Act and ending June 30, 2013. The state treasurer shall distribute the funding provided under this section to counties and townships that are eligible to receive a distribution under subsection 3 of section 27 of chapter 579 of the 2011 Session Laws and have not already received a distribution under that subsection. Beginning with the effective date of this Act, section 27 of chapter 579 of the 2011 Session Laws is not subject to section 54-11-01 and the state treasurer may not require a political subdivision to return an overpayment of funds received from distributions under the section."

Page 7, after line 26, insert:

**"SECTION 11. APPROPRIATION - DEPARTMENT OF TRANSPORTATION - TRANSPORTATION FUNDING ALLOCATIONS TO NON-OIL-PRODUCING COUNTIES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$150,000,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of providing transportation funding allocations to counties that did not receive \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 in the most recently completed state fiscal year, for the period beginning with the effective date of this Act and ending June 30, 2015. The funding provided under this section must be allocated in the amount of \$45,000,000 on June 1, 2013, and in the amount of \$105,000,000 on June 1, 2014. Allocations among counties under this section must be prorated among eligible counties on the basis of miles of roadways defined by the department of transportation as county major collector roadways in each county. Projects to be funded under this section must comply with American association of state highway and transportation officials pavement design procedures and department of transportation local government requirements. The funds provided under this section are considered a one-time funding item."

Page 7, line 28, after "ISSUE" insert "- BUDGET SECTION APPROVAL"

Page 7, line 29, replace "\$6,200,000" with "\$6,820,000"

Page 8, line 1, after the period insert "The general license plate issue must be made using digitally printed license plates. The department of transportation shall develop a process to select a new design to be used for the general license plate issue and shall develop guidelines regarding the administration of the license plate issue. The department shall provide its recommendation for the new license plate design to the budget section, and budget section approval must be received prior to the issuance of the new license plates."

Page 8, line 1, after "The" insert "one-time general fund"

Page 8, line 6, replace "\$4,280,000" with "\$4,900,000"

Page 8, after line 29, insert:

**"SECTION 17.** A new section to chapter 24-02 of the North Dakota Century Code is created and enacted as follows:

**Highway-rail grade crossing safety projects - Funding.**

The director shall establish a highway-rail grade crossing safety program within the department and develop guidelines for the distribution of program funds. Projects eligible to receive funding under the program include railroad quiet zones and any other rail safety project the director deems necessary for public safety. Each year, the director shall allocate one million four hundred thousand dollars of highway tax distribution fund deposits in the state highway fund for highway-rail grade crossing safety projects."

Page 9, after line 25, insert:

**"SECTION 20. AMENDMENT.** Section 39-04-14 of the North Dakota Century Code is amended and reenacted as follows:

**39-04-14. Renewal of registration.**

Every vehicle registration, except those described in ~~sectionsections~~ 39-04-14.1 and 39-04-14.4, under this chapter expires on December thirty-first each year and must be renewed annually upon application by the owner and by payment of the fees required by law, such renewal to take effect on the first day of January each year. An owner who has made proper application for renewal of registration of a vehicle previous to January first but who has not received the number plates, plate, or registration card for the ensuing year is entitled to operate or permit the operation

of such vehicle upon the highways upon displaying thereon the number plates or plate issued for the preceding year for such time, to be prescribed by the department, as may be required for the issuance of the new plates. ~~If a previously registered motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84 kilograms] is purchased during the period the vehicle's registration in this state is expired, the registration fee must be prorated on a monthly basis from the date of purchase to January first.~~

**SECTION 21.** Section 39-04-14.4 of the North Dakota Century Code is created and enacted as follows:

**39-04-14.4. Renewal of registration of motor vehicles over certain weight.**

Except as otherwise provided in section 39-04-14.2, the registration of a motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84 kilograms] expires on June thirtieth of each year and must be renewed annually upon application by the owner and by payment of fees required by law for a renewal to begin on the first day of July of that year. An owner who has made proper application for renewal and registration of a vehicle before July first but who has not received the number plates, plate, or registration card for the ensuing year is entitled to operate or permit the operation of the vehicle upon the highways upon displaying thereon the number plates or plate issued for the preceding year for such time, to be prescribed by the department, as may be required for the issuance of new plates. If a previously registered motor vehicle whose registered gross weight exceeds twenty thousand pounds [9071.84 kilograms] is purchased during the period the vehicle's registration in the state is expired, the registration fee must be prorated on a monthly basis from the date of purchase to July first. The director shall provide for a one-time collection of eighteen months of registration fees for the registration period of January 1, 2014, to June 30, 2015. Beginning on July 1, 2015, the registration of motor vehicles under this section must be renewed annually.

**SECTION 22. AMENDMENT.** Section 27 of chapter 579 of the 2011 Special Session Session Laws is amended and reenacted as follows:

**SECTION 27. CONTINGENT APPROPRIATION - STATE TREASURER - TRANSPORTATION FUNDING DISTRIBUTIONS TO NON-OIL-PRODUCING POLITICAL SUBDIVISIONS.**

If the tax commissioner certifies that total oil and gas tax revenue collections for the period July 1, 2011, through February 29, 2012, exceed total oil and gas tax revenue collection projections for that period by at least \$48,000,000, based on legislative estimates made at the close of the 2011 regular legislative session, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$23,000,000, or so much of the sum as may be necessary, to the state treasurer for the purpose of providing transportation funding distributions, for the period beginning with the effective date of this Act and ending June 30, 2013. The funding provided in this section is considered a one-time funding item. The state treasurer shall distribute the funds provided under this section on April 1, 2012, as follows:

1. Six million eight hundred thousand dollars to non-oil-producing counties and cities pursuant to subsection 4 of section 54-27-19.
2. One million seven hundred thousand dollars to counties and townships in non-oil-producing counties pursuant to section 54-27-19.1. Organized townships are not required to provide matching funds to receive distributions under this section.
3. Fourteen million five hundred thousand dollars to counties and townships in non-oil-producing counties through a distribution of \$10,000 to each organized township and a distribution of \$10,000 for each unorganized township to the county in which the unorganized township is located. If any funds remain after the distributions provided under this subsection, the state treasurer shall distribute eighty percent of the remaining funds to counties and cities pursuant

to the method provided in subsection 1 of this section and shall distribute twenty percent of the remaining funds to counties and townships pursuant to the method provided in subsection 2 of this section.

For purposes of this section, a "non-oil-producing county" means a county that received no allocation of funding or a total allocation under section 57-51-15 of less than \$500,000 for state fiscal year ~~2011~~2010. Any funds received by a county under this section for an unorganized township distribution must be used for roadway purposes in those unorganized townships located in the county. All funds distributed under this section must be used for extraordinary roadway maintenance purposes.

