

**JOURNAL OF THE HOUSE**

**Sixty-fourth Legislative Assembly**

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**Bismarck, April 16, 2015**

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

The prayer was offered by Father James Gross, St. Anthony of Padua Catholic Church, Fargo.

The roll was called and all members were present except Representatives Frantsvog and Kiefert.

A quorum was declared by the Speaker.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1059.

**SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1059**

Page 1, line 1, after "Act" insert "to create and enact section 57-02-01.1 of the North Dakota Century Code, relating to training and certification of assessors;"

Page 1, line 1, after "sections" insert "11-10.1-01, 11-10.1-05, and 57-01-05, subsection 1 of section 57-02-08.1, and sections 57-02-33,"

Page 1, line 2, after "to" insert "training and certification of assessors, the homestead tax credit,"

Page 1, line 3, after the semicolon, insert "to provide for transition;"

Page 1, after line 5, insert:

**"SECTION 1. AMENDMENT.** Section 11-10.1-01 of the North Dakota Century Code is amended and reenacted as follows:

**11-10.1-01. County director of tax equalization.**

1. The board of county commissioners of each county ~~in this state shall~~ appoint a county director of tax equalization who must be ~~qualified and experienced in property appraisals, familiar with~~ assessment and equalization procedures and techniques, and who ~~is the holder of~~ holds a current ~~certificate~~ certification as a class I assessor issued by the state supervisor of assessments. ~~The state supervisor of assessments shall confer with representatives of the county commissioners, city governing bodies, state township officers association, and personnel at North Dakota state university to establish or revise the minimum requirements for attaining the certificate. Any person who is denied such certificate may appeal to the state tax commissioner for a hearing under the provisions of chapter 28-32.~~
2. The board of county commissioners may, ~~in its discretion,~~ appoint a ~~person~~ county director of tax equalization on a probationary basis who does not hold a current ~~certificate as provided for in~~ certification as a class I assessor, if the board deems ~~such person~~ the individual qualified to act as county director of tax equalization by virtue of education, training, ~~and experience,~~ and willingness to obtain certification as a class I assessor. The appointment must be for a term of not more than ~~three~~ two years. Any person receiving a probationary appointment who does not obtain a ~~certificate~~ certification as a class I assessor within ~~three~~ two years from the appointment is not eligible for reappointment.

3. The county director of tax equalization shall serve at the pleasure of the board of county commissioners and may be employed on a full-time or part-time basis. Vacancies in the office of county director of tax equalization must be filled in the same manner as the original appointment.

**SECTION 2. AMENDMENT.** Section 11-10.1-05 of the North Dakota Century Code is amended and reenacted as follows:

**11-10.1-05. Powers and duties of county director of tax equalization - Qualifications of assessors.**

1. The county director of tax equalization shall ~~have~~has the power, duty, and responsibility to call upon and confer with ~~township and city~~ assessors in the county and to ~~instruct~~assist them in the preparation and proper use of land maps and property record cards, the preparation of assessment books, the changes in assessment laws and ~~regulations~~rules, the determination of proper standards of value, the use of proper classifications of property, determination of what property qualifies as exempt from property taxes, and the authority to require attendance at meetings, to the end that ~~a~~promote uniform assessment of all real property in the county ~~will prevail~~.
2. Any city with a population of under five thousand or township may, by resolution of its governing body, retain an assessor who is certified or eligible to be certified as a class II assessor who shall retain the powers, duties, and responsibilities of the office. Any city with a population of five thousand or greater may, by resolution of its governing body, retain an assessor who is certified or eligible to be certified as a class I assessor who shall retain the powers, duties, and responsibilities of the office. A person may not serve as an assessor for longer than twenty-four months before being certified by the state supervisor of assessments as having met the minimum requirements. The expenses of the city or township assessors must be paid by the city or township exercising this option.
- ~~2.3.~~ On January 1, 1981, theThe county director of tax equalization shall succeed to all the powers and duties of assessors of townships, cities with a population of under five thousand, and unorganized ~~districts~~supervise all individuals performing assessor services in the county and arrange for the assessment of property within the county, except that any city with a population of under five thousand or township may, at its option by resolution of its governing body, employ an assessor who shall retain the powers, duties, and responsibilities of the office. The ~~resolution~~within the jurisdiction of a city or township in which the governing body to employ an retains a certified class I or class II assessor continues in force until rescinded by the governing body. Notwithstanding any other provision of law to the contrary, the state supervisor of assessments shall confer with representatives of the county commissioners, city governing bodies, state township officers association, and personnel at North Dakota state university to establish minimum requirements for all city and township assessors. The standards shall reflect their limited jurisdiction and need not be equal to those minimum requirements set for county directors of tax equalization. Any courses of instruction included in those minimum requirements for assessors of townships or cities with a population under five thousand must be conducted by the county director of tax equalization who may cooperate with other county directors of tax equalization in holding joint classes. The county director of tax equalization may call upon the state supervisor of assessments for any necessary materials and assistance. No person may serve as an assessor of a township or a city with a population under five thousand for longer than twelve months before being certified by the state supervisor of assessments as having met the minimum requirements. No person may serve as an assessor of a city with a population of five thousand or more for longer than three years before being certified by the state supervisor of assessments as having

~~met the minimum requirements. The expenses and salaries of city and township assessors must be paid by the city or township exercising this option.~~

- ~~3-4.~~ Any city or township ~~which that~~ does not employ its own ~~retain a certified class I or class II~~ assessor shall utilize the certified assessor of the county in which the city or township is located. The county commission may require the city or township to reimburse the county for the expenses incurred in assessing the property of that city or township.
- 4-5. Any assessment made by an assessor who is not currently certified as ~~qualified for that assessment jurisdiction~~ must be reviewed and approved by a certified county director of tax equalization, or a certified city assessor of a city with a population of five thousand or more assessor, prior to the township or city board of equalization annual meeting. The cost of the assessment review must be paid by the township or city having jurisdiction over the assessment at the same rate as paid to a special assessor in section 57-14-08.

**SECTION 3. AMENDMENT.** Section 57-01-05 of the North Dakota Century Code is amended and reenacted as follows:

**57-01-05. State supervisor of assessments.**

The state tax commissioner shall appoint a state supervisor of assessments who must be a person trained and experienced in property appraisals and familiar with assessment and equalization procedures and techniques. The state supervisor of assessments serves at the pleasure of the state tax commissioner and office space must be furnished to the state supervisor of assessments by the commissioner.

The state supervisor of assessments shall perform the following duties under the direction of the tax commissioner:

1. The state supervisor of assessments shall advise and give the ~~various assessors in the state~~ the necessary instructions and directions as to their duties under the laws of this state, ~~to the end that a~~ promote uniform assessment of all real and personal property in this state ~~will be attained.~~
2. The state supervisor of assessments shall assist and instruct the ~~various assessors in this state~~ in the use of soil ~~reconnaissance~~ surveys, land classification methods, in the preparation and proper use of land maps and record cards, in the proper classification of real and personal property, and in the determination of proper standards of value.
3. The state supervisor of assessments may require the attendance of groups of assessors at meetings called by the state supervisor of assessments for the purpose of giving them further assistance and instruction as to their duties.
4. The state supervisor of assessments may make sales, market, and productivity studies and other studies of property assessments in the ~~various counties and cities of this state for the purpose of~~ to properly ~~advising~~ advise the ~~various~~ assessors and directors of tax equalization in the state and for the purpose of ~~recommending to~~ recommend to the tax commissioner changes to be made by the state board of equalization in the performance of the ~~its~~ equalization powers and duties ~~prescribed for it by section 57-13-04.~~ In any sales, market, and productivity study made according to section 57-01-06, the county directors of tax equalization or city assessors, ~~as the case may be, are responsible for compiling~~ shall compile a record of sales of property made in the county or city, and in conjunction with the board of county commissioners shall analyze the sales for the purpose of advising the state supervisor of assessments as to the value of using the sales in any such study. The compilations must be forwarded to the state supervisor of assessments with the findings of

the county director of tax equalization, city assessors, and the board of county commissioners. In any county or city or any part thereof where the number of sales of properties is insufficient for making a sales, market, and productivity study, the county director of tax equalization or city assessor, as the case may be, in cooperation with the state supervisor of assessments or that person's assistants shall make appraisals of properties in order to determine the market value.

5. The state supervisor of assessments shall cooperate with North Dakota state university in the development of a soil mapping program, a land classification system, valuation studies, and other matters relating to the assessment of property and shall provide for the use of such information and procedure at the earliest possible date by the assessors of this state.
6. The state supervisor of assessments has general supervision of assessors and county directors of tax equalization pertaining to methods and procedures of assessment of all property and has authority to require all county directors of tax equalization to do any act necessary to obtain uniform methods and procedures of assessment.
7. Whenever an investigation by the state supervisor of assessments shows there is probable cause to believe the holder of a certificate issued by the state supervisor of assessments under ~~chapter 11-10.1~~section 57-02-01.1 has failed to comply with any of the provisions of ~~this title~~law pertaining to assessments, or any rules ~~prescribed~~adopted by the tax commissioner, the state supervisor of assessments may petition the tax commissioner for a hearing to show cause why the certificate should be suspended or revoked.
  - a. The state supervisor of assessments must provide the certificate holder at least ten days' notice of the time and place of the hearing.
  - b. If cause to suspend or revoke the certificate is shown, the tax commissioner may suspend or revoke the certificate.
  - c. The tax commissioner may restore a certificate after suspension or revocation.
  - d. An individual whose certificate has been suspended or revoked in the manner provided in this section may appeal that determination to the district court as provided in section 28-32-42.
8. If a certificate holder's certificate is suspended or revoked under this section, the governing body of the county in which the certificate holder performs duties shall ensure the continued administration of assessments within that county by a person authorized under section 11-10.1-05 and be responsible for any expenses associated with the fulfillment of this responsibility. Expenses incurred by a county to fulfill the duties of a township or city assessment official whose certificate has been suspended or revoked must be charged to the political subdivision in which the certificate holder is employed and must either be paid directly to the county by the political subdivision or deducted by the county treasurer from funds coming into the treasurer's control which are apportionable to the subdivision.
9. The state supervisor of assessments shall perform such other duties relating to assessment and taxation of property as the tax commissioner directs.
10. The tax commissioner may ~~prescribe~~adopt rules under chapter 28-32 necessary for the ~~detailed and efficient~~ administration of this section.

**SECTION 4.** Section 57-02-01.1 of the North Dakota Century Code is created and enacted as follows:

**57-02-01.1. Certification of assessors.**

The state supervisor of assessments shall certify assessors as provided in this section.

1. To be certified as a class I assessor, an individual must:
  - a. Have a high school diploma or its equivalent.
  - b. Successfully complete one hundred eighty hours of assessment and appraisal instruction approved by the state supervisor of assessments. The number of hours of instruction determined necessary by the state supervisor of assessments for each of the following topics is required:
    - (1) Tax administration.
    - (2) Principles and theory of value.
    - (3) Residential property appraisal.
    - (4) Commercial property appraisal.
    - (5) Agricultural property valuation.
2. To be certified as a class II assessor, an individual must:
  - a. Have a high school diploma or its equivalent.
  - b. Successfully complete one hundred hours of assessment and appraisal instruction approved by the state supervisor of assessments. The number of hours of instruction determined necessary by the state supervisor of assessments for each of the following topics is required:
    - (1) Tax administration.
    - (2) Principles and theory of value.
    - (3) Residential property appraisal.
    - (4) Commercial property appraisal.
    - (5) Agricultural property valuation.
3. The state supervisor of assessments may allow credit against required instruction in any topic under subdivision b of subsection 1 and subdivision b of subsection 2 upon receipt of documented training in this state or another state in the topic.
4. An individual appointed as an assessor must hold the required assessor certificate at the time of appointment or obtain that certificate within two years after initial appointment or by July 31, 2017, whichever is later. An assessor who does not obtain the required certificate within two years after initial appointment or by July 31, 2017, whichever is later, or who does not maintain that certificate in good standing is not eligible for reappointment.
5. An assessor certificate is valid for a term of two years from the first day of the calendar year for which it becomes effective.
6. A class I assessor certificate may be renewed if the holder has completed twenty hours of approved classroom instruction or seminars during the term of the certificate. For purposes of this subsection, an assessor certificate holder is entitled to one and one-half hours of credit

for each hour spent as an instructor of approved classroom instruction or seminars during the term of the certificate.

7. A class II assessor certificate may be renewed if the holder has completed ten hours of approved classroom instruction or seminars during the term of the certificate.
8. The state supervisor of assessments shall notify the holder of an assessor certificate of the time for application for renewal of the individual's certificate. The state supervisor of assessments shall notify the governing body of the taxing district employing an assessor whose certificate is not renewed or whose certificate is suspended or revoked.
9. Any person who is denied a certificate under this section may appeal to the tax commissioner for a hearing under chapter 28-32.
10. The tax commissioner may adopt rules under chapter 28-32 for the administration of this section.

**SECTION 5. AMENDMENT.** Subsection 1 of section 57-02-08.1 of the North Dakota Century Code is amended and reenacted as follows:

1. a. Any person sixty-five years of age or older or permanently and totally disabled, in the year in which the tax was levied, with an income that does not exceed the limitations of subdivision c is entitled to receive a reduction in the assessment on the taxable valuation on the person's homestead. An exemption under this subsection applies regardless of whether the person is the head of a family.
- b. The exemption under this subsection continues to apply if the person does not reside in the homestead and the person's absence is due to confinement in a nursing home, hospital, or other care facility, for as long as the portion of the homestead previously occupied by the person is not rented to another person.
- c. The exemption must be determined according to the following schedule:
  - (1) If the person's income is not in excess of twenty-two thousand dollars, a reduction of one hundred percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~four~~five thousand ~~five~~six hundred ~~twenty-five~~ dollars of taxable valuation.
  - (2) If the person's income is in excess of twenty-two thousand dollars and not in excess of twenty-six thousand dollars, a reduction of eighty percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~three~~four thousand ~~six~~five hundred dollars of taxable valuation.
  - (3) If the person's income is in excess of twenty-six thousand dollars and not in excess of thirty thousand dollars, a reduction of sixty percent of the taxable valuation of the person's homestead up to a maximum reduction of two thousand ~~seven~~three hundred ~~seventy-five~~ dollars of taxable valuation.
  - (4) If the person's income is in excess of thirty thousand dollars and not in excess of thirty-four thousand dollars, a reduction of forty percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~one~~two thousand ~~eight~~two hundred ~~fifty~~ dollars of taxable valuation.
  - (5) If the person's income is in excess of thirty-four thousand dollars and not in excess of thirty-eight thousand dollars, a reduction of twenty percent of the taxable valuation of the

person's homestead up to a maximum reduction of ~~nine~~one thousand one hundred ~~twenty~~five dollars of taxable valuation.

- (6) If the person's income is in excess of thirty-eight thousand dollars and not in excess of forty-two thousand dollars, a reduction of ten percent of the taxable valuation of the person's homestead up to a maximum reduction of ~~four~~five hundred ~~fifty~~sixty-three dollars of taxable valuation.
- d. Persons residing together, as spouses or when one or more is a dependent of another, are entitled to only one exemption between or among them under this subsection. Persons residing together, who are not spouses or dependents, who are coowners of the property are each entitled to a percentage of a full exemption under this subsection equal to their ownership interests in the property.
  - e. This subsection does not reduce the liability of any person for special assessments levied upon any property.
  - f. Any person claiming the exemption under this subsection shall sign a verified statement of facts establishing the person's eligibility.
  - g. A person is ineligible for the exemption under this subsection if the value of the assets of the person and any dependent residing with the person exceeds five hundred thousand dollars, including the value of any assets divested within the last three years.
  - h. The assessor shall attach the statement filed under subdivision f to the assessment sheet and shall show the reduction on the assessment sheet.
  - i. An exemption under this subsection terminates at the end of the taxable year of the death of the applicant.

