

## JOURNAL OF THE HOUSE

## Sixty-fifth Legislative Assembly

\* \* \* \* \*

Bismarck, February 17, 2017

The House convened at 12:30 p.m., with Acting Speaker Devlin presiding.

The prayer was offered by Sister Ivo Schoch, Corpus Christie Church, Bismarck.

The roll was called and all members were present except Representatives Bellew, Holman, Kreidt, Pyle, M. Ruby, Seibel, and Weisz.

A quorum was declared by the Acting Speaker.

## SIXTH ORDER OF BUSINESS

**ACTING SPEAKER DEVLIN DEEMED** approval of the amendments to HB 1008, HB 1009, HB 1011, HB 1016, HB 1019, HB 1021, HB 1022, and Engrossed HB 1041.

HB 1008, HB 1009, HB 1011, HB 1016, HB 1019, HB 1021, HB 1022, and Engrossed HB 1041, as amended, were placed on the Eleventh order of business on today's calendar.

## MOTION

**REP. VIGESAA MOVED** that HB 1038, which is on the Eleventh order, be laid over one legislative day, which motion prevailed on a voice vote.

## MOTION

**REP. KEMPENICH MOVED** that the House reconsider its action whereby Engrossed HB 1182 passed, which motion failed on a verification vote.

## SECOND READING OF HOUSE CONCURRENT RESOLUTION

**HCR 3006:** A concurrent resolution calling for a convention for the purpose of amending the United States Constitution to impose fiscal restraints on the federal government and limit the power and jurisdiction of the federal government.

## ROLL CALL

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO PASS. The roll was called and there were 69 YEAS, 18 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Dockter; Grueneich; Hanson; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Kading; Kasper; Kempenich; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Maragos; Marshall; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schobinger; Schreiber-Beck; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Westlind; Zubke

**NAYS:** Anderson, P.; Boe; Delmore; Devlin; Dobervich; Ertelt; Guggisberg; Hogan; Johnston; Karls; Keiser; Kiefert; Magrum; Martinson; Paur; Schmidt; Schneider; Simons

**ABSENT AND NOT VOTING:** Holman; Kreidt; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HCR 3006 was declared adopted on a recorded roll call vote.

\*\*\*\*\*

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3008:** A concurrent resolution urging Congress to call a convention to propose an amendment to the United States Constitution which will restore free and fair elections.

**ROLL CALL**

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS. The roll was called and there were 9 YEAS, 78 NAYS, 0 EXCUSED, 7 ABSENT AND NOT VOTING.

**YEAS:** Anderson, P.; Boschee; Guggisberg; Hanson; Hogan; Mitskog; Mock; Nelson, M.; Schneider

**NAYS:** Anderson, B.; Anderson, D.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Monson; Nathe; Nelson, J.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HCR 3008 was declared lost on a recorded roll call vote.

\*\*\*\*\*

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3004:** A concurrent resolution to amend and reenact section 2 of article V, section 3 of article IX, and sections 12, 25, and 26 of article X of the Constitution of North Dakota, relating to the state treasurer; and to provide an effective date.

**ROLL CALL**

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS. The roll was called and there were 18 YEAS, 68 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Beadle; Bosch; Carlson; Delmore; Devlin; Dockter; Howe; Johnson, M.; Lefor; Mock; Nathe; Nelson, J.; Nelson, M.; Ruby, D.; Schobinger; Schreiber-Beck; Streyle; Vigasaa

**NAYS:** Anderson, B.; Anderson, D.; Anderson, P.; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Boschee; Brabandt; Brandenburg; Damschen; Delzer; Dobervich; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Monson; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Sanford; Satrom; Schatz; Schmidt; Schneider; Simons; Skroch; Steiner; Sukut; Toman; Trottier; Vetter; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HCR 3004 was declared lost on a recorded roll call vote.

\*\*\*\*\*

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3005:** A concurrent resolution directing the Legislative Management to study statutory changes necessary to transfer duties and responsibilities of the State Treasurer to other state agencies and officials.

**ROLL CALL**

The question being on the final adoption of the resolution, which has been read, and has committee recommendation of DO NOT PASS. The roll was called and there were 9 YEAS, 77 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Beadle; Dockter; Johnson, M.; Keiser; Mock; Nathe; Owens; Ruby, D.; Streyle

**NAYS:** Anderson, B.; Anderson, D.; Anderson, P.; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Monson; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Paur; Pollert; Porter; Roers Jones; Rohr; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HCR 3005 was declared lost on a recorded roll call vote.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1406:** A BILL for an Act to create and enact a new section to chapter 54-52.1 of the North Dakota Century Code, relating to public employee uniform group health insurance benefits; to provide for application; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 73 YEAS, 13 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Becker, Rich S.; Becker, Rick C.; Boe; Boehning; Bosch; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Devlin; Dockter; Ertelt; Grueneich; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Monson; Nathe; Nelson, J.; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**NAYS:** Anderson, P.; Beadle; Blum; Boschee; Delmore; Dobervich; Guggisberg; Hanson; Hogan; Mock; Nelson, M.; O'Brien; Schneider

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HB 1406 passed and the emergency clause was declared carried.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1407:** A BILL for an Act to amend and reenact section 54-52.1-05 of the North Dakota Century Code, relating to the term of the public employee uniform group insurance

contract for health benefits coverage; and to provide for application.

#### 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 73 YEAS, 12 NAYS, 0 EXCUSED, 9 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Becker, Rich S.; Becker, Rick C.; Boehning; Bosch; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Devlin; Dockter; Ertelt; Grueneich; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemm; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Monson; Nathe; Nelson, J.; Nelson, M.; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**NAYS:** Anderson, P.; Beadle; Blum; Boschee; Delmore; Dobervich; Guggisberg; Hanson; Hogan; Mock; O'Brien; Schneider

**ABSENT AND NOT VOTING:** Boe; Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

Engrossed HB 1407 passed.

\*\*\*\*\*

#### SECOND READING OF HOUSE BILL

**HB 1395:** A BILL for an Act to amend and reenact subsections 1 and 7 of section 62.1-01-01, subsection 1 of section 62.1-02-04, subdivision m of subsection 2 of section 62.1-02-05, and section 62.1-04-04 of the North Dakota Century Code, relating to dangerous weapons and retired law enforcement officers; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 82 YEAS, 4 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemm; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Trottier; Vetter; Vigasaa; Westlind; Zubke

**NAYS:** Ertelt; McWilliams; Olson; Toman

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

Engrossed HB 1395 passed and the emergency clause was declared carried.

\*\*\*\*\*

#### SECOND READING OF HOUSE BILL

**HB 1190:** A BILL for an Act to create and enact a new subdivision to subsection 2 of section 62.1-02-05 of the North Dakota Century Code, relating to carrying concealed weapons at public gatherings.

**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 81 YEAS, 5 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**NAYS:** Anderson, P.; Guggisberg; Hanson; Hogan; Schneider

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

Engrossed HB 1190 passed.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1233:** A BILL for an Act to create and enact a new subdivision to subsection 2 of section 62.1-02-05 and a new subdivision to subsection 2 of section 62.1-04-03 of the North Dakota Century Code, relating to possessing a firearm or dangerous weapon at a public gathering and licenses to carry concealed weapons; to amend and reenact subdivision a of subsection 6 of section 62.1-02-13 of the North Dakota Century Code, relating to possessing a secured firearm; to provide a penalty; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 0 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

Engrossed HB 1233 passed and the emergency clause was declared carried.

\*\*\*\*\*

**SECOND READING OF HOUSE BILL**

**HB 1385:** A BILL for an Act to create and enact section 40-57-19.2 of the North Dakota Century Code, relating to municipal refunding bonds.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 86 YEAS, 0 NAYS,

0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HB 1385 passed.

\*\*\*\*\*

### SECOND READING OF HOUSE BILL

**HB 1322:** A BILL for an Act to create and enact section 58-18-08 of the North Dakota Century Code, relating to township bonding authority; and to declare an emergency.

### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 54 YEAS, 32 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Bosch; Boschee; Brandenburg; Damschen; Delmore; Dobervich; Dockter; Grueneich; Guggisberg; Hanson; Hatlestad; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Kading; Karls; Keiser; Kempenich; Klemin; Lefor; Longmuir; Magrum; Marschall; Martinson; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Owens; Porter; Roers Jones; Sanford; Satrom; Schneider; Schreiber-Beck; Simons; Steiner; Streyle; Sukut; Trottier; Westlind; Zubke

**NAYS:** Becker, Rick C.; Blum; Boe; Boehning; Brabandt; Carlson; Delzer; Devlin; Ertelt; Headland; Johnston; Jones; Kasper; Kiefert; Koppelman, B.; Koppelman, K.; Laning; Louser; McWilliams; Meier; Olson; Paur; Pollert; Rohr; Ruby, D.; Schatz; Schmidt; Schobinger; Skroch; Toman; Vetter; Vigesaa

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HB 1322 passed but the emergency clause failed.

\*\*\*\*\*

### SECOND READING OF HOUSE BILL

**HB 1412:** A BILL for an Act to amend and reenact section 54-35-23 of the North Dakota Century Code, relating to the membership of the tribal and state relations committee.

### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 25 YEAS, 61 NAYS, 0 EXCUSED, 8 ABSENT AND NOT VOTING.

**YEAS:** Anderson, D.; Anderson, P.; Becker, Rich S.; Boe; Boschee; Delmore; Dobervich; Guggisberg; Hanson; Hatlestad; Hogan; Johnson, M.; Jones; Kasper; Keiser; Klemin; Longmuir; Mitskog; Mock; Nelson, J.; Nelson, M.; O'Brien; Oliver; Schneider; Steiner

**NAYS:** Anderson, B.; Beadle; Becker, Rick C.; Blum; Boehning; Bosch; Brabandt;

Brandenburg; Carlson; Damschen; Delzer; Devlin; Dockter; Ertelt; Grueneich; Headland; Heinert; Howe; Johnson, C.; Johnson, D.; Johnston; Kading; Karls; Kempenich; Kiefert; Koppelman, B.; Koppelman, K.; Laning; Lefor; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Monson; Nathe; Olson; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Simons; Skroch; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Seibel; Weisz; Speaker Bellew

HB 1412 failed.

\*\*\*\*\*

#### SECOND READING OF HOUSE BILL

**HB 1258:** A BILL for an Act to amend and reenact sections 11-33.2-03, subsections 1 and 2 of section 23-25-11, sections 40-47-06, 40-48-03, and 40-51.2-05, subsection 2 of section 40-51.2-07, section 40-51.2-11, and subsection 1 of section 40-51.2-13 of the North Dakota Century Code, relating to extraterritorial zoning and subdivision authority; and to repeal sections 40-47-01.1, 40-48-18, 40-51.2-02.1, 40-51.2-02.2, and 61-35-26.3 of the North Dakota Century Code, relating to extraterritorial zoning and subdivision authority.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 17 YEAS, 68 NAYS, 0 EXCUSED, 9 ABSENT AND NOT VOTING.

**YEAS:** Becker, Rick C.; Boe; Damschen; Delzer; Ertelt; Johnston; Jones; Kading; Laning; Magrum; Marschall; McWilliams; Nelson, M.; Olson; Simons; Skroch; Toman

**NAYS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Blum; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Delmore; Devlin; Dobervich; Dockter; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Lefor; Longmuir; Louser; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; O'Brien; Oliver; Owens; Paur; Pollert; Porter; Roers Jones; Rohr; Ruby, D.; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Steiner; Streyle; Sukut; Trottier; Vetter; Vigesaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Sanford; Seibel; Weisz; Speaker Bellew

HB 1258 failed.

\*\*\*\*\*

#### SECOND READING OF HOUSE BILL

**HB 1364:** A BILL for an Act to amend and reenact section 39-01-09 of the North Dakota Century Code, relating to the prohibition against parking meters.

#### ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 20 YEAS, 65 NAYS, 0 EXCUSED, 9 ABSENT AND NOT VOTING.

**YEAS:** Boe; Boehning; Brandenburg; Carlson; Delzer; Dockter; Ertelt; Grueneich; Headland; Johnson, C.; Kasper; Klemin; Koppelman, K.; Magrum; Monson; Nelson, M.; Olson; Owens; Ruby, D.; Schatz

**NAYS:** Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Bosch; Boschee; Brabandt; Damschen; Delmore; Devlin; Dobervich; Guggisberg; Hanson; Hatlestad; Heinert; Hogan; Howe; Johnson, D.; Johnson, M.;

Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Koppelman, B.; Laning; Lefor; Longmuir; Louser; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Nathe; Nelson, J.; O'Brien; Oliver; Paur; Pollert; Porter; Roers Jones; Rohr; Satrom; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Westlind; Zubke

**ABSENT AND NOT VOTING:** Holman; Kreidt; Maragos; Pyle; Ruby, M.; Sanford; Seibel; Weisz; Speaker Bellew

HB 1364 failed.