**SECTION 23. LEGISLATIVE MANAGEMENT STUDY - RAILROAD ASSISTANCE PROGRAMS.** During the 2013-14 interim, the legislative management shall consider studying state railroad assistance programs. The study, if conducted, must review existing programs and funding levels and whether the existing programs and funding levels are adequate to meet current industry needs. 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 24. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION COSTS AND FUNDING.** During the 2013-14 interim, the legislative management shall consider studying the the long-term costs of transportation infrastructure maintenance and improvement projects and methods for funding these projects. 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 25. LEGISLATIVE MANAGEMENT STUDY - RENEWABLE FUEL STANDARDS.** During the 2013-14 interim, the legislative management shall consider studying potential statutory or administrative changes that could be made to assist parties in the fuel supply chain in complying with federal renewable fuel standards, including compliance with the renewable identification number credits requirements. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Page 10, line 5, remove the first "and"

Page 10, line 5, after "10" insert ", 11, and 22"

Page 10, line 6, replace "\$142,000,000" with "\$190,000,000"

Page 10, line 7, replace "\$27,000,000" with "\$20,000,000"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2012 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
State Treasurer				
Total all funds	\$0	\$10,415,000	(\$900,000)	\$9,515,000
Less estimated income	0	0	0	0
General fund	\$0	\$10,415,000	(\$900,000)	\$9,515,000
DOCR				
Total all funds	\$0	\$4,280,000	\$620,000	\$4,900,000
Less estimated income	0	4,280,000	620,000	4,900,000
General fund	\$0	\$0	\$0	\$0
Department of Transportation				
Total all funds	\$3,389,303,578	\$2,804,267,812	\$174,631,270	\$2,978,899,082

Less estimated income	<u>2,695,703,578</u>	<u>2,103,367,812</u>	<u>(23,988,730)</u>	<u>2,079,379,082</u>
General fund	\$693,600,000	\$700,900,000	\$198,620,000	\$899,520,000
Bill total				
Total all funds	\$3,389,303,578	\$2,818,962,812	\$174,351,270	\$2,993,314,082
Less estimated income	<u>2,695,703,578</u>	<u>2,107,647,812</u>	<u>(23,368,730)</u>	<u>2,084,279,082</u>
General fund	\$693,600,000	\$711,315,000	\$197,720,000	\$909,035,000

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**Senate Bill No. 2012 - State Treasurer - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Grants to townships		\$10,000,000	(\$900,000)	\$9,100,000
Township distribution corrections		415,000		415,000
Total all funds	\$0	\$10,415,000	(\$900,000)	\$9,515,000
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$0	\$10,415,000	(\$900,000)	\$9,515,000
FTE	0.00	0.00	0.00	0.00

**Department No. 120 - State Treasurer - Detail of House Changes**

	Reduces Funding for Grants to Townships <sup>1</sup>	Total House Changes
Grants to townships	(\$900,000)	(\$900,000)
Township distribution corrections		
Total all funds	(\$900,000)	(\$900,000)
Less estimated income	<u>0</u>	<u>0</u>
General fund	(\$900,000)	(\$900,000)
FTE	0.00	0.00

<sup>1</sup> Funding added by the Senate for grants to townships in oil-producing counties is reduced from \$10 million to \$9.1 million.

This amendment also amends Section 27 of Chapter 579 of the 2011 Special Session Session Laws to provide that a political subdivision eligible to receive a transportation funding distribution under that section must have received an allocation under Section 57-51-15 (oil and gas gross production tax allocations) of \$500,000 or less in state fiscal year 2010 rather than state fiscal year 2011. Section 9 of the bill which provided a \$590,000 general fund appropriation to correct earlier township distributions is replaced with an appropriation of \$700,000 from the general fund to the State Treasurer to distribute funding to any political subdivision eligible to receive a distribution under subsection 3 of Section 27 of Chapter 579 of the 2011 Special Session Session Laws which has not already received a distribution under that subsection.

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**Senate Bill No. 2012 - DOCR - House Action**

	Executive Budget	Senate Version	House Changes	House Version
License plate issue		\$4,280,000	\$620,000	\$4,900,000
Total all funds	\$0	\$4,280,000	\$620,000	\$4,900,000
Less estimated income	<u>0</u>	<u>4,280,000</u>	<u>620,000</u>	<u>4,900,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department No. 530 - DOCR - Detail of House Changes**



	Reduces Funding for County and Township Bridge Program <sup>7</sup>	Adds Funding for Non-Oil- Impacted County Transportation Distributions <sup>8</sup>	Total House Changes
Salaries and wages			(\$14,269,627)
Operating expenses			(1,100,000)
Capital assets			
County and township road program			48,000,000
Grants			(8,900,000)
General fund transfer to highway fund			
Transfer to public transportation fund			
License plate issue			620,000
County and township bridge program	(7,000,000)		(7,000,000)
Accrued leave payments			7,280,897
Non-oil county distributions		150,000,000	150,000,000
Total all funds	(\$7,000,000)	\$150,000,000	\$174,631,270
Less estimated income	(7,000,000)	0	(23,988,730)
General fund	\$0	\$150,000,000	\$198,620,000
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> Funding included in the executive budget for salary enhancements (\$2,544,999) and rental assistance (\$1,100,000) for employees living in areas affected by energy development is removed.

<sup>4</sup> Funding from the general fund is added to the county and township road reconstruction program in areas impacted by oil and gas development to provide total program funding of \$190 million, an increase of \$48 million from the executive budget and Senate version of \$142 million.

<sup>5</sup> Appropriation authority to provide grants from the public transportation fund is removed. House Bill No. 1142, as approved by the 63<sup>rd</sup> Legislative Assembly, provides continuing appropriation authority for any funds deposited in the public transportation fund.

<sup>6</sup> Funding for the general license plate issue is increased by \$620,000 to provide for digitally printed license plates to be issued rather than embossed plates.

<sup>7</sup> Funding from the strategic investment and improvements fund for a county and township bridge reconstruction program is reduced from \$27 million to \$20 million. Adjustments are also made to Section 5 regarding the definition of a bridge and the priority of bridges to be reconstructed.

<sup>8</sup> A section is added to appropriate \$150 million from the general fund for transportation funding distributions to counties that received less than \$5 million of oil and gas production tax allocations in the preceding state fiscal year.

