

## JOURNAL OF THE HOUSE

## Sixty-third Legislative Assembly

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Bismarck, April 23, 2013

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

The prayer was offered by Rabbi Grossman, Chabad of North Dakota, Fargo.

The roll was called and all members were present except Representatives Muscha, Oversen, and Strinden.

A quorum was declared by the Speaker.

**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 1422:** Sens. Anderson; J. Lee; Axness

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

**MR. SPEAKER:** The President has appointed Sen. Cook to replace Sen. Burckhard for the Seventy-second legislative day on the Conference Committee on HB 1290.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1033, HB 1128, HB 1136, HB 1272, HB 1289, HB 1306, HB 1405.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1291.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2008, SB 2030, SB 2074, SB 2210, SB 2243, SB 2338.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2094.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1134.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2163.

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

**MR. PRESIDENT:** The Speaker has signed: HB 1126, HB 1133, HB 1227.

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

**MR. SPEAKER:** The President has signed: HB 1138, HB 1170, HB 1171, HCR 3034.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2163.

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

**MR. SPEAKER:** The President has signed: SB 2163.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 23, 2013: HB 1061,

HB 1063, HB 1080, HB 1102, HB 1126, HB 1133, HB 1139, HB 1157, HB 1163, HB 1166, HB 1205, HB 1227, HB 1251, HB 1281, HB 1338, HB 1440.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolutions were delivered to the Secretary of State for filing on April 23, 2013: HCR 3016, HCR 3017.

**ANNOUNCEMENT**

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

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

**REPORT OF CONFERENCE COMMITTEE**

**SB 2008, as engrossed:** Your conference committee (Sens. G. Lee, Bowman, Robinson and Reps. Hawken, Thoreson, Guggisberg) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1237, adopt amendments as follows, and place SB 2008 on the Seventh order:

That the House recede from its amendments as printed on page 1237 of the Senate Journal and pages 1313 and 1314 of the House Journal and that Senate Bill No. 2008 be amended as follows:

Page 1, replace line 11 with:

"Salaries and wages	\$5,356,855	\$518,134	\$5,874,989
Accrued leave payments	0	120,783	120,783"

Page 1, replace line 14 with:

"Total special funds	\$6,836,318	\$743,899	\$7,580,217"
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ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2008 - Department of Financial Institutions - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$6,055,849	\$6,069,236	(\$194,247)	\$5,874,989	\$5,750,634	\$124,355
Operating expenses	1,428,445	1,428,445		1,428,445	1,428,445	
Contingency	156,000	156,000		156,000	156,000	
Accrued leave payments			120,783	120,783	120,783	
Total all funds	\$7,640,294	\$7,653,681	(\$73,464)	\$7,580,217	\$7,455,862	\$124,355
Less estimated income	7,640,294	7,653,681	(73,464)	7,580,217	7,455,862	124,355
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	29.00	29.00	0.00	29.00	29.00	0.00

**Department No. 413 - Department of Financial Institutions - Detail of Conference Committee Changes**

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	(\$73,464)	(\$120,783)	(\$194,247)
Operating expenses			
Contingency			
Accrued leave payments		120,783	120,783
Total all funds	(\$73,464)	\$0	(\$73,464)
Less estimated income	(73,464)	0	(73,464)
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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>2</sup> A portion of salaries and wages funding from other funds (\$120,783) 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.

Engrossed SB 2008 was placed on the Seventh order of business on the calendar.

#### MOTION

**REP. VIGESAA MOVED** that Engrossed HB 1025, which is on the Seventh order, be returned to conference committee for further consideration, which motion prevailed.

#### MOTION

**REP. VIGESAA MOVED** that HB 1302 and SB 2008 be moved to the bottom of the calendar, which motion prevailed.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)  
MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1358.

#### SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1358

In lieu of the amendments adopted by the Senate as printed on pages 1131-1136 and 1559-1568 of the Senate Journal, Reengrossed House Bill No. 1358 is amended as follows:

Page 1, line 1, remove "a new section to chapter 23-01 and"

Page 1, line 3, after "reenact" insert "paragraph 1 of subdivision f of subsection 1 of section 15.1-27-04.1 of the North Dakota Century Code, as created by House Bill No. 1319, as approved by the sixty-third legislative assembly, and"

Page 1, line 5, remove "; to provide a continuing appropriation"

Page 1, line 5, remove the second "to provide a"

Page 1, line 6, remove "statement of legislative intent;"

Page 1, line 6, replace "declare an emergency" with "provide an expiration date"

Page 1, remove lines 8 through 24

Page 2, replace lines 1 through 22 with:

**"SECTION 1. AMENDMENT.** Paragraph 1 of subdivision f of subsection 1 of section 15.1-27-04.1 of the North Dakota Century Code, as created by House Bill

No. 1319, as approved by the sixty-third legislative assembly, is amended and reenacted as follows:

- (1) Seventy-five percent of all revenue received by the school district and reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08 and mineral revenue received by the school district by direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual;"

Page 3, line 9, replace "seven" with "three"

Page 3, line 9, replace "fifty" with "seventy-five"

Page 3, line 18, replace "two" with "one"

Page 3, line 18, replace "fifty" with "twenty-five"

Page 3, remove lines 21 through 31

Page 4, remove lines 1 through 24

Page 4, line 25, replace "e." with "c."

Page 4, line 26, overstrike "one" and insert immediately thereafter "two"

Page 4, line 26, replace "fifty" with "fourteen"

Page 4, line 26, after the semicolon insert "and"

Page 4, remove lines 27 through 30

Page 4, overstrike line 31

Page 5, line 1, replace "g." with "d."

Page 5, line 1, remove "If there are no remaining"

Page 5, remove lines 2 through 6

Page 5, line 11, overstrike "the next"

Page 5, line 11, replace "four" with "all annual revenue exceeding five"

Page 5, line 11, overstrike "seventy-five" and insert immediately thereafter "twenty-five"

Page 5, line 12, overstrike "c. Of the next"

Page 5, line 12, remove "three"

Page 5, line 12, overstrike "million dollars, fifty percent is allocated to the county."

Page 5, line 13, overstrike "d. Of"

Page 5, line 13, remove "all remaining annual revenue"

Page 5, line 13, overstrike ", twenty-five"

Page 5, overstrike line 14

Page 6, line 1, replace "a county that received" with "the first"

Page 6, line 1, remove "or more"

Page 6, line 1, after "of" insert "annual"

Page 6, line 1, after "allocations" insert "to a county"

Page 6, line 2, remove "in the most recently completed state fiscal year"

Page 6, line 3, remove "under subsections 1 and 2"

Page 6, line 3, replace "credited" with "distributed"

Page 6, line 3, replace "county" with "state"

Page 6, line 4, remove the overstrike over "~~Forty-five~~"

Page 6, line 11, remove the overstrike over "~~Thirty-five percent of all revenues allocated to any county for allocation under this~~"

Page 6, remove the overstrike over line 12

Page 6, line 13, remove the overstrike over "~~school districts within the county~~" and insert immediately thereafter ", excluding consideration of and allocation to any hub city school district in the county."

Page 6, line 13, remove the overstrike over "~~on the average daily attendance distribution~~"

Page 6, remove the overstrike over line 14

Page 6, line 15, remove the overstrike over "~~schools:~~"

Page 7, line 25, remove the overstrike over "~~e.~~"

Page 8, remove lines 7 through 30

Page 9, remove lines 1 through 16

Page 9, line 17, replace "a county that did not reach a level of" with "revenues exceeding the first"

Page 9, line 17, after the second "of" insert "annual"

Page 9, line 17, after "allocations" insert "to a county"

Page 9, line 18, remove "in the most recently completed state fiscal year"

Page 9, line 19, replace "credited" with "distributed"

Page 9, line 19, replace the second "county" with "state"

Page 9, line 20, replace "Forty-five" with "Sixty"

Page 9, line 25, replace "Thirty-five" with "Five"

Page 9, line 25, replace "county" with "state"

Page 9, line 28, replace the second "county" with "state"

Page 9, line 29, after "from" insert "consideration and"

Page 9, line 30, remove "The total annual apportionment to school districts under"

Page 9, remove line 31

Page 10, after line 8, insert:

- "d. Ten percent must be apportioned no less than quarterly by the state treasurer to the organized and unorganized townships of the county in the proportion that township road miles in the township bears to the total township road miles in the county, with the board of county commissioners retaining and using the funds available for the maintenance and improvement of roads in unorganized townships.
- e. Five percent must be allocated by the state treasurer among hub cities. The amount available for allocation under this subdivision must be apportioned by the state treasurer no less than quarterly among hub cities, with each hub city receiving an allocation percentage of available funds under this subdivision equal to the percentage of allocations that hub city receives from allocations to hub cities under subdivision a of subsection 1 for the quarterly period."

Page 12, line 31, replace "\$150,000" with "\$120,000"

Page 13, line 5, remove **"STATE TREASURER - STRATEGIC INVESTMENT AND"**

Page 13, line 6, replace **"IMPROVEMENTS FUND"** with **"DEPARTMENT OF TRANSPORTATION"**

Page 13, line 6, remove "strategic investment"

Page 13, line 7, replace "and improvements" with "general"

Page 13, line 8, replace "\$190,000,000" with "\$160,000,000"

Page 13, line 8, replace "state treasurer" with "department of transportation"

Page 13, line 9, after "allocation" insert "as provided in this section"

Page 13, line 9, after "counties" insert "that received \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 in the state fiscal year ending June 30, 2012"

Page 13, line 9, replace "period" with "biennium"

Page 13, line 9, replace "May" with "July"

Page 13, line 10, remove "The amounts available for allocation under this section must be allocated"

Page 13, replace lines 11 through 20 with:

- "1. The sum appropriated in this section must be used to rehabilitate or reconstruct county paved and unpaved roads needed to support oil and gas production and distribution in North Dakota.
  - a. Funding allocations to counties are to be made by the department of transportation based on data supplied by the upper great plains transportation institute.
  - b. Counties identified in the data supplied by the upper great plains transportation institute which received \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 for the state fiscal year ending June 30, 2012, are eligible for this funding.
2. Each county requesting funding under this section for county roads shall submit the request in accordance with criteria developed by the department of transportation.
  - a. The request must include a proposed plan for funding projects that rehabilitate or reconstruct paved and unpaved roads within the county.