\*\*\*\*\*

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1026, HB 1027, HB 1029, HB 1030, HB 1031, HB 1035, HB 1036, HB 1037, HB 1039, HB 1043, HB 1044, HB 1045, HB 1048, HB 1049, HB 1050, HB 1056, HB 1057, HB 1058, HB 1059, HB 1060, HB 1137, HB 1139.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1085, HB 1202, HB 1219, HB 1226, HB 1236, HB 1270, HB 1275, HB 1289, HB 1308, HB 1318, HB 1320, HB 1334, HB 1347, HB 1361, HB 1380, HB 1382, HB 1420, HB 1423, HB 1424, HB 1434.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1144, HB 1147, HB 1148, HB 1149, HB 1150, HB 1151, HB 1153, HB 1156, HB 1157, HB 1159, HB 1160, HB 1162, HB 1163, HB 1166, HB 1171, HB 1173, HB 1175, HB 1178, HB 1183, HB 1187, HB 1189, HB 1191, HB 1192.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1194, HB 1249, HB 1250, HB 1251, HB 1253, HB 1254, HB 1280, HB 1283, HB 1286, HB 1288, HB 1291, HB 1292, HB 1294, HB 1296, HB 1300, HB 1302, HB 1305, HB 1314, HB 1315, HB 1316, HB 1323, HB 1325, HB 1328, HB 1329, HB 1333.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1196, HB 1198, HB 1200, HB 1204, HB 1206, HB 1208, HB 1210, HB 1211, HB 1212, HB 1214, HB 1215, HB 1218, HB 1220, HB 1222, HB 1231, HB 1234, HB 1235, HB 1237, HB 1239, HB 1240, HB 1241, HB 1245, HB 1246, HB 1247.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1293, HB 1304.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1293**

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 12.1-22-03 and 37-17.1-22 of the North Dakota Century Code, relating to trespassing on posted property and disaster and emergency response recovery costs; to provide a penalty; and to declare an emergency.

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

**SECTION 1. AMENDMENT.** Section 12.1-22-03 of the North Dakota Century Code is amended and reenacted as follows:

**12.1-22-03. Criminal trespass - Noncriminal offense on posted property.**

1. An individual is guilty of a class C felony if, knowing that that individual is not licensed or privileged to do so, the individual enters or remains in a dwelling or in highly secured premises.



2. An individual is guilty of a class A misdemeanor if, knowing that that individual is not licensed or privileged to do so, the individual:
  - a. Enters or remains in or on any building, occupied structure, or storage structure, or separately secured or occupied portion thereof; or
  - b. Enters or remains in any place so enclosed as manifestly to exclude intruders.
3.
  - a. An individual is guilty of a class B misdemeanor if, knowing that that individual is not licensed or privileged to do so, the individual enters or remains in any place as to which notice against trespass is given by actual communication to the actor by the individual in charge of the premises or other authorized individual or by posting in a manner reasonably likely to come to the attention of intruders. The name of the person posting the premises must appear on each sign in legible characters.
  - b. Even if the conduct of the owner, tenant, or individual authorized by the owner varies from the provisions of subdivision a, an individual may be found guilty of violating subdivision a if the owner, tenant, or individual authorized by the owner substantially complied with subdivision a and notice against trespass is clear from the circumstances.
  - c. An individual who violates ~~this subsection~~ subdivision a is guilty of a class A misdemeanor for the second or subsequent offense within a two-year period.
4.
  - a. An individual, knowing the individual is not licensed or privileged to do so, may not enter or remain in a place as to which notice against trespass is given by posting in a manner reasonably likely to come to the attention of intruders. A violation of this subdivision is a noncriminal offense.
  - b. A peace officer shall cite an individual who violates subdivision a with a fine of two hundred fifty dollars for each violation.
  - c. The peace officer citing the individual shall:
    - (1) Take the name and address of the individual; and
    - (2) Notify the individual of the right to request a hearing if posting bond by mail.
  - d. The peace officer may not take the individual into custody or require the individual to proceed with the peace officer to any other location for the purpose of posting bond. The officer shall provide the individual with an envelope for use in mailing the bond.
  - e. An individual cited may appear before the designated official and pay the statutory fine for the violation at or before the time scheduled for hearing.
  - f. If the individual has posted bond, the individual may forfeit bond by not appearing at the designated time.
  - g. If the individual posts bond by mail, the bond must be submitted within fourteen days of the date of the citation and the individual cited shall indicate on the envelope or citation whether a hearing is requested. If the individual does not request a hearing within fourteen days of the date of the citation, the bond is deemed forfeited and the individual is deemed to have admitted to the violation and to have waived the right to a hearing on the issue of commission of the

violation. If the individual requests a hearing, the court for the county in which the citation is issued shall issue a summons to the individual requesting the hearing notifying the individual of the date of the hearing before the designated official.

- h. Upon appearing at the hearing scheduled in the citation or otherwise scheduled at the individual's request, the individual may make a statement in explanation of the individual's action. The official may at that time waive or suspend the statutory fine or bond.
- i. A citing peace officer may not receive the statutory fine or bond.
- j. The bond required to secure appearance before the judge must be identical to the statutory fine established in subdivision b.

4-5. An individual is guilty of a class B misdemeanor if that individual remains upon the property of another after being requested to leave the property by a duly authorized individual. An individual who violates this subsection is guilty of a class A misdemeanor for the second or subsequent offense within a two-year period.

5-6. This section does not apply to a peace officer in the course of discharging the peace officer's official duties.

**SECTION 2. AMENDMENT.** Section 37-17.1-22 of the North Dakota Century Code is amended and reenacted as follows:

**~~37-17.1-22. (Effective through June 30, 2017) Disaster or emergency response and recovery costs.~~**

~~Whenever the governor declares a state of disaster or emergency in accordance with section 37-17.1-05, or when the governor enters into an agreement with the federal government following a disaster or emergency declared by the president of the United States, the director of the division of homeland security shall determine and record the costs of the state and local response and recovery operations in accordance with an agreement with the federal government, in accordance with procedures established by the governor in the case of a state declared disaster or emergency, and in accordance with procedures established by the state emergency response plan. If the event has met the Stafford Act minimum for a presidential disaster declaration and for which the request is denied, the governor shall make application to the state emergency commission for a grant of funds in an amount equal to the response and recovery costs of the state and fifty percent of the public infrastructure recovery costs above statutorily maintained emergency funds for counties that exceeds twice the individual county federal declaration eligibility threshold, limited to a maximum amount available per disaster of one million dollars and a maximum amount available per biennium of three million dollars. Immediately following the response or recovery operations, or prior thereto if determined necessary by the governor, the governor shall make application to the state emergency commission for a grant of funds in an amount equal to the response and recovery costs of the state. Notwithstanding other provisions of chapter 54-16, it must be conclusively presumed upon receipt by the emergency commission of such application from the governor that a disaster or emergency exists, and the commission immediately shall grant and direct the transfer to the department of the governor's designated representative of an amount equal to that certified in such application by the governor.~~

**~~(Effective after June 30, 2017) Disaster or emergency response and recovery costs.~~**

~~Whenever the governor declares a state of disaster or emergency in accordance with section 37-17.1-05, or when the governor enters into an agreement with the federal government following a disaster or emergency declared by the president of the United States, the director of the division of homeland security shall determine and record the costs of the state response and recovery operations in accordance with an agreement with the federal government or in accordance with~~

procedures established by the governor in the case of a state-declared disaster or emergency. Immediately following the response or recovery operations, or prior thereto if determined necessary by the governor, the governor shall make application to the state emergency commission for a grant of funds in an amount equal to the response and recovery costs of the state. Notwithstanding other provisions of chapter 54-16, it must be conclusively presumed upon receipt by the emergency commission of such application from the governor that a disaster or emergency exists, and the commission immediately shall grant and direct the transfer to the department of the governors designated representative of an amount equal to that certified in such application by the governor.

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

Renumber accordingly

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1304**

Page 1, line 9, remove "for the purpose of"

Page 1, line 10, replace "Evading" with "With the intent to intimidate, threaten, abuse, or harass any other individual:

b. For the purpose of evading"

Page 1, line 12, replace "b. Concealment" with:

"c. For the purpose of concealment"

Renumber accordingly

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HB 1338, HB 1341, HB 1342, HB 1343, HB 1345, HB 1346, HB 1348, HB 1351, HB 1354, HB 1356, HB 1357, HB 1358, HB 1362, HB 1363, HB 1369, HB 1373, HB 1378, HB 1384, HB 1387, HB 1394, HB 1403, HB 1405, HB 1415, HB 1418.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, and your favorable consideration is requested on: SB 2033, SB 2038, SB 2088, SB 2161, SB 2162, SB 2163, SB 2173, SB 2187, SB 2189, SB 2202, SB 2215, SB 2230, SB 2231, SB 2235, SB 2240, SB 2251, SB 2256, SB 2264, SB 2277, SB 2281, SB 2293, SB 2299, SB 2312, SB 2322, SB 2325, SB 2335.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, and your favorable consideration is requested on: SB 2131, SB 2139, SB 2151, SB 2169, SB 2170, SB 2176, SB 2191, SB 2201, SB 2216, SB 2248, SB 2249, SB 2268, SB 2276, SB 2290, SB 2300, SB 2303, SB 2309, SB 2328, SCR 4003.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, and your favorable consideration is requested on: SB 2141, SB 2145, SB 2152, SB 2165, SB 2172, SB 2181, SB 2182, SB 2183, SB 2195, SB 2210, SB 2224, SB 2265, SB 2266, SB 2267, SB 2329, SB 2334, SCR 4006.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**

**MR. SPEAKER:** The Senate has passed, the emergency clause carried, unchanged: HB 1426.

**MOTION**

**REP. VIGESAA MOVED** that the absent members be excused, which motion prevailed on a voice vote.

**MOTION**

**REP. VIGESAA MOVED** that the House be on the Fourth, Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until

1:00 p.m., Monday, February 20, 2017, which motion prevailed on a voice vote.

# REPORT OF STANDING COMMITTEE

**HB 1012: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1012 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "and" with "to authorize the department of human services to convey land in Walsh County; to amend and reenact section 50-24.1-37 of the North Dakota Century Code, relating to Medicaid expansion; to repeal section 50-24.1-37 of the North Dakota Century Code, relating to the Medicaid expansion program;"

Page 1, line 2, after "exemptions" insert "; to provide statements of legislative intent; to provide a report to the legislative management; to provide for a legislative management study; to provide appropriations; to provide an expiration date; to provide a contingent effective date; and to declare an emergency"

Page 1, replace lines 14 through 20 with:

"Salaries and wages	\$28,049,386	(\$4,612,071)	\$23,437,315
Operating expenses	87,542,966	71,922,860	159,465,826
Capital assets	26,000	(26,000)	0
Grants	0	204,000	204,000
Total all funds	\$115,618,352	\$67,488,789	\$183,107,141
Less estimated income	<u>71,324,758</u>	<u>56,767,760</u>	<u>128,092,518</u>
Total general fund	\$44,293,594	\$10,721,029	\$55,014,623"

Page 2, replace lines 1 through 8 with:

"Salaries and wages	\$58,102,898	\$2,884,535	\$60,987,433
Operating expenses	107,383,843	17,207,206	124,591,049
Capital assets	0	10,000	10,000
Grants	457,953,280	5,921,488	463,874,768
Grants - medical assistance	<u>2,384,560,568</u>	<u>(30,582,216)</u>	<u>2,353,978,352</u>
Total all funds	\$3,008,000,589	(\$4,558,987)	\$3,003,441,602
Less estimated income	<u>1,995,024,801</u>	<u>(90,849,740)</u>	<u>1,904,175,061</u>
Total general fund	\$1,012,975,788	\$86,290,753	\$1,099,266,541"

Page 2, replace lines 13 through 17 with:

"Human service centers	\$198,888,443	(\$3,083,589)	\$195,804,854
Institutions	<u>139,587,498</u>	<u>258,930</u>	<u>139,846,428</u>
Total all funds	\$338,475,941	(\$2,824,659)	\$335,651,282
Less estimated income	<u>132,820,302</u>	<u>5,301,710</u>	<u>138,122,012</u>
Total general fund	\$205,655,639	(\$8,126,369)	\$197,529,270"

Page 2, replace lines 22 through 25 with:

"Grand total general fund	\$1,262,925,021	\$88,885,413	\$1,351,810,434
Grand total special funds	<u>2,199,169,861</u>	<u>(28,780,270)</u>	<u>2,170,389,591</u>
Grand total all funds	\$3,462,094,882	\$60,105,143	\$3,522,200,025
Full-time equivalent positions	2,211.08	(74.85)	2,136.23

**SECTION 2. HEALTH INSURANCE INCREASE.** The appropriation in section 1 of this Act includes the sum of \$6,376,445, of which \$5,350,004 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month."