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This amendment also:

- Adds sections to provide statutory changes regarding the motor vehicle registration renewal dates of vehicles exceeding 20,000 pounds.
- Adds a section to establish a highway-rail grade crossing safety program in the Department of Transportation and requires the department to allocate \$1.4 million from the state highway fund for the program each year.
- Adds sections to provide for Legislative Management studies of state railroad assistance programs, transportation costs and funding, and renewable fuel standards.

#### REPORT OF STANDING COMMITTEE

**SB 2014, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (22 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2014 was placed on the Sixth order on the calendar.

Page 1, line 4, after "54-17.6-05" insert ", subsection 17 of section 54-44.3-20,"

Page 1, line 4, remove "sections 54-18-19,"

Page 1, line 5, replace "57-51.1-07, and" with "section"

Page 1, line 5, remove "the resources trust"

Page 1, line 6, remove the first "fund,"

Page 1, line 6, remove the third "the"

Page 1, line 7, replace "transfer of North Dakota mill and elevator profits to the general fund" with "classified employees"

Page 1, replace lines 21 and 22 with:

"Salaries and wages	\$12,059,220	\$5,092,992	\$17,152,212
Accrued leave payments	0	347,696	347,696
Operating expenses	3,378,744	2,551,832	5,930,576"

Page 2, replace lines 4 through 7 with:

"Total all funds	\$61,542,969	\$1,203,284	\$62,746,253
Less estimated income	<u>46,766,756</u>	<u>(5,850,935)</u>	<u>40,915,821</u>

Total general fund	\$14,776,213	\$7,054,219	\$21,830,432
Full-time equivalent positions	76.06	22.69	98.75"

Page 2, replace lines 12 through 15 with:

"Bank of North Dakota operations	\$45,587,155	\$4,469,582	\$50,056,737
Accrued leave payments	0	881,231	881,231
Capital assets	<u>1,266,000</u>	<u>(521,000)</u>	<u>745,000</u>
Total special funds	\$46,853,155	\$4,829,813	\$51,682,968
Full-time equivalent positions	176.50	3.00	179.50"

Page 3, replace lines 1 through 6 with:

"Salaries and wages	\$26,018,008	\$2,654,043	\$28,672,051
Accrued leave payments	0	575,807	575,807
Operating expenses	20,443,869	1,352,131	21,796,000
Contingencies	400,000	0	400,000
Agriculture promotion	<u>210,000</u>	<u>0</u>	<u>210,000</u>
Total from mill and elevator fund	\$47,071,877	\$4,581,981	\$51,653,858
Full-time equivalent positions	131.00	4.00	135.00"

Page 3, replace lines 11 through 16 with:

"Salaries and wages	\$6,516,277	\$541,513	\$7,057,790
Accrued leave payments	0	147,806	147,806
Operating expenses	5,114,849	(1,323,091)	3,791,758
Grants	26,858,920	2,674,130	29,533,050
Housing finance agency contingencies	<u>100,000</u>	<u>0</u>	<u>100,000</u>
Total special funds	\$38,590,046	\$2,040,358	\$40,630,404
Full-time equivalent positions	46.00	0.00	46.00"

Page 3, replace lines 21 through 23 with:

"Grand total general fund	\$24,176,213	\$154,219	\$24,330,432
Grand total special funds	<u>179,281,834</u>	<u>5,601,217</u>	<u>184,883,051</u>
Grand total all funds	\$203,458,047	\$5,755,436	\$209,213,483"

Page 4, remove line 8

Page 4, remove line 10

Page 4, replace lines 14 through 16 with:

"Total all funds	\$38,299,400	\$1,160,800
Total special funds	<u>10,000,000</u>	<u>0</u>
Total general fund	\$28,299,400	\$1,160,800"

Page 6, remove lines 13 through 18

Page 6, after line 24, insert:

**"SECTION 12. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$2,000,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing grants to homeless shelters, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 7, after line 21, insert:

**"SECTION 15. OIL AND GAS RESEARCH PROGRAM - OIL AND GAS DEVELOPMENT IMPACT STUDIES.** The industrial commission may use the sum of \$150,000, or so much of the sum as may be necessary, from the oil and gas research fund for nonmatching followup studies to provide updates and refinements to employment models used to track and forecast changes in the oil and gas industry workforce and estimate housing and population in the Williston basin and to make a

comprehensive assessment of the demographic makeup of the current and expected oil and gas industry workforce."

Page 8, remove lines 17 through 31

Page 9, replace lines 1 through 28 with:

**"SECTION 18. AMENDMENT.** Subsection 17 of section 54-44.3-20 of the North Dakota Century Code is amended and reenacted as follows:

17. Engineers, engineering technicians, and geologists employed by the director of mineral resources."

Page 10, line 21, replace "Sections" with "The amount of \$61,751 and five full-time equivalent positions included in subdivision 1 of section 1 and sections"

Page 10, line 21, replace "11" with "10"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2014 - Summary of House Action**

	Executive Budget	Senate Version	House Changes	House Version
Industrial Commission				
Total all funds	\$63,356,975	\$63,529,688	(\$783,435)	\$62,746,253
Less estimated income	40,937,857	40,951,674	(35,853)	40,915,821
General fund	\$22,419,118	\$22,578,014	(\$747,582)	\$21,830,432
Bank of North Dakota				
Total all funds	\$52,452,928	\$52,606,408	(\$923,440)	\$51,682,968
Less estimated income	52,452,928	52,606,408	(923,440)	51,682,968
General fund	\$0	\$0	\$0	\$0
Housing Finance Agency				
Total all funds	\$40,862,039	\$70,869,907	(\$30,239,503)	\$40,630,404
Less estimated income	40,862,039	40,869,907	(239,503)	40,630,404
General fund	\$0	\$30,000,000	(\$30,000,000)	\$0
Mill and Elevator				
Total all funds	\$52,255,124	\$52,255,124	(\$601,266)	\$51,653,858
Less estimated income	52,255,124	52,255,124	(601,266)	51,653,858
General fund	\$0	\$0	\$0	\$0
Department of Commerce				
Total all funds	\$0	\$500,000	\$2,000,000	\$2,500,000
Less estimated income	0	0	0	0
General fund	\$0	\$500,000	\$2,000,000	\$2,500,000
Bill total				
Total all funds	\$208,927,066	\$239,761,127	(\$30,547,644)	\$209,213,483
Less estimated income	186,507,948	186,683,113	(1,800,062)	184,883,051
General fund	\$22,419,118	\$53,078,014	(\$28,747,582)	\$24,330,432