- b. The plan must be based on data supplied by the upper great plains transportation institute, actual road conditions, and integration with state highway and other county road projects.
  - c. Projects funded under this section must comply with the American association of state highway transportation officials (AASHTO) pavement design procedures and the department of transportation local government requirements. Upon completion of major reconstruction projects, the roadway segment must be posted at a legal load limit of 105,500 pounds [47853.993 kilograms].
  - d. Funds may not be used for routine maintenance.
3. The department of transportation, in consultation with the county, may approve the plan or approve the plan with amendments.
  4. The funding appropriated in this section may be used for:
    - a. Ninety percent of the cost of the approved roadway projects not to exceed the funding available for that county.
    - b. Funding may be used for construction, engineering, and plan development costs.
  5. Upon approval of the plan, the department of transportation shall transfer to the county the approved funding for engineering and plan development costs.
  6. Upon execution of a construction contract by the county, the department of transportation shall transfer to the county the approved funding to be distributed for county and township road rehabilitation and reconstruction projects.
  7. The recipient counties shall report to the department of transportation upon awarding of each contract and upon completion of each project in a manner prescribed by the department.
  8. The funding under this section may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2013.
  9. Section 54-44.1-11 does not apply to funding under this section. Any funds not spent by June 30, 2015, must be continued into the biennium beginning July 1, 2015, and ending June 30, 2017, and may be expended only for purposes authorized by this section."

Page 13, line 23, replace "\$150,000,000" with "\$100,000,000"

Page 13, line 24, remove "in equal amounts in each fiscal year"

Page 13, line 25, remove "of the biennium"

Page 13, line 26, remove "most recently completed"

Page 13, line 26, after "year" insert "ending June 30, 2012"

Page 13, line 26, replace "period" with "biennium"

Page 13, line 27, replace "May" with "July"

Page 13, line 28, replace "\$45,000,000 on or before May 1, 2013," with "\$30,000,000 in the first year of the biennium"

Page 13, line 29, replace "\$105,000,000 on or before May 1, 2014" with "\$70,000,000 in the second year of the biennium"

Page 13, line 29, remove "Allocations among counties under this"

Page 13, remove lines 30 and 31

Page 14, replace lines 1 and 2 with:

- "1. The sum appropriated in this section must be used to rehabilitate or reconstruct county paved and unpaved roads needed to support economic activity in North Dakota.
  - a. Funding allocations to counties are to be made by the department of transportation based on data supplied by the upper great plains transportation institute.
  - b. Counties identified in the data supplied by the upper great plains transportation institute which did not receive \$5,000,000 or more of allocations under subsection 2 of section 57-51-15 for the state fiscal year ending June 30, 2012, are eligible for this funding.
2. Each county requesting funding under this section for county roads shall submit the request in accordance with criteria developed by the department of transportation.
  - a. The request must include a proposed plan for funding projects that rehabilitate or reconstruct paved and unpaved roads within the county.
  - b. The plan must be based on data supplied by the upper great plains transportation institute, actual road conditions, and integration with state highway and other county road projects.
  - c. Projects funded under this section must comply with the American association of state highway transportation officials (AASHTO) pavement design procedures and the department of transportation local government requirements. Upon completion of major reconstruction projects, the roadway segment must be posted at a legal load limit of 105,500 pounds [47853.993 kilograms].
  - d. Funds may not be used for routine maintenance.
3. The department of transportation, in consultation with the county, may approve the plan or approve the plan with amendments.
4. The funding appropriated in this section may be used for:
  - a. Ninety percent of the cost of the approved roadway projects not to exceed the funding available for that county.
  - b. Funding may be used for construction, engineering, and plan development costs.
5. Upon approval of the plan, the department of transportation shall transfer to the county the approved funding for engineering and plan development costs.
6. Upon execution of a construction contract by the county, the department of transportation shall transfer to the county the approved funding to be distributed for county and township road rehabilitation and reconstruction projects.
7. The recipient counties shall report to the department of transportation upon awarding of each contract and upon completion of each project in a manner prescribed by the department.

8. The funding under this section may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2013.
9. Section 54-44.1-11 does not apply to funding under this section. Any funds not spent by June 30, 2015, must be continued into the biennium beginning July 1, 2015, and ending June 30, 2017, and may be expended only for purposes authorized by this section."

Page 14, line 6, replace "period" with "biennium"

Page 14, line 7, replace "May" with "July"

Page 14, line 8, replace "on or before May 1," with "in July"

Page 14, line 8, remove the second comma

Page 14, line 8, remove the second "1,"

Page 14, line 18, remove "if that township has"

Page 14, line 19, remove "uncommitted reserve funds on hand exceeding \$100,000 or"

Page 14, line 26, replace "for" with "in"

Page 14, line 26, remove "preceding"

Page 14, line 26, after "year" insert "ending June 30, 2012"

Page 14, remove lines 27 through 31

Page 15, remove lines 1 through 5

Page 15, remove lines 22 through 31

Page 16, replace lines 1 through 27 with:

**"SECTION 10. APPROPRIATION - LAW ENFORCEMENT - ATTORNEY GENERAL'S OFFICE - OIL AND GAS IMPACT GRANT FUND - REPORT TO BUDGET SECTION.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the attorney general's office for the purpose of awarding grants to law enforcement agencies, for crime-related needs of the attorney general's office, and for the development of a uniformed law enforcement and custody manual, for the biennium beginning July 1, 2013, and ending June 30, 2015. The drug and violent crime policy board of the attorney general shall, with approval of the board of university and school lands, grant funds to law enforcement agencies in oil-impacted counties where crime-related activities have increased or in other counties if the crime-related activities in oil-impacted counties originated in any of those counties. The attorney general may spend up to ten percent of the funding provided under this section for defraying the expenses of additional staffing needs or other needs necessary to accomplish the role of the attorney general's office as an assisting agency in ensuring public safety in the affected areas. The attorney general may use up to \$750,000 of the funding provided under this section for the development of a uniformed law enforcement and custody manual. The funding provided in this section is considered a one-time funding item. The attorney general shall report to the budget section after June 30, 2014, on the impact the grant funding has had on crime-related activities.

**SECTION 11. APPROPRIATION - AIRPORT GRANTS - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$60,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants to airports impacted by oil and gas development, for

the biennium beginning July 1, 2013, and ending June 30, 2015. The director of the energy infrastructure and impact office shall adopt grant procedures and requirements necessary for distribution of grants under this section, which must include cost-share requirements. Cost-share requirements must consider the availability of local funds to support the project. Grant funds must be distributed giving priority to projects that have been awarded or are eligible to receive federal funding. Grants distributed pursuant to this section are not to be considered in making grant recommendations under section 57-62-05. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item.

**SECTION 12. APPROPRIATION - HIGHER EDUCATION GRANTS - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants to public institutions of higher education impacted by oil and gas development, for the biennium beginning July 1, 2013, and ending June 30, 2015. Notwithstanding the provisions of chapter 57-62, public institutions of higher education are eligible to receive oil and gas impact grants under this section. The director of the energy infrastructure and impact office may develop grant procedures and requirements necessary for distribution of grants under this section. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item.

**SECTION 13. APPROPRIATION - PILOT PROJECT - DUST CONTROL - COMMISSIONER OF UNIVERSITY AND SCHOOL LANDS - OIL AND GAS IMPACT GRANT FUND.** There is appropriated out of any moneys in the oil and gas impact grant fund in the state treasury, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of awarding grants of \$1,000,000 each to three counties in oil-impacted areas for a pilot project for dust control, for the biennium beginning July 1, 2013, and ending June 30, 2015. The county commission from each county shall file a report with the department of trust lands by August 1, 2013, regarding any product used to control dust and the success or failure of the product in controlling dust. The director of the energy infrastructure and impact office may develop grant procedures and requirements necessary for distribution of grants under this section. The department of trust lands shall consult with the state department of health and the industrial commission relating to the use of oilfield-produced saltwater and products previously tested for dust control. Grants distributed pursuant to this section are not to be considered in making grant recommendations under section 57-62-05. Grants awarded under this section are not subject to section 54-44.1-11. The funding provided in this section is considered a one-time funding item."

Page 16, line 28, after "**DATE**" insert "**- EXPIRATION DATE**"

Page 16, line 28, after "Sections" insert "1,"

Page 16, line 28, after "2" insert a comma

Page 16, line 29, after "2013" insert ", and before July 1, 2015, and are thereafter ineffective"

Page 16, remove lines 30 and 31

Renumber accordingly

#### **CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1358 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 1358:

Reps. Belter, Delzer, Boe.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to HB 1250 as printed on HJ pages 1802-1815 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 1250: 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 HB 1258 as printed on HJ pages 1813-1815 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 1258: Reps. Dosch, Skarphol, Nathe.

**ANNOUNCEMENT**

**SPEAKER DEVLIN ANNOUNCED** that Rep. Belter will replace Rep. Owens on the Conference Committee on HB 1290.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2030:** Your conference committee (Sens. J. Lee, Anderson, Dever and Reps. Porter, Looysen, Oversen) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 939, adopt amendments as follows, and place SB 2030 on the Seventh order:

That the House recede from its amendments as printed on page 939 of the Senate Journal and page 1086 of the House Journal and that Senate Bill No. 2030 be amended as follows:

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 23-35 of the North Dakota Century Code, relating to tribal health districts;"

Page 1, line 1, after "reenact" insert "section 23-35-01, subsection 2 of section 23-35-03, subsection 1 of section 23-35-04,"

Page 1, line 1, after "sections" insert "23-35-06, 23-35-07, 23-35-08,"

Page 1, line 2, after "to" insert "health districts,"

Page 1, line 3, after the semicolon insert "to provide a report to the legislative management."

Page 1, after line 5, insert:

**"SECTION 1. AMENDMENT.** Section 23-35-01 of the North Dakota Century Code is amended and reenacted as follows:

**23-35-01. Definitions.**

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

1. "Board of health" means a district, county, ~~or city,~~ or tribal board of health.
2. "Department" means the state department of health.
3. "Governing body" means, as applicable, a city commission, city council, board of county commissioners, ~~or joint board of county commissioners,~~ or tribal council.
4. "Health district" means an entity formed under section 23-35-04 or 23-35-05.

5. "Joint board of county commissioners" means the boards of county commissioners of two or more counties acting together in joint session.
6. "Local health officer" means the health officer of a public health unit.
7. "Public health department" means a city or, county, or tribal health department formed under this chapter.
8. "Public health unit" means the local organization formed under this chapter to provide public health services in a city, county, or designated multicounty or city-county area, or Indian reservation. The term includes a city public health department, county public health department, tribal health department, and a health district.