Page 2, line 26, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 28, after "biennium" insert "and the 2017-19 biennium one-time funding items included in the appropriations in section 1 of this Act"

Page 3, replace lines 9 through 12 with:

"Modification of eligibility systems	60,872,269	0
Child care licensing and data system	0	3,000,000
Health information network/care coordination	0	40,800,000
Total all funds	\$64,962,269	\$43,800,000
Less estimated income	<u>46,870,102</u>	<u>43,800,000</u>
Total general fund	\$18,092,167	\$0

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of human services shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 4, after line 10, insert:

**"SECTION 8. ESTIMATED INCOME.** Of funds appropriated in section 1 of this Act, \$16,000,000 is from the tobacco prevention and control trust fund for the purpose of defraying expenses in the medical services division, for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 9. ESTIMATED INCOME.** Of funds appropriated in section 1 of this Act, \$686,191 is from the health care trust fund for the purpose of defraying expenses of long-term care services programs, for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 10. APPROPRIATION - 2015-17 BIENNIUM.** There is appropriated out of special funds derived from federal funds, not otherwise appropriated, the sum of \$9,000,000, or so much of the sum as may be necessary, to the department of human services for the purpose of defraying medical assistance grant costs, for the period beginning with the effective date of this Act and ending June 30, 2017.

**SECTION 11. APPROPRIATION - 2015-17 BIENNIUM - REBASING AND OPERATING MARGINS.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$329,636, or so much of the sum as may be necessary, and from special funds derived from federal funds and other income, the sum of \$329,636, or so much of the sum as may be necessary, to the department of human services for the purpose of adjusting long-term care facility rates relating to rebasing and operating margins, for the period beginning June 1, 2017, and ending June 30, 2017.

**SECTION 12. LEGISLATIVE INTENT - POLICY CHANGES AND CLARIFICATION RELATED TO HOME HEALTH.** It is the intent of the sixty-fifth legislative assembly that the department of human services adopt rules in accordance with the Medicaid program, face-to-face requirements for home health services; policy changes and clarifications related to home health final rule published by the centers for Medicare and Medicaid services on February 2, 2016; title 42, Code of Federal Regulations, part 440. It is further the intent of the legislative assembly that the department require certified home health agencies to ensure a face-to-face visit occurred between a physician and Medicaid beneficiary before initiating home health services, and to ensure a face-to-face visit between a physician or nonphysician provider occurred before providing medical equipment, supplies, and appliances. It is further the intent of the legislative assembly that the department adopt rules to define medical equipment, supplies, and appliances and specify allowable time frames for the face-to-face visits.

**SECTION 13. LEGISLATIVE INTENT - TRAUMATIC BRAIN INJURY - 1915(i) STATE PLAN AMENDMENT.** It is the intent of the sixty-fifth legislative assembly that the department of human services apply for a 1915(i) state plan amendment for traumatic brain injury services. The department may utilize an existing 0.5 full-time equivalent position and funding available in the department's budget for this purpose.

**SECTION 14. LEGISLATIVE INTENT - GRAFTON JOB SERVICE NORTH DAKOTA BUILDING PURCHASE.** It is the intent of the sixty-fifth legislative assembly that the department of human services purchase the Grafton job service North Dakota building using donated funds for the use of the life skills and transition center, but only if anticipated revenues generated from use of the building will be sufficient to provide for the operating and maintenance costs of the building.

**SECTION 15. CONVEYANCE OF LAND AUTHORIZED - LIFE SKILLS AND TRANSITION CENTER.** The state of North Dakota by and through the department of human services may convey real property containing 3.46 acres, more or less, associated with the life skills and transition center in Grafton. The department may convey a parcel of land described as follows: the north fifty-eight feet of said north half of the southeast quarter of section twenty-five less the railroad right-of-way and the south forty feet of the north ninety-eight feet of the west one hundred twenty-three feet of said north half of the southeast quarter of section twenty-five less the railroad right-of-way on the terms and conditions determined appropriate by the department and the attorney general. Section 54-01-05.2 and 54-01-05.5 do not apply to this conveyance.

**SECTION 16. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES CASE MANAGEMENT.** It is the intent of the sixty-fifth legislative assembly that the department of human services provide case management services for individuals with a developmental disability within the ratio provided pursuant to North Dakota Administrative Code for the biennium beginning July 1, 2017, and ending June 30, 2019. If case management services for individuals with a developmental disability exceed the ratio requirement provided in the North Dakota Administrative Code, the department may hire temporary staff or the department may propose a change to North Dakota Administrative Code to meet the ratio requirement.

**SECTION 17. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES - PROGRAMMATIC AND ADMINISTRATIVE REQUIREMENTS.** It is the intent of the sixty-fifth legislative assembly that the department of human services report all new programmatic and administrative requirements to the centers for Medicare and Medicaid services and seek waivers of the same unless the director finds immediate full compliance necessary for individuals with disabilities.

**SECTION 18. LEGISLATIVE INTENT - DEVELOPMENTAL DISABILITIES - CONFLICT-FREE CASE MANAGEMENT.** It is the intent of the sixty-fifth legislative assembly that the department of human services request waivers or delays of implementation of conflict-free case management rules and requirements for individuals with a developmental disability.

**SECTION 19. LEGISLATIVE MANAGEMENT STUDY - STATE MEDICAL ASSISTANCE PROGRAMS.**

1. During the 2017-18 interim, the legislative management shall consider studying options to operate the state medical assistance program and other related programs, as managed care. The study must:
  - a. Identify and review populations to consider for managed care, including individuals eligible under traditional medical assistance, Medicaid expansion, the children's health insurance program, and individuals receiving services through the long-term care and developmental disabilities programs.
  - b. Consider the needs of individuals receiving services from managed care programs in similar-sized states, and the alignment of benefit packages.
  - c. Review populations covered by the program of all-inclusive care for the elderly in other states.
  - d. Consider options for including services under a managed care arrangement.

- e. Consider developing a proposed plan, cost estimates, and potential timeline for implementing the managed care options identified.
  - f. Consider preparing and distributing a request for information from managed care organizations regarding the managed care options identified.
2. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 20. AMENDMENT.** Section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

**50-24.1-37. (Effective January 1, 2014, through July 31, 2017~~2019~~)**  
**Medicaid expansion - Legislative management report.**

1. The department of human services shall expand medical assistance coverage as authorized by the federal Patient Protection and Affordable Care Act [Pub. L. 111-148], as amended by the Health Care and Education Reconciliation Act of 2010 [Pub. L. 111-152] to individuals under sixty-five years of age with income below one hundred thirty-eight percent of the federal poverty level, based on modified adjusted gross income.
2. The department of human services shall inform new enrollees in the medical assistance program that benefits may be reduced or eliminated if federal participation decreases or is eliminated.
3. Effective January 1, 2018, medical assistance expansion program applicants and recipients who are at least nineteen but less than twenty-one years of age must receive coverage through traditional medical assistance.
4. The department shall implement the expansion by bidding through private carriers or utilizing the health insurance exchange.
5. The contract between the department and the private carrier must:
  - a. Provide a reimbursement methodology for all medications and dispensing fees which identifies the minimum amount paid to pharmacy providers for each medication. The reimbursement methodology, at a minimum, must:
    - (1) Be available on the department's website; and
    - (2) Encompass all types of pharmacy providers regardless of whether the pharmacy benefits are being paid through the private carrier or contractor or subcontractor of the private carrier under this section.
  - b. Provide full transparency of all costs and all rebates in aggregate.
  - c. Allow an individual to obtain medication from a pharmacy that provides mail order service; however, the contract may not require mail order to be the sole method of service.
  - d. Ensure that pharmacy services obtained in jurisdictions other than this state and its three contiguous states are subject to prior authorization and reporting to the department for eligibility verification.
  - e. Ensure the payments to pharmacy providers do not include a required payback amount to the private carrier or one of the private carrier's contractors or subcontractors which is not representative of

the amounts allowed under the reimbursement methodology provided in subdivision a.

f. Any

6. The contract between the department and the private carrier must provide the department with full access to provider reimbursement rates. The department shall consider provider reimbursement rate information in selecting a private carrier under this section. Before August first of each even-numbered year, the department shall submit a report to the legislative management regarding provider reimbursement rates under the medical assistance expansion program. This report may provide cumulative data and trend data but may not disclose identifiable provider reimbursement rates.
7. Provider reimbursement rate information received by the department under this section and any information provided to the department of human services or any audit firm by a pharmacy benefit manager under this section is confidential under section 44-04-17.1, except the department may use the reimbursement rate information to prepare the report to the legislative management as required under this section.

**SECTION 21. REPEAL.** Section 50-24.1-37 of the North Dakota Century Code is repealed.

**SECTION 22. CONTINGENT EFFECTIVE DATE.** Section 21 of this Act becomes effective if the executive director of the department of human services certifies to the secretary of state and the legislative council the federal government ended the medical assistance expansion program.

**SECTION 23. EMERGENCY.** Sections 10, 11, and 15 of this Act are declared to be an emergency measure."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1012 - Summary of House Action

	Base Budget	House Changes	House Version
DHS - Management			
Total all funds	\$115,618,352	\$67,488,789	\$183,107,141
Less estimated income	71,324,758	56,767,760	128,092,518
General fund	\$44,293,594	\$10,721,029	\$55,014,623
DHS - Program/Policy			
Total all funds	\$3,008,000,589	(\$4,558,987)	\$3,003,441,602
Less estimated income	1,995,024,801	(90,849,740)	1,904,175,061
General fund	\$1,012,975,788	\$86,290,753	\$1,099,266,541
DHS - Field Services			
Total all funds	\$338,475,941	(\$2,824,659)	\$335,651,282
Less estimated income	132,820,302	5,301,710	138,122,012
General fund	\$205,655,639	(\$8,126,369)	\$197,529,270
Bill total			
Total all funds	\$3,462,094,882	\$60,105,143	\$3,522,200,025
Less estimated income	2,199,169,861	(28,780,270)	2,170,389,591
General fund	\$1,262,925,021	\$88,885,413	\$1,351,810,434

#### House Bill No. 1012 - DHS - Management - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$28,049,386	(\$4,612,071)	\$23,437,315
Operating expenses	87,542,966	71,922,860	159,465,826
Capital assets	26,000	(26,000)	
Grants		204,000	204,000
	\$115,618,352	\$67,488,789	\$183,107,141



Total all funds			
Less estimated income	71,324,758	56,767,760	128,092,518
General fund	\$44,293,594	\$10,721,029	\$55,014,623
FTE	147.10	(24.65)	122.45

### Department No. 326 - DHS - Management - Detail of House Changes

	Management <sup>1</sup>	Total House Changes
Salaries and wages	(\$4,612,071)	(\$4,612,071)
Operating expenses	71,922,860	71,922,860
Capital assets	(26,000)	(26,000)
Grants	204,000	204,000
Total all funds	\$67,488,789	\$67,488,789
Less estimated income	56,767,760	56,767,760
General fund	\$10,721,029	\$10,721,029
FTE	(24.65)	(24.65)

1

#### Management - House Changes:

	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Ongoing Funding Changes</b>				
Transfers for division adjustments	26.13	\$2,668,134	(\$650,379)	\$2,017,755
Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes	0.22	837,538	281,553	1,119,091
Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month		368,023	178,501	546,524
Removes funding for paying accumulated annual/sick leave		(84,610)	(43,811)	(128,421)
Reduces funding for staff overtime		(234,364)	(112,189)	(346,553)
Adjusts funding relating to budget reductions		161,283	0	161,283
Adjusts funding for operating expenses		1,579,154	(1,126,056)	453,098
Reduces departmentwide FTE positions	(51.00)	(4,525,740)	(3,277,260)	(7,803,000)
<b>Administrative</b>				
Adjusts funding for continued program changes		1,191,459	(114,475)	1,076,984
Adds funding for opioid treatment		0	672	672
<b>Information Technology Services</b>				
Adjusts funding for continued program changes		8,406,264	18,208,054	26,614,318
Adjusts for funding source changes		366,888	(366,888)	0
Adds funding for opioid treatment		0	3,038	3,038
Removes funding for equipment and software over \$5,000		(13,000)	(13,000)	(26,000)
Total ongoing funding changes	(24.65)	\$10,721,029	\$12,967,760	\$23,688,789
<b>Informational Technology</b>				
Adds funding for a child care licensing system		\$0	\$3,000,000	\$3,000,000
Adds funding for a health information technology and care coordination system		0	40,800,000	40,800,000
Total one-time funding changes	0.00	\$0	\$43,800,000	\$43,800,000
Total Changes - Management	(24.65)	\$10,721,029	\$56,767,760	\$67,488,789

### House Bill No. 1012 - DHS - Program/Policy - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$58,102,898	\$2,884,535	\$60,987,433
Operating expenses	107,383,843	17,207,206	124,591,049
Capital assets		10,000	10,000
Grants	457,953,280	5,921,488	463,874,768
Grants - Medical assistance	2,384,560,568	(30,582,216)	2,353,978,352
	\$3,008,000,589	(\$4,558,987)	\$3,003,441,602

Total all funds			
Less estimated income	1,995,024,801	(90,849,740)	1,904,175,061
General fund	\$1,012,975,788	\$86,290,753	\$1,099,266,541
FTE	348.50	10.00	358.50

### Department No. 328 - DHS - Program/Policy - Detail of House Changes

	Program and Policy <sup>1</sup>	Total House Changes
Salaries and wages	\$2,884,535	\$2,884,535
Operating expenses	17,207,206	17,207,206
Capital assets	10,000	10,000
Grants	5,921,488	5,921,488
Grants - Medical assistance	(30,582,216)	(30,582,216)
Total all funds	(\$4,558,987)	(\$4,558,987)
Less estimated income	(90,849,740)	(90,849,740)
General fund	\$86,290,753	\$86,290,753
FTE	10.00	10.00