**Senate Bill No. 2014 - Industrial Commission - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$17,710,630	\$17,883,343	(\$731,131)	\$17,152,212
Operating expenses	6,330,576	6,330,576	(400,000)	5,930,576
Capital assets	5,800	5,800		5,800
Grants - Lignite research	19,500,000	19,500,000		19,500,000
Grants - Bond payments	19,809,969	19,809,969		19,809,969
Accrued leave payments			347,696	347,696
Total all funds	\$63,356,975	\$63,529,688	(\$783,435)	\$62,746,253
Less estimated income	40,937,857	40,951,674	(35,853)	40,915,821
General fund	\$22,419,118	\$22,578,014	(\$747,582)	\$21,830,432
FTE	98.75	98.75	0.00	98.75

**Department No. 405 - Industrial Commission - Detail of House Changes**

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Adds Funding for Hiring FTE Early <sup>3</sup>	Removes Funding for Oil Impact <sup>4</sup>	Total House Changes
Salaries and wages	(\$445,186)	(\$347,696)	\$61,751		(\$731,131)
Operating expenses				(400,000)	(400,000)
Capital assets					
Grants - Lignite research					
Grants - Bond payments					
Accrued leave payments		347,696			347,696
Total all funds	(\$445,186)	\$0	\$61,751	(\$400,000)	(\$783,435)
Less estimated income	(35,853)	0	0	0	(35,853)
General fund	(\$409,333)	\$0	\$61,751	(\$400,000)	(\$747,582)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding from the general fund (\$323,357) and from other funds (\$24,339) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> Funding is added to allow the Department of Mineral Resources to hire five of its new FTE positions during the 2011-13 biennium.

<sup>4</sup> Funding included in the executive budget recommendation for housing allowances for employees in oil-impacted areas is removed.

A section is added to provide an emergency clause for five new FTE positions.

A section is added relating to the oil and gas research program.

A section is added to unclassify engineering technicians of the Department of Mineral Resources.

A section added by the Senate relating to distribution of the resources trust fund is removed.

**Senate Bill No. 2014 - Bank of North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Capital assets	\$745,000	\$745,000		\$745,000
BND operations	51,707,928	51,861,408	(1,804,671)	50,056,737
Accrued leave payments			881,231	881,231
Total all funds	\$52,452,928	\$52,606,408	(\$923,440)	\$51,682,968
Less estimated income	52,452,928	52,606,408	(923,440)	51,682,968
General fund	\$0	\$0	\$0	\$0
FTE	179.50	179.50	0.00	179.50

## Department No. 471 - Bank of North Dakota - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total House Changes
Capital assets			
BND operations	(923,440)	(881,231)	(1,804,671)
Accrued leave payments		881,231	881,231
Total all funds	(\$923,440)	\$0	(\$923,440)
Less estimated income	(923,440)	0	(923,440)
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

## Senate Bill No. 2014 - Housing Finance Agency - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,437,231	\$7,445,099	(\$387,309)	\$7,057,790
Operating expenses	3,791,758	3,791,758		3,791,758
Grants	29,533,050	29,533,050		29,533,050
HFA contingencies	100,000	100,000		100,000
Housing incentive fund <sup>30</sup>		30,000,000	(30,000,000)	
Accrued leave payments			147,806	147,806
Total all funds	\$40,862,039	\$70,869,907	(\$30,239,503)	\$40,630,404
Less estimated income	40,862,039	40,869,907	(239,503)	40,630,404
General fund	\$0	\$30,000,000	(\$30,000,000)	\$0
FTE	46.00	46.00	0.00	46.00

## Department No. 473 - Housing Finance Agency - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Removes Transfer to Housing Incentive Fund <sup>3</sup>	Total House Changes
Salaries and wages	(\$239,503)	(\$147,806)		(\$387,309)
Operating expenses				
Grants				
HFA contingencies				
Housing incentive fund <sup>30</sup>			(30,000,000)	(30,000,000)
Accrued leave payments		147,806		147,806
Total all funds	(\$239,503)	\$0	(\$30,000,000)	(\$30,239,503)
Less estimated income	(239,503)	0	0	(239,503)
General fund	\$0	\$0	(\$30,000,000)	(\$30,000,000)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> Funding included by the Senate for a \$30 million transfer from the general fund to the housing incentive fund is removed.

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### Senate Bill No. 2014 - Mill and Elevator - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$29,849,124	\$29,849,124	(\$1,177,073)	\$28,672,051
Operating expenses	21,796,000	21,796,000		21,796,000
Contingencies	400,000	400,000		400,000
Agriculture promotion	210,000	210,000		210,000
Accrued leave payments			575,807	575,807
Total all funds	\$52,255,124	\$52,255,124	(\$601,266)	\$51,653,858
Less estimated income	52,255,124	52,255,124	(601,266)	51,653,858
General fund	\$0	\$0	\$0	\$0
FTE	135.00	135.00	0.00	135.00

### Department No. 475 - Mill and Elevator - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Removes Funding for Overtime <sup>3</sup>	Total House Changes
Salaries and wages	(\$135,905)	(\$575,807)	(\$465,361)	(\$1,177,073)
Operating expenses				
Contingencies				
Agriculture promotion				
Accrued leave payments		575,807		575,807
Total all funds	(\$135,905)	\$0	(\$465,361)	(\$601,266)
Less estimated income	(135,905)	0	(465,361)	(601,266)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of salaries and wages funding for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> Funding included in the executive budget recommendation for overtime pay is removed.

A section included in the executive budget recommendation relating to reducing the transfer of mill profits to the general fund is removed resulting in an additional \$4,297,200 of projected general fund revenue for the 2013-15 biennium.

### Senate Bill No. 2014 - Department of Commerce - House Action

	Executive Budget	Senate Version	House Changes	House Version
Market Study		\$500,000		\$500,000
Homeless shelter grants			2,000,000	2,000,000
Total all funds	\$0	\$500,000	\$2,000,000	\$2,500,000
Less estimated income	0	0	0	0
General fund	\$0	\$500,000	\$2,000,000	\$2,500,000
FTE	0.00	0.00	0.00	0.00

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

	Adds Funding for Grants to Homeless Shelters <sup>1</sup>	Total House Changes
Market Study		
Homeless shelter grants	2,000,000	2,000,000
Total all funds	\$2,000,000	\$2,000,000
Less estimated income	0	0
General fund	\$2,000,000	\$2,000,000
FTE	0.00	0.00

<sup>1</sup> Funding is added for grants to homeless shelters.

### REPORT OF STANDING COMMITTEE

**SB 2233: Energy and Natural Resources Committee (Rep. Porter, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2233 was placed on the Sixth order on the calendar.