**SECTION 2.** A new section to chapter 23-35 of the North Dakota Century Code is created and enacted as follows:

**Tribal health units.**

An Indian nation that occupies a reservation the external boundaries of which border more than four counties may form a health district or public health department as provided in this chapter. A tribal public health unit and bordering public health units shall collaborate regarding the provision of public health services. If an individual who is not an enrolled member of an Indian tribe of the Indian reservation that forms a tribal public health unit is a party to a civil action in which the tribal public health unit is also a party, that individual may bring the action in or move the action to tribal court or district court.

**SECTION 3. AMENDMENT.** Subsection 2 of section 23-35-03 of the North Dakota Century Code is amended and reenacted as follows:

2. A city's or, county's, or tribe's governing body may establish a public health unit by creating and appointing a board of health, which in the case of a city, may be composed of the city's governing body, or in the case of a tribe, may be composed of the tribal council or governing body. A board of health must have at least five members.
  - a. In the case of a board of health created by a joint board of county commissioners, each county in the health district must have at least one representative on the board; each county of over fifteen thousand population must have an additional representative for each fifteen thousand population or major fraction of that number; and in a health district of fewer than five counties, each county must have at least one representative on the district board of health, and the additional representatives selected to constitute the minimum five-member board must be equitably apportioned among the counties on a population basis.
  - b. In the case of a joint city-county health district composed of only one county and having at least one city over fifteen thousand population, each city having a population over fifteen thousand must have a representative on the district board of health for each fifteen thousand population or major fraction of that number, and the remaining population of the county, exclusive of the populations of cities with more than fifteen thousand each, must have a representative on the district board of health for each fifteen thousand population or major fraction of that number, or at least one member if the remaining population is less than fifteen thousand.

**SECTION 4. AMENDMENT.** Subsection 1 of section 23-35-04 of the North Dakota Century Code is amended and reenacted as follows:

1. Upon the adoption of a resolution, the governing body may form a single county, multicounty, ~~or a city-county,~~ or tribal health district.

**SECTION 5. AMENDMENT.** Section 23-35-06 of the North Dakota Century Code is amended and reenacted as follows:

**23-35-06. Health districts - Dissolution - Withdrawal.**

1. ~~If~~Except for a tribal health district, if a health district has been in operation for two years, the district may be dissolved as provided for under this section. If a petition is filed with the county auditor of each county of a health district which is signed by qualified electors of that county equal to ten percent or more of the votes cast in that county at the last general election, an election on the question of dissolution must be presented to the qualified electors in each county in the district at the next election held in each county in the district. If a majority of the votes cast on the question in a majority of the counties favor dissolution, the health district is dissolved on the second January first following the election. If a majority of the votes cast on the question in a majority of the counties are against dissolution, no other election on this issue may be held for two years.
2. If a health district has been in operation for two years, any county may withdraw from the district as provided under this section. If a petition is filed with the withdrawing county's auditor which is signed by qualified electors of the county equal to ten percent or more of the votes cast in that county at the last general election, an election on the question of withdrawal must be presented to the qualified electors in the county at the next election in the county. If a majority of the votes cast on the question favor withdrawing from the district, the county is withdrawn from the district on the second January first following the election. If a majority of the votes cast on the question are against withdrawal, no other election on this issue may be held for two years.
3. A tribal health district may be dissolved by the tribal council or governing body at any time.

**SECTION 6. AMENDMENT.** Section 23-35-07 of the North Dakota Century Code is amended and reenacted as follows:

**23-35-07. Health district funds.**

1. ~~A~~Except for a tribal health district, a district board of health shall prepare a budget for the next fiscal year at the time at which and in the manner in which a county budget is adopted and shall submit this budget to the joint board of county commissioners for approval. The amount budgeted and approved must be prorated in health districts composed of more than one county among the various counties in the health district according to the taxable valuation of the respective counties in the health district. For the purpose of this section, "prorated" means that each member county's contribution must be based on an equalized mill levy throughout the district, except as otherwise permitted under subsection 3 of section 23-35-05. Within ten days after approval by the joint board of county commissioners, the district board of health shall certify the budget to the respective county auditors and the budget must be included in the levies of the counties. The budget may not exceed the amount that can be raised by a levy of five mills on the taxable valuation, subject to public hearing in each county in the health district at least fifteen days before an action taken by the joint board of county commissioners. Action taken by the joint board of county commissioners must be based on the record, including comments received at the public hearing. A levy under this section is not subject to the limitation on the county tax levy for general and special county purposes. The amount derived by a levy under this section must be placed in the health district fund. The health district fund must be deposited with and disbursed by the treasurer of the district board of health. Each county in a health district quarterly shall remit and make settlements with the treasurer. Any funds remaining in the fund at the end of any fiscal year may be carried over to the next fiscal year.

2. ~~The~~Except for a tribal health district, the district board of health, or the president and secretary of the board when authorized or delegated by the board, shall audit all claims against the health district fund. The treasurer shall pay all claims from the health district fund. The district board of health shall approve or ratify all claims at the board's quarterly meetings.

**SECTION 7. AMENDMENT.** Section 23-35-08 of the North Dakota Century Code is amended and reenacted as follows:

**23-35-08. Boards of health - Powers and duties.**

Except when in conflict with a local ordinance or a civil service rule within a board of health's jurisdiction, or a tribal code, ordinance, or policy, each board of health:

1. Shall keep records and make reports required by the department.
2. Shall prepare and submit a public health unit budget.
3. Shall audit, allow, and certify for payment expenses incurred by a board of health in carrying into effect this chapter.
4. May accept and receive any contribution offered to aid in the work of the board of health or public health unit.
5. May make rules regarding any nuisance, source of filth, and any cause of sickness which are necessary for public health and safety.
6. May establish by rule a schedule of reasonable fees that may be charged for services rendered. Services may not be withheld due to an inability to pay any fees established under this subsection. If a tribal board of health establishes fees for services rendered, the fees may not exceed the highest corresponding fee of any of the public health units that border the tribal public health unit.
7. May make rules in a health district or county public health department, as the case may be, and in the case of a city public health department may recommend to the city's governing body ordinances for the protection of public health and safety.
8. May adopt confinement, decontamination, and sanitary measures in compliance with chapter 23-07.6 which are necessary when an infectious or contagious disease exists.
9. May make and enforce an order in a local matter if an emergency exists.
10. May inquire into any nuisance, source of filth, or cause of sickness.
11. Except in the case of an emergency, may conduct a search or seize material located on private property to ascertain the condition of the property as the condition relates to public health and safety as authorized by an administrative search warrant issued under chapter 29-29.1.
12. May abate or remove any nuisance, source of filth, or cause of sickness when necessary to protect the public health and safety.
13. May supervise any matter relating to preservation of life and health of individuals, including the supervision of any water supply and sewage system.
14. May isolate, kill, or remove any animal affected with a contagious or infectious disease if the animal poses a material risk to human health and safety.

15. Shall appoint a local health officer.
16. May employ any person necessary to effectuate board rules and this chapter.
17. If a public health unit is served by a part-time local health officer, the board of health may appoint an executive director. An executive director is subject to removal for cause by the board of health. The board of health may assign to the executive director the duties of the local health officer, and the executive director shall perform these duties under the direction of the local health officer.
18. May contract with any person to provide the services necessary to carry out the purposes of the board of health.
19. Shall designate the location of a local health officer's office and shall furnish the office with necessary equipment.
20. May provide for personnel the board of health considers necessary.
21. Shall set the salary of the local health officer, the executive director, and any assistant local health officer and shall set the compensation of any other public health unit personnel.
22. Shall pay for necessary travel of the local health officer, the local health officer's assistants, and other personnel in the manner and to the extent determined by the board."

Page 4, remove lines 30 and 31

Page 5, replace lines 1 through 3 with:

**"SECTION 12. STATE DEPARTMENT OF HEALTH REPORTS TO THE LEGISLATIVE MANAGEMENT - TRIBAL PUBLIC HEALTH UNIT PILOT PROJECT.** During the 2013-14 interim, the state department of health shall report semiannually to the legislative management on the status of the tribal public health unit pilot project, including services provided, resources available, expenditures, and the future sustainability of the pilot project.

**SECTION 13. APPROPRIATION.** 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 department of health for the purposes of planning or establishing, or both, a regional public health network, for the biennium beginning July 1, 2013, and ending June 30, 2015. The department may not spend more than \$250,000 for each regional public health network."

Renumber accordingly

SB 2030 was placed on the Seventh order of business on the calendar.

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

**REP. PORTER MOVED** that the conference committee report on SB 2030 be adopted, which motion prevailed on a voice vote.

SB 2030, as amended, was placed on the Fourteenth order of business.

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

**SB 2030:** A BILL for an Act to create and enact a new section to chapter 23-35 of the North Dakota Century Code, relating to tribal health districts; to amend and reenact section 23-35-01, subsection 2 of section 23-35-03, subsection 1 of section 23-35-04, sections 23-35-06, 23-35-07, 23-35-08, 23-35.1-01, 23-35.1-02, 23-35.1-03, and 23-35.1-04 of the North Dakota Century Code, relating to health districts, regional public health network definitions, joint powers agreement review, annual plan, and receipt and use of moneys; to provide a report to the legislative management; and to

provide an appropriation.

### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 84 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Belter; Boe; Boehning; Boschee; Brandenburg; Carlson; Delmore; Dockter; Drovdal; Fehr; Frantsvog; Froseth; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; 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; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Strinden; Sukut; Thoreson; Toman; Trotter; Vigesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Becker; Bellew; Brabandt; Damschen; Delzer; Dosch; Headland; Streyle

**ABSENT AND NOT VOTING:** Muscha; Owens

SB 2030, as amended, passed.

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### REPORT OF CONFERENCE COMMITTEE

**SB 2074, as engrossed:** Your conference committee (Sens. Armstrong, Sitte, Grabinger and Reps. Klemin, Brabandt, Hanson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1088, adopt amendments as follows, and place SB 2074 on the Seventh order:

That the House recede from its amendments as printed on page 1088 of the Senate Journal and page 1174 of the House Journal and that Engrossed Senate Bill No. 2074 be amended as follows:

Page 1, line 6, after "1." insert:

"a."