**SECTION 6. AMENDMENT.** Section 57-02-33 of the North Dakota Century Code is amended and reenacted as follows:

**57-02-33. Assessor ~~district~~services for unorganized territory.**

~~All counties or parts of counties in this state not organized into civil townships~~Any area not within an organized township or city must be divided into assessor districts, which must be designated by the board of county ~~commissioners~~assessed by a certified assessor under the supervision and direction of the county director of tax equalization. ~~The board of county commissioners shall appoint the district assessors to a four-year term of office, the first term commencing on January 1, 1974. In case of vacancy in the office of district assessor in any of such districts, such vacancies must be filled by the board of county commissioners for the balance of the term. In making the appointment of a district assessor, the~~The county director of tax equalization for such county is eligible for appointment to a ~~district assessor position~~may serve as an assessor of property under this section. Every ~~individual performing~~ assessor of territory not organized into civil townships ~~shall receive~~services under this section is entitled to compensation ~~for services a~~sum and mileage and travel expenses determined by the board of county commissioners for the time actually and necessarily employed in ~~making and completing the assessment of the district~~property. The compensation ~~and expenses~~ must be paid from the treasury of the county in which ~~such district~~the assessed property is located only upon submission of an itemized statement setting forth the actual time spent in the work of the assessor and mileage traveled, approved by the board of county commissioners. In addition, the district assessor must be paid such mileage as is required to perform the duties of the office. The board of county commissioners has the authority to appoint a deputy assessor if needed, to be compensated in the same manner as the district assessor.

**"SECTION 10. TRANSITION.** The state supervisor of assessments shall recertify assessors at the end of the term of any certification that expires after July 31, 2017, upon application and submission by the certificate holder of evidence of completion of required educational sessions under North Dakota Administrative Code chapter 81-02.1-02 or under section 57-02-01.1 or rules adopted to administer that section, subject to the following additional requirements:

1. The holder of a township assessor or class II city assessor certification may be recertified as a certified class II assessor upon completion of the instruction required for class II assessor certification, with credit allowed by the state supervisor of assessments for any instruction previously received by the applicant for certification as a township assessor.
2. The holder of a class I city assessor or county director of tax equalization certification may be recertified as a certified class I assessor upon submission of evidence of completion of required education sessions during the term of the class I city assessor or county director of tax equalization certification."

ReNUMBER accordingly

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1018.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1018**

Page 1, line 2, after the third semicolon insert "to amend and reenact section 54-60-17 of the North Dakota Century Code, relating to workforce development;"

Page 1, replace line 12 with:

"Salaries and wages	\$12,361,114	\$834,068	\$13,195,182"
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Page 1, replace line 14 with:

"Operating expenses	15,635,749	3,049,374	18,685,123"
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Page 1, replace line 16 with:

"Grants	56,622,950	14,076,506	70,699,456"
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Page 1, remove line 24

Page 2, replace lines 1 through 4 with:

"Entrepreneurship grants and vouchers	0	3,250,000	3,250,000
Partner programs	<u>2,022,044</u>	<u>200,000</u>	<u>2,222,044</u>
Total all funds	\$93,864,446	\$38,908,728	\$132,773,174
Less estimated income	<u>51,707,386</u>	<u>23,812,087</u>	<u>75,519,473</u>
Total general fund	\$42,157,060	\$15,096,641	\$57,253,701"

Page 2, replace lines 20 through 22 with:

"Enhanced use lease grant	2,500,000	7,500,000
Child care facility grants	0	3,000,000
Homeless shelter grants	0	1,500,000"

Page 2, replace line 24 with:

"Tribal community college grants	0	4,000,000"
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Page 2, replace line 27 with:

"Workplace safety training facility grant	0	4,000,000
Workforce recruitment campaign	0	300,000"

Page 2, remove lines 29 and 30

Page 3, replace lines 1 and 2 with:

"Entrepreneurship grants and vouchers	0	1,750,000
Tourism international	0	247,836
Educators and industry externships	0	50,000
Total all funds	\$45,955,636	\$46,176,325
Less estimated income	<u>23,655,636</u>	<u>22,359,869</u>
Total general fund	\$22,300,000	\$23,816,456"

Page 3, line 7, after the boldfaced hyphen insert "**CONTINGENCY -**"

Page 3, line 8, replace "\$2,000,000" with "\$4,000,000"

Page 3, line 9, remove "acquiring land, site"

Page 3, line 10, replace "development, and design for" with "constructing"

Page 3, line 11, after the period insert "The grant is contingent upon the organization raising at least \$4,000,000 of non-state funds for the construction of the workplace safety training facility."

Page 3, line 20, replace "\$2,500,000" with "\$7,500,000"

Page 3, line 24, replace "funds" with "up to \$3,100,000, or additional amounts as necessary,"

Page 3, line 25, remove "and construction"

Page 3, line 26, remove "commences"

Page 3, line 27, replace "Funds" with "Remaining funds"

Page 3, line 27, remove "and construction commences"

Page 3, line 30, remove ", such as fiber"

Page 4, line 2, replace "\$1,875,000" with "\$3,000,000"

Page 4, line 9, replace "\$2,500,000" with "\$3,250,000"

Page 4, line 9, replace "\$2,350,000" with "\$3,100,000"

Page 4, line 13, remove "use"

Page 4, line 14, replace "up to" with "provide a"

Page 4, line 14, remove "to provide a"

Page 4, line 15, after "located" insert "and provide a \$300,000 grant to each of the two entrepreneurial centers associated with a research university located in a city with a population of at least 50,000 according to the most recent decennial census"

Page 4, after line 26, insert:

**"SECTION 9. TRIBAL COLLEGE GRANTS.** The grants line item in section 1 of this Act includes the sum of \$4,000,000 for tribal college grants, \$2,000,000 of which is from the general fund and \$2,000,000 is from the student loan trust fund, for the biennium beginning July 1, 2015, and ending June 30, 2017."

Page 5, line 22, replace "\$1,500,000" with "\$1,550,000"

Page 5, line 29, after the period insert "The department of commerce shall make available \$1,000,000 of the funds transferred to the research North Dakota fund for research North Dakota for grants to conduct research on and commercialization for the prevention of, treatment of, or cure for viral diseases, cancer, and other pathogens, for the period beginning July 1, 2015, and ending June 30, 2016. If the grants are not awarded by June 30, 2016, the funds must be made available for other authorized purposes of research North Dakota."

Page 7, after line 3, insert:

**"SECTION 24. AMENDMENT.** Section 54-60-17 of the North Dakota Century Code is amended and reenacted as follows:

**54-60-17. Division of workforce development - Internships, apprenticeships, and work experience opportunities.**

The division of workforce development shall administer a program to increase use of internships, apprenticeships, and work experience opportunities for higher education students and high school students enrolled in grade eleven or twelve, and educators. The primary focus of this program must be higher education internships in target industries. This program shall provide services to employers, communities, and business organizations to increase internship, apprenticeship, and work experience opportunities. The department shall maintain records of the number of internship, apprenticeship, and work experience opportunities subsidized within each funding recipient."

Page 7, line 4, replace "\$1,500,000" with "\$1,550,000"

Page 7, line 5, after "1" insert "relating to the operation intern program"

Page 7, line 5, replace "10" with "14"

Page 7, line 5, remove ", relating to the operation intern program,"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1018 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Adjutant General				
Total all funds	\$0	\$200,000	\$0	\$200,000
Less estimated income	0	0	0	0
General fund	\$0	\$200,000	\$0	\$200,000
Department of Commerce				
Total all funds	\$93,864,446	\$120,997,699	\$11,775,475	\$132,773,174
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
General fund	\$42,157,060	\$52,470,002	\$4,783,699	\$57,253,701
Bill total				
Total all funds	\$93,864,446	\$121,197,699	\$11,775,475	\$132,973,174
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
General fund	\$42,157,060	\$52,670,002	\$4,783,699	\$57,453,701

**House Bill No. 1018 - Department of Commerce - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$12,361,114	\$13,207,534	(\$12,352)	\$13,195,182
Operating expenses	15,635,749	18,315,874	369,249	18,685,123
Capital assets	10,000			
Grants	56,622,950	60,130,878	10,568,578	70,699,456
Discretionary funds	928,082	928,082		928,082
Economic development	186,846			

initiatives				
Ag products utilization commission	3,240,494	3,320,018		3,320,018
North Dakota trade office	2,613,400	2,613,400		2,613,400
Partner programs	2,022,044	2,122,044	100,000	2,222,044
Accrued leave payments	243,767			
Research North Dakota		4,000,000		4,000,000
Workforce enhancement fund		1,000,000		1,000,000
Flood impact grants/loans		12,859,869		12,859,869
Entrepreneurship grants and vouchers		2,500,000	750,000	3,250,000
<b>Total all funds</b>	<b>\$93,864,446</b>	<b>\$120,997,699</b>	<b>\$11,775,475</b>	<b>\$132,773,174</b>
Less estimated income	51,707,386	68,527,697	6,991,776	75,519,473
<b>General fund</b>	<b>\$42,157,060</b>	<b>\$52,470,002</b>	<b>\$4,783,699</b>	<b>\$57,253,701</b>
FTE	69.25	69.40	0.00	69.40

**Department No. 601 - Department of Commerce - Detail of Senate Changes**

	Adjusts Funding for Health Insurance Premium Increases <sup>1</sup>	Increases Funding for Partner Program <sup>2</sup>	Increases One-Time Funding <sup>3</sup>	Total Senate Changes
Salaries and wages	(\$49,525)		\$37,173	(\$12,352)
Operating expenses			369,249	369,249
Capital assets				
Grants			10,568,578	10,568,578
Discretionary funds				
Economic development initiatives				
Ag products utilization commission				
North Dakota trade office				
Partner programs		100,000		100,000
Accrued leave payments				
Research North Dakota				
Workforce enhancement fund				
Flood impact grants/loans				
Entrepreneurship grants and vouchers			750,000	750,000
<b>Total all funds</b>	<b>(\$49,525)</b>	<b>\$100,000</b>	<b>\$11,725,000</b>	<b>\$11,775,475</b>
Less estimated income	(8,224)	0	7,000,000	6,991,776
<b>General fund</b>	<b>(\$41,301)</b>	<b>\$100,000</b>	<b>\$4,725,000</b>	<b>\$4,783,699</b>
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance premiums is adjusted to reflect the revised premium estimate of \$1,130.22 per month.

<sup>2</sup> Funding is increased for partner programs related to small business development programs to provide a total of \$300,000.

<sup>3</sup> One-time funding is increased for the following one-time funding items:

	House Version	General Fund Increase	Other Funds Increase	Senate Version
Child care facility grant program	\$1,875,000	\$1,125,000		\$3,000,000
Tribal college grants	2,000,000		2,000,000	4,000,000
Enhanced use lease grant	2,500,000		5,000,000	7,500,000
Entrepreneurial centers and vouchers	1,000,000	750,000		1,750,000
Workforce recruitment campaign		300,000		300,000
Educators and externship grants		50,000		50,000
Workplace safety facility	2,000,000	2,000,000		4,000,000
Homeless shelter grants	1,000,000	500,000		1,500,000
<b>Total</b>	<b>\$10,375,000</b>	<b>\$4,725,000</b>	<b>\$7,000,000</b>	<b>\$22,100,000</b>

This amendment also:

- Requires the organization receiving the workplace safety grant to raise at least \$4 million of nonstate funds for the construction of a workplace safety facility.

- Makes available \$1 million of Research North Dakota funding for grants to conduct research on and commercialization for the prevention of, treatment of, or cure of viral diseases, cancer, and other pathogens, until June 30, 2016. If the grants are not awarded by June 30, 2016, the funds become available for other Research North Dakota grants.
- Allows the department to provide grants of up to \$3.1 million or additional amounts if necessary under the enhanced used lease grant program for taxiway reconnection and alert pad refurbishment.
- Requires the department to provide three separate grants of \$300,000 to the IDEA Center, North Dakota State University Research & Technology Park, and the University of North Dakota Center for Innovation.
- Designates \$2 million of the \$4 million provided for tribal college grants from the student loan trust fund.
- Amends North Dakota Century Code Section 54-60-17 to include educators under the workforce development program.
- Transfers \$247,836 for tourism international from ongoing funding to one-time funding.

### SECOND READING OF SENATE BILL

**SB 2013:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and the North Dakota vision services - school for the blind; to create and enact a new section to chapter 54-24 of the of the North Dakota Century Code, relating to the state library operating fund; to amend and reenact sections 15.1-02-02, 15.1-07-33, 24-02-03.3, and 39-01-03 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction, PowerSchool, and the management and use of motor vehicles owned by the state; to provide an exemption; to provide a statement of legislative intent; and to provide for legislative management studies.

### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 79 YEAS, 13 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Guggisberg; Haak; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Monson; Nathe; Nelson, J.; Olson; Onstad; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigasaa; Weisz; Zubke; Speaker Belter

**NAYS:** Amerman; Anderson, P.; Glassheim; Hanson; Kelsh; Mitskog; Mock; Mooney; Muscha; Nelson, M.; Oversen; Schatz; Wallman

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Engrossed SB 2013, as amended, passed.

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### CONSIDERATION OF MESSAGE FROM THE SENATE

**REP. HEADLAND MOVED** that the House do not concur in the Senate amendments to Reengrossed HB 1059 as printed on HJ pages 1735-1742 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 1059:** Reps. Headland, Owens, Haak.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**REP. VIGESAA MOVED** that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Engrossed SB 2304, which motion prevailed.

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

**Engrossed SB 2304:** Reps. Kasper, Steiner, Schneider

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2013.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The Senate has passed, the emergency clause carried, unchanged: HB 1067.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended and subsequently failed to pass: HB 1055, HB 1223.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The Senate has failed to pass, unchanged: HB 1070.

**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 3052.

**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 1059, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1059:** Reps. Headland; Owens; Haak

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2151.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has appointed as a conference committee to act with a like committee from the Senate on:

**SB 2304:** Reps. Kasper; Schneider; Steiner

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The President has appointed Sen. Oban to replace Sen. Marcellais on the Conference Committee on SB 2031.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1030, HB 1244, HB 1255, HB 1313, HB 1474.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1068, HB 1372.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2275.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1006, HB 1017, HB 1023, HB 1102, HB 1206, HB 1231, HB 1256, HB 1358, HB 1390, HB 1403.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2021, SB 2030, SB 2074, SB 2075, SB 2097, SB 2164, SB 2190, SB 2323.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2275.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1210, as engrossed:** Your conference committee (Sens. Luick, Casper, Nelson and Reps. Karls, K. Koppelman, P. Anderson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1297, adopt amendments as follows, and place HB 1210 on the Seventh order:

That the Senate recede from its amendments as printed on page 1297 of the House Journal and page 1072 of the Senate Journal and that Engrossed House Bill No. 1210 be amended as follows:

Page 1, line 3, remove "; and to amend and reenact"

Page 1, remove lines 4 and 5

Page 1, line 6, remove "custodian of a deprived child"

Page 1, line 10, replace "Unless a child is in immediate danger" with "Without a compelling reason to the contrary"

Page 1, remove lines 13 through 19

Page 1, line 23, replace "shall" with "must"

Renumber accordingly

Engrossed HB 1210 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1406, as engrossed:** Your conference committee (Sens. Cook, Oehlke, Triplett and Reps. Toman, Froseth, Mitskog) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1532-1533, adopt further amendments as follows, and place HB 1406 on the Seventh order:

That the House accede to the Senate amendments as printed on pages 1532 and 1533 of the House Journal and pages 1326 and 1327 of the Senate Journal and that Engrossed House Bill No. 1406 be further amended as follows:

Page 1, line 1, after "enact" insert "section 57-39.4-33.4 and"

Page 1, line 2, after "to" insert "administration of the streamlined sales and use tax agreement and to"

Page 1, line 4, after "state" insert "; and to amend and reenact subsection 2 of section 57-39.2-04.1, sections 57-39.4-29 and 57-39.4-31, and subsection 2 of section 57-40.2-04.1 of the North Dakota Century Code, relating to the definition of prepared food for sales tax purposes, the taxability matrix to be used for administration of the sales and use tax agreement, the streamlined sales tax governing board and advisory council and the definition of prepared food for use tax purposes"

Page 1, after line 5, insert:

**"SECTION 1. AMENDMENT.** Subsection 2 of section 57-39.2-04.1 of the North Dakota Century Code is amended and reenacted as follows:

2. For purposes of this section:

- a. "Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume.
- b. "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavoring in the form of bars, drops, or pieces. Candy does not include any preparation containing flour and does not require refrigeration.
- c. "Dietary supplement" means any product, other than tobacco, intended to supplement the diet which contains one or more of the following dietary ingredients: a vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use by humans to supplement the diet by increasing the total dietary intake; an oral concentrate, metabolite, constitute, extract, or combination of any dietary ingredients described in this sentence and which is intended for ingestion in tablet, capsule, powder, soft gel, gel cap, or liquid form, or if not represented for use as a sole item of a meal or of a diet; and is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required pursuant to 21 CFR section 101.36.
- d. "Prepared food" means:
  - (1) Food sold in a heated state or heated by the seller;
  - (2) Two or more food ingredients mixed or combined by the seller for sale as a single item; or
  - (3) Food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used to transport the food.
- e. "Prepared food" does not mean:
  - (1) Food that is only cut, repackaged, or pasteurized by the seller.
  - (2) Eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the food and drug administration in chapter 3, part 401.11, of its food code so as to prevent foodborne illness.
  - (3) If sold without eating utensils provided by the seller:
    - (a) Food sold by a seller whose proper primary North American industry classification system classification is manufacturing in sector 311, except subsector 3118, bakeries.
    - (b) Food sold in an unheated state by weight or volume as a single item.
    - (c) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas.
    - (d) Food sold that ordinarily requires additional cooking, as opposed to just reheating, by the consumer prior to consumption.
- f. "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that

contain milk or milk products, soy, rice, or similar milk substitutes, or greater than fifty percent of vegetable or fruit juice by volume.