Page 1, line 2, after the second comma insert "the lower Heart River Morton County enhanced flood control project,"

Page 1, line 2, replace "Southwest" with "southwest"

Page 1, line 4, replace "new section to chapter 6-09.4" with "new subdivision to subsection 2 of section 28-32-01, a new subdivision to subsection 1 of section 54-10-14, a new section to chapter 61-02, and four new sections to chapter 61-40"

Page 1, line 4, after the second "to" insert "exempting certain activities of the industrial commission from the Administrative Agencies Practice Act, western area water supply authority industrial water sales audits,"

Page 1, line 5, after "fund" insert ", and franchise protection rights of the western area water supply authority"

Page 1, line 5, remove "57-51.1-07,"

Page 1, line 6, replace "and 61-40-06" with "61-40-01, 61-40-02, 61-40-03, 61-40-04, 61-40-05, and 61-40-09"

Page 1, line 6, remove "allocation of moneys in the oil"

Page 1, line 7, replace "extraction tax development fund," with "relating to"

Page 1, line 7, after "River" insert "valley"

Page 1, line 7, after the second comma insert "the location of industrial water depots,"

Page 1, line 7, remove "oversight of"

Page 1, line 8, remove "and"

Page 1, line 8, after "61-24.7-04" insert ", and 61-40-06"

Page 1, line 9, after "project" insert "and oversight of western area water supply authority projects"

Page 1, line 10, remove "and"

Page 1, line 10, after "appropriation" insert "; to provide a statement of legislative intent; and to provide for reports to the legislative management"

Page 1, remove lines 12 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 31

Page 4, replace lines 1 through 17 with:

**"SECTION 1.** A new subdivision to subsection 2 of section 28-32-01 of the North Dakota Century Code is created and enacted as follows:

The industrial commission with respect to approving or setting water rates under chapter 61-40.

**SECTION 2.** A new subdivision to subsection 1 of section 54-10-14 of the North Dakota Century Code is created and enacted as follows:

Western area water supply authority industrial water sales on an annual basis."

Page 5, line 13, replace "long term" with "long-term"

Page 5, line 15, replace "long term" with "long-term"

Page 5, line 17, remove "diversion and"

Page 5, line 24, after the second underscored semicolon insert "mill levies:"

Page 6, line 15, replace "state funding for a share" with "one-half"

Page 6, line 16, replace "non-federal" with "nonfederal"

Page 6, line 16, after "the" insert "federally approved national economic development alternative for the"

Page 6, after line 23, insert:

**"SECTION 6.**

**Lower Heart River, Morton County, enhanced flood control project.**

The legislative assembly declares its intent to provide state funding for fifty percent of the nonfederal or local cost-share for construction of the lower Heart River, Morton County, flood control project."

Page 7, line 5, remove the underscored comma

Page 7, remove line 6

Page 7, line 7, remove "facilities"

Page 7, line 12, after "The" insert "sixty-third"

Page 7, line 12, after "funding" insert "not to exceed four hundred fifty million dollars"

Page 7, line 12, replace "a share" with "one-half"

Page 7, line 13, replace "the" with "a federally authorized"

Page 7, after line 18, insert:

**"SECTION 10.** A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

**Infrastructure revolving loan fund - Continuing appropriation - Rules.**

1. An infrastructure revolving loan fund is established on January 1, 2015, within the resources trust fund to provide loans for water supply, flood protection, or other water development and water management projects. Ten percent of oil extraction moneys deposited in the resources trust fund are made available on a continuing basis for making loans in accordance with this section. Accounts may be established in the resources trust fund as necessary for its management and administration.
2. The commission shall consider the following information when evaluating projects:
  - a. A description of the nature and purposes of the proposed infrastructure project, including an explanation of the need for the project, the reasons why it is in the public interest, and the overall economic impact of the project.
  - b. The estimated cost of the project and the amount of the loan sought and other proposed sources of funding.
  - c. The extent to which completion of the project will provide a benefit to the state or regions within the state.
3. The commission shall approve projects and loans from the infrastructure loan fund, and the Bank of North Dakota shall manage and administer loans from the infrastructure loan fund and individual accounts in the fund. The commission may adopt policies for the review and approval of loans under this section. Loans made under this section must be made at an interest rate of one and one-half percent.
4. Annually the Bank of North Dakota may deduct a service fee of one-half of one percent for administering the infrastructure loan fund.
5. Projects not eligible for the state revolving fund will be given priority for these funds."

Page 8, remove lines 20 through 31

Page 9, replace lines 1 through 3 with:

**"SECTION 13. AMENDMENT.** Section 61-40-01 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-01. Legislative declarations - Authority of western area water supply authority.**

The legislative assembly declares that many areas and localities in western North Dakota do not enjoy adequate quantities of high-quality drinking water; that other areas and localities in western North Dakota do not have sufficient quantities of water to ensure a dependable, long-term domestic or industrial water supply; that greater economic security and the protection of health and property benefits the land, natural resources, and water resources of this state; and that the promotion of the prosperity and general welfare of all of the people of this state depend on the effective development and utilization of the land and water resources of this state and necessitates and requires the exercise of the sovereign powers of this state and concern a public purpose. To accomplish this public purpose, it is declared necessary that a water authority to treat, store, and distribute water to western North Dakota be established to provide for the supply and distribution of water to the people of western North Dakota for purposes, including domestic, rural water, municipal, livestock, industrial, oil and gas development, and other uses, and provide for the future economic welfare and prosperity of the people of this state, and particularly the people of western North Dakota, by the creation and development of a western area water supply project for beneficial and public uses. The western area water supply authority may acquire, construct, improve, develop, and own water supply infrastructure and may enter water supply contracts with member cities, water districts, and private users, such as oil and gas producers, for the sale of water for use within or outside the authority boundaries or the state. The western area water supply authority shall consider in the process of locating industrial water depots the location of private water sellers so as to minimize the impact on private water sellers. The independent water providers shall consider in the process of locating industrial water depots the location of private water sellers so as to minimize the impact on private water sellers.