Page 1, line 6, overstrike "a" and insert immediately thereafter ":

- (1) A class A felony if the value of any property or services retained exceeds fifty thousand dollars;
- (2) A class B felony if the value of any property or services attempted to be obtained exceeds fifty thousand dollars;
- (3) A"

Page 1, line 7, replace ". a" with "but does not exceed fifty thousand dollars;

- (4) A class C felony if the value of any property or services attempted to be obtained exceeds ten thousand dollars but does not exceed fifty thousand dollars;
- (5) A"

Page 1, line 8, overstrike "five" and insert immediately thereafter "one"

Page 1, line 8, replace the underscored comma with "but does not exceed ten thousand dollars;"

Page 1, line 8, overstrike "a" and insert immediately thereafter:

"(6) A"

Page 1, line 9, after the period insert:

"b."

Page 1, line 10, overstrike "subsection 6 of"

Renumber accordingly

Engrossed SB 2074 was placed on the Seventh order of business on the calendar.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. KLEMIN MOVED** that the conference committee report on Engrossed SB 2074 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2074, as amended, was placed on the Fourteenth order of business.

**SECOND READING OF SENATE BILL**

**SB 2074:** A BILL for an Act to amend and reenact subsection 1 of section 26.1-02.1-05 of the North Dakota Century Code, relating to penalties for insurance fraud; 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 83 YEAS, 9 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

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

**NAYS:** Becker; Delzer; Froseth; Grande; Headland; Heller; Koppelman, B.; Meier; Steiner

**ABSENT AND NOT VOTING:** Muscha; Owens

Engrossed SB 2074, as amended, passed.

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**REPORT OF CONFERENCE COMMITTEE**

**SB 2094, as engrossed:** Your conference committee (Sens. Schaible, Poolman, Lyson and Reps. Heilman, Meier, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 918-1007, adopt amendments as follows, and place SB 2094 on the Seventh order:

That the House recede from its amendments as printed on page 918 of the Senate Journal and page 1007 of the House Journal and that Engrossed Senate Bill No. 2094 be amended as follows:

Page 1, after line 8 insert:

"1."

Page 1, line 14, overstrike the colon

Page 1, line 15, overstrike "1. Documented extraordinary circumstances;"

Page 1, line 15, remove "and"

Page 1, line 16, overstrike "2. Student" and insert immediately thereafter "student"

Page 1, after line 17, insert:

- "2. a. Before mandatory fees on students may be increased to support the construction or renovation of a campus building valued at more than one million dollars, the use must be approved by a majority of the students voting on the question at a campuswide election.
- b. This subsection does not apply to any construction or renovation for which the use of mandatory fees was authorized before July 1, 2013."

Renumber accordingly

Engrossed SB 2094 was placed on the Seventh order of business on the calendar.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. HEILMAN MOVED** that the conference committee report on Engrossed SB 2094 be rejected, which motion prevailed on a verification vote.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2210, as engrossed:** Your conference committee (Sens. Dever, Marcellais, Poolman and Reps. Rohr, Karls, Strinden) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 917-918, adopt amendments as follows, and place SB 2210 on the Seventh order:

That the House recede from its amendments as printed on pages 917 and 918 of the Senate Journal and page 1020 of the House Journal and that Engrossed Senate Bill No. 2210 be amended as follows:

Page 1, line 1, remove "; and to provide a continuing"

Page 1, line 2, remove "appropriation"

Page 1, line 5, remove "**- Continuing appropriation**"

Page 1, line 6, after "shall" insert "initiate and"

Page 1, line 6, remove "book of all"

Page 1, replace lines 7 through 14 with "record of all North Dakota veterans, including a record of all North Dakotans killed in action and missing in action since statehood. The adjutant general shall determine the projected costs for the completion of the writing, publishing, and distribution of the records and present those projections to the legislative management."

Renumber accordingly

Engrossed SB 2210 was placed on the Seventh order of business on the calendar.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. ROHR MOVED** that the conference committee report on Engrossed SB 2210 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2210, as amended, was placed on the Fourteenth order of business.

#### SECOND READING OF SENATE BILL

**SB 2210:** A BILL for an Act to provide for the publishing of a book of 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 91 YEAS, 1 NAYS, 0 EXCUSED, 2 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; Larson; Looyen; Louser; Maragos; Martinson; Meier; Mock; Monson; Mooney; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Paur; Pollert; Porter; Rohr; Ruby; Rust; Sanford; Schatz; Schmidt; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigeesaa; Wall; Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Laning

**ABSENT AND NOT VOTING:** Muscha; Owens

Engrossed SB 2210, as amended, passed.

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

**SB 2243, as engrossed:** Your conference committee (Sens. Dever, G. Lee, Axness and Reps. Damschen, Fehr, Mooney) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 918, adopt amendments as follows, and place SB 2243 on the Seventh order:

That the House recede from its amendments as printed on page 918 of the Senate Journal and page 1009 of the House Journal and that Engrossed Senate Bill No. 2243 be amended as follows:

Page 1, line 1, remove "; and"

Page 1, line 2, remove "to provide an appropriation"

Page 1, line 5, replace the first "study" with "consider studying"

Page 1, line 11, after the period insert "The legislative council may contract for consulting and coordination of study services to assist the legislative management in conducting the behavioral health study."

Page 1, remove lines 14 through 19

Re-number accordingly

Engrossed SB 2243 was placed on the Seventh order of business on the calendar.

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

**REP. DAMSCHEN MOVED** that the conference committee report on Engrossed SB 2243 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2243, as amended, was placed on the Fourteenth order of business.

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

**SB 2243:** A BILL for an Act to provide for a legislative management study of behavioral health needs.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 66 YEAS, 26 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson; Beadle; Boe; Boehning; Boschee; Carlson; Damschen; Delmore; Dockter; Drovdal; Fehr; Frantsvog; Glassheim; Grande; Gruchalla; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Heilman; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, N.; Kasper; Keiser; Kelsh, J.; Kelsh, S.; Kempenich; Kiefert; Klein; Klemin; Kretschmar; Kreun; Laning; Larson; Looyen; Maragos; Martinson; Meier; Mock; Monson; Mooney; Nelson, J.; Nelson, M.; Onstad; Oversen; Porter; Rust; Sanford; Silbernagel; Steiner; Strinden; Sukut; Toman; Trottier; Wall;

Weisz; Wieland; Williams; Zaiser; Speaker Devlin

**NAYS:** Becker; Bellew; Belter; Brabandt; Brandenburg; Delzer; Dosch; Froseth; Headland; Heller; Karls; Koppelman, B.; Koppelman, K.; Kreidt; Louser; Nathe; Paur; Pollert; Rohr; Ruby; Schatz; Schmidt; Skarphol; Streyle; Thoreson; Vigesaa

**ABSENT AND NOT VOTING:** Muscha; Owens

Engrossed SB 2243, as amended, passed.

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#### REPORT OF CONFERENCE COMMITTEE

**SB 2338, as engrossed:** Your conference committee (Sens. Cook, Burckhard, Triplett and Reps. Klein, Schmidt, Haak) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1013, adopt amendments as follows, and place SB 2338 on the Seventh order:

That the House recede from its amendments as printed on page 1013 of the Senate Journal and page 1117 of the House Journal and that Engrossed Senate Bill No. 2338 be amended as follows:

Page 2, line 29, after "through" insert "local."

Page 2, line 29, after "state" insert an underscored comma

Page 3, line 12, after "a" insert "local."

Page 3, line 12, after "state" insert an underscored comma

Renumber accordingly

Engrossed SB 2338 was placed on the Seventh order of business on the calendar.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. KLEIN MOVED** that the conference committee report on Engrossed SB 2338 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2338, as amended, was placed on the Fourteenth order of business.

#### SECOND READING OF SENATE BILL

**SB 2338:** A BILL for an Act to create and enact a new subsection to section 57-02-08 of the North Dakota Century Code, relating to a conditional exemption and payments in lieu of taxes for affordable rental residential property; to amend and reenact subsection 8 of section 57-02-08 of the North Dakota Century Code, relating to the property tax exemption for property owned by institutions of public charity; 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 78 YEAS, 14 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

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

**NAYS:** Becker; Delzer; Dosch; Froseth; Grande; Headland; Kasper; Keiser; Laning;

Monson; Pollert; Ruby; Schatz; Skarphol

**ABSENT AND NOT VOTING:** Muscha; Owens

Engrossed SB 2338, as amended, passed.

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**MOTION**

**REP. VIGESAA MOVED** that Reengrossed 1302, which is on the Seventh order, be returned to conference committee for further consideration, which motion prevailed.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2200.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause failed: SB 2003.

**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 1250, HB 1258, and HB 1358, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1250:** Reps. Belter; Headland; S. Kelsh

**HB 1258:** Reps. Dosch; Skarphol; Nathe

**HB 1358:** Reps. Belter; Delzer; Boe

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has appointed Rep. Belter to replace Rep. Owens on the Conference Committee on HB 1290.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1300.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The Senate has adopted the conference committee report on: HCR 3006.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2030, SB 2074, SB 2210, SB 2243, SB 2338.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has not adopted the conference committee report on: SB 2094.

**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 2005, SB 2023, SB 2160, SB 2211, SB 2267.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: HB 1138, HB 1170, HB 1171, HCR 3034.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1134.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: HB 1134.

**ANNOUNCEMENT**

**SPEAKER DEVLIN ANNOUNCED** that the House would stand in recess until 4:30 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-eighth Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1639, line 45, after "passed" insert "and the emergency clause carried"

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

**ANNOUNCEMENT**

**SPEAKER DEVLIN ANNOUNCED** that Rep. Williams will replace Rep. Nathe on the Conference Committee on HB 1258.

**CONSIDERATION OF MESSAGE FROM THE SENATE**

**REP. NATHE MOVED** that the House do concur in the Senate amendments to HCR 3047 as printed on HJ pages 1815-1816, which motion prevailed on a verification vote.

HCR 3047, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3047:** A concurrent resolution to create and enact a new section to article VIII of the Constitution of North Dakota, relating to the creation of a commission of higher education; to repeal section 6 of article VIII of the Constitution of North Dakota, relating to the state board of higher education; and to provide an effective date.