1

#### Program and Policy - House Changes:

	FTE Positions	General Fund	Other Funds	Total
<b>2017-19 Ongoing Funding Changes</b>				
Transfers for division adjustments	8.00	\$571,591	\$1,216,374	\$1,787,965
Transfers the Head Start program to the Department of Public Instruction		(4,900)	(261,137)	(266,037)
Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes	2.00	680,194	751,245	1,431,439
Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month		606,461	444,959	1,051,420
Removes funding for paying accumulated annual/sick leave		(169,458)	(340,113)	(509,571)
Reduces funding for staff overtime		(37,447)	(66,675)	(104,122)
Reduces funding for operating expenses		(308,431)	0	(308,431)
<b>Economic Assistance</b>				
Adjusts funding for continued program changes		(97,243)	6,013,065	5,915,822
Restores funding relating to budget reductions		34,015	0	34,015
Reduces funding for operating expenses		(28,667)	(82,494)	(111,161)
Adjusts funding for child care assistance eligibility		(2,160,357)	(578,229)	(2,738,586)
Adjusts funding for grant cost and caseload changes		(1,784,525)	(12,445,945)	(14,230,470)
Adjusts for funding source changes		69,767	(69,767)	0
Adds funding for employment and training program		173,250	554,400	727,650
<b>Child Support</b>				
Adjusts funding for continued program changes		(152,764)	(128,949)	(281,713)
Restores funding relating to budget reductions		58,741	0	58,741
Reduces funding for operating expenses		(21,482)	(56,996)	(78,478)
Reduces funding for overtime		(15,305)	(28,968)	(44,273)
<b>Medical Services</b>				
Adjusts funding for continued program changes		864,283	542,868	1,407,151
Restores funding relating to budget reductions		88,828	0	88,828
Restores funding relating to budget reductions - Cost and caseload changes		4,610,087	0	4,610,087
Reduces funding for operating expenses		(17,710)	(19,990)	(37,700)
Adjusts professional fee schedule to 100 percent of Medicare and policy changes		(10,612,966)	(24,189,744)	(34,802,710)
Adjusts funding for grant cost and caseload changes		20,989,553	(109,028,047)	(88,038,494)
Adjusts for funding source changes		431,372	(431,372)	0
Adjusts for funding source changes - Tobacco prevention fund		(15,000,000)	15,000,000	0
Federal medical assistance percentage changes		17,233,048	(17,233,048)	0

Adds funding to increase age of autism waiver through 11 years old	183,647	183,647	367,294
Adds funding for opioid treatment	0	1,996,287	1,996,287
Adjusts physical, occupational, and speech therapy rates to the level approved during the 2015 session	468,630	0	468,630
Adjusts Part B premium increase	(1,700,941)	(1,915,238)	(3,616,179)
Reduces funding for autism spectrum disorder program	(1,000,000)	(1,000,000)	(2,000,000)
Adjusts funding for qualified service provider vendor contracts leaving a total of \$1,445,157	(153,827)	(52,624)	(206,451)
Adds funding for Medicare clawback payments	7,819,983	0	7,819,983

**Long-Term Care**

Restores funding relating to budget reductions - Cost and caseload changes	3,027,699	0	3,027,699
Adjusts funding for nursing home operating margin, rebasing, and incentives	631,178	8,824,911	9,456,089
Adjusts funding for basic care services	68,094	2,345	70,439
Adjusts funding for homemaker services	110,445	429	110,874
Adjusts funding for grant cost and caseload changes	22,352,910	20,771,623	43,124,533
Adjusts for funding source changes	(888,144)	888,144	0
Adds funding for Money Follows the Person grants	527,954	527,953	1,055,907
Adds funding to increase age of autism waiver through 11 years old	183,609	183,628	367,237
Adjusts funding for community services relating to the Fair Labor Standards Act	(3,518,393)	(4,047,774)	(7,566,167)

**Developmental Disabilities Council**

Restores funding relating to budget reductions	73	0	73
Adjusts funding for continued program changes	0	59,773	59,773

**Aging Services**

Adjusts funding for continued program changes	105,755	521,166	626,921
Restores funding relating to budget reductions	46,361	0	46,361
Adjusts funding for operating expenses	(7,480)	(656)	(8,136)
Adjusts funding source for nutrition service program	(466,694)	466,694	0
Adjusts funding to vulnerable adult contracts	(8,500)	319,292	310,792
Removes funding for Lifespan Respite Care program (in HB 1038)	0	(200,000)	(200,000)

**Children and Family Services**

Adjusts funding for continued program changes	(405,146)	1,529,195	1,124,049
Restores funding relating to budget reductions	305,576	0	305,576
Restores funding relating to budget reductions - Cost and caseload changes	1,233,182	0	1,233,182
Adjusts funding for operating expenses	(373)	(627)	(1,000)
Adjusts funding for grant cost and caseload changes	11,548,425	2,587,856	14,136,281
Restores funding for Healthy Families	150,000	0	150,000
Adjusts for funding source changes	4,897,464	(4,768,241)	129,223
Restores funding for child care quality contract	850,000	0	850,000
Restores funding for child care inclusion grants	100,000	0	100,000
Restores funding for child care inclusion specialists	200,000	0	200,000
Adds funding for alternatives to abortion to provide a total of \$600,000	0	100,000	100,000

**Behavioral Health Division**

Adjusts funding for continued program changes	16,307	5,462,077	5,478,384
Restores funding relating to budget reductions	1,322,327	0	1,322,327
Reduces funding for parents listen, educate, ask, discuss program	(260,000)	0	(260,000)
Reduces funding for operating expenses	(80,859)	0	(80,859)
Adjusts for funding source changes	1,071,399	(1,071,399)	0
Adjusts funding for Governor's Advisory Council	30,000	0	30,000
Restores Robinson Recovery Center funding	237,500	0	237,500
Reduces funding for compulsive gambling services	(237,673)	0	(237,673)
Reduces funding for the substance use disorder voucher program to \$375,000	(1,125,000)	0	(1,125,000)

**Vocational Rehabilitation**

Adjusts funding for continued program changes	(230,587)	61,854	(168,733)
Restores funding relating to budget reductions	233,781	0	233,781
Adjusts funding for operating expenses	(12,251)	(63,854)	(76,105)
Removes funding for winter recreation program at Bottineau	(65,000)	0	(65,000)
Adds funding for assistive technology	160,000	0	160,000

**Developmental Disabilities**

Adjusts funding relating to continued program changes	90,413	(446,703)	(356,290)
Restores funding relating to budget reductions	51,278	0	51,278
Adjusts funding for budget reductions - Cost and caseload changes	4,047,111	0	4,047,111
Adjusts funding for operating expenses	(12,617)	(15,098)	(27,715)
Adjusts funding for grant cost and caseload changes	18,447,931	18,432,322	36,880,253
Federal medical assistance percentage changes	(141,841)	141,841	0
Adds funding for specialized services for individuals with Developmental Disability	100,000	100,000	200,000
Adjusts funding for Family Subsidy program	(112,888)	0	(112,888)
Adjusts funding for the Experienced Parent program	100,000	0	100,000
Adds equipment over \$5,000	0	10,000	10,000
Total changes - Program and policy	10.00	\$86,290,753	(\$90,849,740)

**House Bill No. 1012 - DHS - Field Services - House Action**

	<b>Base Budget</b>	<b>House Changes</b>	<b>House Version</b>
Human service centers	\$198,888,443	(\$3,083,589)	\$195,804,854
Institutions	139,587,498	258,930	139,846,428
Total all funds	\$338,475,941	(\$2,824,659)	\$335,651,282
Less estimated income	132,820,302	5,301,710	138,122,012
General fund	\$205,655,639	(\$8,126,369)	\$197,529,270
FTE	1715.48	(60.20)	1655.28

**Department No. 349 - DHS - Field Services - Detail of House Changes**

	<b>Field Services<sup>1</sup></b>	<b>Total House Changes</b>
Human service centers	(\$3,083,589)	(\$3,083,589)
Institutions	258,930	258,930
Total all funds	(\$2,824,659)	(\$2,824,659)
Less estimated income	5,301,710	5,301,710
General fund	(\$8,126,369)	(\$8,126,369)
FTE	(60.20)	(60.20)

1

**Field Services - House Changes:**

	<b>FTE Positions</b>	<b>General Fund</b>	<b>Other Funds</b>	<b>Total</b>
<b>2017-19 Ongoing Funding Changes</b>				
Transfers for division adjustments	(34.13)	(\$3,239,725)	(\$565,995)	(\$3,805,720)
Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes	(26.07)	(8,935,032)	12,051,373	3,116,341
Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month		4,375,520	402,981	4,778,501
Removes funding for paying accumulated annual/sick leave		(714,757)	(450,890)	(1,165,647)
Reduces funding for staff overtime		(811,046)	(570,546)	(1,381,592)
Vacant position and employee turnover savings - Institutions		(2,027,897)	0	(2,027,897)

Vacant position and employee turnover savings - Human Service Centers	(3,250,499)	0	(3,250,499)
<b>Institutions</b>			
Adds funding for continued program changes	2,311,163	(1,063,812)	1,247,351
Adds funding for equipment over \$5,000 - State Hospital	453,299	0	453,299
Adds funding for extraordinary repairs - State Hospital	900,000	0	900,000
Restores funding relating to budget reductions - State Hospital	1,301,188	0	1,301,188
Adjusts funding for operating expenses - State Hospital	(364,515)	(13,405)	(377,920)
Adds funding for equipment over \$5,000 - Life Skills and Transition Center (LSTC)	169,764	0	169,764
Adds funding for extraordinary repairs - LSTC	476,367	0	476,367
Restores funding relating to budget reductions - LSTC	838,184	0	838,184
Adjusts funding for operating expenses - LSTC	(300,784)	(53,301)	(354,085)
<b>Human Service Centers</b>			
Adds funding for continued program changes	1,406,994	(4,166,214)	(2,759,220)
Adjusts for funding source changes	(982,540)	982,540	0
Adjusts funding for grant cost and caseload changes	(1,313,398)	(1,087,709)	(2,401,107)
Adds funding for extraordinary repairs - Southeast Human Service Center	39,600	0	39,600
Restores funding for budget reductions	2,338,741	0	2,338,741
Adjusts funding for operating expenses	(1,046,996)	(163,312)	(1,210,308)
Restores funding for mobile crisis services in Bismarck	250,000	0	250,000
Total changes - Field services	(60.20)	(\$8,126,369)	\$5,301,710
			(\$2,824,659)

This amendment also adds sections to:

1. Identify the funding increases for the health insurance premium increase.
2. Identify \$16 million from the tobacco prevention and control trust fund for medical services.
3. Identify \$686,191 from the health care trust fund for long-term care services.
4. Provide an appropriation of \$9 million of federal funds for medical assistance grants for the 2015-17 biennium.
5. Provide an appropriation of \$659,272, of which \$329,636 is from the general fund, for rebasing and operating margin for nursing facility rates for the 2015-17 biennium.
6. Provide legislative intent that the Department of Human Services adopt rules in accordance with the Medicaid program, face-to-face requirements for home health services; policy changes and clarification related to home health final rule published by the Centers for Medicare and Medicaid Services on February 2, 2016; and Title 42, Code of Federal Regulations, Part 440.
7. Provide legislative intent that the Department of Human Services apply for a 1915(i) state plan amendment for traumatic brain injury services.
8. Provide legislative intent that the Department of Human Services purchase the Grafton Job Service North Dakota building, but only if anticipated revenues generated from the use of the building will be sufficient to provide for the operating and maintenance costs of the building.
9. Authorize the conveyance of real property containing 3.46 acres associated with the Life Skills and Transition Center in Grafton.
10. Provide legislative intent relating to case management ratios for services for individuals with a developmental disability.
11. Provide legislative intent that the Department of Human Services report all new programmatic and administrative requirements to the Centers for Medicare and Medicaid Services for individuals with disabilities.
12. Provide legislative intent that the Department of Human Services request waivers or delays of implementation of conflict-free case management rules and requirements for individuals with a developmental disability.
13. Request a Legislative Management study of options to operate the state medical assistance program and other related programs, as managed care.
14. Amend North Dakota Century Code Section 50-24.1-37 to continue Medicaid Expansion through July 31, 2019, unless the federal government discontinues the program earlier, to provide for 19 and 20 year olds to be on fee for service beginning January 1, 2018, to require provider reimbursement rate information, to provide for the department to consider reimbursement rate information when selecting a carrier, and to provide for the department to report to the Legislative Management regarding cumulative and trend data regarding the provider reimbursement rates.
15. A section to provide an emergency.

### REPORT OF STANDING COMMITTEE

**HB 1013: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (19 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). HB 1013 was placed on the Sixth order on the calendar.