- g. "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco.

**SECTION 2. AMENDMENT.** Section 57-39.4-29 of the North Dakota Century Code is amended and reenacted as follows:

**57-39.4-29. (328) Taxability matrix.**

1. a. To ensure uniform application of terms defined in part II and part III(B) of the library of definitions as adopted by the governing board under section 57-39.4-28, each member state shall complete a, to the best of its ability, section 1 of the taxability matrix adopted by the governing board.
- b. To inform the general public of its practices regarding certain products, procedures, services, or transactions adopted by the governing board under section 57-39.4-33.4, each member state shall complete, to the best of its ability, section 2 of the taxability matrix.
2. The member state's entries in the matrix shall be provided and maintained in a database that is in a downloadable format approved by the governing board. A member state shall provide notice of changes in the taxability of the products or services listed in the taxability matrix as required by the governing board.
- 2-3. A member state shall relieve sellers and certified service providers from liability to the member state and its local jurisdictions for having charged and collected the incorrect amount of sales or use tax resulting from the seller or certified service provider relying on erroneous data provided by the member state in the taxability matrix. If a member state amends an existing provision of its taxability matrix, the member state shall, to the extent possible, relieve sellers and certified service providers from liability to the member state and its local jurisdictions until the first day of the calendar month that is at least thirty days after notice of change to a member state's taxability matrix is submitted to the governing board, provided the seller or certified service provider relied on the prior version of the taxability matrix.
- 3-4. If a state levies sales and use tax on a specified digital product and provides an exemption for an item within the definition of such specified digital product under subsection 8 of section 57-39.4-33.1, such exemption must be noted in the taxability matrix.
- 4-5. Each state that provides for a sales tax holiday under section 57-39.4-23 shall, in a format approved by the governing board, give notice in the taxability matrix of the products for which a tax exemption is provided.

**SECTION 3. AMENDMENT.** Section 57-39.4-31 of the North Dakota Century Code is amended and reenacted as follows:

**57-39.4-31. Membership of streamlined sales tax governing board and ~~state and local advisory council.~~**

1. Two members of the house of representatives and two members of the senate, to be appointed by the chairman of the legislative management, shall represent ~~the~~this state of North Dakota on the streamlined sales tax governing board.
2. ~~One member of the house of representatives and one member of the senate, to be appointed by the chairman of the legislative management,~~

~~shall represent the state of North Dakota on the streamlined sales tax state and local advisory council.~~

3. The tax commissioner shall designate a member of the tax commissioner's staff to accompany and advise the members appointed under this section with regard to multistate discussions to review or revise the agreement or to conduct such other business as comes before the board ~~or council~~.

**SECTION 4.** Section 57-39.4-33.4 of the North Dakota Century Code is created and enacted as follows:

**57-39.4-33.4. Best practices.**

1. For purpose of this section, "best practices" means those practices adopted by the governing board as the best practices in administration of the sales and use taxes in the member states regarding certain identified products, procedures, services, or transactions.
2. A majority vote of the entire governing board is required to approve a motion to adopt a best practices standard. The governing board shall provide public notice and opportunity for comment prior to voting on a motion to adopt a best practice.
3. Best practices adopted by the governing board must be maintained in an appendix to the agreement.
4. Conformance by a member state to best practices adopted by the governing board is voluntary and a state may not be found to be out of compliance with the agreement because the effect of the state's laws, rules, regulations, and policies do not follow each of the best practices adopted by the governing board.
5. A state shall complete the best practice matrix by the first day of the calendar month that is at least thirty days after the date the governing board approves a best practice and submits it to the executive director for posting on the governing board's website. For subsequent best practices approved by the governing board, a state shall update its best practice matrix by the first day of the calendar month that is at least thirty days after the date the governing board approves a new best practice and submits it to the executive director for posting on the governing board's website."

Page 3, after line 10, insert:

**"SECTION 6. AMENDMENT.** Subsection 2 of section 57-40.2-04.1 of the North Dakota Century Code is amended and reenacted as follows:

2. For purposes of this section:
  - a. "Alcoholic beverages" means beverages that are suitable for human consumption and contain one-half of one percent or more of alcohol by volume.
  - b. "Candy" means a preparation of sugar, honey, or other natural or artificial sweeteners in combination with chocolate, fruits, nuts, or other ingredients or flavoring in the form of bars, drops, or pieces. Candy does not include any preparation containing flour and that does not require refrigeration.
  - c. "Dietary supplement" means any product, other than tobacco, intended to supplement the diet which contains one or more of the following dietary ingredients: a vitamin; a mineral; an herb or other botanical; an amino acid; a dietary substance for use by humans to supplement the diet by increasing the total dietary intake; an oral

concentrate, metabolite, constitute, extract, or combination of any dietary ingredients described in this subdivision and which is intended for ingestion in tablet, capsule, powder, soft gel cap, or liquid form, or if not represented for use as a sole item of a meal or of a diet; and is required to be labeled as a dietary supplement, identifiable by the supplemental facts box found on the label and as required pursuant to 21 CFR 101.36.

- d. "Prepared food" means:
- (1) Food sold in a heated state or heated by the seller;
  - (2) Two or more food ingredients mixed or combined by the seller for sale as a single item; or
  - (3) Food sold with eating utensils provided by the seller, including plates, knives, forks, spoons, glasses, cups, napkins, or straws. A plate does not include a container or packaging used to transport the food.
- e. "Prepared food" does not mean:
- (1) Food that is only cut, repackaged, or pasteurized by the seller.
  - (2) Eggs, fish, meat, poultry, and foods containing these raw animal foods requiring cooking by the consumer as recommended by the food and drug administration in chapter 3, part 401.11, of its food code so as to prevent foodborne illness.
  - (3) If sold without eating utensils provided by the seller:
    - (a) Food sold by a seller whose proper primary North American industry classification system classification is manufacturing in sector 311, except subsector 3118, bakeries.
    - (b) Food sold in an unheated state by weight or volume as a single item.
    - (c) Bakery items, including bread, rolls, buns, biscuits, bagels, croissants, pastries, donuts, Danish, cakes, tortes, pies, tarts, muffins, bars, cookies, and tortillas.
    - (d) Food sold that ordinarily requires additional cooking, as opposed to just reheating, by the consumer prior to consumption.
- f. "Soft drinks" means nonalcoholic beverages that contain natural or artificial sweeteners. "Soft drinks" does not include beverages that contain milk or milk products, soy, rice, or similar milk substitutes, or greater than fifty percent of vegetable or fruit juice by volume.
- g. "Tobacco" means cigarettes, cigars, chewing or pipe tobacco, or any other item that contains tobacco."

Renumber accordingly

Engrossed HB 1406 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1057:** Your conference committee (Sens. Laffen, Oehlke, Dotzenrod and Reps. Steiner, Dockett, Schneider) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1302 and place HB 1057 on the Seventh order.

HB 1057 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1144, as engrossed:** Your conference committee (Sens. Casper, Oehlke, Sinner and Reps. Lefor, Sukut, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1452-1455, adopt amendments as follows, and place HB 1144 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1452-1455 of the House Journal and pages 1198-1201 of the Senate Journal and that House Bill No. 1144 be amended as follows:

Page 1, line 3, after "limits" insert "; and to declare an emergency"

Page 1, line 19, remove "any person who uses a vehicle in connection"

Page 1, replace lines 20 and 21 with "an individual who:

- a. Receives connections to potential passengers and related services from a transportation network company in exchange for payment or a fee to the transportation network company; and
- b. Uses a personal vehicle to offer or provide prearranged transportation services to a passenger upon connection through an online-enabled application or platform controlled by a transportation network company in return for compensation or payment of a fee."

Page 2, line 1, after "6." insert ""Personal injury protection" means basic no-fault benefits as defined under subsection 2 of section 26.1-41-01.

7."

Page 2, line 1, remove "that"

Page 2, replace lines 2 through 4 with "which uses an online-enabled application or platform to connect a passenger with an independent participating driver who provides prearranged transportation services using a personal vehicle. A transportation network company may not be deemed to control, direct, or manage the personal vehicles or participating drivers that connect to the transportation network company online-enabled application or platform, unless agreed to by written contract."

Page 2, line 5, replace "7." with "8."

Page 3, line 8, remove "Transportation network company insurance coverage provided under this section"

Page 3, replace lines 9 through 11 with "Transportation network company insurance coverage provided under this section for uninsured motorist coverage must meet the requirements under section 26.1-40-15.2, which is primary coverage.

- c. Transportation network company insurance coverage provided under this section for underinsured motorist coverage must meet the requirements under section 26.1-40-15.3, which is primary coverage."

Page 3, line 12, replace "c." with "d."

Page 3, line 12, after "provide" insert "primary"

Page 3, line 13, remove "when required"

Page 3, line 15, replace "d." with "e."

Page 3, line 17, replace "e." with "f."

Page 3, line 21, replace "f." with "g."

Page 3, line 21, replace "In every instance where" with "If"

Page 3, after line 25, insert:

**"26.1-40.1-04. Insurance coverage during the application on stage with no passengers in vehicle.**

1. During the application on stage, the transportation network company insurance must include:
  - a. Motor vehicle liability coverage that is primary coverage. The coverage must include at least fifty thousand dollars per person and one hundred thousand dollars per incident for death and bodily injury and at least twenty-five thousand dollars for property damage.
  - b. Uninsured motorist coverage under section 26.1-40-15.2 which is primary coverage.
  - c. Underinsured motorist coverage under section 26.1-40-15.3 which is primary coverage.
  - d. Personal injury protection under chapter 26.1-41 which is primary coverage.
2. The requirements for coverage under this section may be satisfied by:
  - a. Transportation network company insurance maintained by a participating driver;
  - b. Transportation network company insurance maintained by a transportation network company; or
  - c. Any combination of subdivisions a and b.
3. The following apply to insurance requirements under this section:
  - a. The primary insurer, in the case of insurance coverage provided under subdivision a of subsection 1, has the sole duty to defend and indemnify the insured.
  - b. Coverage under a transportation network company insurance policy may neither be dependent on a driver's personal automobile insurance policy carrier first denying a claim nor a personal automobile insurance policy carrier being required to first deny a claim.
  - c. If transportation network company insurance maintained by a participating driver to fulfill the insurance obligations of this section has excluded coverage according to its policy or ceased to exist, the transportation network company shall provide the coverage required by this section beginning with the first dollar of a claim.

**26.1-40.1-05. Automobile insurers.**

Insurers that write personal automobile insurance may allow no-fault insurance coverage to be conditional on transportation network company no-fault insurance coverage under sections 26.1-40.1-03 and 26.1-40.1-04."

Page 3, line 26, replace "**26.1-40.1-04**" with "**26.1-40.1-06**"

Page 4, line 1, replace "**26.1-40.1-05**" with "**26.1-40.1-07**"

Page 4, line 5, after the second "of" insert "less than"

Page 4, line 5, remove "or less"

Page 4, line 8, replace "**26.1-40.1-06**" with "**26.1-40.1-08**"

Page 4, remove lines 15 through 21

Page 4, line 22, replace "**26.1-40.1-08**" with "**26.1-40.1-09**"

Page 4, line 25, replace "**26.1-40.1-09**" with "**26.1-40.1-10**"

Page 4, replace lines 26 through 30 with:

"A participating driver of a transportation network company shall carry proof of transportation network company insurance coverage at all times during the driver's use of a vehicle in connection with a transportation network company's online-enabled application or platform. In the event of an accident, a participating driver shall provide this insurance coverage information to any other party involved in the accident and to a police officer, upon request."

Page 5, line 1, replace "**26.1-40.1-10**" with "**26.1-40.1-11**"

Page 6, line 14, replace "eighteen" with "twenty-one"

Page 6, line 15, replace "**Records**" with "**Personally identifiable information**"

Page 6, replace lines 16 through 26 with "A transportation network company may not disclose any personally identifiable information of a transportation network company passenger, except pursuant to the publicly disclosed terms of the transportation network company's privacy policy. For any other disclosure not governed by the privacy policy, the transportation network company must obtain the passenger's consent before the company may disclose the passenger's personally identifiable information."

**39-34-05. Transportation network company reporting requirements - Legislative management report - Penalty.**

1. A transportation network company shall report the following information to the department of transportation on June fifteenth and December fifteenth of each year for the previous six calendar months:
  - a. A list of political subdivisions in which the transportation network company operates;
  - b. The number of accidents that were reported to the transportation network company during the passenger on-board stage; and
  - c. The number and types of traffic violations and any other violations that were reported to the transportation network company during the passenger on-board stage.
2. The department of transportation shall report the information collected from transportation network companies during each biennium to the legislative management.
3. The department of transportation may impose a civil penalty of up to five hundred dollars for the failure of a transportation network company to report as required under this section. A transportation network company with two or more violations of this section may be prohibited by the department of transportation from operating within the state for one hundred eighty days from the date of the department's notification to the transportation network company.
4. All civil penalties collected under this section must be deposited in the state highway fund."

Page 6, line 30, remove "by the department of transportation"

Page 7, line 3, after the underscored period insert "A political subdivision may prohibit a transportation network company from operating without a state permit within the jurisdiction of the political subdivision."

**SECTION 3. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed HB 1144 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1229:** Your conference committee (Sens. Burckhard, Campbell, Sinner and Reps. Laning, Beadle, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1302-1303, adopt amendments as follows, and place HB 1229 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1302 and 1303 of the House Journal and pages 1039 and 1040 of the Senate Journal and that House Bill No. 1229 be amended as follows:

Page 1, line 1, after "sections" insert "43-09-09.2 and"

Page 1, line 1, remove "and 43-09-15"

Page 1, line 2, replace "bonds" with "contracting for electrical services and undertaking"

Page 1, line 2, after "installations" insert "; to repeal section 43-09-14 of the North Dakota Century Code, relating to the electricians special fund; to provide a penalty; and to provide an effective date"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Section 43-09-09.2 of the North Dakota Century Code is amended and reenacted as follows:

#### **43-09-09.2. Advertising prohibited - Exceptions - Liability - Penalty.**

1. Except as provided in this section, if an electrical license is required under section 43-09-09 or by local ordinance, ~~no~~ a person may not advertise to contract for electrical services without being licensed as or being associated with a class B or master electrician unless that person intends to contract the electrical services with a licensed electrical contractor.
2. If a person associates with a class B or master electrician under subsection 1 and that association ends, that person is jointly and severally liable for any electrical services contracts entered under that association.
3.
  - a. A person violating this section is guilty of a class B misdemeanor for a first conviction, but no fine in excess of one hundred dollars and no term of imprisonment may be imposed.
  - b. A person violating this section is guilty of a class A misdemeanor for a second or subsequent conviction, but the penalties are as follows:
    - (1) For a second conviction, no fine in excess of one thousand dollars and no term of imprisonment may be imposed.
    - (2) For a third or subsequent conviction, a fine not to exceed one thousand dollars, or imprisonment not to exceed thirty days, or both, may be imposed."