**ROLL CALL**

The question being on the final adoption of the amended resolution, which has been read. The roll was called and there were 55 YEAS, 34 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Beadle; Becker; Bellew; Belter; Boehning; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Dockter; Dosch; Drovdal; Frantsvog; Froseth; Grande; Hawken; Heilman; Johnson, D.; Karls; Kasper; Kempenich; Kiefert; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kreun; Laning; Larson; Looyson; Louser; Martinson; Nathe; Nelson, J.; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Silbernagel; Streyle; Thoreson; Toman; Trottier; Vigesaa; Wall; Weisz; Wieland; Speaker Devlin

**NAYS:** Amerman; Boe; Boschee; Delmore; Fehr; Glassheim; Gruchalla; Guggisberg; Haak; Hatlestad; Headland; Heller; Hofstad; Hogan; Holman; Hunskor; Johnson, N.; Keiser; Kelsh, J.; Kelsh, S.; Kretschmar; Maragos; Mock; Monson; Mooney; Nelson, M.; Onstad; Oversen; Rust; Skarphol; Steiner; Strinden; Sukut; Williams

**ABSENT AND NOT VOTING:** Hanson; Meier; Muscha; Owens; Zaiser

Engrossed HCR 3047 was declared adopted on a recorded roll call vote.

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**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: HCR 3047.

**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 1250:** Sens. Miller; Campbell; Triplett

**HB 1258:** Sens. Flakoll; Poolman; Heckaman

**HB 1358:** Sens. Cook; Oehlke; Dotzenrod

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Williams to replace Rep. Nathe on the

Conference Committee on HB 1258.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2003 and SB 2200, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2003:** Sens. Holmberg; Krebsbach; Robinson

**SB 2200:** Sens. Flakoll; Holmberg; Heckaman

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

**MR. SPEAKER:** The Senate has adopted the conference committee report on: SB 2354.

**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 2006, SB 2010, SB 2017, SB 2072.

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

**MR. SPEAKER:** The Senate has not adopted the conference committee report on: SB 2298.

**MOTION**

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

**MOTION**

**REP. VIGESAA MOVED** that the House be on the Fourth, Fifth, Seventh, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Wednesday, April 24, 2013, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1002, as engrossed:** Your conference committee (Sens. Carlisle, Krebsbach, Warner and Reps. Grande, Martinson, Williams) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1039-1041, adopt amendments as follows, and place HB 1002 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1039-1041 of the House Journal and pages 811 and 812 of the Senate Journal and that Engrossed House Bill No. 1002 be amended as follows:

Page 1, line 2, remove the second "and"

Page 1, line 3, after "state" insert "; and to provide for reports to the budget section"

Page 1, replace lines 15 through 17 with:

"Salaries and wages	\$3,423,343	\$839,880	\$4,263,223
Accrued leave payments	0	82,831	82,831
Operating expenses	2,621,950	41,647	2,663,597"

Page 1, replace lines 21 through 23 with:

"Total all funds	\$12,260,105	(\$89,339)	\$12,170,766
Less estimated income	<u>6,786,984</u>	<u>(942,567)</u>	<u>5,844,417</u>
Total general fund	\$5,473,121	\$853,228	\$6,326,349"

Page 2, replace lines 11 through 13 with:

"Grand total general fund	\$5,783,121	\$863,728	\$6,646,849
Grand total special funds	<u>6,786,984</u>	<u>(942,567)</u>	<u>5,844,417</u>
Grand total all funds	\$12,570,105	(\$78,839)	\$12,491,266"

Page 3, line 8, replace "ninety-five" with "ninety-six"

Page 3, line 8, replace "eight" with "seven"

Page 3, line 9, replace "sixty-three" with "ninety-four"

Page 3, line 9, replace "ninety-eight" with "ninety-nine"

Page 3, line 10, replace "seven hundred thirty-nine" with "six hundred ninety-eight"

Page 3, after line 22, insert:

**"SECTION 7. CREDIT CARD FEES - BUDGET SECTION REPORTS.** The secretary of state shall report semiannually to the budget section during the 2013-14 interim regarding credit card usage rates and credit card fees paid by the secretary of state."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1002 - Summary of Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Secretary of State						
Total all funds	\$12,216,757	\$11,996,039	\$174,727	\$12,170,766	\$12,231,577	(\$60,811)
Less estimated income	5,845,849	5,842,175	2,242	5,844,417	5,846,294	(1,877)
General fund	\$6,370,908	\$6,153,864	\$172,485	\$6,326,349	\$6,385,283	(\$58,934)
Public Printing						
Total all funds	\$320,500	\$320,500	\$0	\$320,500	\$320,500	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$320,500	\$320,500	\$0	\$320,500	\$320,500	\$0
Bill total						
Total all funds	\$12,537,257	\$12,316,539	\$174,727	\$12,491,266	\$12,552,077	(\$60,811)
Less estimated income	5,845,849	5,842,175	2,242	5,844,417	5,846,294	(1,877)
General fund	\$6,691,408	\$6,474,364	\$172,485	\$6,646,849	\$6,705,783	(\$58,934)

**House Bill No. 1002 - Secretary of State - Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,392,045	\$4,188,496	\$74,727	\$4,263,223	\$4,406,865	(\$143,642)
Operating expenses	2,663,597	2,563,597	100,000	2,663,597	2,663,597	
Capital assets	10,000	10,000		10,000	10,000	
Petition review	8,000	8,000		8,000	8,000	
Election reform	5,143,115	5,143,115		5,143,115	5,143,115	
Accrued leave payments		82,831		82,831		82,831
Total all funds	\$12,216,757	\$11,996,039	\$174,727	\$12,170,766	\$12,231,577	(\$60,811)
Less estimated income	5,845,849	5,842,175	2,242	5,844,417	5,846,294	(1,877)
General fund	\$6,370,908	\$6,153,864	\$172,485	\$6,326,349	\$6,385,283	(\$58,934)
FTE	31.00	31.00	0.00	31.00	31.00	0.00

**Department No. 108 - Secretary of State - Detail of Conference Committee Changes**

	Removes House Changes to Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Restores Funding for Credit Card Usage Fees <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$135,538	(\$60,811)		\$74,727
Operating expenses			100,000	100,000
Capital assets				
Petition review				
Election reform				
Accrued leave payments				
Total all funds	\$135,538	(\$60,811)	\$100,000	\$174,727
Less estimated income	4,119	(1,877)	0	2,242
General fund	\$131,419	(\$58,934)	\$100,000	\$172,485
FTE	0.00	0.00	0.00	0.00

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<sup>1</sup> Changes made by the House to the executive compensation package are removed.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>3</sup> Funding added in the executive budget for increased credit card usage fees, removed by the House, is restored, the same as the Senate version.

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Section 4 of the bill is changed to provide a 4 percent first year and a 3 percent second year salary increase for the Secretary of State. The Senate and the executive budget provided 4 percent annual increases. The House provided 3 percent annual increases.

In addition, a section is added to require the Secretary of State report to the Budget Section semiannually regarding credit card usage rates and credit card fees paid by the Secretary of State. This reporting requirement was not included in the executive recommendation nor in the House or Senate versions.

#### **House Bill No. 1002 - Public Printing - Conference Committee Action**

The Conference Committee made no changes to funding for public printing. Neither the House nor the Senate made any changes to the executive budget for public printing.

Engrossed HB 1002 was placed on the Seventh order of business on the calendar.

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

**HB 1021, as engrossed:** Your conference committee (Sens. Wanzek, G. Lee, Robinson and Reps. Dosch, Martinson, Boe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1544-1546, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1544-1546 of the House Journal and pages 1371-1373 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 2, after "insurance" insert "; to provide for litigation contingency and settlement funds; and to provide for information technology projects and business process analysis"

Page 1, replace lines 10 through 13 with:

"Workforce safety and insurance operations	\$58,413,293	\$2,496,164	\$60,909,457
Accrued leave payments	0	1,662,965	1,662,965
Litigation contingency	0	750,000	750,000
Total special funds	\$58,413,293	\$4,909,129	\$63,322,422"

Page 1, remove lines 15 through 24

Page 2, replace lines 1 through 7 with:

**"SECTION 2. LITIGATION CONTINGENCY - SETTLEMENT FUNDS - USE OF FUNDS.** 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. Any remaining unused litigation funds may be used by workforce safety and insurance for the development or operation of information technology projects. Any moneys received by workforce safety and insurance resulting from a settlement or court awards relating to this project must be retained in the workforce safety and insurance fund and reported to the sixty-fourth legislative assembly.

**SECTION 3. INFORMATION TECHNOLOGY PROJECTS FUNDING - BUSINESS PROCESS ANALYSIS.** The workforce safety and insurance operations line item in section 1 of this Act includes the sum of \$4,725,000, which may only be spent for costs of conducting a business process analysis of up to \$500,000, as provided in section 4 of this Act and for appropriate information technology equipment, development, and operational costs of information technology projects as approved by workforce safety and insurance's executive steering board and the state information technology advisory committee.

**SECTION 4. BUSINESS PROCESS ANALYSIS.** During the 2013-14 interim, workforce safety and insurance shall contract with the information technology department and a private consultant to conduct a business process analysis of workforce safety and insurance. The analysis must include a review of the workforce safety and insurance business process and its use of information technology to support the business process and related information technology services."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

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

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Workforce Safety and Insurance	\$63,131,407					
Workforce Safety and Insurance operation		56,014,723	4,894,734	60,909,457	63,968,518	(3,059,061)
Accrued leave payments		1,662,965		1,662,965		1,662,965
Litigation Contingency			750,000	750,000	750,000	
Total all funds	\$63,131,407	\$57,677,688	\$5,644,734	\$63,322,422	\$64,718,518	(\$1,396,096)
Less estimated income	63,131,407	57,677,688	5,644,734	63,322,422	64,718,518	(1,396,096)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	250.14	250.14	0.00	250.14	254.14	(4.00)

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

	Removes House Changes to Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Adds Funding for Contingent Litigation Fees and Costs <sup>3</sup>	Adds Funding for Information Technology Projects and Business Process Analysis <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	(627,864)		4,725,000	(500,000)	(100,000)
Accrued leave payments						
Litigation Contingency			750,000			
Total all funds	\$1,397,598	(\$627,864)	\$750,000	\$4,725,000	(\$500,000)	(\$100,000)
Less estimated income	1,397,598	(627,864)	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

	<b>Total Conference Committee Changes</b>
Workforce Safety and Insurance operation	4,894,734
Accrued leave payments	
Litigation Contingency	750,000
Total all funds	\$5,644,734
Less estimated income	5,644,734
General fund	\$0
FTE	0.00

<sup>1</sup> Changes made by the House to the executive compensation package are removed.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>3</sup> This amendment provides contingent funding for litigation costs that may be necessary in order to recover expenses paid to Aon eSolutions, the same as the Senate version. The Conference Committee made available any remaining unused funds to be spent by Workforce Safety and Insurance on the development or operation of information technology projects. In the event of a successful civil action, the moneys from settlement or court awards are to be retained in the Workforce Safety and Insurance fund and reported to the 64th Legislative Assembly.