Page 1, line 3, after "blind" insert "; to create and enact a new section to chapter 25-06 and a new section to chapter 25-07 of the North Dakota Century Code, relating to the school for the blind fund and the school for the deaf fund; to repeal section 6-09-45 of the North Dakota Century Code and section 13 of chapter 49 of the 2015 Session Laws, relating to a required transfer from the Bank of North Dakota and a contingent appropriation; to provide exemptions; to provide for a transfer; to provide for a legislative management study; and to declare an emergency"

Page 1, remove lines 16 through 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$18,280,006	(\$815,828)	\$17,464,178
Operating expenses	30,517,072	(352,067)	30,165,005
Integrated formula payments	1,916,640,000	23,655,041	1,940,295,041
Grants - special education	17,300,000	2,000,000	19,300,000
Grants - transportation	57,000,000	(5,700,000)	51,300,000
Grants - other grants	267,807,227	(13,744,522)	254,062,705
Grants - program grants	0	6,115,000	6,115,000
Grants - passthrough grants	0	2,378,000	2,378,000
PowerSchool	6,000,000	(500,000)	5,500,000
Transportation efficiency	30,000	0	30,000
National board certification	<u>120,000</u>	<u>0</u>	<u>120,000</u>
Total all funds	\$2,313,694,305	\$13,035,624	\$2,326,729,929
Less estimated income	<u>624,685,766</u>	<u>241,055,491</u>	<u>865,741,257</u>
Total general fund	\$1,689,008,539	(\$228,019,867)	\$1,460,988,672
Full-time equivalent positions	99.75	(8.00)	91.75"

Page 2, replace lines 9 through 15 with:

"Salaries and wages	\$4,019,839	\$138,933	\$4,158,772
Operating expenses	1,713,393	(109,318)	1,604,075
Grants	<u>2,785,500</u>	<u>(676,472)</u>	<u>2,109,028</u>
Total all funds	\$8,518,732	(\$646,857)	\$7,871,875
Less estimated income	<u>2,438,751</u>	<u>(190,402)</u>	<u>2,248,349</u>
Total general fund	\$6,079,981	(\$456,455)	\$5,623,526
Full-time equivalent positions	29.75	(1.00)	28.75"

Page 2, replace lines 20 through 27 with:

"Salaries and wages	\$7,291,854	\$206,353	\$7,498,207
Operating expenses	1,925,163	51,380	1,976,543
Capital assets	227,174	664,504	891,678
Grants	<u>186,900</u>	<u>(6,900)</u>	<u>180,000</u>
Total all funds	\$9,631,091	\$915,337	\$10,546,428
Less estimated income	<u>1,089,210</u>	<u>2,109,514</u>	<u>3,198,724</u>
Total general fund	\$8,541,881	(\$1,194,177)	\$7,347,704
Full-time equivalent positions	45.61	(1.00)	44.61"

Page 3, replace lines 1 through 7 with:

"Salaries and wages	\$4,554,349	\$113,075	\$4,667,424
Operating expenses	739,169	4,037	743,206
Capital assets	<u>24,454</u>	<u>150,238</u>	<u>174,692</u>
Total all funds	\$5,317,972	\$267,350	\$5,585,322
Less estimated income	<u>569,325</u>	<u>645,428</u>	<u>1,214,753</u>
Total general fund	\$4,748,647	(\$378,078)	\$4,370,569
Full-time equivalent positions	30.00	(1.50)	28.50"

Page 3, replace lines 12 through 14 with:

"Grand total general fund	\$1,708,379,048	(\$230,048,577)	\$1,478,330,471
Grand total special funds	<u>628,783,052</u>	<u>243,620,031</u>	<u>872,403,083</u>
Grand total all funds	\$2,337,162,100	\$13,571,454	\$2,350,733,554

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in subdivisions 1, 2, 3, and 4 of section 1 of this Act include funding from the general fund and special funds for increases in employee health insurance premiums from \$1,130 to \$1,249 per month. Total funding provided is as follows:

	<u>General fund</u>	<u>Special funds</u>	<u>Total</u>
Department of public instruction	\$87,454	\$195,878	\$283,332
State library	74,972	10,889	85,861
School for the deaf	126,672	3,864	130,536
North Dakota vision services - school for the blind	<u>91,508</u>	<u>76</u>	<u>91,584</u>
Total	\$380,606	\$210,707	\$591,313"

Page 3, line 15, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 3, line 16, after "biennium" insert "and the 2017-19 one-time funding items included in the appropriations in section 1 of this Act"

Page 3, remove lines 18 through 31

Page 4, replace lines 1 through 5 with:

"Department of public instruction

Cardiopulmonary resuscitation training grants	\$165,500	\$0
Free or reduced meals information technology	30,000	0
Rapid enrollment grants	12,504,530	0
Integrated formula payments	<u>0</u>	<u>160,000,000</u>
Total department of public instruction - all funds	\$12,700,030	\$160,000,000
Total department of public instruction - estimated income	<u>0</u>	<u>160,000,000</u>
Total department of public instruction - general fund	\$12,700,030	\$0
State library		
Library repair grants	<u>\$250,000</u>	<u>\$0</u>
Total state library - general fund	\$250,000	\$0
School for the deaf		
Extraordinary repairs	\$600,000	\$675,000
Equipment	0	28,000
Video equipment and software	<u>0</u>	<u>30,000</u>
Total school for the deaf - estimated income	\$600,000	\$733,000
North Dakota vision services - school for the blind		
Equipment	\$21,000	\$0
Special assessments payoff	19,000	10,000
Server and access points	16,000	0
Heating and cooling upgrade	0	35,500
Replace water line	0	60,000
Carpet and reception upgrade	<u>0</u>	<u>30,000</u>
Total school for the blind - estimated income	\$56,000	\$135,500
Grand total - all funds	\$13,606,030	\$160,868,500
Grand total - estimated income	<u>656,000</u>	<u>160,868,500</u>
Grand total - general fund	\$12,950,030	\$0

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of public instruction, school for the deaf, and North Dakota vision services - school for the blind shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 4. TRANSFER - PUBLIC INSTRUCTION FUND TO STATE TUITION FUND.** During the biennium beginning July 1, 2017, and ending June 30, 2019, the office of management and budget shall transfer \$4,282,905 from the public instruction fund to the state tuition fund for the purpose of providing funding for integrated formula payments.

Page 4, line 6, replace "\$219,134,000" with "\$305,546,905"

Page 4, after line 11, insert:

**"SECTION 6. ESTIMATED INCOME - FOUNDATION AID STABILIZATION FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes \$270,000,000 from the foundation aid stabilization fund for integrated formula payments. Of the total provided, \$160,000,000 is considered to be one-time funding.

**SECTION 7. FUNDING TRANSFER - EXEMPTION - AUTHORIZATION.** Notwithstanding section 54-16-04, the superintendent of public instruction may transfer up to \$1,200,000 from the integrated formula payments line item to the grants - special education line item and up to \$108,000 from the integrated formula payments line item to the grants - transportation line item, for the biennium beginning July 1, 2015, and ending June 30, 2017. The superintendent of public instruction shall notify the office of management and budget of any transfer made pursuant to this section."

Page 4, line 15, remove "contracts"

Page 4, line 17, after the period insert "To be reimbursed under this section, claims must be properly supported and filed with the superintendent of public instruction by June 30, 2018."

**SECTION 9. GRANTS - SPECIAL EDUCATION DEFICIENCY AUTHORIZATION.** If funds provided to the superintendent of public instruction in subdivision 1 of section 1 of this Act for grants - special education, for the biennium beginning July 1, 2017, and ending June 30, 2019, are not sufficient to meet special education contract obligations, the superintendent of public instruction shall request supplemental funding from the sixty-sixth legislative assembly."

Page 5, remove lines 3 through 15

Page 5, line 21, replace "eighteen" with "three"

Page 5, line 23, replace "Fifty-five" with "Forty-eight"

Page 5, line 25, replace "Fifty-four" with "Forty-eight"

Page 6, line 5, replace "Fifty-four" with "Forty-eight"

Page 6, line 12, replace "Thirty-two" with "Twenty-eight"

Page 6, remove lines 15 through 19

Page 6, line 20, replace "4." with "3."

Page 6, line 22, after the first boldfaced period insert "**PROGRAM GRANT POOL -**"

Page 6, line 22, remove "The"

Page 6, remove line 23

Page 6, line 24, replace "grants line item in subdivision 1 of section 1 of this Act is provided" with "The line item entitled grants-program grants included in subdivision 1 of section 1 of this Act includes \$1,735,000 for a program grant pool. The superintendent of public instruction shall use the funding provided for various grant programs, including up to \$75,000, or so much of the sum as may be necessary,"

Page 6, line 26, after "award" insert "continuing education"

Page 7, line 11, after the first boldfaced period insert "**EXEMPTION -**"

Page 7, line 14, replace "\$2,033,000" with "\$1,737,528"

Page 7, line 15, replace "is to" with "may"



Page 8, replace lines 13 through 16 with

**"SECTION 17. PASSTHROUGH GRANTS - APPLICATION - DISTRIBUTION - REPORTING.** The line item entitled grants - passthrough grants included in subdivision 1 of section 1 of this Act includes \$2,378,000 for passthrough grants. The superintendent of public instruction shall determine the manner in which each passthrough grant is distributed. Grantees, as a condition of receiving the grant, must establish performance measures to be reviewed by the superintendent of public instruction. Grantees shall report to the superintendent of public instruction regarding performance based on the measures before October 1, 2018. The superintendent of public instruction shall report to the appropriations committees of the sixty-sixth legislative assembly regarding funds granted, performance measures established for each grantee, and whether grantees met performance expectations.

**SECTION 18. LEGISLATIVE MANAGEMENT STUDY - EDUCATION PROGRAMS.** During the 2017-18 interim, the legislative management shall consider studying the feasibility and desirability of combining services for any or all English language learner programs, distance learning programs, regional education agencies, teacher center networks, adult learning centers, career and technical education programs, education technology services, continuing education for counselors, the North Dakota leadership and educational administration development center, and the teacher mentoring program. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 19.** A new section to chapter 25-06 of the North Dakota Century Code is created and enacted as follows:

**School for the blind fund.**

The school for the blind fund is a special fund in the state treasury. All moneys received pursuant to section 2 of article IX of the Constitution of North Dakota, revenues received from services and leases, and contributions must be deposited in the fund. Moneys in the fund are to be used pursuant to legislative appropriation for the provision of services under this chapter.

**SECTION 20.** A new section to chapter 25-07 of the North Dakota Century Code is created and enacted as follows:

**School for the deaf fund.**

The school for the deaf fund is a special fund in the state treasury. All moneys received pursuant to section 2 of article IX of the Constitution of North Dakota and all revenues received from the lease of buildings and the provision of meals and services, including interpreter services, must be deposited in the fund. Moneys in the fund are to be used pursuant to legislative appropriation for provision of services under this chapter.

**SECTION 21. REPEAL.** Section 6-09-45 of the North Dakota Century Code is repealed.

**SECTION 22. REPEAL.** Section 13 of chapter 49 of the 2015 Session Laws is repealed.

**SECTION 23. EMERGENCY.** Sections 7 and 22 of this Act are declared to be emergency measures."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1013 - Summary of House Action**

Base

House

House

	Budget	Changes	Version
Department of Public Instruction			
Total all funds	\$2,313,694,305	\$13,035,624	\$2,326,729,929
Less estimated income	624,685,766	241,055,491	865,741,257
General fund	\$1,689,008,539	(\$228,019,867)	\$1,460,988,672
State Library			
Total all funds	\$8,518,732	(\$646,857)	\$7,871,875
Less estimated income	2,438,751	(190,402)	2,248,349
General fund	\$6,079,981	(\$456,455)	\$5,623,526
School for the Deaf			
Total all funds	\$9,631,091	\$915,337	\$10,546,428
Less estimated income	1,089,210	2,109,514	3,198,724
General fund	\$8,541,881	(\$1,194,177)	\$7,347,704
Vision Services - School for the Blind			
Total all funds	\$5,317,972	\$267,350	\$5,585,322
Less estimated income	569,325	645,428	1,214,753
General fund	\$4,748,647	(\$378,078)	\$4,370,569
Bill total			
Total all funds	\$2,337,162,100	\$13,571,454	\$2,350,733,554
Less estimated income	628,783,052	243,620,031	872,403,083
General fund	\$1,708,379,048	(\$230,048,577)	\$1,478,330,471

### House Bill No. 1013 - Department of Public Instruction - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$18,280,006	(\$815,828)	\$17,464,178
Operating expenses	30,517,072	(352,067)	30,165,005
Integrated formula payments	1,916,640,000	23,655,041	1,940,295,041
Grants - Special education contracts	17,300,000	2,000,000	19,300,000
Grants - Transportation	57,000,000	(5,700,000)	51,300,000
Grants - Other grants	267,807,227	(13,744,522)	254,062,705
PowerSchool	6,000,000	(500,000)	5,500,000
Transportation efficiency	30,000		30,000
National board certification	120,000		120,000
Grants - Program grants		6,115,000	6,115,000
Grants - Passthrough grants		2,378,000	2,378,000
Total all funds	\$2,313,694,305	\$13,035,624	\$2,326,729,929
Less estimated income	624,685,766	241,055,491	865,741,257
General fund	\$1,689,008,539	(\$228,019,867)	\$1,460,988,672
FTE	99.75	(8.00)	91.75