Page 1, line 6, remove the overstrike over "~~Undertaking--Fund~~"

Page 1, line 6, remove "**Bond**"

Page 1, overstrike lines 7 and 8

Page 1, line 9, overstrike "class B electrician shall execute and deposit with the board"

Page 1, line 9, remove "a bond, unless such"

Page 1, line 10, remove "a bond has already been deposited."

Page 1, line 10, overstrike "in the sum of"

Page 1, line 10, remove "thirty-five"

Page 1, line 10, overstrike "thousand dollars"

Page 1, line 11, overstrike "conditioned on the faithful"

Page 1, overstrike line 12

Page 1, line 13, overstrike "provisions of this chapter, and on the requirements of the board."

Page 1, line 16, after "in" insert "The board shall administer"

Page 1, line 16, remove the overstrike over "~~a special fund to be used for the completion of installations~~"

Page 1, line 17, remove the overstrike over "~~abandoned by~~" and insert immediately thereafter "master"

Page 1, line 17, remove the overstrike over "electricians"

Page 1, line 17, after "section" insert "and class B electricians"

Page 1, line 17, remove the overstrike over "~~, not to exceed the amount of~~"

Page 1, line 17, after "five" insert "twenty-five"

Page 1, line 17, remove the overstrike over "~~thousand~~"

Page 1, line 18, remove the overstrike over "~~dollars for a master electrician and four thousand dollars for a class B electrician.~~"

Page 1, line 22, after the first "of" insert "Effective July 1, 2016."

Page 1, line 22, remove the overstrike over "~~the board~~" and insert immediately thereafter "shall use any money remaining in the special fund"

Page 1, line 22, remove the overstrike over "~~to inform and educate electricians~~"

Page 1, line 23, remove the overstrike over the overstruck period

Page 1, line 23, overstrike "for the"

Page 1, line 23, remove "bond"

Page 2, replace lines 1 through 29 with:

**SECTION 3. REPEAL.** Section 43-09-14 of the North Dakota Century Code is repealed.

**SECTION 4. EFFECTIVE DATE.** Section 4 of this Act becomes effective on August 1, 2017."

Renumber accordingly

HB 1229 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1360, as engrossed:** Your conference committee (Sens. Rust, Oehlke, Axness and Reps. Meier, Ruby, Delmore) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1418-1419, adopt amendments as follows, and place HB 1360 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1418 and 1419 of the House Journal and pages 1172 and 1173 of the Senate Journal and that Engrossed House Bill No. 1360 be amended as follows:

Page 1, line 4, replace "a contingent" with "an"

Page 1, line 15, replace "ten" with "twenty-five"

Page 1, line 15, after "dollars" insert "of"

Page 1, line 15, after "which" insert "ten dollars"

Page 1, line 15, after "the" insert "highway tax distribution fund and fifteen dollars is deposited in the"

Page 1, line 23, replace "boony" with "boonie"

Page 2, replace lines 17 through 20 with:

**"SECTION 3. EFFECTIVE DATE.** This Act becomes effective for the issuance of United States flag and bald eagle plates on July 1, 2017, and for the issuance of boonie stomper plates on August 1, 2016."

Renumber accordingly

Engrossed HB 1360 was placed on the Seventh order of business on the calendar.

#### ANNOUNCEMENT

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

**THE HOUSE RECONVENED** pursuant to recess taken, with Speaker Belter 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 1729, replace lines 19-21 with:

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

**REP. K. KOPPELMAN MOVED** that the House do concur in the Senate amendments to Reengrossed HCR 3052 as printed on HJ page 1221, which motion prevailed on a voice vote.

Reengrossed HCR 3052 as amended, was placed on the Eleventh order of business."

Page 1731, remove lines 26-28

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

#### COMMUNICATION FROM GOVERNOR JACK DALRYMPLE

This is to inform you that on April 15, 2015, I have signed the following: HB 1034, HB 1051, HB 1111, HB 1112, HB 1136, HB 1141, HB 1165, HB 1241, HB 1264, and HB 1285.

Also, on April 15, 2015, I have signed the following: HB 1304, HB 1305, HB 1328, HB 1366, HB 1387, HB 1393, HB 1450, HB 1456, and HB 1457.

**VETO MEASURE**

April 15, 2015

The Honorable Wesley Belter  
Speaker of the House  
House Chambers  
State Capitol  
Bismarck, ND 58505

Dear Speaker Belter:

Pursuant to Article V, Section 9 of the North Dakota Constitution, I have vetoed House Bill 1033 and returned it to the House of Representatives

I have vetoed this legislation due to language found in sections 2 and 3 of the bill. Section 2 provides that Legacy Fund moneys that are available for expenditure "...may not be included in the draft appropriations acts under section 54-44.1-06." This language would infringe upon the executive authority of the Governor to submit proposed legislative initiatives to the Legislature. Article V, Section 7 of the North Dakota Constitution states: the "governor shall present information on the condition of the state, together with any recommended legislation, to every regular and special session of the legislative assembly." Section 54-44.1-06 of the North Dakota Century Code further asserts the Governor shall present, "recommendations of the Governor for appropriations for the next biennium." The primary function of the executive branch is to manage the affairs of the state, including the careful budgeting of resources. This includes making recommendations to the Legislature pursuant to Article V, Section 7 of the North Dakota Constitution that contain executive branch assessments of the amount and preferred allocation of resources needed to fulfill legislative policies. Section 2 would restrict the executive branch in carrying out its constitutional responsibilities and is therefore unconstitutional.

Section 3 of the bill would require that "any legacy fund earnings that are transferred to the general fund in accordance with section 26 of Article X of the Constitution of North Dakota must be transferred immediately by the state treasurer back to the legacy fund to become part of the principal of the fund." Requiring such a transfer would clearly contradict the intent of the voters when they enacted section 26 of Article X of the North Dakota Constitution that was approved by voters on November 2, 2010, which provides that "The state investment board shall invest the principal of the North Dakota legacy fund. The state treasurer shall transfer earnings of the North Dakota legacy fund accruing after June 30, 2017, to the state general fund at the end of each biennium." It is the clear intent of the constitutional language that subsequent to the transfer of the earnings to the General Fund the Legislative Assembly shall determine how these general fund dollars are to be used as part of the normal appropriations process, including consideration of the Governor's recommendations. Any provision that establishes an "automatic" reversal of the earnings transfer from the Legacy Fund before it actually occurs is a clear conflict with the intent of voters when they voted to approve the procedures of the Legacy Fund. For these reasons, I have vetoed House Bill 1033.

Sincerely,

Jack Dalrymple  
Governor

**THE HOUSE RECOGNIZED THE PRESENCE OF:**

Former Rep. Tom Brusegaard

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. PORTER MOVED** that the conference committee report on Engrossed SB 2295 as printed on HJ pages 1636-1637 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2295:** A BILL for an Act to amend and reenact sections 43-39-01 and 43-39-04 and subdivision d of subsection 1 of section 43-39-10 of the North Dakota Century Code, relating to the regulation of athletic trainers; 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 91 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glassheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert; Mock

Engrossed SB 2295, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. BRABANDT MOVED** that the conference committee report on Engrossed SB 2356 as printed on HJ page 1636 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. OWENS MOVED** that the conference committee report on Engrossed SB 2312 as printed on HJ page 1636 be adopted, which motion prevailed on a voice vote. The emergency clause was declared carried.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. LARSON MOVED** that the conference committee report on SB 2070 as printed on HJ page 1659 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2070:** A BILL for an Act to create and enact a new section to chapter 19-03.1 of the North Dakota Century Code, relating to immunity from criminal liability for an individual who reports a medical emergency involving drugs.

**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, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glassheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**NAYS:** Laning

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

SB 2070, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. SCHREIBER BECK MOVED** that the conference committee report on Engrossed SB 2326 as printed on HJ pages 1659-1662 be adopted.

**REQUEST**

**REP. KASPER REQUESTED** a recorded roll call vote, which request was granted.

**ROLL CALL**

The question being on the motion to adopt the conference committee report on Engrossed SB 2326, the roll was called and there were 52 YEAS, 40 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Boe; Boschee; Carlson; Delmore; Dockter; Glassheim; Guggisberg; Haak; Hanson; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Keiser; Kelsh; Kempenich; Klemin; Kretschmar; Larson; Lefor; Looyson; Maragos; Martinson; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Paur; Sanford; Schneider; Schreiber Beck; Silbernagel; Strinden; Sukut; Wallman; Zubke

**NAYS:** Becker, Rich S.; Becker, Rick C.; Bellew; Boehning; Brabandt; Brandenburg; Damschen; Delzer; Devlin; Dosch; Fehr; Froseth; Hatlestad; Kading; Karls; Kasper; Klein; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Louser; Meier; Olson; Pollert; Porter; Rohr; Ruby; Schatz; Schmidt; Seibel; Skarphol; Steiner; Streyle; Thoreson; Toman; Trottier; Vigesaa; Weisz; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

The conference committee report on Engrossed SB 2326 was adopted on a recorded roll call vote.

**SECOND READING OF SENATE BILL**

**SB 2326:** A BILL for an Act to create and enact a new section to chapter 15.1-07 and seven new sections to chapter 54-59 of the North Dakota Century Code, relating to reportable data fields and the statewide longitudinal data system; to repeal sections 15.1-02-18, 15.1-02-18.1, and 15.1-02-18.2 of the North Dakota Century Code, relating to the statewide longitudinal data system; and to provide for a continuing 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 62 YEAS, 30 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Boe; Boschee; Delmore; Dockter; Glassheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Keiser; Kelsh; Kempenich; Klemin; Kretschmar; Larson; Lefor; Looyson; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Rohr; Sanford; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Streyle; Strinden; Sukut; Trottier; Wallman; Zubke

**NAYS:** Becker, Rick C.; Bellew; Boehning; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Devlin; Dosch; Fehr; Froseth; Headland; Karls; Kasper; Klein; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Porter; Ruby; Schatz; Skarphol; Steiner; Thoreson; Toman; Vigesaa; Weisz; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Engrossed SB 2326, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. KARLS MOVED** that the conference committee report on Engrossed SB 2333 as printed on HJ page 1659 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. PAUR MOVED** that the conference committee report on Engrossed HB 1106 as printed on HJ pages 1130-1131 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1106:** A BILL for an Act to provide for a legislative management study of issues relating to criminal defendants who are veterans or who are currently serving in the armed forces.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, the roll was called and there were 88 YEAS, 4 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glassheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**NAYS:** Johnson, M.; Rohr; Ruby; Steiner

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1106 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. FROSETH MOVED** that the conference committee report on Engrossed SB 2113 as printed on HJ page 1709 be adopted, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. OWENS MOVED** that the conference committee report on Reengrossed SB 2292 as printed on HJ page 1709 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2292:** A BILL for an Act to amend and reenact subsection 5 of section 57-38-04 and sections 57-38.1-09, 57-59-01, 57-59-05, 57-59-06, and 57-59-08 of the North Dakota Century Code, relating to apportionment of business income and the multistate tax compact; to repeal section 57-59-02 of the North Dakota Century Code, relating to the optional computation provision of the multistate tax compact; 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 70 YEAS, 22 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Hatlestad; Hawken; Headland; Hofstad; Holman; Johnson, D.; Johnson, M.; Kading; Karls; Keiser; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Larson; Lefor;

Looyesen; Louser; Meier; Monson; Nathe; Nelson, J.; Nelson, M.; Olson; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schreiber Beck; Seibel; Silbernagel; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Weisz; Zubke; Speaker Belter

**NAYS:** Amerman; Boschee; Glassheim; Guggisberg; Haak; Hanson; Hogan; Hunskor; Kasper; Kelsh; Kretschmar; Maragos; Martinson; Mitskog; Mock; Mooney; Muscha; Onstad; Oversen; Schneider; Skarphol; Wallman

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed SB 2292, as amended, passed.

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**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, unchanged: HB 1410.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

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

**HB 1015:** Sens. Wanzek; Krebsbach; Robinson

**HB 1016:** Sens. Sorvaag; Carlisle; Mathern

**HB 1059:** Sens. Cook; Bekkedahl; Triplett

**HB 1151:** Sens. Flakoll; Holmberg; Oban

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2107.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2005, SB 2013, SB 2018, SB 2019, SB 2020, and SB 2206, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2005:** Sens. Carlisle; Bowman; Robinson

**SB 2013:** Sens. Holmberg; Krebsbach; Heckaman

**SB 2018:** Sens. Krebsbach; Erbele; Mathern

**SB 2019:** Sens. Krebsbach; Sorvaag; O'Connell

**SB 2020:** Sens. G. Lee; Holmberg; Robinson

**SB 2206:** Sens. Dever; J. Lee; Warner

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has appointed Sen. Marcellais to replace Sen. Oban on the Conference Committee on SB 2031.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2113.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2312.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2333.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2356.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1106.

**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 2070, SB 2292, SB 2326.

**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 2295.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2035, SB 2046, SB 2166.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2151.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has signed: HB 1030, HB 1068, HB 1244, HB 1255, HB 1313, HB 1372, HB 1474.

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

**MR. PRESIDENT:** The Speaker has signed: HB 1006, HB 1017, HB 1023, HB 1102, HB 1206, HB 1231, HB 1256, HB 1358, HB 1390, HB 1403.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2151.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has signed: SB 2021, SB 2030, SB 2074, SB 2075, SB 2097, SB 2164, SB 2190, SB 2275, SB 2323.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has signed: SB 2151.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 16, 2015: HB 1006, HB 1017, HB 1023, HB 1102, HB 1206, HB 1231, HB 1256, HB 1358, HB 1390, HB 1403.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1282, as reengrossed:** Your conference committee (Sens. Anderson, Larsen, Axness and Reps. Porter, Seibel, Muscha) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1608 and place HB 1282 on the Seventh order.

Reengrossed HB 1282 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2046, as reengrossed:** Your conference committee (Sens. Larsen, J. Lee, Axness and Reps. Bellew, Silbernagel, Holman) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1316 and place SB 2046 on the Seventh order.

Reengrossed SB 2046 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2035, as engrossed:** Your conference committee (Sens. Laffen, Unruh, Dotzenrod and Reps. Headland, Owens, Haak) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 992-993, adopt amendments as follows, and place SB 2035 on the Seventh order:

That the House recede from its amendments as printed on pages 992 and 993 of the Senate Journal and pages 1183 and 1184 of the House Journal and that Engrossed Senate Bill No. 2035 be amended as follows:

Page 1, line 7, replace "a" with "studies by the"

Page 1, line 7, replace "study" with "and industrial commission"

Page 8, line 18, remove "or expand"

Page 8, line 19, after "state" insert ", and any component integral to the fertilizer or chemical processing plant."

Page 8, line 22, remove "Tangible personal property used to replace an existing facility"

Page 8, remove line 23

Page 8, line 24, replace "replacement creates an expansion of the facility." with "The exemption provided in this section applies to all phases of construction under the permit or application for permit required by subsection 2. An integral component to the fertilizer or chemical processing plant:

- a. May be owned directly or indirectly by the fertilizer or chemical processing facility, or by an unrelated third party;
  - b. Must be located at the facility site; and
  - c. Must be necessary for the plant's processing of fertilizer or chemicals.
2. On or before June 30, 2019, the owner of the fertilizer or chemical processing plant must receive from the department of health an air quality permit or a notice that the air quality permit application is complete. The owner shall provide this documentation to the tax commissioner to qualify for the exemption under this section. Denial, expiration, or revocation of a permit terminates the exemption under this section."