<sup>4</sup> This amendment adds funding for information technology projects, the same as the Senate version. The agency may determine which projects are developed. The Conference Committee made available \$500,000 included of this funding to be used for a business process analysis to be conducted by Workforce Safety and Insurance, the Information Technology Department, and a private consultant.

<sup>5</sup> This amendment removes the funding added by the House for the business process analysis. The Senate also removed this funding.

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

Engrossed HB 1021 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1022, as engrossed:** Your conference committee (Sens. Carlisle, G. Lee, Robinson and Reps. Kempenich, Sanford, Glassheim) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1394-1396, adopt amendments as follows, and place HB 1022 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1394-1396 of the House Journal and pages 1260-1262 of the Senate Journal and that Engrossed House Bill No. 1022 be amended as follows:

Page 1, replace lines 13 through 18 with:

"Salaries and wages	\$3,203,114	\$569,390	\$3,772,504
Accrued leave payments	0	71,541	71,541
Operating expenses	947,840	25,484	973,324
Contingencies	<u>82,000</u>	0	<u>82,000</u>
Total special funds	\$4,232,954	\$666,415	\$4,899,369
Full-time equivalent positions	18.00	1.00	19.00"

Page 1, remove lines 23 and 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$4,563,507	\$452,832	\$5,016,339
Accrued leave payments	0	103,217	103,217
Operating expenses	2,054,383	204,511	2,258,894
Contingencies	<u>250,000</u>	0	<u>250,000</u>
Total special funds	\$6,867,890	\$760,560	\$7,628,450
Full-time equivalent positions	33.00	0.00	33.00"

Page 2, replace line 9 with:

"Grand total special funds	\$11,100,844	\$1,426,975	\$12,527,819"
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Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1022 - Summary of Conference Committee Action**

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Retirement and Investment Office						
Total all funds	\$4,648,730	\$4,833,019	\$66,350	\$4,899,369	\$4,947,281	(\$47,912)
Less estimated income	<u>4,648,730</u>	<u>4,833,019</u>	<u>66,350</u>	<u>4,899,369</u>	<u>4,947,281</u>	<u>(47,912)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Public Employees Retirement System						
Total all funds	\$7,715,503	\$7,527,133	\$101,317	\$7,628,450	\$7,726,987	(\$98,537)
Less estimated income	<u>7,715,503</u>	<u>7,527,133</u>	<u>101,317</u>	<u>7,628,450</u>	<u>7,726,987</u>	<u>(98,537)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill total						
Total all funds	\$12,364,233	\$12,360,152	\$167,667	\$12,527,819	\$12,674,268	(\$146,449)
Less estimated income	<u>12,364,233</u>	<u>12,360,152</u>	<u>167,667</u>	<u>12,527,819</u>	<u>12,674,268</u>	<u>(146,449)</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0

**House Bill No. 1022 - Retirement and Investment Office - Conference Committee Action**

Executive	House	Conference	Conference	Senate	Comparison
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	Budget	Version	Committee Changes	Committee Version	Version	to Senate
Salaries and wages	\$3,611,563	\$3,706,154	\$66,350	\$3,772,504	\$3,891,957	(\$119,453)
Operating expenses	955,167	973,324		973,324	973,324	
Contingencies	82,000	82,000		82,000	82,000	
Accrued leave payments		71,541		71,541		71,541
Total all funds	\$4,648,730	\$4,833,019	\$66,350	\$4,899,369	\$4,947,281	(\$47,912)
Less estimated income	4,648,730	4,833,019	66,350	4,899,369	4,947,281	(47,912)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	18.00	19.00	0.00	19.00	19.00	0.00

### Department No. 190 - Retirement and Investment Office - Detail of Conference Committee Changes

	Removes House Changes to Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	\$114,262	(\$47,912)	\$66,350
Operating expenses			
Contingencies			
Accrued leave payments			
Total all funds	\$114,262	(\$47,912)	\$66,350
Less estimated income	114,262	(47,912)	66,350
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Changes made by the House to the executive compensation package are removed.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

### House Bill No. 1022 - Public Employees Retirement System - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$5,206,609	\$4,915,022	\$101,317	\$5,016,339	\$5,218,093	(\$201,754)
Operating expenses	2,258,894	2,258,894		2,258,894	2,258,894	
Contingencies	250,000	250,000		250,000	250,000	
Accrued leave payments		103,217		103,217		103,217
Total all funds	\$7,715,503	\$7,527,133	\$101,317	\$7,628,450	\$7,726,987	(\$98,537)
Less estimated income	7,715,503	7,527,133	101,317	7,628,450	7,726,987	(98,537)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00	33.00	0.00

**Department No. 192 - Public Employees Retirement System - Detail of Conference Committee Changes**

	Removes House Changes to Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	\$199,854	(\$98,537)	\$101,317
Operating expenses			
Contingencies			
Accrued leave payments			
Total all funds	\$199,854	(\$98,537)	\$101,317
Less estimated income	199,854	(98,537)	101,317
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Changes made by the House to the executive compensation package are removed.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

Engrossed HB 1022 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2005:** Your conference committee (Sens. Carlisle, Bowman, Warner and Reps. J. Nelson, Kreidt, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1235-1236, adopt amendments as follows, and place SB 2005 on the Seventh order:

That the House recede from its amendments as printed on pages 1235 and 1236 of the Senate Journal and pages 1311-1313 of the House Journal and that Senate Bill No. 2005 be amended as follows:

Page 1, line 2, after "commission" insert "; and to provide for a report"

Page 1, replace lines 11 through 13 with:

"Salaries and wages	\$601,373	\$251,496	\$852,869
Accrued leave payments	0	8,421	8,421
Operating expenses	<u>221,505</u>	<u>(55,237)</u>	<u>166,268</u>
Total general fund	\$822,878	\$204,680	\$1,027,558"

Page 1, after line 14, insert:

**"SECTION 2. REPORT TO SIXTY-FOURTH LEGISLATIVE ASSEMBLY.**

The Indian affairs commission shall report to the appropriations committees of the sixty-fourth legislative assembly regarding the activities of the Native American health system program administrator."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2005 - Indian Affairs Commission - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$867,214	\$867,214	(\$14,345)	\$852,869	\$837,411	\$15,458
Operating expenses	166,268	166,268		166,268	166,268	
Accrued leave payments			8,421	8,421	8,421	
Total all funds	\$1,033,482	\$1,033,482	(\$5,924)	\$1,027,558	\$1,012,100	\$15,458
Less estimated income	0	0	0	0	0	0
General fund	\$1,033,482	\$1,033,482	(\$5,924)	\$1,027,558	\$1,012,100	\$15,458
FTE	5.00	5.00	0.00	5.00	5.00	0.00

**Department No. 316 - Indian Affairs Commission - Detail of Conference Committee Changes**

	Corrects Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$4,777	(\$10,701)	(\$8,421)	(\$14,345)
Operating expenses				
Accrued leave payments			8,421	8,421
Total all funds	\$4,777	(\$10,701)	\$0	(\$5,924)
Less estimated income	0	0	0	0
General fund	\$4,777	(\$10,701)	\$0	(\$5,924)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>3</sup> A portion of salaries and wages funding from the general fund (\$8,421) 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.

This amendment also adds a new section to provide for a report to the 64th Legislative Assembly on the activities of the Native American health system program administrator. The House added a section to designate funding for the Native American health system program administrator as one-time funding.

SB 2005 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2006, as engrossed:** Your conference committee (Sens. Krebsbach, Grindberg,

O'Connell and Reps. Kempenich, Sanford, Glassheim) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1310-1312, adopt amendments as follows, and place SB 2006 on the Seventh order:

That the House recede from its amendments as printed on pages 1310-1312 of the Senate Journal and pages 1371 and 1372 of the House Journal and that Senate Bill No. 2006 be amended as follows:

Page 1, replace line 12 with:

"Salaries and wages	\$1,005,639	\$129,967	\$1,135,606
Accrued leave payments	0	10,772	10,772"

Page 1, replace lines 15 through 18 with:

"Grants	<u>9,040,000</u>	<u>6,460,000</u>	<u>15,500,000</u>
Total all funds	\$13,083,688	\$5,929,739	\$19,013,427
Less estimated income	<u>12,533,688</u>	<u>(70,261)</u>	<u>12,463,427</u>
Total general fund	\$550,000	\$6,000,000	\$6,550,000"

Page 1, line 20, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-FOURTH LEGISLATIVE ASSEMBLY**"

Page 1, line 21, after "biennium" insert "and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act"

Page 1, replace lines 23 and 24 with:

"Anemometer tower database	\$4,500	\$0
Grants to airports	0	<u>6,000,000</u>
Total general fund	\$4,500	\$6,000,000

The 2013-15 one-time funding amounts are not a part of the entity's base budget for the 2015-17 biennium. The aeronautics commission shall report to the appropriations committees of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 2, remove lines 1 through 5

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2006 - Aeronautics Commission - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$1,150,090	\$1,156,409	(\$20,803)	\$1,135,606	\$1,120,236	\$15,370
Operating expenses	1,977,049	1,977,049		1,977,049	1,977,049	
Capital assets	390,000	390,000		390,000	390,000	
Grants	9,500,000	9,500,000	6,000,000	15,500,000	15,500,000	
Additional airport grants		6,000,000	(6,000,000)			
Accrued leave payments			10,772	10,772	10,772	
Total all funds	\$13,017,139	\$19,023,458	(\$10,031)	\$19,013,427	\$18,998,057	\$15,370
Less estimated income	<u>12,467,139</u>	<u>18,473,458</u>	<u>(6,010,031)</u>	<u>12,463,427</u>	<u>12,448,057</u>	<u>15,370</u>
General fund	\$550,000	\$550,000	\$6,000,000	\$6,550,000	\$6,550,000	\$0
FTE	6.00	6.00	0.00	6.00	6.00	0.00

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

Adjusts State Employee Compensation and Benefits	Provides Separate Line Item for Accrued Leave	Changes Funding Source for Airport Grants <sup>3</sup>	Total Conference Committee Changes
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	Package <sup>1</sup>	Payments <sup>2</sup>		
Salaries and wages	(\$10,031)	(\$10,772)		(\$20,803)
Operating expenses				
Capital assets				
Grants			6,000,000	6,000,000
Additional airport grants			(6,000,000)	(6,000,000)
Accrued leave payments		10,772		10,772
Total all funds	(\$10,031)	\$0	\$0	(\$10,031)
Less estimated income	(10,031)	0	(6,000,000)	(6,010,031)
General fund	\$0	\$0	\$6,000,000	\$6,000,000
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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>2</sup> A portion of salaries and wages funding from other funds (\$10,772) 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> This amendment changes the funding source for airport grants from the strategic investment and improvements fund to the general fund, the same as the House version. The Senate version added a section to provide a separate appropriation from the strategic investment and improvements fund for airport grants.