### Department No. 201 - Department of Public Instruction - Detail of House Changes

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 2 FTE Positions from Base Budget <sup>3</sup>	Removes 3 Additional FTE Positions <sup>4</sup>	Removes 3 FTE Programmer and Research Positions <sup>5</sup>	Adjusts Funding for Operating Expenses <sup>6</sup>
Salaries and wages	\$2,064	\$283,332	(\$251,575)	(\$400,462)	(\$449,187)	
Operating expenses					449,187	(801,254)
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants						
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						
Grants - Passthrough grants						
Total all funds	\$2,064	\$283,332	(\$251,575)	(\$400,462)	\$0	(\$801,254)
Less estimated income	0	195,878	1	0	0	500,000
General fund	\$2,064	\$87,454	(\$251,576)	(\$400,462)	\$0	(\$1,301,254)
FTE	0.00	0.00	(2.00)	(3.00)	(3.00)	0.00
	Adjusts Funding for Integrated Formula Payments <sup>7</sup>	Increases Funding for Special Education Grants <sup>8</sup>	Reduces Funding for Transportation Grants <sup>9</sup>	Reduces Funding for Program and Passthrough Grants <sup>10</sup>	Reduces Funding for PowerSchool <sup>11</sup>	Total House Changes
Salaries and wages						(\$815,828)

Operating expenses						(352,067)
Integrated formula payments	23,655,041					23,655,041
Grants - Special education contracts		2,000,000				2,000,000
Grants - Transportation			(5,700,000)			(5,700,000)
Grants - Other grants				(13,744,522)		(13,744,522)
PowerSchool					(500,000)	(500,000)
Transportation efficiency						
National board certification				6,115,000		6,115,000
Grants - Program grants				2,378,000		2,378,000
Grants - Passthrough grants						
Total all funds	\$23,655,041	\$2,000,000	(\$5,700,000)	(\$5,251,522)	(\$500,000)	\$13,035,624
Less estimated income	240,359,612	0	0	0	0	241,055,491
General fund	(\$216,704,571)	\$2,000,000	(\$5,700,000)	(\$5,251,522)	(\$500,000)	(\$228,019,867)
FTE	0.00	0.00	0.00	0.00	0.00	(8.00)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Two FTE positions and related funding are removed from the base budget.

<sup>4</sup> Three additional FTE positions and related funding are removed.

<sup>5</sup> Three FTE information technology programmer and research positions are removed. Total funding of \$449,187, of which \$157,215 is from the general fund and \$291,972 is from federal funds, is transferred from the salaries and wages line item to the operating expenses line item to contract for services.

<sup>6</sup> Funding for operating expenses is reduced by \$1,301,254 from the general fund and increased by \$500,000 from special funds from schools for food contracts.

<sup>7</sup> Funding for integrated formula payments is adjusted as follows:

	General Fund	Foundation Aid Stabilization Fund	State Tuition Fund	Total
Base budget - Integrated formula payments	\$1,581,452,707	\$116,053,293	\$219,134,000	\$1,916,640,000
Increases funds available from the state tuition fund	(82,130,000)		82,130,000	
Additional funds available due to a transfer from the public instruction fund to the state tuition fund	(4,282,905)		4,282,905	
Decreases ongoing funding provided from the foundation aid stabilization fund	6,053,293	(6,053,293)		
Provides one-time funding from the foundation aid stabilization fund	(160,000,000)	160,000,000		
Adds funding for cost-to-continue integrated formula payments	18,864,163			18,864,163
Adds funding to provide for changes in local revenue in the formula	5,590,878			5,590,878
Removes funding for regional education association coordinator grants	(800,000)			(800,000)
Total - Integrated formula payments	\$1,364,748,136	\$270,000,000	\$305,546,905	\$1,940,295,041

<sup>8</sup> Funding is increased for special education contract grants to provide a total of \$19.3 million from the general fund.

<sup>9</sup> Funding for transportation grants is reduced to provide a total of \$51.3 million from the general fund.

<sup>10</sup> Funding is transferred from the grants - other grants line item to a grants - program grants line item and a grants - passthrough grants line item. Funding is reduced by \$1,384,022 for **program grants** to provide a total of \$6,115,000 from the general fund as follows:

- \$3,000,000 for adult education matching grants;

- \$1,380,000 for school food service matching grants; and
- \$1,735,000 to provide a grant pool for programs, including Leveraging the Senior Year, leadership program, continuing education grants, preschool continuing education grants, curriculum alignment grants, teacher and principal evaluation system grants, and the free breakfast program.

Funding is reduced by \$3,867,500 for **passthrough grants** to provide the following grants from the general fund:

Mentoring program	\$2,000,000
North Central Council for Educational Media Services	238,000
Global Bridges (Atlantik-Brücke) exchange	100,000
National writing projects	20,000
Rural art outreach project	10,000
"We the People" program	<u>10,000</u>
Total	\$2,378,000

<sup>11</sup> Funding for PowerSchool is reduced to provide a total of \$5.5 million from the general fund.

---

This amendment also adds or changes sections to:

- Identify additional funding provided for health insurance increases.
- Provide if special education contract obligations exceed funds provided for the 2017-19 biennium, the Superintendent of Public Instruction shall request a deficiency appropriation from the Sixty-sixth Legislative Assembly.
- Repeal North Dakota Century Code Section 6-09-45, relating to a required transfer from Bank of North Dakota undivided profits for special education contract costs.
- Provide \$270 million from the foundation aid stabilization fund for integrated formula payments, of which \$160 million is considered one-time funding.
- Transfer \$4,282,905 from the public instruction fund to the state tuition fund.
- Amend the tuition apportionment appropriation to identify total funding of \$305,546,905 provided from the state tuition fund, including \$4,282,905 transferred from the public instruction fund, and to appropriate any additional amount that becomes available in the state tuition fund to the department for integrated formula payments.
- Allow the Superintendent of Public Instruction to transfer \$1,308,000 in general fund authority from the integrated formula payments line item to the grants - special education line item (\$1.2 million) and the transportation grants line item (\$108,000) during the the 2015-17 biennium for anticipated obligations based on the special education and transportation formulas.
- Repeal Section 13 of Chapter 49 of the 2015 Session Laws relating to \$3 million contingent transportation payments provided from excess state school aid funding during the 2015-17 biennium.
- Remove the distribution of regional education association coordinator grants.
- Amend the distribution of transportation grants to update reimbursement rates and remove the provision that allows the department to distribute excess funds appropriated for transportation grants.
- Amend the distribution of continuing education grants to provide for the distribution of up to \$75,000 of the program grant pool for continuing education grants.
- Amend other grant reporting to provide for the Superintendent to determine the manner in which each passthrough grant is distributed. Grantees, as a condition of receiving the grant, are required to establish performance measures to be reviewed by the Superintendent and report to the Superintendent regarding performance based on the measures before October 1, 2018. The Superintendent must provide a report to the 2019 Legislative Assembly regarding the performance measures established for each grantee and whether the grantee met performance expectations.
- Provide for a Legislative Management study relating to the feasibility and desirability of combining services for any or all English language learner programs, distance learning programs, regional education agencies, teacher center networks, adult

learning centers, career and technical education programs, EduTech, continuing education for counselors, the North Dakota Leadership and Educational Administration Development Center, and the teacher mentoring program.

- Repeal sections allowing the Superintendent to transfer authority between various line items during the 2015-17 biennium; and to declare emergency measures.
- Amend the integrated formula payments and special education contracts expenditure authority.

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

	Base Budget	House Changes	House Version
Salaries and wages	\$4,019,839	\$138,933	\$4,158,772
Operating expenses	1,713,393	(109,318)	1,604,075
Grants	2,785,500	(676,472)	2,109,028
Total all funds	\$8,518,732	(\$646,857)	\$7,871,875
Less estimated income	2,438,751	(190,402)	2,248,349
General fund	\$6,079,981	(\$456,455)	\$5,623,526
FTE	29.75	(1.00)	28.75

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

	Adds Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Restores Funding for Salaries and Wages <sup>3</sup>	Reduces Funding for Salaries and Wages <sup>4</sup>	Removes Vacant FTE Position <sup>5</sup>	Adjusts Funding for Online Library Resources <sup>6</sup>
Salaries and wages	\$134,027	\$85,861	\$161,341	(\$100,000)	(\$142,296)	
Operating expenses						(99,318)
Grants						
Total all funds	\$134,027	\$85,861	\$161,341	(\$100,000)	(\$142,296)	(\$99,318)
Less estimated income	96,788	10,889	0	0	0	82,921
General fund	\$37,239	\$74,972	\$161,341	(\$100,000)	(\$142,296)	(\$182,239)
FTE	0.00	0.00	0.00	0.00	(1.00)	0.00

	Reduces Funding for Equipment <sup>7</sup>	Reduces Funding for Aid to Public Libraries <sup>8</sup>	Removes Federal Funds from Grants <sup>9</sup>	Total House Changes
Salaries and wages				\$138,933
Operating expenses	(10,000)			(109,318)
Grants		(295,472)	(381,000)	(676,472)
Total all funds	(\$10,000)	(\$295,472)	(\$381,000)	(\$646,857)
Less estimated income	0	0	(381,000)	(190,402)
General fund	(\$10,000)	(\$295,472)	\$0	(\$456,455)
FTE	0.00	0.00	0.00	(1.00)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>4</sup> Salaries and wages are underfunded agencywide.

<sup>5</sup> One vacant education program administrator II FTE position and related salaries and wages is removed.

<sup>6</sup> Funding for online library resources is adjusted and reduced.

<sup>7</sup> Operating expenses funding is reduced for equipment purchases.

<sup>8</sup> Funding for aid to public libraries is reduced to provide \$1,737,528 from the general fund.

<sup>9</sup> Federal funding in the grants line item is reduced because funds will be used for online library resources costs in the State Library's operating expenses line item.

This amendment also:

- Amends the section of the bill related to the distribution of aid to public libraries to provide no more than one-half is to be spent in the 1<sup>st</sup> year of the biennium.
- Adds a section identifying additional funding provided for health insurance increases.

### House Bill No. 1013 - School for the Deaf - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$7,291,854	\$206,353	\$7,498,207
Operating expenses	1,925,163	51,380	1,976,543
Capital assets	227,174	664,504	891,678
Grants	186,900	(6,900)	180,000
Total all funds	\$9,631,091	\$915,337	\$10,546,428
Less estimated income	1,089,210	2,109,514	3,198,724
General fund	\$8,541,881	(\$1,194,177)	\$7,347,704
FTE	45.61	(1.00)	44.61

### Department No. 252 - School for the Deaf - Detail of House Changes

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Removes 1 FTE Position <sup>3</sup>	Restores Funding for Salaries and Wages <sup>4</sup>	Adjusts Funding Source for Salaries and Wages <sup>5</sup>	Removes Funding for Teacher Composite <sup>6</sup>
Salaries and wages	(\$75,466)	\$130,536	(\$120,000)	\$422,476		(\$151,193)
Operating expenses						
Capital assets						
Grants						
Total all funds	(\$75,466)	\$130,536	(\$120,000)	\$422,476	\$0	(\$151,193)
Less estimated income	3,211	3,864	0	0	400,000	0
General fund	(\$78,677)	\$126,672	(\$120,000)	\$422,476	(\$400,000)	(\$151,193)
FTE	0.00	0.00	(1.00)	0.00	0.00	0.00

	Restores Funding for Operating Expenses <sup>7</sup>	Adjusts Funding Source for Operating Expenses <sup>8</sup>	Adjusts Funding for Extraordinary Repairs <sup>9</sup>	Adds One-time Funding for Capital Assets <sup>10</sup>	Adds One-time Funding for Master Facility Repairs <sup>11</sup>	Reduces Funding for Interpreter Grants <sup>12</sup>
Salaries and wages						
Operating expenses	123,133	(71,753)				
Capital assets			(68,496)	58,000	675,000	
Grants						(6,900)
Total all funds	\$123,133	(\$71,753)	(\$68,496)	\$58,000	\$675,000	(\$6,900)
Less estimated income	123,133	762,628	83,678	58,000	675,000	0
General fund	\$0	(\$834,381)	(\$152,174)	\$0	\$0	(\$6,900)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total House Changes
Salaries and wages	\$206,353
Operating expenses	51,380
Capital assets	664,504
Grants	(6,900)
Total all funds	\$915,337
Less estimated income	2,109,514
General fund	(\$1,194,177)
FTE	(1.00)

<sup>1</sup> Funding is adjusted for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> One FTE position and related salaries and wages is removed.

<sup>4</sup> Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>5</sup> Funding for a portion of salaries and wages is changed to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.

<sup>6</sup> Funding for teacher composite pay increases is removed.

<sup>7</sup> Funding for operating expenses, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>8</sup> Funding for a portion of operating expenses is changed from the general fund to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.

<sup>9</sup> Funding for extraordinary repairs is reduced and changed from the general fund to the School for the Deaf's special funds available from trust fund distributions, rents, and service revenue.

<sup>10</sup> One-time funding is added for the following capital assets:

- Fargo office interactive video network equipment - \$10,000;
- Kitchen equipment - \$12,000;
- Lawn tractor - \$16,000; and
- Database software program - \$20,000.

<sup>11</sup> One-time funding from special funds is added for extraordinary repairs related to the School for the Deaf's master facility plan repairs.