**SECTION 14. AMENDMENT.** Section 61-40-02 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-02. Western area water supply authority.**

The western area water supply authority consists of participating political subdivisions located within McKenzie, Williams, Burke, Divide, and Mountrail Counties which enter a water supply contract with the authority. Other cities and water systems, within or outside the authority counties' boundaries, including cities or water systems in Montana, may contract with the authority for a bulk water supply. The authority is a political subdivision of the state, a governmental agency, body politic and corporate, with the authority to exercise the powers specified in this chapter, or which may be reasonably implied. Participating member entities may be required to pay dues or water sale income to the authority, as determined by the bylaws and future resolutions of the authority. Participating member entities may not withdraw from the authority or fail or refuse to pay any water sale income to the authority ~~if the twenty-five million dollar zero interest loan from the state water commission has not been repaid until the state-guaranteed loans have been repaid.~~ The provisions of subsections 1 through 5 of section 61-35-02.1 apply if the authority's board of directors unanimously votes to convert to a water district.

**SECTION 15. AMENDMENT.** Section 61-40-03 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-03. Western area water supply authority - Board of directors.**

1. The initial board of directors of the western area water supply authority consists of two representatives from each of the following entities: Williams rural water district, McKenzie County water resource district, the city of Williston, BDW water system association, and R&T water supply association. The governing body of each member entity shall select two representatives to the authority board who are water users of the

member entity. If a vacancy arises for a member entity, the governing body of the member entity shall select a new representative to act on its behalf on the authority board. ~~In addition, the state engineer or designee is a voting member on the authority's board of directors.~~ Directors have a term of one year and may be reappointed.

2. Additional political subdivisions or water systems may be given membership on the board upon two-thirds majority vote of the existing board. To be eligible for membership on the board, the member entity must first contract with the authority for financial participation in the project.
3. A member entity may designate an alternate representative to attend meetings and to act on the member's behalf. The board may designate associate members who are nonvoting members of the board. Notwithstanding this section, ~~except for the state engineer or designee,~~ initial board members must be removed if they have not entered a contract with the authority, before August 1, 2013, for financial participation in the project.

**SECTION 16. AMENDMENT.** Section 61-40-04 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-04. Board of directors - Officers - Meetings.**

1. The board of directors shall adopt such rules and bylaws for the conduct of the business affairs of the authority as it determines necessary, including the time and place of regular meetings of the board, financial participation structure for membership in the authority, and membership appointment and changes. Bylaws need to be approved by member entity boards.
2. The board shall elect from its members a chairman and a vice chairman. The board shall elect a secretary and a treasurer, which offices may be held by the same individual, and either or both offices may be held by an individual who is not a member of the board. Special meetings of the board may be called by the secretary on order of the chairman or upon written request of a majority of the qualified members of the board. Notice of a special meeting must be mailed to each member of the board at least six days before the meeting, provided that a special meeting may be held at any time when all members of the board are present or consent in writing.
3. Board members are entitled to receive as compensation an amount determined by the board not to exceed the amount per day provided members of the legislative management under section 54-35-10 and must be reimbursed for their mileage and expenses in the amount provided for by sections 44-08-04 and 54-06-09.
4. ~~The initial board bylaws must direct board voting protocol. A weighted voting structure for board members is acceptable if the voting is based upon the volume of water purchased, the financial contributions of the stakeholder entities, or any other formula agreed by a majority of the board.~~
5. ~~Before the bylaws become effective, the bylaws must be reviewed and approved by the attorney general.~~

**SECTION 17. AMENDMENT.** Section 61-40-05 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-05. Authority of the western area water supply authority.**

In addition to authority declared under section 61-40-01, the board of directors of the western area water supply authority may:

1. Sue and be sued in the name of the authority.
2. Exercise the power of eminent domain in the manner provided by title 32 or as described in this chapter for the purpose of acquiring and securing any right, title, interest, estate, or easement necessary or proper to carry out the duties imposed by this chapter, and particularly to acquire the necessary rights in land for the construction of an entire part of any pipeline, reservoir, connection, valve, pumping installation, or other facility for the storage, transportation, or utilization of water and all other appurtenant facilities used in connection with the authority. However, if the interest sought to be acquired is a right of way for any project authorized in this chapter, the authority, after making a written offer to purchase the right of way and depositing the amount of the offer with the clerk of the district court of the county in which the right of way is located, may take immediate possession of the right of way, as authorized by section 16 of article I of the Constitution of North Dakota. Within thirty days after notice has been given in writing to the landowner by the clerk of the district court that a deposit has been made for the taking of a right of way as authorized in this subsection, the owner of the property taken may appeal to the district court by serving a notice of appeal upon the acquiring agency, and the matter must be tried at the next regular or special term of court with a jury unless a jury be waived, in the manner prescribed for trials under chapter 32-15.
3. Accept funds, property, services, pledges of security, or other assistance, financial or otherwise, from federal, state, and other public or private sources for the purpose of aiding and promoting the construction, maintenance, and operation of the authority. The authority may cooperate and contract with the state or federal government, or any department or agency of state or federal government, or any city, water district, or water system within the authority, in furnishing assurances and meeting local cooperation requirements of any project involving treatment, control, conservation, distribution, and use of water.
4. Cooperate and contract with the agencies or political subdivisions of this state or other states, in research and investigation or other activities promoting the establishment, construction, development, or operation of the authority.
5. Appoint and fix the compensation and reimbursement of expenses of employees as the board determines necessary to conduct the business and affairs of the authority and to procure the services of engineers and other technical experts, and to retain attorneys to assist, advise, and act for the authority in its proceedings.
6. Operate and manage the authority to distribute water to authority members and others within or outside the territorial boundaries of the authority and this state.
7. Hold, own, sell, or exchange any and all property purchased or acquired by the authority. All money received from any sale or exchange of property must be deposited to the credit of the authority and may be used to pay expenses of the authority.
8. Enter contracts to obtain a supply of bulk water through the purchase of infrastructure, bulk water sale or lease, which contracts may provide for payments to fund some or all of the authority's costs of acquiring, constructing, or reconstructing one or more water supply or infrastructure.
9. Acquire, construct, improve, and own water supply infrastructure, office and maintenance space in phases, in any location, and at any time.
10. Enter contracts to provide for a bulk sale, lease, or other supply of water for beneficial use to persons within or outside the authority. The contracts

may provide for payments to fund some or all of the authority's costs of acquiring, constructing, or reconstructing one or more water system projects, as well as the authority's costs of operating and maintaining one or more projects, whether the acquisition, construction, or reconstruction of any water supply project actually is completed and whether water actually is delivered pursuant to the contracts. The contracts the cities, water districts, and other entities that are members of the western area water supply authority are authorized to execute are without limitation on the term of years.