Page 8, line 25, replace "2." with "3."

Page 8, line 27, remove "or expand"

Page 9, line 1, replace "3." with "4."

Page 9, line 8, replace "4." with "5."

Page 10, line 7, remove "or expand"

Page 10, line 9, replace "1" with "2"

Page 10, after line 17, insert:

**"SECTION 5. OIL AND GAS RESEARCH - NATURAL GAS PRODUCTION STUDY.**

The industrial commission may use the sum of one hundred thousand dollars from the oil and gas research fund, or so much of the amount as may be necessary, pursuant to its continuing appropriation under section 57-51.1-07.3 for the purpose of contracting for an independent, nonmatching natural gas production study."

Re-number accordingly

Engrossed SB 2035 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2166, as engrossed:** Your conference committee (Sens. Oehlke, Rust, Sinner and Reps. Weisz, Rick C. Becker, M. Nelson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 940-943, adopt amendments as follows, and place SB 2166 on the Seventh order:

That the House recede from its amendments as printed on page(s) 940-944 of the Senate Journal and pages 1090-1094 of the House Journal and that Engrossed Senate Bill No. 2166 be amended as follows:

Page 1, line 1, after "to" insert "create and enact paragraph 40 to subdivision a of subsection 3 of section 39-06.1-10 of the North Dakota Century Code, relating to entries against driving records; to"

Page 1, line 1, replace "section" with "sections 39-06.1-05 and 39-06.1-09, subdivision b of subsection 3 of section 39-06.1-10, and sections 39-07-09 and"

Page 1, line 2, after "to" insert "authorized procedures for traffic violations, definitions of moving violations, entries against driving records, discretion for release upon promise to appear, and"

Page 1, after line 3, insert:

**"SECTION 1. AMENDMENT.** Section 39-06.1-05 of the North Dakota Century Code is amended and reenacted as follows:

**39-06.1-05. Offenses excepted.**

The procedures authorized under sections 39-06.1-02 and 39-06.1-03 may not be utilized by a person charged with one of the following offenses:

1. Driving or being in actual physical control of a vehicle in violation of section 39-08-01, or an equivalent ordinance.
2. Reckless driving or aggravated reckless driving in violation of section 39-08-03, or an equivalent ordinance.
3. A violation of chapter 12.1-16 resulting from the operation of a motor vehicle.
4. Leaving the scene of an accident in violation of section 39-08-04, 39-08-05, 39-08-07, or 39-08-08, or equivalent ordinances.
5. Driving while license or driving privilege is suspended or revoked in violation of section 39-06-42, or an equivalent ordinance.
6. Violating subdivision b or c of subsection 5 of section 39-24-09.
7. ~~Operating a modified motor vehicle in violation of section 39-21-45.1~~
8. Operating an unsafe vehicle in violation of subsection 2 of section 39-21-46.
- 9-8. Causing an accident with an authorized emergency vehicle or a vehicle operated by or under the control of the director used for maintaining the state highway system in violation of subsection 5 of section 39-10-26.

**SECTION 2. AMENDMENT.** Section 39-06.1-09 of the North Dakota Century Code is amended and reenacted as follows:

**39-06.1-09. Moving violation defined.**

For the purposes of sections 39-06.1-06 and 39-06.1-13, a "moving violation" means a violation of section 39-04-22, subsection 1 of section 39-04-37, section 39-04-55, 39-06-01, 39-06-14, 39-06-14.1, 39-06-16, 39-08-20, 39-08-23, 39-08-24, 39-09-01, 39-09-01.1, 39-09-04.1, or 39-09-09, subsection 1 of section 39-12-02, section 39-12-04, 39-12-05, 39-12-06, 39-12-09, ~~39-21-45.1~~, 39-24-02, or 39-24-09, except subdivisions b and c of subsection 5 of section 39-24-09, or equivalent ordinances; or a violation of the provisions of chapter 39-10, 39-10.2, or 39-21, or equivalent ordinances, except subsection 5 of section 39-10-26, ~~section section 39-21-44, and 39-21-45.1~~, subsections 2 and 3 of section 39-21-46, and those sections within those chapters which are specifically listed in subsection 1 of section 39-06.1-08.

**SECTION 3.** Paragraph 40 of subdivision a of subsection 3 of section 39-06.1-10 of the North Dakota Century Code is created and enacted as follows:

- (40) Driving a modified motor vehicle in violation of section 39-21-45.1, or equivalent ordinance 1 point

**SECTION 4. AMENDMENT.** Subdivision b of subsection 3 of section 39-06.1-10 of the North Dakota Century Code is amended and reenacted as follows:

b. Criminal Violations Conviction of:	Points Assigned:
(1) Reckless driving in violation of section 39-08-03, or equivalent ordinance	8 points
(2) Aggravated reckless driving in violation of section 39-08-03, or equivalent ordinance	12 points
(3) Leaving the scene of an accident involving property damage in violation of section 39-08-05, 39-08-07, or 39-08-08, or equivalent ordinances	14 points
(4) Leaving the scene of an accident involving personal injury or death in violation of section 39-08-04, or equivalent ordinance	18 points
(5) Violating restrictions in a restricted license issued under section 39-06-17 and relating to the use of eyeglasses or contact lenses while driving	3 points
(6) Violating any restrictions other than those listed in paragraph 5, contained in a restricted license issued under section 39-06-17 or 39-06.1-11	4 points
(7) <del>Knowingly driving a modified motor vehicle in violation of section 39-21-45.1, or equivalent ordinance</del>	<del>2 points</del>
(8) Except as provided in paragraph 9 of subdivision a, knowingly operating an unsafe vehicle in violation of section 39-21-46, or equivalent ordinance	2 points
(9)(8) Fleeing in a motor vehicle from a peace officer in violation of section 39-10-71, or equivalent ordinance	24 points
(10)(9) Causing an accident with an authorized emergency vehicle or a vehicle operated by or under the control of the director used for maintaining the state highway system in violation of subsection 5 of section 39-10-26, or equivalent ordinance	2 points
(11)(10) Driving in violation of the conditions of an instruction permit	2 points

**SECTION 5. AMENDMENT.** Section 39-07-09 of the North Dakota Century Code is amended and reenacted as follows:

**39-07-09. Offenses under which person halted may not be entitled to release upon promise to appear.**

Section 39-07-07 does not apply to a person if:

1. The halting officer has good reason to believe the person guilty of any felony or if the person is halted and charged with an offense listed in section 39-06.1-05 but not listed in subsection 2; or

2. The halting officer, acting within the officer's discretion, determines that it is inadvisable to release the person upon a promise to appear and if the person has been halted and charged with any of the following offenses:
  - a. Reckless driving.
  - b. Driving in excess of speed limitations established by the state or by local authorities in their respective jurisdictions.
  - c. Driving while license or driving privilege is suspended or revoked for violation of section 39-06-42, or an equivalent ordinance.
  - d. ~~Operating a modified vehicle.~~
  - e. Driving without liability insurance in violation of section 39-08-20.
  - ~~f.e.~~ Failing to display a placard or flag, in violation of any rule implementing section 39-21-44, while transporting explosive or hazardous materials.
  - ~~g.f.~~ Operating an unsafe vehicle in violation of subsection 2 of section 39-21-46.

The halting officer forthwith shall take any person not released upon a promise to appear before the nearest or most accessible magistrate."

Page 1, line 7, overstrike "Except as otherwise provided in this section,"

Page 1, line 7, remove "an individual"

Page 1, line 7, overstrike "may not operate"

Page 1, overstrike line 8

Page 1, line 9, overstrike "laws of this state with a weight of"

Page 1, line 9, remove "ten"

Page 1, line 9, overstrike "thousand pounds ["

Page 1, line 9, remove "4535.92"

Page 1, overstrike lines 10 through 15

Page 1, line 16, remove "a."

Page 1, line 16, overstrike "The motor vehicle must be equipped with front and rear bumpers."

Page 1, line 17, remove "b."

Page 1, line 17, overstrike "The maximum body height permitted for the motor vehicle is forty-two inches"

Page 1, overstrike lines 18 and 19

Page 1, line 20, remove "c."

Page 1, line 20, overstrike "The maximum bumper height permitted is twenty-seven inches [68.58"

Page 1, overstrike lines 21 and 22

Page 1, line 23, remove "d."

Page 1, line 23, overstrike "The" and insert immediately thereafter "An individual who operates a registered motor vehicle on a highway may not modify that"

Page 1, line 23, overstrike "may be modified in accordance with the following" and insert immediately thereafter "unless the modification meets the following requirements"

Page 2, line 1, remove the overstrike over "a:"

Page 2, line 1, remove "(1)"

Page 2, line 2, replace "the director's requirements" with "any other requirement applicable to a vehicle under chapter 39-21"

Page 2, line 3, remove the overstrike over "b:"

Page 2, line 3, remove "(2)"

Page 2, line 4, overstrike "comply" and insert immediately thereafter "be branded"

Page 2, line 5, remove "the director's"

Page 2, line 5, overstrike "requirements" and insert immediately thereafter "a United States department of transportation tire identification number"

Page 2, line 6, remove the overstrike over "e:"

Page 2, line 6, remove "(3)"

Page 2, line 6, overstrike "The maximum outside diameter permitted for tires is forty-four inches"

Page 2, overstrike line 7 and insert immediately thereafter "The maximum body height permitted for a motor vehicle is forty-two inches [106.68 centimeters]. Measurement of body height is made from a level ground surface to the floor of the cargo area."

Page 2, line 8, remove "(4)"

Page 2, line 8, overstrike "A horizontal drop bumper may be used to comply with the bumper height"

Page 2, line 9, overstrike "requirement of subsection 3. The horizontal bumper must"

Page 2, line 10, remove "be"

Page 2, line 10, overstrike "at least three inches [7.62 centimeters] in vertical width;"

Page 2, line 11, remove "extend"

Page 2, line 11, overstrike "the entire horizontal body width; and"

Page 2, line 12, remove "be"

Page 2, line 12, overstrike "horizontal, load bearing, and attached to the vehicle frame to"

Page 2, overstrike line 13

Page 2, line 14, overstrike "The maximum lift permitted in the suspension system is four inches [10.16]"

Page 2, overstrike line 15

Page 2, line 16, remove "e."

Page 2, line 16, remove "An individual"

Page 2, line 16, overstrike "charged with violating this section has the burden of"

Page 2, line 17, remove "showing"

Page 2, line 17, overstrike "that the modifications are permitted under this"

Page 2, overstrike line 18 and insert immediately thereafter:

"2. An individual may not operate a registered motor vehicle on a highway unless the motor vehicle is equipped with front and rear bumpers. The height of the bumper must not exceed twenty-seven inches [68.58 centimeters] and this measurement is made from a level ground surface to the highest point on the bottom of the bumper. A horizontal drop bumper may be used to comply with this subsection and must be at least three inches [7.62 centimeters] in vertical width; extend the entire horizontal body width; and be horizontal, load bearing, and attached to the vehicle frame to effectively transfer impact when engaged."

Page 2, line 19, after "6." insert "3."

Page 2, line 19, remove "f."

Page 2, line 21, after the "7." insert "4."

Page 2, line 21, remove "g."

Renumber accordingly

Engrossed SB 2166 was placed on the Seventh order of business on the calendar.

#### **ANNOUNCEMENT**

**SPEAKER BELTER ANNOUNCED** that the House stand in recess until 4:30 p.m.

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

#### **CONSIDERATION OF MESSAGES FROM THE SENATE**

**REP. VIGESAA MOVED** that the House do not concur in the Senate amendments to Engrossed HB 1003 and in the Senate amendments to Engrossed HB 1018 as printed on HJ pages 1742-1746 and that a conference committee be appointed to meet with a like committee from the Senate on each of these measures, which motion prevailed on a voice vote.

#### **APPOINTMENT OF CONFERENCE COMMITTEES**

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

**Engrossed HB 1003:** Reps. Sanford, Martinson, Boe.

**Engrossed HB 1018:** Reps. Streyle, Martinson, Guggisberg.

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

**REP. LEFOR MOVED** that the conference committee report on Engrossed HB 1095 as printed on HJ pages 1731-1732 be adopted, which motion prevailed on a voice vote.

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

**HB 1095:** A BILL for an Act to amend and reenact section 61-16.1-53.1, subsection 4 of section 61-21-01, and section 61-32-08 of the North Dakota Century Code, relating to administrative hearings for noncomplying dams, dikes, and other devices, the definition of drain, and administrative hearings for drainage projects; and to provide for a legislative management study.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 91 YEAS, 1 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glassheim;

Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Zubke; Speaker Belter

**NAYS:** Weisz

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1095 passed.

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

**REP. HATLESTAD MOVED** that the conference committee report on Engrossed HB 1217 as printed on HJ page 1727 be adopted, which motion prevailed on a voice vote.

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

**HB 1217:** A BILL for an Act to amend and reenact sections 14-02.5-02 and 47-16-17.1 of the North Dakota Century Code, relating to the rental of a dwelling to a victim of domestic violence.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 89 YEAS, 3 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glasheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Hunskor; Johnson, D.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**NAYS:** Holman; Johnson, M.; Nelson, M.

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1217 passed.

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

**REP. KRETSCHMAR MOVED** that the conference committee report on Engrossed HB 1368 as printed on HJ page 1727 be adopted, which motion prevailed on a voice vote.

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

**HB 1368:** A BILL for an Act to amend and reenact section 12.1-17-13 of the North Dakota Century Code, relating to mandated treatment of domestic violence offenders.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glasheim;

Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1368 passed.

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

**REP. DOCKTER MOVED** that the conference committee report on HB 1392 as printed on HJ pages 1727-1728 be adopted, which motion prevailed on a voice vote.

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

**HB 1392:** A BILL for an Act to create and enact a new section to chapter 40-22 of the North Dakota Century Code, relating to adoption of municipal policy establishing special assessment determination methods for allocation of assessments among and within classes of property; to amend and reenact section 40-53.1-07 of the North Dakota Century Code, relating to the disposition of the property of a dissolved city by a county.

#### **ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glasheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1392 passed.

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

**REP. KEMPENICH MOVED** that the conference committee report on Engrossed SB 2011 as printed on HJ page 1729 be adopted, which motion prevailed on a voice vote.

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

**REP. PAUR MOVED** that the conference committee report on Reengrossed SB 2332 as printed on HJ pages 1728-1729 be adopted, which motion prevailed on a voice vote.

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

**SB 2332:** A BILL for an Act to create and enact section 12.1-29-07 of the North Dakota Century Code, relating to an offender education program; to amend and reenact section 12.1-29-06 of the North Dakota Century Code, relating to hiring an individual to engage in sexual activity; to provide a penalty; to provide an effective date; and to provide an expiration date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 90 YEAS, 2 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glasheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**NAYS:** Becker, Rick C.; Schatz

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed SB 2332, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. STEINER MOVED** that the conference committee report on HB 1057 as printed on HJ page 1302 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1057:** A BILL for an Act to create and enact section 57-02-53 of the North Dakota Century Code, relating to notice to a property owner of an assessment increase; to amend and reenact sections 57-09-04, 57-11-03, and 57-12-06 and subsection 2 of section 57-15-02.1 of the North Dakota Century Code, relating to notice to a property owner of an assessment increase; to repeal section 57-12-09 of the North Dakota Century Code, relating to notice to a property owner of an assessment increase; to provide for a legislative management study; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Bellew; Boe; Boehning; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Dosch; Fehr; Froseth; Glasheim; Guggisberg; Haak; Hanson; Hatlestad; Hawken; Headland; Hofstad; Hogan; Holman; Hunskor; Johnson, D.; Johnson, M.; Kading; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemin; Koppelman, B.; Koppelman, K.; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyesen; Louser; Maragos; Martinson; Meier; Mitskog; Mock; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Olson; Onstad; Oversen; Owens; Paur; Pollert; Porter; Rohr; Ruby; Sanford; Schatz; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Streyle; Strinden; Sukut; Thoreson; Toman; Trottier; Vigesaa; Wallman; Weisz; Zubke; Speaker Belter

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Engrossed HB 1057 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. LEFOR MOVED** that the conference committee report on Engrossed HB 1144 as printed on HJ pages 1452-1455 be adopted, which motion prevailed on a verification vote.