Engrossed SB 2006 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2010:** Your conference committee (Sens. G. Lee, Carlisle, Mathern and Reps. Kreidt, J. Nelson, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1312-1313, adopt amendments as follows, and place SB 2010 on the Seventh order:

That the House recede from its amendments as printed on pages 1312 and 1313 of the Senate Journal and pages 1377 and 1378 of the House Journal and that Senate Bill No. 2010 be further amended as follows:

Page 1, line 2, after "arts" insert "; and to provide a matching requirement"

Page 1, replace line 11 with:

"Salaries and wages	\$741,580	\$49,176	\$790,756
Accrued leave payments	0	7,933	7,933"

Page 1, replace line 14 with:

"Total all funds	\$3,218,462	\$30,557	\$3,249,019"
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Page 1, replace line 16 with:

"Total general fund \$1,363,602 \$140,500 \$1,504,102"

Page 2, after line 7, insert:

**"SECTION 4. MATCHING REQUIREMENT - INSTITUTIONAL SERVICES GRANT PROGRAM.** The grants line item in section 1 of this Act includes the sum of \$50,000 from the general fund for increased funding from the general fund to replace an anticipated reduction in federal funding for the institutional services grant program, for the biennium beginning July 1, 2013, and ending June 30, 2015. The council on the arts may not award grants from the funds appropriated from the general fund referred to in this section unless grant recipients provide matching funds from nonstate sources on a dollar-for-dollar basis."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2010 - Council on the Arts - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$808,731	\$808,731	(\$17,975)	\$790,756	\$774,804	\$15,952
Operating expenses	348,023	348,023		348,023	348,023	
Grants	2,102,307	2,102,307		2,102,307	2,102,307	
Accrued leave payments			7,933	7,933	7,933	
Total all funds	\$3,259,061	\$3,259,061	(\$10,042)	\$3,249,019	\$3,233,067	\$15,952
Less estimated income	1,744,917	1,744,917	0	1,744,917	1,744,917	0
General fund	\$1,514,144	\$1,514,144	(\$10,042)	\$1,504,102	\$1,488,150	\$15,952
FTE	5.00	5.00	0.00	5.00	5.00	0.00

**Department No. 709 - Council on the Arts - Detail of Conference Committee Changes**

	Corrects Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$4,546	(\$14,588)	(\$7,933)	(\$17,975)
Operating expenses				
Grants				
Accrued leave payments			7,933	7,933
Total all funds	\$4,546	(\$14,588)	\$0	(\$10,042)
Less estimated income	0	0	0	0
General fund	\$4,546	(\$14,588)	\$0	(\$10,042)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.

- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>3</sup> A portion of salaries and wages funding from the general fund (\$7,933) 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.

This amendment also adds a new section to provide matching requirements for the institutional services grant program, the same as the House version.

SB 2010 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2017, as engrossed:** Your conference committee (Sens. Kilzer, Carlisle, Warner and Reps. Kreidt, Wieland, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1313-1314, adopt amendments as follows, and place SB 2017 on the Seventh order:

That the House recede from its amendments as printed on pages 1313 and 1314 of the Senate Journal and pages 1378 and 1379 of the House Journal and that Engrossed Senate Bill No. 2017 be amended as follows:

Page 1, replace line 10 with:

"Salaries and wages	\$978,182	\$80,993	\$1,059,175
Accrued leave payments	0	10,698	10,698"

Page 1, replace line 12 with:

"Total special funds	\$1,827,199	\$991,697	\$2,818,896"
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ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2017 - Office of Administrative Hearings - Conference Committee Action**

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$1,075,272	\$1,082,165	(\$22,990)	\$1,059,175	\$1,038,433	\$20,742
Operating expenses	1,749,023	1,749,023		1,749,023	1,749,023	
Accrued leave payments			10,698	10,698	10,698	
Total all funds	\$2,824,295	\$2,831,188	(\$12,292)	\$2,818,896	\$2,798,154	\$20,742
Less estimated income	2,824,295	2,831,188	(12,292)	2,818,896	2,798,154	20,742
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	5.00	5.00	0.00	5.00	5.00	0.00

**Department No. 140 - Office of Administrative Hearings - Detail of Conference Committee Changes**

Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total Conference Committee Changes

Salaries and wages	(\$12,292)	(\$10,698)	(\$22,990)
Operating expenses			
Accrued leave payments		10,698	10,698
Total all funds	(\$12,292)	\$0	(\$12,292)
Less estimated income	(12,292)	0	(12,292)
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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>2</sup> A portion of salaries and wages funding from other funds 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.

Engrossed SB 2017 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2023:** Your conference committee (Sens. Erbele, Bowman, Warner and Reps. Sanford, Thoreson, Guggisberg) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1253-1254, adopt amendments as follows, and place SB 2023 on the Seventh order:

That the House recede from its amendments as printed on pages 1253 and 1254 of the Senate Journal and pages 1336 and 1337 of the House Journal and that Senate Bill No. 2023 be amended as follows:

Page 1, replace lines 12 through 14 with:

"Racing commission	\$447,501	\$104,361	\$551,862
Accrued leave payments	<u>0</u>	<u>3,789</u>	<u>3,789</u>
Total all funds	\$447,501	108,150	\$555,651
Less estimated income	<u>130,000</u>	<u>36,407</u>	<u>166,407</u>
Total general fund	\$317,501	\$71,743	\$389,244"

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### Senate Bill No. 2023 - Racing Commission - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Racing Commission	\$563,967	\$563,967	(\$12,105)	\$551,862	\$546,185	\$5,677
Accrued leave payments			3,789	3,789	3,789	
Total all funds	\$563,967	\$563,967	(\$8,316)	\$555,651	\$549,974	\$5,677
Less estimated income	<u>166,407</u>	<u>166,407</u>	0	<u>166,407</u>	<u>166,407</u>	0
General fund	\$397,560	\$397,560	(\$8,316)	\$389,244	\$383,567	\$5,677
FTE	2.00	2.00	0.00	2.00	2.00	0.00

##### Department No. 670 - Racing Commission - Detail of Conference Committee Changes

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total Conference Committee Changes
Racing Commission	(\$8,316)	(\$3,789)	(\$12,105)
Accrued leave payments		3,789	3,789
Total all funds	(\$8,316)	\$0	(\$8,316)
Less estimated income	0	0	0
General fund	(\$8,316)	\$0	(\$8,316)
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 3 to 5 percent for the first year of the biennium and 2 to 4 percent for the second year of the biennium.
- Reduces the market component from 2 to 4 percent per year to 1 to 2 percent per year for employees below the midpoint of their salary range.
- Reduces funding for retirement contribution increases to provide for a 1 percent state and 1 percent employee increase beginning in January 2014 and no increase in January 2015.

<sup>2</sup> A portion of salaries and wages funding from the general fund (\$3,661) and from other funds (\$128) 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.

SB 2023 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2072:** Your conference committee (Sens. Miller, Klein, Heckaman and Reps. D. Johnson, Kiefert, Boschee) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1086-1087, adopt amendments as follows, and place SB 2072 on the Seventh order:

That the House recede from its amendments as printed on pages 1086 and 1087 of the Senate Journal and pages 1171-1173 of the House Journal and that Senate Bill No. 2072 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 4-30-01 and two new sections to chapter 4-30 of the North Dakota Century Code, relating to shared animal ownership agreements; to"

Page 1, line 3, after "regulations" insert "; and to provide for a legislative management study"

Page 1, after line 9, insert:

**"SECTION 2.** A new subsection to section 4-30-01 of the North Dakota Century Code is created and enacted as follows:

"Shared animal ownership agreement" means any contractual arrangement under which an individual:

- Acquires an ownership interest in a milk-producing animal;

- b. Agrees to pay another for, reimburse another for, or otherwise accept financial responsibility for the care and boarding of the milk-producing animal at the dairy farm; and
- c. Is entitled to receive a proportionate share of the animal's raw milk production as a condition of the contractual arrangement."

Page 2, after line 10, insert:

**"SECTION 6.** A new section to chapter 4-30 of the North Dakota Century Code is created and enacted as follows:

**Shared animal ownership agreement - Raw milk.**

It is not a violation of this chapter to transfer or obtain raw milk under a shared animal ownership agreement. However, a person may not resell raw milk or raw milk products obtained under a shared animal ownership agreement.

**SECTION 7.** A new section to chapter 4-30 of the North Dakota Century Code is created and enacted as follows:

**Commissioner - Rulemaking authority - Limitation.**

Notwithstanding chapter 28-32, the commissioner may not adopt any rule that restricts, limits, or imposes additional requirements on any individual transferring or obtaining raw milk in accordance with the terms of a shared animal ownership agreement.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - RAW MILK.** During the 2013-14 interim, the legislative management shall consider studying the availability of raw or unpasteurized milk, for human consumption, in this state. The study should examine the nature and extent of governmental oversight with respect to the safety of the milk; the health of the animals used to produce the milk; and the conditions under which the product is produced, transferred, or obtained. 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

SB 2072 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2160, as engrossed:** Your conference committee (Sens. Poolman, Luick, Heckaman and Reps. Schatz, Wall, J. Kelsh) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 941, adopt amendments as follows, and place SB 2160 on the Seventh order:

That the House recede from its amendments as printed on page 941 of the Senate Journal and page 1088 of the House Journal and that Engrossed Senate Bill No. 2160 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 North Dakota university system study of professional student exchange programs; and to provide for a report to the legislative management.

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

**SECTION 1. STUDY OF PROFESSIONAL STUDENT EXCHANGE PROGRAMS - REPORT TO THE LEGISLATIVE MANAGEMENT.** The North Dakota university system shall study the out-of-state programs in veterinary medicine, optometry, and dentistry, and in particular the accessibility of North Dakota students to the programs; the provision of state funding for students attending the programs; the amount of debt incurred by students attending the programs; and the state's short-term and long-term needs for dentists, optometrists, and veterinarians. Before

November 15, 2013, the North Dakota university system shall report its findings to the legislative management."