11. Borrow money as provided in this chapter.
12. Make all contracts, execute all instruments, and do all things necessary or convenient in the exercise of its powers or in the performance of its covenants or duties or in order to secure the payment of its obligations, but an encumbrance, mortgage, or other pledge of property of the authority may not be created by any contract or instrument.
13. Accept from any authorized state or federal agency loans or grants for the planning, construction, acquisition, lease, or other provision of a project, and enter agreements with the agency respecting the loans or grants. Other than state-guaranteed loans, additional debt that may form the basis of a claim for territorial or franchise protection for industrial water sales for oil and gas exploration and production may be acquired by the authority or member entities only upon approval by the industrial commission and the emergency commission.
14. Contract debts and borrow money, pledge property of the authority for repayment of indebtedness, and provide for payment of debts and expenses of the authority.
15. Operate and manage the authority to distribute water to any out-of-state cities or water systems that contract with the authority.
16. Accept, apply for, and hold water allocation permits.
17. Adopt rules concerning the planning, management, operation, maintenance, sale, and ratesetting regarding water sold by the authority. The authority may adopt a rate structure with elevated rates set for project industrial water depot and lateral supplies in recognition that a large component of the project expense is being incurred to meet the demands of industrial users. The industrial water depot and lateral rate structure must be approved in accordance with section 19 of this Act.
18. Develop water supply systems; store and transport water; and provide, contract for, and furnish water service for domestic, municipal, and rural water purposes; milling, manufacturing, mining, industrial, metallurgical, and any and all other beneficial uses; and fix the terms and rates therefore. The authority may acquire, construct, operate, and maintain dams, reservoirs, ground water storage areas, canals, conduits, pipelines, tunnels, and any and all treatment plants, works, facilities, improvements, and property necessary the same without any required public vote before taking action.
19. Contract to purchase or improve water supply infrastructure or to obtain bulk water supplies without requiring any vote of the public on the projects or contracts. In relation to the initial construction of the system and for the purposes of entering a contract with the authority, municipalities are exempt from the public voting requirements or water contract duration limitations otherwise imposed by section 40-33-16.
20. Accept assignment by member entities of contracts that obligate member entities to provide a water supply, contracts that relate to construction of water system infrastructure, or other member entity contracts that relate to authorities transferred to the authority under this chapter.

**SECTION 18.** A new section to chapter 61-40 of the North Dakota Century Code is created and enacted as follows:

**Industrial water depot and lateral sales.**

1. An accounting of industrial water depot and lateral sales collected and distributed by the authority must be reported to the industrial commission on a monthly basis. Participating member entities shall transfer industrial water depot and lateral sales to the authority within thirty days of receipt of the revenues. The boards of the authority and participating member entities must be notified of the sweep of revenues; however, board approval is not required. Upon the receipt of industrial water depot and lateral revenues by the authority, the authority shall apply immediately all revenues each month in the following order:
  - a. One hundred fifty thousand dollars per biennium to the industrial commission for one additional full-time equivalent position to implement this Act.
  - b. Reimburse the authority for industrial water depot capital improvements and the cost for delivery of potable or nonpotable water sold at industrial water depots and lateral lines, at a cost no greater than the participating member, or submember, if applicable, entity rate at the location of the depot or lateral line.
  - c. Regular payments on the participating member entity debt as described in the agreements with the authority as of March 31, 2013, and baseline 2010 industrial water sales included in the authority and participating member agreements as of March 31, 2013. Baseline 2010 industrial water sales for the city of Tioga in the year 2013 are limited to the lesser of legally permitted industrial water sales or the amount in the member agreement.
  - d. Required monthly payments on state-guaranteed loans. The required transfer must occur no later than the twentieth day of the following month.
  - e. Additional principal payment on state-guaranteed loans.
  - f. Payment to the resources trust fund.
2. If the state-guaranteed loans have not been repaid, without the written consent of the industrial commission the authority may not sell, lease, abandon, encumber, or otherwise dispose of any part of the property used in a water system of the authority if the property is used to provide revenue. Any requirements on the state-guaranteed loans for establishment of reserve funds for operation and maintenance or debt service are waived.
3. The state water commission shall approve the planning, location, and water supply contracts of any authority depots, laterals, taps, turnouts, and risers for industrial sales for oil and gas exploration and production after the effective date of this Act.

**SECTION 19.** A new section to chapter 61-40 of the North Dakota Century Code is created and enacted as follows:

**Water rates.**

The authority shall develop an industrial water depot and lateral retail rate and present the rate to the industrial commission for approval. Any industrial water depot and lateral rate adjustment must have approval of the industrial commission before going into effect. The authority shall develop domestic water rates that must include all costs for operation, maintenance, and operating and capital reserves, and debt repayment of all infrastructure managed or constructed by the authority, with the

exception of the costs identified in section 18 of this Act which are paid for by industrial water depot and lateral sales.

**SECTION 20.** A new section to chapter 61-40 of the North Dakota Century Code is created and enacted as follows:

**Construction funding.**

The authority shall follow the state water commission requirements for funding through the resources trust fund or Bank of North Dakota state-guaranteed loans and shall present the overall plan and project components to the state water commission for funding approval. Priority on project funding first is reserved for state-guaranteed loan payments if not met by industrial water depot and lateral sales, second is for full repayment of existing federal debt if 7 U.S.C. 1926(b) protection for oil and gas exploration and production industrial water sales is asserted, and third for expanding domestic water supply to areas currently not served. In accepting construction funding, the authority and participating member entities agree to not hinder or prevent depot and lateral industrial water sales for oil and gas exploration and production.

**SECTION 21. AMENDMENT.** Section 61-40-09 of the North Dakota Century Code is amended and reenacted as follows:

**61-40-09. Default.**

~~If the authority is in default in the payment of the principal of or interest on any of the obligations of the authority under this chapter and if the budget section determines that the authority is unable to reimburse the state in the time period required by the budget section, the budget section may give written notice to the governing board of the authority that the state has taken possession and ownership of the water system of the authority and the liabilities of the authority. In addition, the state assumes the powers of the authority. The industrial commission may review the ability of water depot and lateral sales to meet expenses in subdivisions a through d of subsection 1 of section 18 of this Act, and if the industrial commission is uncertain of that ability, the industrial commission shall provide written notification to the state water commission and direct the Bank of North Dakota to consider revision of the terms of the loan repayments. If the authority is in default in the payment of the principal of or interest on the obligation to the Bank of North Dakota for a loan for which the Bank of North Dakota is the source of funds for the loan, the state water commission shall request funding from the legislative assembly to repay the principal and interest due. Upon written notice, the members of the governing board of the authority are immediately removed, and the state water commission is the governing board from the date of notice. If the state water commission determines that governance, possession, and ownership of the water system is not necessary for the authority to be able to reimburse the state in the necessary time period, the state water commission may develop a plan to return governance, possession, and ownership to the authority, subject to approval of the plan by the budget section.~~

**SECTION 22.** A new section to chapter 61-40 of the North Dakota Century Code is created and enacted as follows:

**Franchise protection.**

Notwithstanding any other provision of law, neither the authority nor its participating member entities may be required to waive the right to assert franchise protection under state or federal law with regard to water used for purposes other than industrial sales for oil and gas exploration and production."