**SECOND READING OF HOUSE BILL**

**HB 1144:** A BILL for an Act to create and enact chapters 26.1-40.1 and 39-34 of the North Dakota Century Code, relating to insurance coverage of motor vehicles participating in transportation network company networks and services, priority of coverage, and minimum limits; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 70 YEAS, 22 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Amerman; Anderson, B.; Anderson, D.; Anderson, P.; Becker, Rich S.; Boe; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Devlin; Dockter; Dosch; Fehr; Froseth; Glassheim; Guggisberg; Haak; Hatlestad; Hawken; Hofstad; Holman; Hunskor; Johnson, D.; Johnson, M.; Karls; Kasper; Keiser; Kelsh; Kempenich; Klein; Klemm; Kreidt; Kretschmar; Laning; Larson; Lefor; Looyson; Maragos; Martinson; Mitskog; Monson; Mooney; Muscha; Nathe; Nelson, J.; Nelson, M.; Onstad; Oversen; Owens; Pollert; Porter; Sanford; Schmidt; Schneider; Schreiber Beck; Seibel; Silbernagel; Skarphol; Steiner; Strinden; Sukut; Toman; Trottier; Vigasaa; Wallman; Zubke; Speaker Belter

**NAYS:** Beadle; Becker, Rick C.; Bellew; Boehning; Delzer; Hanson; Headland; Hogan; Kading; Koppelman, B.; Koppelman, K.; Louser; Meier; Mock; Olson; Paur; Rohr; Ruby; Schatz; Streyle; Thoreson; Weisz

**ABSENT AND NOT VOTING:** Frantsvog; Kiefert

Reengrossed HB 1144 passed.

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**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 1003 and HB 1018, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1003:** Reps. Sanford; Martinson; Boe

**HB 1018:** Reps. Streyle; Martinson; Guggisberg

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has appointed Sen. Axness to replace Sen. Warner on the Conference Committee on HB 1049.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The President has appointed Sen. Axness to replace Sen. Warner on the Conference Committee on HB 1359.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2011.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1057, HB 1095, HB 1217, HB 1368, HB 1392.

**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 2332.

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

**MR. PRESIDENT:** The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1144.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has adopted the conference committee report and

subsequently passed: SB 2377.

**MESSAGE TO THE HOUSE FROM THE SENATE (JANE SCHAIBLE, SECRETARY)**

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1106.

**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., Friday, April 17, 2015, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1113:** Your conference committee (Sens. Laffen, Hogue, Murphy and Reps. Laning, Dockter, Mooney) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1551-1552, adopt amendments as follows, and place HB 1113 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1551 and 1552 of the House Journal and pages 1344 and 1345 of the Senate Journal and that House Bill No. 1113 be amended as follows:

Page 1, line 1, remove "a new"

Page 1, line 1, after "subsection" inset "3"

Page 2, line 12, remove the overstrike over "~~and regulation of the processing, generation, or disposal~~"

Page 2, line 14, remove the overstrike over the overstruck colon

Page 2, remove the overstrike over lines 15 through 17

Page 2, line 18, remove the overstrike over "b:"

Page 2, line 19, remove the overstrike over "~~A written determination of the action to be taken which is based upon findings~~"

Page 2, remove the overstrike over lines 20 and 21

Page 2, line 22, after "d:" insert "c."

Page 2, line 22, remove the overstrike over "~~For each licensed activity which has a significant impact on the human~~"

Page 2, remove the overstrike over lines 23 through 30

Page 3, line 1, after "e:" insert "d."

Page 3, line 1, remove the overstrike over "~~A prohibition of any major construction with respect to the activities to be~~"

Page 3, remove the overstrike over line 2

Page 3, line 3, after "f:" insert "e."

Page 3, line 3, remove the overstrike over "~~An assurance that management of source material, byproduct material, or other~~"

Page 3, remove the overstrike over lines 4 through 9

Page 3, line 10, remove the overstrike over "b: ~~An opportunity for judicial review~~"

Page 3, line 10, remove "by rules a procedure for the handling of"

Page 3, remove line 11

Page 3, line 12, remove "opportunity, after public notice, for written comments and a public hearing"

Page 4, line 23, remove "For multiple violations, penalties may"

Page 4, remove lines 24 and 25

Page 4, line 26, replace "knowingly" with "willfully"

Page 4, line 30, replace "knowingly" with "willfully"

Page 5, line 3, remove "For multiple violations, penalties may be assessed up to the maximum"

Page 5, remove line 4

Renumber accordingly

HB 1113 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2377, as engrossed:** Your conference committee (Sens. Unruh, Armstrong, Murphy and Reps. Keiser, Lefor, Hunskor) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1125-1140, adopt amendments as follows, and place SB 2377 on the Seventh order:

That the House recede from its amendments as printed on pages 1125-1140 of the Senate Journal and pages 1314-1328 of the House Journal and that Engrossed Senate Bill No. 2377 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 5 of section 38-11.2-01, sections 38-12.1-01, 38-12.1-02, 38-12.1-03, 38-12.1-04, 38-12.1-05, and 38-14.1-02, subsection 3 of section 38-14.1-05, subsection 3 of section 38-14.1-13, subdivisions r and s of subsection 1 of section 38-14.1-14, subdivision c of subsection 2 of section 38-14.1-14, paragraph 2 of subdivision e of subsection 3 of section 38-14.1-21, subdivision b of subsection 4 of section 38-14.1-21, subsections 1 and 1.1 of section 38-14.1-24, subdivision b of subsection 3 of section 38-14.1-24, subsections 5, 10, and 18 of section 38-14.1-24, section 38-14.1-25, subdivision b of subsection 1 of section 38-14.1-27, subsections 1, 3, and 4 of section 38-14.1-37, sections 38-15-01, 38-15-02, 38-18-05, 38-18-07, 57-61-01, and 57-61-01.2, subsection 1 of section 57-61-01.5, sections 57-61-01.7, 57-61-02, and 57-61-03, and subsection 1 of section 57-61-04 of the North Dakota Century Code, relating to the definition of coal and commercial leonardite and the taxation of commercial leonardite.

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

**SECTION 1. AMENDMENT.** Subsection 5 of section 38-11.2-01 of the North Dakota Century Code is amended and reenacted as follows:

5. "Subsurface mineral" means any naturally occurring element or compound recovered under the provisions of chapter 38-12, but for the purpose of this chapter excludes coal, commercial leonardite, oil and gas, sand and gravel, and rocks crushed for sand and gravel.

**SECTION 2. AMENDMENT.** Section 38-12.1-01 of the North Dakota Century Code is amended and reenacted as follows:

#### **38-12.1-01. Legislative findings.**

The legislative assembly of the state of North Dakota finds that:

1. The discovery and evaluation of coal or commercial leonardite deposits is advantageous in an industrial society.
2. Coal or commercial leonardite occurs hidden under the ground and must be searched for by diverse techniques, and that the search, exploration, or prospecting for coal or commercial leonardite is a necessary and expensive prerequisite to coal or commercial leonardite extraction and for land use planning in coal-bearing or commercial leonardite-bearing areas.
3. It is to the benefit of society to allow coal or commercial leonardite exploration and to require the information generated from exploration to be available to the office of the state geologist.

**SECTION 3. AMENDMENT.** Section 38-12.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**38-12.1-02. Declaration of policy.**

It is hereby declared to be in the public interest to have persons engaged in coal or commercial leonardite exploration or evaluation report their findings to the office of the state geologist so that data on the location, quantity, and quality of coal or commercial leonardite, and the characteristics of associated material, will be available to assist the state in determining what the attitude of the state should be regarding future development of coal or commercial leonardite resources.

**SECTION 4. AMENDMENT.** Section 38-12.1-03 of the North Dakota Century Code is amended and reenacted as follows:

**38-12.1-03. Definitions.**

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

1. "Coal" means a dark-colored, compact, and earthy organic rock with less than forty percent inorganic components, based on dry material, formed by the accumulation and decomposition of plant material. The term includes lignite in both oxidized and nonoxidized forms, whether or not the material is enriched in radioactive materials. The term does not include commercial leonardite.
2. "Coal exploration" means:
  - a. The use of any technique which when applied to the surface of the land will aid in the discovery or evaluation of coal or commercial leonardite or aid in determining the quantity and quality of coal or commercial leonardite present. It includes drilling or digging, excavating, core sample drilling and collection, diamond drilling, trenching, or any other type of penetration of the surface of the earth; or
  - b. Environmental data gathering activities conducted for the purpose of establishing the conditions of an area prior to applying for a permit under chapter 38-14.1. The provisions of sections 38-12.1-04 and 38-12.1-05 are not applicable to such environmental data gathering activities unless the natural land surface will be substantially disturbed or such activities are located on lands designated unsuitable for mining under section 38-14.1-05.
3. "Commercial leonardite" means a dark-colored, soft, earthy rock formed from the oxidation of lignite coal, and is produced from a mine that has as its only function for supply for purposes other than gasification or combustion to generate electricity.
4. "Commission" means the industrial commission of the state of North Dakota.

- 4-5. "Permit area" means a county.
- 5-6. "Person" means and includes any natural person, corporation, limited liability company, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary, or other representative of any kind, and includes any department, agency, or instrumentality of the state or of any governmental subdivision thereof; the masculine gender, in referring to a person, includes the feminine and the neuter genders.
- 6-7. "Road" means a surface or right of way for purposes of travel by land vehicles used in coal or commercial leonardite exploration. A road consists of the entire area of the right of way, including the roadbed, shoulders, parking and side areas, approaches, structures, ditches, and surface.

**SECTION 5. AMENDMENT.** Section 38-12.1-04 of the North Dakota Century Code is amended and reenacted as follows:

**38-12.1-04. Jurisdiction of commission.**

The commission has jurisdiction and authority over all persons and property, both public and private, necessary to effectively enforce the provisions of this chapter. The director of mineral resources shall act as a supervisor charged with the duty of enforcing the regulations and orders of the commission applicable to the provisions of this chapter. The commission has authority to make such investigations as it deems proper to determine whether facts exist which justify action by the commission. The commission acting through the director of mineral resources has the authority:

1. To require:
  - a. The furnishing of a reasonable bond with good and sufficient surety, conditioned upon the full compliance with the provisions of this chapter, and the rules and orders of the commission prescribed to govern the exploration for coal or commercial leonardite on state and private lands and roads used in coal or commercial leonardite exploration within the state of North Dakota. The person required to furnish the bond may elect to deposit a collateral bond, self-bond, cash, or any alternative form of security approved by the commission, or combination thereof, by which a permittee assures faithful performance of all requirements of this chapter and the rules and orders of the industrial commission.
  - b. The delivery, free of charge, to the state geologist of the basic data collected during the course of the exploration within a reasonable time as may be prescribed by the state geologist. The data so submitted is confidential and available only to the office of the state geologist for official purposes for a period of two years, and such period of confidentiality must, upon application, be extended for one-year periods by the state geologist, for a total period not to exceed ten years unless it is demonstrated that such period should be further extended in order to prevent possible resulting harm to the person, or the person's successors and assigns, who delivered such basic data to the state geologist. The basic data must include, if specifically requested by the state geologist and if the information has been developed by or for a person conducting the exploration:
    - (1) Sample cuts.
    - (2) Drillers' logs, sample logs, radioactivity logs, resistivity logs, or other types of electrical or mechanical logs.
    - (3) Elevation and location information on the data collection points.

- (4) Other pertinent information as may be required by the state geologist.
2. To require the plugging, covering, or reburial in an appropriate manner so as to protect environmental quality, general health and safety, and economic values of all holes, pits, or trenches excavated during the course of coal or commercial leonardite exploration.
3. To promulgate and enforce rules, regulations, and orders to effectuate the provisions, purpose, and intent of this chapter.
4. To inspect all drilling or exploration sites. For the purposes of this subsection, the director of mineral resources or the director's representative shall have access to all drilling or exploration installations regulated by this chapter for the purpose of inspection and sampling and shall have the authority to require the operators' aid if the director finds it necessary and requests it.
5. Notwithstanding any of the other provisions of this section, the commission acting through the director of mineral resources shall require that any lands substantially disturbed in coal or commercial leonardite exploration, including excavations, roads, and drill holes, and the removal of necessary facilities and equipment be reclaimed in accordance with the applicable performance standards of section 38-14.1-24. Reclamation must be accomplished to protect environmental quality, general health and safety, and economic values.

**SECTION 6. AMENDMENT.** Section 38-12.1-05 of the North Dakota Century Code is amended and reenacted as follows:

**38-12.1-05. Notice and drilling permit required - Exceptions - Limits on coal or commercial leonardite removal.**

1. It is unlawful to commence operations for drilling for the exploration for coal or commercial leonardite without first obtaining a permit from the director of mineral resources, under such rules and regulations as may be prescribed by the commission, and paying to the commission a fee of one hundred dollars for each such permit area. The permit application must include a description of the exploration area and the period of proposed exploration. The permit must be granted within thirty days after a proper application has been submitted.
2. This permit may not be required:
  - a. In an area where a permit to conduct surface coal mining operations is in effect pursuant to chapter 38-14.1;
  - b. For holes drilled to guide excavating equipment in an operating mine;
  - c. In areas where a drill hole is required by any other state agency; or
  - d. For environmental data gathering activities that do not substantially disturb the land, unless the environmental data gathering activities are located on land designated unsuitable for mining under section 38-14.1-05.
3. No person may remove more than two hundred fifty tons [226.80 metric tons] of coal or commercial leonardite pursuant to an exploration permit without first obtaining a permit from the public service commission.

**SECTION 7. AMENDMENT.** Section 38-14.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**38-14.1-02. Definitions.**

Wherever used or referred to in this chapter, unless a different meaning clearly appears from the context:

1. "Alluvial valley floors" means the unconsolidated stream-laid deposits holding streams where water availability is sufficient for subirrigation or flood irrigation agricultural activities but does not include upland areas which are generally overlain by a thin veneer of colluvial deposits composed chiefly of sediment from sheet erosion, deposits by unconcentrated runoff or slope wash, together with talus, other mass movement accumulation, and windblown deposits.
2. "Approximate original contour" means that surface configuration achieved by backfilling and grading an area affected by surface coal mining operations so that the reclaimed area closely resembles the general surface configuration of the land prior to being affected by surface coal mining operations and blends into and complements the surrounding undisturbed land.
3. "Coal" means a dark-colored compact and earthy organic rock with less than forty percent inorganic components, based on dry material, formed by the accumulation and decomposition of plant material. The term includes consolidated lignitic coal, in both oxidized and nonoxidized forms, having less than eight thousand three hundred British thermal units per pound [453.59 grams], moist and mineral matter free, whether or not the material is enriched in radioactive materials. The term does not include commercial leonardite.
4. "Commercial leonardite" means a dark-colored, soft, earthy organic rock formed from the oxidation of lignite coal, and is produced from a mine that has as its only function for supply for purposes other than gasification or combustion to generate electricity.
5. "Commission" means the public service commission, or such other department, bureau, or commission as may lawfully succeed to the powers and duties of that commission. The commission is the state regulatory authority for all purposes relating to the Surface Mining Control and Reclamation Act of 1977 [Pub. L. 95-87; 91 Stat. 445; 30 U.S.C. 1201 et seq.].
- ~~5-6.~~ "Extended mining plan" means a written statement setting forth the matters specified in section 38-14.1-15 and covering the estimated life of the surface coal mining operation.
- ~~6-7.~~ "Final cut" means the last pit created in a surface mining pit sequence.
- ~~7-8.~~ "Highwall" and "endwall" mean those sides of the pit adjacent to unmined land.
- ~~8-9.~~ "Imminent danger to the health and safety of the public" means the existence of any condition or practice, or any violation of a permit or other requirement of this chapter in a surface coal mining and reclamation operation, which condition, practice, or violation could reasonably be expected to cause substantial physical harm to persons outside the permit area before such condition, practice, or violation can be abated. A reasonable expectation of death or serious injury before abatement exists if a rational person, subjected to the same conditions or practices giving rise to the peril, would not expose the person's self to the danger during the time necessary for abatement.
- ~~9-10.~~ "Operator" means any individual, person, partnership, firm, association, society, joint stock company, company, cooperative, corporation, limited liability company, or other business organization, or any department, agency, or instrumentality of the state, local, or federal government, or

any governmental subdivision thereof including any publicly owned utility or publicly owned corporation of the state, local, or federal government, engaged in or controlling a surface coal mining operation. Operator does not include those who remove or intend to remove two hundred fifty tons [226.80 metric tons] or less of coal or commercial leonardite from the earth by coal or commercial leonardite mining within twelve consecutive calendar months in any one location or who remove any coal or commercial leonardite pursuant to reclamation operations under chapter 38-14.2.