<sup>12</sup> Funding for a grants program to assist institutions under the control of the State Board of Higher Education with the cost of interpreters and real-time captioning for students who are deaf or hearing impaired is reduced to provide a total of \$180,000 from the general fund.

This amendment also adds sections to:

- Create a new section to Chapter 25-07 to establish a special fund for the School for the Deaf.
- Identify additional funding provided for health insurance increases.

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

	Base Budget	House Changes	House Version
Salaries and wages	\$4,554,349	\$113,075	\$4,667,424
Operating expenses	739,169	4,037	743,206
Capital assets	24,454	150,238	174,692
Total all funds	\$5,317,972	\$267,350	\$5,585,322
Less estimated income	569,325	645,428	1,214,753
General fund	\$4,748,647	(\$378,078)	\$4,370,569
FTE	30.00	(1.50)	28.50

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

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Restores Funding for Salaries and Wages <sup>3</sup>	Removes a .5 FTE Position <sup>4</sup>	Removes 1 FTE Teacher Position <sup>5</sup>	Removes Funding for Teacher Composite <sup>6</sup>
Salaries and wages	\$191,598	\$91,584	\$105,800		(\$154,216)	(\$121,691)
Operating expenses						
Capital assets						
Total all funds	\$191,598	\$91,584	\$105,800	\$0	(\$154,216)	(\$121,691)
Less estimated income	16,450	76	0	0	0	0
General fund	\$175,148	\$91,508	\$105,800	\$0	(\$154,216)	(\$121,691)
FTE	0.00	0.00	0.00	(0.50)	(1.00)	0.00

	Adjusts Funding for Operating Expenses <sup>7</sup>	Adjusts Funding for Extraordinary Repairs <sup>8</sup>	Adds One-time Funding for Extraordinary Repairs <sup>9</sup>	Total House Changes
Salaries and wages				\$113,075
Operating expenses	4,037			4,037
Capital assets		14,738	135,500	150,238
Total all funds	\$4,037	\$14,738	\$135,500	\$267,350
Less estimated income	454,210	39,192	135,500	645,428
General fund	(\$450,173)	(\$24,454)	\$0	(\$378,078)
FTE	0.00	0.00	0.00	(1.50)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and for other base payroll changes.

<sup>2</sup> Funding is added for increases in employee health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for salaries and wages, reduced as part of the 2015-17 biennium budget reductions, is restored.

<sup>4</sup> Removes a .50 FTE position. The related funding for this position was removed as part of the 2015-17 biennium budget reductions.

<sup>5</sup> One FTE teacher position and related salaries and wages is removed.

<sup>6</sup> Funding for teacher composite pay increases is removed.

<sup>7</sup> Funding for a portion of operating expenses is changed from the general fund to the School for the Blind's special funds available from trust fund distributions, rents, contributions, and service revenue.

<sup>8</sup> Base budget funding for extraordinary repairs is increased and changed from the general fund to the School for the Blind's special funds available from trust fund distributions, rents, contributions, and service revenue.

<sup>9</sup> One-time funding from special funds is added for the following extraordinary repairs:

Replace water line from the building to the street	\$60,000
Carpet replacement and reception upgrade	30,000
Upgrade HVAC	27,000
Special assessments	10,000
Replace roof top air unit in the east wing	8,500
Total	\$135,500

This amendment also adds sections to:

- Create a new section to Chapter 25-06 to establish a special fund for the School for the Blind.
- Identify additional funding provided for health insurance increases.



**REPORT OF STANDING COMMITTEE**

**HB 1015: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 3 NAYS, 3 ABSENT AND NOT VOTING). HB 1015 was placed on the Sixth order on the calendar.

Page 1, line 2, after the semicolon insert "to provide for transfers; to amend and reenact section 54-06-04.3 of the North Dakota Century Code, relating to state agency publication fees;"

Page 1, line 3, replace "and to provide a statement of legislative intent" with "to provide statements of legislative intent; to provide for a budget section report; and to declare an emergency"

Page 1, replace lines 13 through 24 with:

"Salaries and wages	\$19,798,254	\$1,379,254	\$21,177,508
Operating expenses	13,855,260	(945,272)	12,909,988
Emergency commission contingency fund	500,000	(150,000)	350,000
Capital assets	200,000	773,477	973,477
Grants	555,000	(501,000)	54,000
Guardianship grants	1,328,600	0	1,328,600
Prairie public broadcasting	1,600,000	(800,000)	800,000
State student internship program	200,000	(200,000)	0
Cybersecurity remediation pool	0	1,000,000	1,000,000
Total all funds	\$38,037,114	\$556,459	\$38,593,573
Less estimated income	7,210,390	3,228,087	10,438,477
Total general fund	\$30,826,724	(\$2,671,628)	\$28,155,096
Full-time equivalent positions	122.50	(7.50)	115.00

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$340,576, of which \$279,990 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,249 per month."

Page 2, line 1, after "**FUNDING**" insert "**- EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SIXTH LEGISLATIVE ASSEMBLY**"

Page 2, line 2, after "biennium" insert "and the 2017-19 biennium one-time funding items included in the appropriation in section 1 of this Act"

Page 2, replace lines 4 through 15 with:

"Student internship	\$50,000	\$0
Facilities projects	205,000	0
Signage on the capitol grounds	1,400,000	0
West parking lot repair	50,000	0
Affordable Care Act health insurance pool	3,350,000	0
Facilities projects	1,475,303	0
Legislative electrical	310,000	0
Energy pool	7,965,000	0
Environmental impact committee - HB 1432	1,500,000	0
Cybersecurity remediation pool	0	1,000,000
Total all funds	\$16,305,303	\$1,000,000
Less estimated income	9,775,000	1,000,000
Total general fund	\$6,530,303	\$0

The 2017-19 biennium one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The office of management and budget shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 4. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO GENERAL FUND.** The office of management and budget shall transfer the sum of \$100,000,000 from the strategic investment and improvements fund to the general fund during the period beginning with the effective date of this Act, and ending June 30, 2017.

**SECTION 5. TRANSFER - CYBERSECURITY REMEDIATION POOL.** The office of management and budget may transfer appropriation authority from the cybersecurity remediation pool line item in section 1 of this Act to each eligible agency during the biennium beginning July 1, 2017, and ending June 30, 2019. Transfers may be made for the purpose of providing remediation services resulting from an information technology security breach. The office of management and budget shall notify the legislative council of any transfers made from the cybersecurity remediation pool."

Page 2, replaces lines 21 through 23 with:

**"SECTION 7. SURPLUS PROPERTY BUILDING - PROHIBITION.** The office of management and budget may not purchase or construct a new building for surplus property during the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, replace lines 26 through 29 with:

"Boys and girls club work	\$53,000
Unemployment insurance	\$2,000,000
Capitol grounds planning commission	\$25,000

**SECTION 9. AMENDMENT.** Section 54-06-04.3 of the North Dakota Century Code is amended and reenacted as follows:

**54-06-04.3. Joint publication and distribution of information by state agencies - Fees.**

Any state agency may cooperate with any other state agency to jointly publish and distribute information and may arrange to have the joint publication or distribution, or both, coordinated by a private entity. Any state agency may provide information it has collected or developed, including mailing lists, to each other or to any private entity for the purpose of distributing jointly or individually issued publications or other information. If a state agency publication is available on the agency's website or otherwise available in an electronic format and a person requests a paper copy of the publication, the state agency may charge a reasonable fee for providing the paper copy and for mailing the paper copy of the publication.

**SECTION 10. SALARIES AND WAGES SAVINGS FROM VACANT POSITIONS AND EMPLOYEE TURNOVER - PROHIBITION - BUDGET SECTION REPORT.** Any salaries and wages savings resulting from vacant positions and employee turnover within 2017-19 biennium appropriations for executive branch state agencies and institutions may not be spent but must be retained and included as part of the agency or institution's unspent appropriation authority under section 54-44.1-11 for the biennium beginning July 1, 2017, and ending June 30, 2019. Each agency and institution, including institutions under the control of the state board of higher education, shall report its savings and supporting information to the office of management and budget. The office of management and budget shall report to each meeting of the budget section during the 2017-18 interim and to the appropriations committees of the sixty-sixth legislative assembly upon request regarding the number of vacant positions by agency and institution, the duration of each vacancy, and related salaries and wages savings by funding source for each agency and institution.

**SECTION 11. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

## House Bill No. 1015 - Office of Management and Budget - House Action

	Base Budget	House Changes	House Version
Salaries and wages	\$19,798,254	\$1,379,254	\$21,177,508
Operating expenses	13,855,260	(945,272)	12,909,988
Capital assets	200,000	773,477	973,477
Grants	555,000	(501,000)	54,000
Emergency commission contingency fund	500,000	(150,000)	350,000
Guardianship grants	1,328,600		1,328,600
Prairie public broadcasting	1,600,000	(800,000)	800,000
State student internship program	200,000	(200,000)	
Cybersecurity remediation pool		1,000,000	1,000,000
Total all funds	\$38,037,114	\$556,459	\$38,593,573
Less estimated income	7,210,390	3,228,087	10,438,477
General fund	\$30,826,724	(\$2,671,628)	\$28,155,096
FTE	122.50	(7.50)	115.00

## Department No. 110 - Office of Management and Budget - Detail of House Changes

	Adjusts Funding for Base Payroll Changes <sup>1</sup>	Adds Funding for Health Insurance Increases <sup>2</sup>	Adjusts Funding for FTE Positions <sup>3</sup>	Adds Funding for Unemployment Claims Payments <sup>4</sup>	Adjusts Funding for Operating Expenses <sup>5</sup>	Adds Funding for Capital Assets <sup>6</sup>
Salaries and wages	\$343,892	\$340,576	(\$1,305,214)	\$2,000,000		
Operating expenses					(945,272)	
Capital assets						773,477
Grants						
Emergency commission contingency fund						
Guardianship grants						
Prairie public broadcasting						
State student internship program						
Cybersecurity remediation pool						
Total all funds	\$343,892	\$340,576	(\$1,305,214)	\$2,000,000	(\$945,272)	\$773,477
Less estimated income	141,002	60,586	1,499	2,000,000	25,000	0
General fund	\$202,890	\$279,990	(\$1,306,713)	\$0	(\$970,272)	\$773,477
FTE	0.00	0.00	(7.50)	0.00	0.00	0.00

	Reduces Funding for Grant Programs <sup>7</sup>	Reduces Funding for Emergency Commission Contingency Fund <sup>8</sup>	Adds One-Time Funding <sup>9</sup>	Total House Changes
Salaries and wages				\$1,379,254
Operating expenses				(945,272)
Capital assets				773,477
Grants	(501,000)			(501,000)
Emergency commission contingency fund		(150,000)		(150,000)
Guardianship grants				
Prairie public broadcasting	(800,000)			(800,000)
State student internship program	(200,000)			(200,000)
Cybersecurity remediation pool			1,000,000	1,000,000
Total all funds	(\$1,501,000)	(\$150,000)	\$1,000,000	\$556,459
Less estimated income	0	0	1,000,000	3,228,087
General fund	(\$1,501,000)	(\$150,000)	\$0	(\$2,671,628)
FTE	0.00	0.00	0.00	(7.50)

<sup>1</sup> Funding is added for cost-to-continue 2015-17 biennium salaries and benefit increases and

for other base payroll changes.

<sup>2</sup> Funding is added for increases in health insurance premiums from \$1,130 to \$1,249 per month.

<sup>3</sup> Funding for FTE positions and other salaries and wages changes is adjusted as follows:

	General Fund	Other Funds	Total
Adjusts funding for FTE positions, including the removal of 1.5 administrative assistant FTE positions, 1 maintenance FTE position, and 1 computer and networking specialist FTE position	(\$268,321)	\$1,499	(\$266,822)
Reduces funding for an FTE position (unspecified)	(\$70,000)		(\$70,000)
Removes 1 FTE state architect position	(\$232,709)		(\$232,709)
Removes 1 FTE human resource officer position	(\$174,380)		(\$174,380)
Removes 2 FTE positions (unspecified)	(\$374,303)		(\$374,303)
Reduces funding for salaries and wages	(\$187,000)		(\$187,000)
Total	(\$1,306,713)	\$1,499	(\$1,305,214)

<sup>4</sup> Funding is added for unemployment claims payments, which are made pursuant to North Dakota Century Code Section 54-44-04.2.

<sup>5</sup> Funding for operating expense changes is adjusted as follows:

	General Fund	Other Funds	Total
Adjusts funding operating expenses	(\$152,772)	\$25,000	(\$127,772)
Additional reduction to operating expenses	(\$150,000)		(\$150,000)
Removes funding for statewide memberships and dues	(\$590,500)		(\$590,500)
Removes funding for revenue forecasting contract and travel expenses	(\$77,000)		(\$77,000)
Total	(\$970,272)	\$25,000	(\$945,272)

<sup>6</sup> Funding is added from the general fund for extraordinary repairs (\$108,066) and for bond payments (\$665,411).