Page 9, line 4, remove "and"

Page 9, line 4, after "61-24.7-04" insert ", and 61-40-06"

Page 9, after line 5, insert:

**"SECTION 24. LEGISLATIVE INTENT.** It is the intent of the sixty-third legislative assembly that after all loans to the state of North Dakota and contractual responsibilities to participating members are fulfilled, that any revenues generated by industrial water sales for oil and gas exploration and production be prioritized for use for infrastructure development in oil and gas-impacted areas of the state.

**SECTION 25. REPORTS TO THE LEGISLATIVE MANAGEMENT.** The independent water providers and the western area water supply authority shall report to the water-related topics overview committee on a regular basis and collaborate with the committee and the state water commission to monitor water usage, rates, and market share. The water-related topics overview committee shall report to the legislative management with recommendations to assure the state's ability to maintain its payment schedule. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Renumber accordingly

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

**HB 1061, as engrossed:** Your conference committee (Sens. Lyson, Unruh, Murphy and Reps. Anderson, Silbernagel, S. Kelsh) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1310 and place HB 1061 on the Seventh order.

Engrossed HB 1061 was placed on the Seventh order of business on the calendar.

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

**HB 1063, as engrossed:** Your conference committee (Sens. Burckhard, Unruh, Triplett and Reps. Schmidt, Brabandt, Mock) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1204-1205 and place HB 1063 on the Seventh order.

Engrossed HB 1063 was placed on the Seventh order of business on the calendar.

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

**HB 1126, as engrossed:** Your conference committee (Sens. Armstrong, Campbell, Sinner and Reps. Owens, Sukut, Gruchalla) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1169, adopt further amendments as follows, and place HB 1126 on the Seventh order:

That the Senate recede from its amendments as printed on page 1169 of the House Journal and page 946 of the Senate Journal and that Engrossed House Bill No. 1126 be amended as follows:

Page 2, line 2, replace "mechanic certified by an industry-recognized certificate who" with "business that is registered with the secretary of state, is in good standing, and offers motor vehicle repair to the public. The business completing the certificate of inspection may not be the business that reconstructed the vehicle and"

Renumber accordingly

Engrossed HB 1126 was placed on the Seventh order of business on the calendar.

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

**HB 1139, as engrossed:** Your conference committee (Sens. Campbell, Sitte, Sinner and Reps. Schatz, Weisz, Oversen) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1260 and place HB 1139 on the Seventh order.

Engrossed HB 1139 was placed on the Seventh order of business on the calendar.

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

**SB 2047:** Your conference committee (Sens. Schaible, Poolman, Marcellais and Reps. Kasper, Becker, Amerman) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 782 and place SB 2047 on the Seventh

order.

SB 2047 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2095, as engrossed:** Your conference committee (Sens. Schaible, Luick, Marcellais and Reps. Rust, Heller, Mock) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 916 and place SB 2095 on the Seventh order.

Engrossed SB 2095 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2310:** Your conference committee (Sens. Sitte, Armstrong, Nelson and Reps. Owens, Kreun, Gruchalla) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 918-919, adopt amendments as follows, and place SB 2310 on the Seventh order:

That the House recede from its amendments as printed on pages 918 and 919 of the Senate Journal and page 1021 of the House Journal and that Senate Bill No. 2310 be amended as follows:

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

Page 1, line 1, after "4" insert "and 6"

Page 1, line 10, remove "In addition, any information contained in the report which"

Page 1, replace lines 11 through 14 with "In addition, the following information contained in the report is an exempt record as defined in section 44-04-17.1 unless the requester is a party to the accident, a party's legal representative, the insurer of any party to the accident, the agent of that insurer, or the legal representative or insurer of an individual involved in defending or investigating a prior or subsequent claim or accident involving a party to the accident:

- a. Driver identification number of a party in the report;
- b. Telephone number of a party in the report;
- c. Insurance company name and policy number of a party in the report;  
and
- d. Day and month of birth of a party in the report.

**SECTION 2. AMENDMENT.** Subsection 6 of section 39-08-13 of the North Dakota Century Code is amended and reenacted as follows:

- 6. Upon request of any person and upon payment of a fee of two dollars, the director or the law enforcement agency may furnish to a requester a copy of that portion of an investigating officer's accident report which does not disclose the opinion of the reporting officer or contain any exempt information that may not be disclosed, if the report shows that the accident is one for which a driver is required to file a report under section 39-08-09."

Renumber accordingly

SB 2310 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2339, as reengrossed:** Your conference committee (Sens. Laffen, Unruh, Murphy and Reps. Beadle, Kreun, Gruchalla) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 808, adopt amendments as follows, and place SB 2339 on the Seventh order:

That the House recede from its amendments as printed on page 808 of the Senate Journal

and pages 928 and 929 of the House Journal and that Reengrossed Senate Bill No. 2339 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative management study to create an inventory and strategic plan relating to residential and commercial development programs and infrastructure and to provide for a study of programs providing residential and commercial development assistance.

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

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - PROGRAMS FOR RESIDENTIAL AND COMMERCIAL DEVELOPMENT AND RELATED INFRASTRUCTURE.** During the 2013-14 interim, the legislative management shall consider a study to create an inventory of and strategic plan for state, local, and federal programs relating to residential and commercial development and related infrastructure needs, including the option to create a low-interest revolving loan program for municipal infrastructure. 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 2. HOUSING FINANCE AGENCY INVENTORY OF PROGRAMS PROVIDING RESIDENTIAL AND COMMERCIAL DEVELOPMENT ASSISTANCE - LEGISLATIVE MANAGEMENT STUDY.** During the 2013-14 interim, the housing finance agency, working with the Bank of North Dakota and department of commerce, shall survey appropriate state, local, and federal entities to create an inventory of government programs, including housing finance programs, energy efficiency programs, home and residential accessibility programs, disaster recovery programs, and other governmental programs providing residential and commercial development assistance. The housing finance agency shall present this inventory to the legislative management and shall identify program overlap and program gaps."

Renumber accordingly

Reengrossed SB 2339 was placed on the Seventh order of business on the calendar.

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

**Buell J. Reich, Chief Clerk**