- ~~40-11.~~ "Other minerals" means clay, stone, sand, gravel, metalliferous and nonmetalliferous ores, and any other solid material or substances of commercial value occurring within five hundred feet [152.4 meters] or less of the land surface and which are excavated in solid form from natural deposits on or in the earth, exclusive of coal or commercial leonardite and those minerals which occur naturally in liquid or gaseous form.
- ~~41-12.~~ "Other suitable strata" means those portions of the overburden determined by the commission to be suitable for meeting the requirements of subsections 2 and 17 of section 38-14.1-24 and based on data submitted by the permit applicant.
- ~~42-13.~~ "Overburden" means all of the earth and other materials, with the exception of suitable plant growth material, which lie above natural deposits of coal or commercial leonardite and also means such earth and other materials, with the exception of suitable plant growth material, disturbed from their natural state by surface coal or commercial leonardite mining operations.
- ~~42-1-14.~~ "Performance bond" means a surety bond, collateral bond, self-bond, deposit, a bond issued under the state surface mining and reclamation bond fund, any alternative form of security approved by the commission, or combination thereof, by which a permittee assures faithful performance of all requirements of this chapter.
- ~~43-15.~~ "Permit" means a permit to conduct surface coal mining and reclamation operations issued by the commission.
- ~~44-16.~~ "Permit applicant" means a person or operator applying for a permit.
- ~~45-17.~~ "Permit area" means the area of land approved by the commission for surface coal mining operations which shall be readily identifiable by appropriate markers on the site.
- ~~46-18.~~ "Permit renewal" means the extension of the permit term for areas within the boundaries of the initial or existing permit, upon the expiration of the initial or existing permit term.
- ~~47-19.~~ "Permit revision" means the modification of permit provisions during the term of the permit and includes changes in the mining and reclamation plans, incidental boundary extensions, and the transfer, assignment, or sale of rights granted under the permit.
- ~~48-20.~~ "Permit term" means a period of time beginning with the date upon which a permit is given for surface coal mining and reclamation operations under the provisions of this chapter, and ending with the expiration of the next succeeding five years plus any renewal of the permit granted under this chapter.
- ~~49-21.~~ "Permittee" means a person or operator holding a permit.
- ~~20-22.~~ "Person" means an individual, partnership, firm, association, society, joint stock company, company, cooperative, corporation, limited liability company, or other business organization.

- ~~21-23.~~ "Pit" means a tract of land, from which overburden, or coal, or commercial leonardite, or ~~both,~~ any combination of overburden, coal, or commercial leonardite has been or is being removed for the purpose of surface coal mining operations.
- ~~22-24.~~ "Prime farmland" means lands as prescribed by commission regulation that have the soil characteristics and moisture supply needed to produce sustained high yields of adapted crops economically when treated and managed, including management of water, according to modern farming methods. Furthermore, such lands historically have been used for intensive agricultural purposes and are large enough in size to constitute a viable economic unit.
- ~~23-25.~~ "Prime soils" means those soils that have the required soil characteristics (including slope and moisture supply) needed to produce sustained high yields of adapted crops, as determined by the state conservationist of the United States department of agriculture soil conservation service.
- ~~24-26.~~ "Reclaimed" or "reclaim" means conditioning areas affected by surface coal mining operations to make them capable of supporting the uses which they were capable of supporting prior to any mining, or higher or better uses, pursuant to subsection 2 of section 38-14.1-24.
- ~~25-27.~~ "Reclamation plan" means a plan submitted by an applicant for a permit which sets forth a plan for reclamation of the proposed surface coal mining operations pursuant to subsection 2 of section 38-14.1-14.
- ~~26-28.~~ "Refuse" means all waste material directly connected with the production of coal or commercial leonardite mined by surface coal mining operations.
- ~~27-29.~~ "Soil amendments" means those materials added by the operator to the replaced overburden or suitable plant growth material, or both, to improve the physical or chemical condition of the soil in its relation to plant growth capability.
- ~~28-30.~~ "Soil classifier" means a professional soil classifier as defined in subsection 4 of section 43-36-01.
- ~~29-31.~~ "Soil survey" means the identification and location of all suitable plant growth material within the proposed permit area and an accompanying report that describes, classifies, and interprets for use such materials.
- ~~30-32.~~ "State program" means the program established by the state of North Dakota in accordance with the requirements of section 503 of the federal Surface Mining Control and Reclamation Act of 1977 [Pub. L. 95-87; 91 Stat. 470; 30 U.S.C. 1253] to regulate surface coal mining and reclamation operations on lands within the state of North Dakota.
- ~~31-33.~~ "Suitable plant growth material" means that soil material (normally the A, B, and portions of the C horizons) located within the proposed permit area which, based upon a soil survey, is found by the commission to be the most acceptable as a medium for plant growth when respread on the surface of regraded areas.
- ~~32-34.~~ "Surface coal mining and reclamation operations" means surface coal mining operations and all activities necessary and incidental to the reclamation of such operations after July 1, 1979.
- ~~33-35.~~ "Surface coal mining operations" means:
- a. Activities affecting the surface of lands in connection with a surface coal or commercial leonardite mine. Such activities include extraction of coal or commercial leonardite from coal or commercial leonardite refuse piles, excavation for the purpose of obtaining coal or

commercial leonardite, including such common methods as contour, strip, auger, box cut, open pit, and area mining, the uses of explosives and blasting, and in situ distillation or retorting, leaching or other chemical or physical processing, and the cleaning, concentrating, or other processing or preparation, and loading of coal or commercial leonardite at or near the minesite, except that such activities do not include coal or commercial leonardite exploration subject to chapter 38-12.1, or the extraction of coal or commercial leonardite incidental to reclamation operations under chapter 38-14.2; and

- b. The areas upon which such activities occur or where such activities disturb the natural land surface. Such areas shall also include any adjacent land the use of which is incidental to any such activities, all adjacent lands affected by the construction of new roads or the improvement or use of existing roads to gain access to the site of such activities and for haulage, and excavations, workings, impoundments, dams, refuse banks, dumps, stockpiles, overburden piles, spoil banks, culm banks, tailings, holes or depressions, repair areas, storage areas, processing areas, shipping areas, and other areas upon which are sited structures, facilities, or other property or materials on the surface, resulting from or incident to such activities.

34-36. "Unwarranted failure to comply" means the failure of a permittee to prevent the occurrence of any violation of the permittee's permit or any requirement of this chapter due to indifference, lack of diligence, or lack of reasonable care, or the failure to abate any violation of such permit or this chapter due to indifference, lack of diligence, or lack of reasonable care.

**SECTION 8. AMENDMENT.** Subsection 3 of section 38-14.1-05 of the North Dakota Century Code is amended and reenacted as follows:

3. Prior to designating any land area as unsuitable for surface coal mining operations, the commission shall prepare a detailed statement on:
  - a. The potential coal or commercial leonardite resources of the area;
  - b. The demand for coal or commercial leonardite resources; and
  - c. The impact of such designation on the environment, the economy, and the supply of coal or commercial leonardite.

**SECTION 9. AMENDMENT.** Subsection 3 of section 38-14.1-13 of the North Dakota Century Code is amended and reenacted as follows:

3. Upon request by the permit applicant, the commission, in its discretion, may designate specific information included in the plans required by subdivisions c and d of subsection 1 as exempt from disclosure under section 44-04-18, provided such specific information pertains only to the analysis of the chemical and physical properties of the coal or commercial leonardite (excepting information regarding such mineral or elemental contents which is potentially toxic in the environment). Each request must be accompanied by a statement specifying the need for nondisclosure, which statement must be considered part of the permit application to be filed for public inspection as specified in subsection 2. The confidential information is exempt for a period not to exceed ten years subsequent to the date on which the request for nondisclosure was filed, unless it is demonstrated by the permit applicant that such period should be further extended in order to prevent possible resulting harm to the permit applicant, or the applicant's successors and assigns.

**SECTION 10. AMENDMENT.** Subdivisions r and s of subsection 1 of section 38-14.1-14 of the North Dakota Century Code are amended and reenacted as follows:

- r. Cross sections, maps or plans of the land to be affected, including the actual area to be mined, prepared by or under the direction of and certified by a registered professional engineer, a registered land surveyor, or a qualified professional geologist with assistance from experts in related fields, showing pertinent elevation and location of test borings or core samplings and depicting all of the following information:
- (1) The nature and depth of the various strata of overburden.
  - (2) The location of subsurface water, if encountered, and its quality.
  - (3) The nature and thickness of any coal, commercial leonardite, or rider seam above the coal or commercial leonardite seam to be mined.
  - (4) The nature of the stratum immediately beneath the coal or commercial leonardite seam to be mined.
  - (5) All mineral crop lines and the strike and dip of the coal or commercial leonardite to be mined, within the area of land to be affected.
  - (6) Existing or previous surface mining limits.
  - (7) The location and extent of known workings of any underground mines, including mine openings to the surface.
  - (8) The location of aquifers.
  - (9) The estimated elevation of the water table.
  - (10) The location of spoil, waste, or refuse areas, suitable plant growth material stockpiling areas and, if necessary, stockpiling areas for other suitable strata.
  - (11) The location of all impoundments for waste or erosion control.
  - (12) Any settling or water treatment facility.
  - (13) Constructed or natural drainways and the location of any discharges to any surface body of water on the area of land to be affected or adjacent thereto.
  - (14) Profiles at appropriate cross sections of the anticipated final surface configuration that will be achieved pursuant to the applicant's proposed reclamation plan.
- s. A statement by the applicant of the result of test borings or core samplings from the permit area, including logs of the drill holes, the thickness of the coal or commercial leonardite seam found, an analysis of the chemical properties of such coal or commercial leonardite, the sulfur content of any coal or commercial leonardite seam, chemical analysis of potentially toxic forming sections of the overburden, and chemical analysis of the stratum lying immediately underneath the coal or commercial leonardite to be mined. The provisions of this subdivision may be waived by the commission with respect to the specific application by a written determination that such requirements are unnecessary.

**SECTION 11. AMENDMENT.** Subdivision c of subsection 2 of section 38-14.1-14 of the North Dakota Century Code is amended and reenacted as follows:

- c. The consideration which has been given to maximize the utilization and conservation of the coal or commercial leonardite being recovered so that reffecting the land in the future can be minimized.

**SECTION 12. AMENDMENT.** Paragraph 2 of subdivision e of subsection 3 of section 38-14.1-21 of the North Dakota Century Code is amended and reenacted as follows:

- (2) Not materially damage the quantity or quality of water in surface or underground water systems that supply these alluvial valley floors. This subdivision does not affect those surface coal mining operations which on July 1, 1979, produce coal or commercial leonardite in commercial quantities and are located within or adjacent to alluvial valley floors or have obtained specific permit approval by the commission to conduct surface coal mining operations within said alluvial valley floors.

**SECTION 13. AMENDMENT.** Subdivision b of subsection 4 of section 38-14.1-21 of the North Dakota Century Code is amended and reenacted as follows:

- b. The commission finds that the proposed surface coal mining operation will constitute a hazard to a dwelling house, public building, school, church, cemetery, commercial or institutional building, public road, stream, lake, or other public or private property other than property subject to a coal or commercial leonardite lease.

**SECTION 14. AMENDMENT.** Subsections 1 and 1.1 of section 38-14.1-24 of the North Dakota Century Code are amended and reenacted as follows:

1. Conduct surface coal mining operations so as to maximize the utilization and conservation of the coal or commercial leonardite being recovered so that reffecting the land in the future through surface coal mining can be minimized.
- 1.1. Conduct any auger mining associated with surface coal mining operations in a manner that will maximize recoverability of coal or commercial leonardite and other mineral reserves remaining after mining activities and reclamation operations are completed, and seal or fill all auger holes as necessary to ensure long-term stability of the area and minimize any adverse impact to the environment or hazard to public health or safety. The commission may prohibit auger mining if necessary to maximize the utilization, recoverability, or conservation of coal or commercial leonardite resources, to ensure long-term stability, or to protect against any adverse impact to the environment or hazard to public health or safety.

**SECTION 15. AMENDMENT.** Subdivision b of subsection 3 of section 38-14.1-24 of the North Dakota Century Code is amended and reenacted as follows:

- b. The permittee, at a minimum, shall backfill, grade, and compact (where advisable) using all available overburden and other spoil and waste materials to attain the lowest practicable grade (not to exceed the angle of repose), to provide adequate drainage, and to contain all toxic materials in order to achieve an ecologically sound land use compatible with the surrounding region, in those instances where:
  - (1) Surface coal mining operations are carried out over a substantial period of time at the same location where the operation transects the coal or commercial leonardite deposit;
  - (2) The thickness of the coal or commercial leonardite deposits relative to the volume of overburden is large; and

- (3) The permittee demonstrates that the overburden and other spoil and waste materials at a particular point in the permit area or otherwise available from the entire permit area are insufficient, giving due consideration to volumetric expansion, to restore the approximate original contour.

**SECTION 16. AMENDMENT.** Subsections 5, 10, and 18 of section 38-14.1-24 of the North Dakota Century Code are amended and reenacted as follows:

5. Remove, segregate, and respread suitable plant growth material as required by the commission within the permit area. The commission may require the permittee to segregate suitable plant growth material in two or more soil layers. The commission shall determine the soil layer or layers to be removed based upon the quality and quantity of suitable plant growth material inventoried by the soil survey required in subdivision t of subsection 1 of section 38-14.1-14. Based on the soil survey, the commission shall also determine whether other suitable strata are necessary to meet revegetation requirements. If other strata can be shown to be suitable and necessary to meet revegetation requirements, the commission may require the permittee to determine the areal extent of other suitable strata within the proposed permit area, and to remove, segregate, protect, and respread such material. If the suitable plant growth material or other suitable strata cannot be replaced on an approved graded area within a time short enough to avoid deterioration of such material, the permittee shall stockpile and stabilize such materials by establishing a successful cover of quick-growing plants or by other means thereafter so that the suitable plant growth material or other suitable strata will be protected from wind and water erosion and will remain free from any contamination by toxic material. In the interest of achieving the maximum reclamation provided for in this chapter, the permittee may, or at the discretion of the commission shall, utilize such soil amendments as described in ~~of subsection 27~~ section 38-14.1-02.
10. Remove or bury all debris and other similar material resulting from the operation and bury all mine wastes ~~and~~, coal, and commercial leonardite processing wastes unless the commission approves the surface disposal of such wastes. If the commission approves the surface disposal of such wastes, the permittee shall stabilize all waste piles in designated areas through construction in compacted layers, including the use of incombustible and impervious materials if necessary, to assure that the final contour of the waste pile will be compatible with natural surroundings and that the site can and will be stabilized and revegetated according to the provisions of this chapter.
18. Assume the responsibility for successful revegetation, as required by subsection 17, for a period of ten full years after the last year of augmented seeding, fertilizing, irrigation, or other work, provided that, when the commission approves a long-term intensive agricultural postmining land use, the ten-year period of responsibility for revegetation commences at the date of initial planting. However, for previously mined areas that are affected by remining, the operator's responsibility for successful revegetation will extend for a period of five full years after the last year of augmented seeding, fertilizing, irrigation, and other work in order to assure compliance with the applicable standards. For the purposes of this subsection, "previously mined areas" are lands that were affected by coal or commercial leonardite mining activities prior to January 1, 1970, and "augmented seeding, fertilizing, irrigation, or other work" does not include normal conservation practices recognized locally as good management for the postmining land use.