<sup>7</sup> Funding for grant programs is adjusted as follows:

	General Fund	Other Funds	Total
Removes funding for community service supervision grants (\$500,000) and reduces funding for other grants (\$1,000)	(\$501,000)		(\$501,000)
Reduces funding for Prairie Public Broadcasting, from \$1,600,000 to \$800,000	(\$800,000)		(\$800,000)
Removes funding for the state internship program	(\$200,000)		(\$200,000)
Total	(\$1,501,000)	\$0	(\$1,501,000)

<sup>8</sup> Funding is reduced from the general fund for the Emergency Commission contingency fund by \$150,000, from \$500,000 to \$350,000.

<sup>9</sup> One-time funding authority of \$1,000,000 is added for a cybersecurity remediation pool.

---

This amendment also adds sections to provide the following:

- Identifies the funding increase for health insurance premium increases.
- Provides for a transfer of \$100 million from the strategic investment and improvements fund to the general fund during the 2015-17 biennium and provides an emergency clause for this transfer.
- Authorizes the Office of Management and Budget to transfer funds appropriated from the cybersecurity remediation funding pool line item to other agencies. This section also requires the Office of Management and Budget to notify the Legislative Council of any transfers made from the cybersecurity remediation pool.
- Prohibits the purchase or construction of a new building for surplus property.
- Identifies the funding for boys and girls club work (\$53,000), unemployment insurance (\$2,000,000), and the Capitol Grounds Planning Commission (\$25,000)

that are included in the appropriations in Section 1 of the bill.

- Allows state agencies to collect fees from individuals who request to have publications printed and mailed if the publications are available electronically.
- Restricts state agencies and institutions from spending salaries and wages savings resulting from vacant positions and employee turnover.

#### REPORT OF STANDING COMMITTEE

**HB 1032: Appropriations Committee (Rep. Delzer, Chairman)** recommends **DO NOT PASS** (17 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). HB 1032 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1033: Appropriations Committee (Rep. Delzer, Chairman)** recommends **DO NOT PASS** (17 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING). HB 1033 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1034: Appropriations Committee (Rep. Delzer, Chairman)** recommends **DO NOT PASS** (20 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). HB 1034 was placed on the Eleventh order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1115, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 5 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1115 was placed on the Sixth order on the calendar.

Page 4, line 19, after "5." insert "a."

Page 4, line 19, remove the overstrike over "~~efficiency incentives to be established by the~~"

Page 4, line 19, remove the underscored comma

Page 4, line 20, remove the overstrike over "~~for a facility with an actual rate below the limit rate for~~"

Page 4, line 20, remove ", shall establish an"

Page 4, line 21, remove the overstrike over "~~costs must include the lesser of two dollars and sixty cents per resident~~"

Page 4, remove the overstrike over lines 22 and 23

Page 4, line 24, remove the overstrike over "~~current inflation rates~~"

Page 4, line 24, remove "cost category incentive for a nursing home with an actual indirect"

Page 4, remove line 25

Page 4, line 26, remove "appropriations"

Page 4, line 26, remove the overstrike over "efficiency"

Page 4, line 27, replace the underscored comma with ","

b. Pursuant to subsection 3 and within the limits of legislative appropriations, the department shall establish an indirect care cost category incentive for a nursing home with an actual indirect care cost rate below the limit rate for indirect care costs. The incentive must be included as part of the indirect care cost rate"

Page 4, line 28, replace "a." with "(1)"

Page 5, line 1, replace "b." with "(2)"

Page 5, line 4, replace "c." with "(3)"

Page 5, line 8, remove the overstrike over "direct-care-and"

Page 5, line 9, remove the overstrike over "direct-care"

Page 5, line 10, remove the overstrike over "and"

Page 5, line 10, remove the overstrike over "categories"

Page 5, line 10, remove "category"

Page 5, remove lines 27 through 30

Page 6, line 5, replace "2017" with "2018"

Page 6, line 6, replace "forty" with "fifty"

Page 6, line 6, replace "2017" with "2018"

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1124: Agriculture Committee (Rep. D. Johnson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1124 was placed on the Sixth order on the calendar.

Page 1, line 8, after "demand" insert ", including electronic communication."

Page 1, line 9, after "demand" insert ", including electronic communication"

Page 1, line 16, after "demand" insert ", including electronic communication."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1259, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (17 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1259 was placed on the Sixth order on the calendar.

Page 2, line 18, remove "Effective July 1, 2017, the department shall align the provider reimbursement rates for"

Page 2, remove lines 19 and 20

Page 2, line 21, remove "5."

Page 2, line 24, replace "6." with "5."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT

This amendment removes the requirement for the Department of Human Services to align the Medicaid Expansion provider reimbursement rates to the Workforce Safety and Insurance reimbursement rates.

#### REPORT OF STANDING COMMITTEE

**HB 1324, as engrossed: Appropriations Committee (Rep. Delzer, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (17 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1324 was placed on the Sixth order on the calendar.

Page 6, line 27, overstrike "2013-14"

Page 6, line 27, after "units" insert "from the previous school year"

Page 7, line 2, overstrike "2013-14"

Page 7, line 2, after "units" insert "from the previous school year"

Page 7, line 9, overstrike "2014-15"

Page 7, line 9, after "units" insert "from the previous school year"

Page 7, line 15, overstrike "2014-15"

Page 7, line 15, after "units" insert "from the previous school year"

Page 7, line 25, remove the overstrike over "~~subdivision f of~~"

Renumber accordingly

#### **REPORT OF STANDING COMMITTEE**

**HB 1352: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1352 was placed on the Sixth order on the calendar.

In lieu of the amendments as printed on pages 477 and 478 of the House Journal, House Bill No. 1352 is amended as follows:

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

Page 1, line 2, remove "subsection 1 of"

Page 1, line 2, remove "and sections"

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

Page 1, line 2, after "39-26-08" insert ", and 47-30.1-23"

Page 1, line 3, after "vehicles" insert "and deposit of funds; to provide for a continuing appropriation; and to declare an emergency"

Page 2, line 7, overstrike "has remained for a period of more than"

Page 2, line 8, overstrike "forty-eight hours" and insert immediately thereafter "is located"

Page 3, replace lines 11 through 22 with:

**"SECTION 4. AMENDMENT.** Section 39-26-06 of the North Dakota Century Code is amended and reenacted as follows:

#### **39-26-06. Notice to owner of abandoned vehicle.**

1. When an abandoned motor vehicle does not fall within the provisions of section 39-26-05, the unit of government or commercial towing service taking it into custody shall give notice of the taking within ten days. The notice must set forth the date and place of the taking, the year, make, model, and serial number of the abandoned motor vehicle and the place where the vehicle is being held, must inform the owner and any lienholders or secured parties of their right to reclaim the vehicle under section 39-26-07, and must state that failure of the owner or lienholders or secured parties to exercise their right to reclaim the vehicle is deemed a waiver by them of all right, title, and interest in the vehicle and a consent to the sale and disposal of the vehicle ~~at a public auction~~ pursuant to section 39-26-08.

2. The notice must be sent by certified mail, return receipt requested, to the registered owner, if any, of the abandoned motor vehicle and to all readily identifiable lienholders or secured parties of record. If it is impossible to determine with reasonable certainty the identity and address of the registered owner and all lienholders, the notice must be published once in a newspaper of general circulation in the area where the motor vehicle was abandoned. Published notices may be grouped together for convenience and economy."

Page 3, line 29, overstrike "fifteen" and insert immediately thereafter "thirty"

Page 4, line 4, replace "ninety" with "thirty"

Page 4, line 4, replace "the date" with "receipt"

Page 4, line 6, after "3." insert "Storage charges under subsection 2 may not exceed fifty dollars per day for an abandoned vehicle, pickup, van or truck that does not exceed twenty thousand registered gross weight pounds [9071.85 kilograms].

4."

Page 4, line 29, overstrike "permanent school" and insert immediately thereafter "common schools trust"

Page 4, line 30, remove "not more"

Page 4, line 31, remove "than seven model years of age"

Page 5, line 2, after "department" insert "of transportation"

Page 5, after line 5, insert:

- "4. From the proceeds of the sale of an abandoned motor vehicle, the commercial towing service may reimburse itself for the cost of towing, preserving, and storing the vehicle, and for all notice and publication costs incurred under this chapter. Any remainder from the proceeds of a sale must be held for the owner of the vehicle or entitled lienholder or secured parties for ninety days and then must be delivered to the administrator of the state abandoned property office in accordance with chapter 47-30.1.

**SECTION 8. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

#### **REPORT OF STANDING COMMITTEE**

**HB 1404: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **DO NOT PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). HB 1404 was placed on the Eleventh order on the calendar.

#### **REPORT OF STANDING COMMITTEE**

**HB 1416: Agriculture Committee (Rep. D. Johnson, Chairman)** recommends **DO NOT PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1416 was placed on the Eleventh order on the calendar.

#### **REPORT OF STANDING COMMITTEE**

**HB 1430: Transportation Committee (Rep. D. Ruby, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). HB 1430 was placed on the Sixth order on the calendar.

Page 1, line 2, replace "distracted driving" with "failure to maintain control of a motor vehicle"

Page 1, line 3, replace "section" with "sections"



Page 1, line 3, after "39-06.1-09" insert "and 39-08-23"

Page 1, line 4, replace "; to repeal section 39-08-23 of the North Dakota Century Code, relating to" with "and the"

Page 1, line 16, overstrike "or" and insert immediately thereafter an underscored comma

Page 1, line 16, remove the overstrike over "~~39-08-23~~"

Page 1, line 16, replace "3" with ", or section 4"

Page 2, line 12, remove the overstrike over "~~39-08-23~~"

Page 2, line 12, remove "section 3 of this Act"

Page 2, line 12, after the sixth comma insert "section 4 of this Act"

Page 2, replace lines 19 through 31 with:

**"SECTION 3. AMENDMENT.** Section 39-08-23 of the North Dakota Century Code is amended and reenacted as follows:

**39-08-23. Use of a wireless communications device prohibited.**

1. The operator of a motor vehicle that is part of traffic may not use a wireless communications device to compose, read, or send an electronic message.
2. Under this section:
  - a. "Electronic message" means a self-contained piece of digital communication that is designed or intended to be transmitted between physical devices. The term includes electronic mail, a text message, an instant message, a command or request to access a worldwide web page, or other data that uses a commonly recognized electronic communications protocol. The term does not include:
    - (1) Reading, selecting, or entering a telephone number, an extension number, or voice mail retrieval codes and commands into an electronic device for the purpose of initiating or receiving a telephone or cellular phone call or using voice commands to initiate or receive a telephone or cellular phone call;
    - (2) Inputting, selecting, or reading information on a global positioning system device or other navigation system device;
    - (3) Using a device capable of performing multiple functions, such as fleet management systems, dispatching devices, ~~smartphones~~phones, citizen band radios, music players, or similar devices, for a purpose that is not otherwise prohibited;
    - (4) Voice or other data transmitted as a result of making a telephone or cellular phone call; ~~or~~
    - (5) Data transmitted automatically by a wireless communication device without direct initiation by an individual; ~~or~~
    - (6) A wireless communications device used in a voice-activated, voice-operated, or any other hands-free manner.
  - b. "Traffic" means operation of a motor vehicle while in motion or for the purposes of travel on any street or highway and includes a temporary stop or halt of motion, such as at an official traffic-control

signal or sign. The term does not include a motor vehicle that is lawfully parked.

3. This section does not apply if a wireless communications device is used for obtaining emergency assistance to report a traffic accident, medical emergency, or serious traffic hazard or to prevent a crime about to be committed, in the reasonable belief that an individual's life or safety is in immediate danger, or in an authorized emergency vehicle while in the performance of official duties.

**SECTION 4.** A new section to chapter 39-08 of the North Dakota Century Code is created and enacted as follows:

**Failure to maintain control.**

1. An operator of a motor vehicle may not fail to maintain control of that motor vehicle. An individual is in violation of this section if that individual:
  - a. Commits an offense under this title and, at the time of the offense, the individual was engaged in the operation of a motor vehicle while distracted; or
  - b. Is determined to have been the operator of a motor vehicle that was involved in a reportable accident as defined in section 39-08-09 which resulted in property damage and, at the time the reportable accident occurred, the individual was engaged in the operation of a motor vehicle while distracted.
2. An individual may be issued a citation or summons for any other traffic offense that was committed by the individual in relation to the individual's commission of the traffic offense of failure to maintain control of a motor vehicle.
3. As used in this section, "operation of a motor vehicle while distracted" means the operation of a motor vehicle by an individual who, while operating the vehicle, is engaged in an activity that:
  - a. Is not necessary to the operation of the vehicle; and
  - b. Actually impairs, or would reasonably be expected to impair, the ability of the individual to safely operate the vehicle."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HCR 3015: Agriculture Committee (Rep. D. Johnson, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE PLACED ON THE CONSENT CALENDAR** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3015 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "July 27, 2017," with "the fourth Saturday in July of each year"

Page 1, line 14, replace "July 27, 2017," with "the fourth Saturday in July of each year"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HCR 3018: Agriculture Committee (Rep. D. Johnson, Chairman)** recommends **DO NOT PASS** (12 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HCR 3018 was placed on the Eleventh order on the calendar.

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

**Buell J. Reich, Chief Clerk**