Renumber accordingly

Engrossed SB 2160 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2211, as engrossed:** Your conference committee (Sens. Miller, Klein, Heckaman and Reps. D. Johnson, Rust, M. Nelson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1088-1093, adopt amendments as follows, and place SB 2211 on the Seventh order:

That the House recede from its amendments as printed on pages 1088-1093 of the Senate Journal and pages 1176-1181 of the House Journal and that Engrossed Senate Bill No. 2211 be amended as follows:

Page 1, line 1, replace "a" with "two"

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

Page 1, line 1 remove "a new section to"

Page 1, line 5, remove "and"

Page 1, line 5, after "penalty" insert "; and to provide for reports to the legislative management"

Page 1, line 15, replace the second "or" with "purposes."

Page 1, line 15, after "purposes" insert ", or temporary exhibitions"

Page 1, after line 15, insert:

**"SECTION 2.** A new section to chapter 36-01 of the North Dakota Century Code is created and enacted as follows:

#### **Assistance in criminal investigations.**

The board shall maintain and make available to any law enforcement agency a list of veterinarians who are licensed in this state and trained to provide assistance in any criminal investigation pertaining to this state's animal laws."

Page 1, remove line 20

Page 1, line 21, remove "occurring within ten years"

Page 1, line 22, after ""neglect"" insert "with respect to dogs and cats."

Page 2, replace lines 11 through 24 with:

"3. For purposes of this chapter, "neglect" with respect to all animals other than those included in subsection 2, means the failure to provide:

a. Food and water that is:

(1) Appropriate for the species and the breed; and

(2) Sufficient to sustain the animal's health;

b. Minimal protection from adverse weather conditions, as appropriate for the species and the breed; and

c. Medical attention in the event of an injury or illness, as appropriate for the species and the breed.

4. The following do not constitute violations of this section:
- a. Any usual and customary practice in:
- (1) The production of food, feed, fiber, or ornament, including all aspects of the livestock industry;
  - (2) The boarding, breeding, competition, exhibition, feeding, raising, showing, and training of animals;
  - (3) The sport of rodeo;
  - (4) Animal racing;
  - (5) The use of animals by exhibitors licensed under the Animal Welfare Act, 7 U.S.C. 2131, et seq.;
  - (6) Fishing, hunting, and trapping;
  - (7) Wildlife management;
  - (8) The culinary arts;
  - (9) Lawful research and educational activities; and
  - (10) Pest, vermin, predator, and animal damage control, including the disposition of wild animals that have entered structures or personal property;
- b. The humane or swift destruction of an animal for cause; and
- c. Services provided by or under the direction of a licensed veterinarian."

Page 2, line 29, replace "the physical abuse of" with "any act or omission that results in physical injury to an animal or that causes the death of"

Page 2, line 30, remove "or omission"

Page 3, replace lines 1 through 16 with:

- "3. The following do not constitute violations of this section:
- a. Any usual and customary practice in:
- (1) The production of food, feed, fiber, or ornament, including all aspects of the livestock industry;
  - (2) The boarding, breeding, competition, exhibition, feeding, raising, showing, and training of animals;
  - (3) The sport of rodeo;
  - (4) Animal racing;
  - (5) The use of animals by exhibitors licensed under the Animal Welfare Act, 7 U.S.C. 2131, et seq.;
  - (6) Fishing, hunting, and trapping;
  - (7) Wildlife management;
  - (8) The culinary arts;
  - (9) Lawful research and educational activities; and

- (10) Pest, vermin, predator, and animal damage control, including the disposition of wild animals that have entered structures or personal property:
- b. Any action taken by an individual against an animal that is attacking or is about to attack a human, a companion animal, or livestock;
- c. The humane or swift destruction of an animal for cause; and
- d. Services provided by or under the direction of a licensed veterinarian."

Page 3, line 18, replace "willfully" with "intentionally"

Page 3, remove lines 20 through 31

Page 4, replace lines 1 through 10 with:

- "a. Breaking an animal's bones;
  - b. Causing the prolonged impairment of an animal's health;
  - c. Mutilating an animal; or
  - d. Physically torturing an animal.
3. The following do not constitute violations of this section:
- a. Any usual and customary practice in:
    - (1) The production of food, feed, fiber, or ornament, including all aspects of the livestock industry;
    - (2) The boarding, breeding, competition, exhibition, feeding, raising, showing, and training of animals;
    - (3) The sport of rodeo;
    - (4) Animal racing;
    - (5) The use of animals by exhibitors licensed under the Animal Welfare Act, 7 U.S.C. 2131, et seq.;
    - (6) Fishing, hunting, and trapping;
    - (7) Wildlife management;
    - (8) The culinary arts;
    - (9) Lawful research and educational activities; and
    - (10) Pest, vermin, predator, and animal damage control, including the disposition of wild animals that have entered structures or personal property;
  - b. Any action taken by an individual against an animal that is attacking or is about to attack a human, a companion animal, or livestock;
  - c. The humane or swift destruction of an animal for cause; and
  - d. Services provided by or under the direction of a licensed veterinarian."

Page 4, line 13, remove "for a first or a second offense and a class C felony for a third or"

Page 4, line 14, remove "subsequent offense occurring within ten years"

Page 4, remove lines 24 through 31

Page 5, replace lines 1 through 6 with:

- "3. The following do not constitute violations of this section:
- a. Any usual and customary practice in:
    - (1) The production of food, feed, fiber, or ornament, including all aspects of the livestock industry;
    - (2) The boarding, breeding, competition, exhibition, feeding, raising, showing, and training of animals;
    - (3) The sport of rodeo;
    - (4) Animal racing;
    - (5) The use of animals by exhibitors licensed under the Animal Welfare Act, 7 U.S.C. 2131, et seq.;
    - (6) Fishing, hunting, and trapping;
    - (7) Wildlife management;
    - (8) The culinary arts;
    - (9) Lawful research and educational activities; and
    - (10) Pest, vermin, predator, and animal damage control, including the disposition of wild animals that have entered structures or personal property;
  - b. The humane or swift destruction of an animal for cause; and
  - c. Services provided by or under the direction of a licensed veterinarian."

Page 6, line 15, replace "The" with "If convicted of violating this chapter, the"

Page 6, line 20, after "seizure" insert "and conviction"

Page 8, line 26, after the underscored semicolon insert "or"

Page 8, remove line 27

Page 8, line 28, replace "d." with "c."

Page 8, line 28, replace the underscored semicolon with an underscored period

Page 8, remove lines 29 through 31

Page 9, replace lines 1 through 12 with:

- "4. The following do not constitute violations of this section:
- a. Any usual and customary practice in:
    - (1) The production of food, feed, fiber, or ornament, including all aspects of the livestock industry;
    - (2) The boarding, breeding, competition, exhibition, feeding, raising, showing, and training of animals;

- (3) The sport of rodeo;
  - (4) Animal racing;
  - (5) The use of animals by exhibitors licensed under the Animal Welfare Act, 7 U.S.C. 2131, et seq.;
  - (6) Fishing, hunting, and trapping;
  - (7) Wildlife management;
  - (8) The culinary arts;
  - (9) Lawful research and educational activities; and
  - (10) Pest, vermin, predator, and animal damage control, including the disposition of wild animals that have entered structures or personal property;
- b. Any action taken by an individual against an animal that is attacking or is about to attack a human, a companion animal, or livestock;
  - c. The humane or swift destruction of an animal for cause; and
  - d. Services provided by or under the direction of a licensed veterinarian."

Page 9, line 14, replace "A person" with "An individual"

Page 9, line 16, replace "Any person that" with "An individual who"

Page 9, line 26, replace "**Collectives**" with "**Multiple animals**"

Page 9, line 26, replace "**Status**" with "**Enhancement**"

Page 9, replace lines 27 through 29 with "If a violation of this chapter involves multiple animals, whether of the same species or not, the violation is deemed to be a singular offense for purposes of enhancement."

Page 10, after line 3, insert:

**"SECTION 5. REPRESENTATIVES OF AGRICULTURAL PRODUCTION GROUPS - REPORT TO THE LEGISLATIVE MANAGEMENT.** Before July 1, 2014, representatives of agricultural production groups, including representatives of this state's livestock industry, shall compile information regarding the effects of this Act on the various sectors of the agricultural industry. The compiled information must be presented to the legislative management for review, together with any suggestions for potential statutory changes."

ReNUMBER accordingly

Engrossed SB 2211 was placed on the Seventh order of business on the calendar.

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

**SB 2267, as engrossed:** Your conference committee (Sens. Poolman, Flakoll, Marcellais and Reps. Dosch, Monson, Boe) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1387-1498, adopt amendments as follows, and place SB 2267 on the Seventh order:

That the House recede from its amendments as printed on page 1387 of the Senate Journal and page 1498 of the House Journal and that Engrossed Senate Bill No. 2267 be amended as follows:

Page 1, line 1, remove "and deferred maintenance"

Page 1, line 4, remove "**CONTINGENT**"

Page 1, line 4, remove "**AND**"

Page 1, line 5, remove "**DEFERRED MAINTENANCE**"

Page 1, line 7, replace "\$10,000,000" with "\$3,000,000"

Page 1, line 9, remove "and deferred maintenance"

Page 1, line 12, remove "If the office of management and budget determines by April 30, 2014, that the"

Page 1, remove lines 13 and 14

Page 1, line 15, replace "budget at the conclusion of the 2013 legislative session, the" with "The"

Page 1, line 17, replace "Twenty-five" with "Ten"

Page 1, remove lines 20 through 23

Page 2, remove lines 1 through 5

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

Page 2, line 6, remove "at least fifty"

Page 2, line 7, remove "percent of"

Page 2, line 7, remove "safety. Any remaining funds may be dedicated to"

Page 2, line 8, replace "deferred maintenance" with "projects that improve safety"

Page 2, line 9, remove the colon

Page 2, line 10, replace "(1) Submit" with "submit"

Page 2, line 11, remove "; or"

Page 2, remove line 12

Page 2, line 13, remove "state general fund"

Page 2, line 21, replace "5." with "4."

Page 2, line 22, remove "and"

Page 2, line 23, after "section" insert "; and

- c. As of June 30, 2013, has an ending general fund balance that does not exceed twenty-five percent of the district's total general fund expenditures."

Renumber accordingly

Engrossed SB 2267 was placed on the Seventh order of business on the calendar.

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

**SB 2354:** Your conference committee (Sens. J. Lee, Larsen, Axness and Reps. Hofstad, Fehr, Mooney) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1242 and place SB 2354 on the Seventh order.

SB 2354 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**