**SECTION 17. AMENDMENT.** Section 38-14.1-25 of the North Dakota Century Code is amended and reenacted as follows:

**38-14.1-25. Prohibited mining practices.**

1. NeA permittee may not use any coal or commercial leonardite mine waste piles consisting of mine wastes, tailings, coal processing wastes, or other liquid or solid wastes either temporarily or permanently as dams or embankments unless approved by the commission, after consultation with the state engineer.
2. NeA permittee may not locate any part of the surface coal mining and reclamation operations or deposit overburden, debris, or waste materials outside the permit area for which bond has been posted, except as provided in subsection 24 of section 38-14.1-03.
3. NeA permittee may not deposit overburden, debris, or waste materials in such a way that normal erosion or slides brought about by natural causes will permit the same to go beyond or outside the permit area for which bond has been posted.

**SECTION 18. AMENDMENT.** Subdivision b of subsection 1 of section 38-14.1-27 of the North Dakota Century Code is amended and reenacted as follows:

- b. For those surface coal mining and reclamation operations which remove or disturb strata that serve as aquifers which significantly ensure the hydrologic balance of water use either on or off the mining site, the commission, in consultation with other appropriate state agencies, shall specify those:
  - (1) Monitoring sites to record the quantity and quality of surface drainage above and below the minesite as well as in the potential zone of influence.
  - (2) Monitoring sites to record level, amount, and samples of ground water and aquifers potentially affected by the mining and also directly below the lowermost (deepest) coal or commercial leonardite seam to be mined.
  - (3) Records of well logs and borehole data to be maintained.
  - (4) Monitoring sites to record precipitation.

The monitoring data collection and analysis required by this section must be conducted according to standards and procedures set forth by the commission in consultation with other appropriate state agencies in order to assure their reliability and validity.

**SECTION 19. AMENDMENT.** Subsections 1, 3, and 4 of section 38-14.1-37 of the North Dakota Century Code are amended and reenacted as follows:

1. The provisions of this chapter do not apply to any of the following activities:
  - a. Extraction of coal or commercial leonardite by a landowner for the landowner's own noncommercial use from land owned or leased by the landowner.
  - b. Extraction of coal or commercial leonardite as an incidental part of federal, state, or local government-financed highway or other construction under regulations established by the commission.
3. The commission may provide or assume the cost of training coal or commercial leonardite operators who meet the qualifications in subsection 2 concerning the preparation of permit applications and compliance with the regulatory program.

4. An operator who has received assistance under subsection 2 or 3 shall reimburse the commission for the cost of the services rendered if the commission finds that the operator's actual and attributed annual production of coal or commercial leonardite for all locations exceeds three hundred thousand tons [272155.41 metric tons] during the twelve months immediately following the date the operator is issued a surface coal mining and reclamation permit.

**SECTION 20. AMENDMENT.** Section 38-15-01 of the North Dakota Century Code is amended and reenacted as follows:

**38-15-01. Policy.**

It is hereby declared to be in the public interest to foster, encourage, and promote the development, production, and utilization of all natural resources of coal, commercial leonardite, oil, gas, and subsurface minerals in a manner as will prevent waste and allow a greater ultimate recovery of the natural resources, and to protect the rights of all owners so that the greatest possible economic recovery of natural resources be obtained in the state, to the end that landowners, royalty owners, producers, and the general public realize and enjoy the greatest possible good from these vital natural resources.

**SECTION 21. AMENDMENT.** Section 38-15-02 of the North Dakota Century Code is amended and reenacted as follows:

**38-15-02. Definitions.**

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

1. "Coal" means all kinds of coal, and includes what is known as lignite coal, unless a contrary intention plainly appears.
2. "Commercial leonardite" means a dark-colored, soft, earthy rock formed from the oxidation of lignite coal, and is produced from a mine that has as its only function for supply for purposes other than gasification or combustion to generate electricity.
3. "Commission" means the industrial commission.
- ~~3-4.~~ "Conflicting interests" means those interests of producers which are in conflict, so that full production and utilization by one producer is prohibited or impeded by the interests of another producer of a separate natural resource.
- ~~4-5.~~ "Gas" means all natural gas and other fluid hydrocarbons not hereinbelow defined as oil.
- ~~5-6.~~ "Natural resources" means coal, oil, gas, and subsurface minerals as defined herein.
- ~~6-7.~~ "Oil" means crude petroleum oil and other hydrocarbons, regardless of gravity, which are produced at the wellhead in liquid form, and the liquid hydrocarbons known as distillate or condensate recovered or extracted from gas other than gas produced in association with oil and commonly known as casinghead gas.
- ~~7-8.~~ "Owner" means the person who has the right to produce natural resources either for that person or others.
- ~~8-9.~~ "Person" means any natural person, corporation, limited liability company, association, partnership, receiver, trustee, executor, administrator, guardian, fiduciary, or other representative of any kind, and includes any department, agency, instrumentality, or political subdivision of the state. The masculine gender, in referring to a person, includes the feminine and the neuter genders.

- 9-10. "Producer" means the owner of a well or wells, or mine or mines, capable of producing coal, commercial leonardite, oil, gas, or subsurface minerals.
- 40-11. "Subsurface minerals" means all naturally occurring elements and their compounds, volcanic ash, precious metals, carbonates, and natural mineral salts of boron, bromine, calcium, fluorine, iodine, lithium, magnesium, phosphorus, potassium, sodium, thorium, uranium, and sulfur, and their compounds but does not include sand and gravel and rocks crushed for sand and gravel.
- 44-12. "Waste" means the inefficient utilization of reserves of oil, gas, subsurface minerals, ~~or coal~~, or commercial leonardite, as the case may be.

**SECTION 22. AMENDMENT.** Section 38-18-05 of the North Dakota Century Code is amended and reenacted as follows:

**38-18-05. Definitions.**

In this chapter, unless the context or subject matter otherwise requires:

1. "Agricultural production" means the production of any growing grass or crop attached to the surface of the land, whether or not the grass or crop is to be sold commercially, and the production of any farm animals, including farmed elk, whether or not the animals are to be sold commercially.
2. "Disturbed" means any alteration of the topsoil of the land whether the alteration is for the purpose of exploring for coal or commercial leonardite, or for the purpose of carrying out an actual mining operation.
3. "Mineral developer" means the person who acquires at least seventy-five percent of the mineral rights or a lease of at least seventy-five percent of the mineral rights for the purpose of extracting or using the mineral for nonagricultural purposes.
4. "Mineral estate" means an estate in or ownership of all or part of the minerals under a specified tract of land.
5. "Mineral lease" means any lease which purports to convey the minerals or rights relating to the minerals under a specified tract of land separate from the surface, and any other type of lease which gives or conveys rights to minerals.
6. "Mineral owner" means any person or persons who presently own the mineral estate, their successors, assigns, or predecessors in title, under a specified tract of land by means of a mineral deed, or by an exception or reservation in the deed, grant, or conveyance of the surface, or by any other means whatsoever.
7. "Minerals" means coal or commercial leonardite.
8. "Mining operation" means any type of activity, the aim of which is to discover the presence of minerals, or to remove the minerals so discovered from their original position on or in the land by any means whatsoever.
9. "Surface estate" means an estate in or ownership of the surface of a particular tract of land.
10. "Surface owner" means the person or persons who presently have valid title to the surface of the land, their successors, assigns, or predecessors in title, regardless of whether or not a portion of the land surface is occupied for a residence.

**SECTION 23. AMENDMENT.** Section 38-18-07 of the North Dakota Century Code is amended and reenacted as follows:

**38-18-07. Surface damage and disruption payments.**

1. Unless the mineral lease, surface lease, or consent statement executed by the surface owner provides for payments to the surface owner, the mineral developer shall annually pay to the surface owner a sum of money equal to the amount of damages sustained by the surface owner for loss of agricultural production caused by mining activity, provided that it can be shown that the land disturbed or to be disturbed has regularly been used for agricultural production. The amount of damages may be determined by any formula mutually agreeable between the surface owner and the mineral developer. The payments contemplated by this section only cover land actually mined, disturbed, or to be mined during the year or years during which agricultural production was actually interrupted and which land has not been restored to the level of agricultural productivity required by the plan submitted pursuant to chapter 38-14.1. The payments to be made hereunder must be made before December thirty-first of that calendar year in which the loss occurred.
2. Unless waived by the owner of a farm building, if the coal or commercial leonardite removal area of a surface mining operation comes within five hundred feet [152.4 meters] of any farm building, the mineral developer shall pay to the owner of the farm building either the fair market value of the farm building or the entire cost of removing the farm building to a location where the coal or commercial leonardite removal area of the mining operation will not come within five hundred feet [152.4 meters] of such building or buildings. The payments contemplated hereunder are in addition to any payments required by the terms of any mineral lease, unless the surface owner is a party to the lease and the lease provides for damages as contemplated in this subsection in an amount not less than the amount which would be recoverable under this section.
3. The rights granted to the surface owner by this section are hereby declared to be absolute and unwaivable, except as provided in subsection 2. Any instrument which purports to waive rights granted by this section is null and void and of no legal effect.

**SECTION 24. AMENDMENT.** Section 57-61-01 of the North Dakota Century Code is amended and reenacted as follows:

**57-61-01. Severance tax upon coal - Imposition - In lieu of sales and use taxes - Payment to the tax commissioner.**

There is hereby imposed upon all coal severed for sale or for industrial purposes by coal mines within the state a tax of thirty-seven and one-half cents per ton of two thousand pounds [907.18 kilograms]. ~~Such~~The severance tax is in lieu of any sales or use taxes imposed by law. Each coal mine owner or operator shall remit ~~such~~the tax for each month, within twenty-five days after the end of each month, to the state tax commissioner ~~upon such~~on reports and forms as the tax commissioner deems necessary. For the purposes of this chapter, commercial leonardite is taxed in the same manner as coal.

**SECTION 25. AMENDMENT.** Section 57-61-01.2 of the North Dakota Century Code is amended and reenacted as follows:

**57-61-01.2. When coal or commercial leonardite considered severed.**

Coal or commercial leonardite is considered to be severed for the purposes of this chapter when it is first removed from where it was placed by nature, unless within thirty days of first removal it is placed into a long-term inventory storage deposit, in which case it is considered to be severed when removed from the deposit or it is pledged as collateral on a loan. A long-term inventory storage deposit is one

which is so identified in a mining plan approved by the public service commission pursuant to chapter 38-14.1 and which as part of that plan is covered with soil and subjected to reclamation requirements during the time it serves as a deposit and before coal or commercial leonardite is removed therefrom.

**SECTION 26. AMENDMENT.** Subsection 1 of section 57-61-01.5 of the North Dakota Century Code is amended and reenacted as follows:

1. There is imposed upon all coal or commercial leonardite severed for sale or for industrial purposes by coal or commercial leonardite mines within the state a tax, separate from and additional to the tax imposed by section 57-61-01, of two cents per ton of two thousand pounds [907.18 kilograms]. All of the provisions of this chapter for administration of the coal or commercial leonardite severance tax apply to the tax imposed under this section. The state tax commissioner shall transfer revenue from the tax imposed by this section to the state treasurer for deposit in a special fund in the state treasury, known as the lignite research fund. Such moneys must be used for contracts for land reclamation research projects and for research, development, and marketing of lignite and products derived from lignite. The industrial commission shall adopt rules for submission and consideration of research, development, and marketing proposals and entering into contracts under the lignite research, development, and marketing program.

**SECTION 27. AMENDMENT.** Section 57-61-01.7 of the North Dakota Century Code is amended and reenacted as follows:

**57-61-01.7. Severance tax reduction for coal or commercial leonardite mined for out-of-state shipment.**

For coal or commercial leonardite subject to taxes under this chapter which is shipped out of state after June 30, 2001:

1. The coal or commercial leonardite is subject to thirty percent of the taxes imposed under section 57-61-01 and the entire revenue under this subsection must be deposited in the coal development trust fund for use as provided in subsection 1 of section 57-62-02 and allocation to the lignite research fund as provided in subsection 2 of section 57-61-01.5.
2. In addition to the taxes under subsection 1, the coal or commercial leonardite may be subject to up to seventy percent of the severance taxes imposed under section 57-61-01 at the option of the county in which the coal or commercial leonardite is mined. The board of county commissioners, by resolution, may grant to the operator of a mine from which the coal or commercial leonardite is shipped out of state a partial or complete exemption from this portion of the severance tax. Any tax revenue from full or partial taxation under this subsection must be allocated to the county under subsection 2 of section 57-62-02.
3. Taxes imposed under section 57-61-01.5 apply to coal or commercial leonardite subject to this section and must be allocated as provided in section 57-61-01.5.

**SECTION 28. AMENDMENT.** Section 57-61-02 of the North Dakota Century Code is amended and reenacted as follows:

**57-61-02. When tax due - When delinquent.**

The severance tax as provided in this chapter is due within twenty-five days after the end of each month, and if not received by the twenty-fifth day, becomes delinquent and must be collected as herein provided. The tax commissioner, upon request and a proper showing of the necessity therefor, may grant an extension of time, not to exceed fifteen days, for paying the tax, and when such a request is granted, the tax is not delinquent until the extended period has expired. The tax commissioner shall require a report to be filed monthly by each owner or operator of

a coal or commercial leonardite mine, in such form as the tax commissioner may specify, to list a full description of the mine, the number of tons of coal or commercial leonardite severed, the amount of tax due and remitted, and any other information deemed necessary by the tax commissioner for the proper administration of this chapter.

**SECTION 29. AMENDMENT.** Section 57-61-03 of the North Dakota Century Code is amended and reenacted as follows:

**57-61-03. Powers of state tax commissioner.**

The state tax commissioner has the power to require any person engaged in such production, and the agent or employee of such person, or purchaser of such coal or commercial leonardite, or the owner of any royalty interest therein, to furnish any additional information the tax commissioner deems necessary for the purpose of correctly computing the amount of said tax; to examine the books, records, and files of such person; to conduct hearings and compel the attendance of witnesses, the production of books, records, and papers of any person; and to make any investigation or hold any inquest deemed necessary to a full and complete disclosure of the true facts as to the amount of production from any coal or commercial leonardite mine or of any company or other producer thereof and as to the rendition thereof for taxing purposes.

**SECTION 30. AMENDMENT.** Subsection 1 of section 57-61-04 of the North Dakota Century Code is amended and reenacted as follows:

1. The tax commissioner has the power and authority to ascertain and determine whether or not any return or remittances filed with the tax commissioner are correct, and if the owner or operator has made an untrue or incorrect return or remittance or has failed to make the required return, the tax commissioner shall ascertain the correct amount of taxes due and give immediate notice to the owner or operator filing the incorrect return or remittance or who failed to file the required return. Any coal or commercial leonardite mine operator or owner receiving notice from the tax commissioner that the owner or operator has filed an incorrect return or remittance or failed to file the required return shall remit the tax assessed by the tax commissioner within fifteen days of such notice unless within fifteen days of the notice such person makes application in writing to the tax commissioner for a hearing under chapter 28-32 before the tax commissioner. The tax becomes delinquent if within fifteen days of the notice it is not paid or an application for a hearing is not made. Taxes assessed by decision of the tax commissioner pursuant to chapter 28-32, if not paid, become delinquent five days after the time for appeal from the tax commissioner's decision has expired, except that if an appeal from the tax commissioner's decision is taken to the district court of Burleigh County, such taxes if not paid become delinquent five days following final judicial determination."

Renumber accordingly

Engrossed SB 2377 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**