

## JOURNAL OF THE HOUSE

## Sixty-seventh Legislative Assembly

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Bismarck, April 22, 2021

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

The prayer was offered by Rep. Mitskog, District 25.

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

A quorum was declared by the Speaker.

## CORRECTION AND REVISION OF THE JOURNAL

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

Page 1806, line 47, replace "59 YEAS, 32 NAYS" with "68 YEAS, 24 NAYS"

Page 1806, line 48, replace "3 ABSENT" with "2 ABSENT"

Page 1806 replace lines 49 through 55 with:

**"YEAS:** Anderson, B.; Anderson, D.; Becker; Bellew; Beltz; Boe; Bosch; Brandenburg; Christensen; Cory; Damschen; Delzer; Devlin; Dockter; Ertelt; Fegley; Hager; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; Mock; Monson; Nathe; Nehring; Nelson, J.; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schobinger; Schreiber-Beck; Stemen; Strinden; Thomas; Toman; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K."

Page 1807, replace lines 2 through 6 with:

**"NAYS:** Adams; Anderson, P.; Boschee; Buffalo; Dobervich; Fisher; Guggisberg; Hager; Hanson; Ista; Keiser; Magrum; Meier; Mitskog; Nelson, M.; O'Brien; Owens; Paulson; Rohr; Schneider; Skroch; Steiner; Trottier; Tveit

**ABSENT AND NOT VOTING:** Kempenich; Ostlie"

**REP. BELLEW MOVED** that the report be adopted, which motion prevailed on a voice vote.

## COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 21, 2021, I have signed the following: HB 1118.

## MOTION

**REP. LOUSER MOVED** that SB 2161, which is on the Seventh order, be laid over one legislative day, which motion prevailed on a voice vote.

## CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. ZUBKE MOVED** that the conference committee report on Engrossed HB 1027 as printed on HJ page 1839 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1027, as amended, was placed on the Eleventh order of business.

## SECOND READING OF HOUSE BILL

**HB 1027:** A BILL for an Act to create and enact five new sections to chapter 15.1-27 of the

North Dakota Century Code, relating to school district transportation aid payments; to amend and reenact section 15.1-31-05 of the North Dakota Century Code, relating to the transportation of open enrollment students; and to provide for a legislative management study.

#### CONFLICT OF INTEREST

**REP. SKROCH STATED** that she had a conflict of interest on Engrossed HB 1027.

#### MOTION

**REP. LOUSER MOVED** that Rep. Skroch be allowed to vote on Engrossed HB 1027, which motion prevailed on a voice vote.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 83 YEAS, 9 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Bellew; Beltz; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Devlin; Dobervich; Dockter; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Headland; Heinert; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Becker; Christensen; Delzer; Ertelt; Hauck; Hoverson; Ruby, D.; Schatz; Toman

**ABSENT AND NOT VOTING:** Boe; Ostlie

Reengrossed HB 1027 passed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. SCHOBINGER MOVED** that the conference committee report on Engrossed SB 2015 as printed on HJ pages 1840-1842 be adopted, which motion prevailed on a voice vote.

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

#### SECOND READING OF SENATE BILL

**SB 2015:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of corrections and rehabilitation; to provide for a report; to provide a statement of legislative intent; to provide for a legislative management study; to provide an exemption; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 86 YEAS, 6 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Beltz; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Delzer; Dobervich; Dockter; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Bellew; Christensen; Devlin; Ertelt; Hoverson; Magrum

**ABSENT AND NOT VOTING:** Boe; Ostlie

Engrossed SB 2015, as amended, passed and the emergency clause was declared carried.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. SANFORD MOVED** that the conference committee report on Engrossed SB 2019 as printed on HJ pages 1842-1844 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2019, as amended, was placed on the Fourteenth order of business.

#### SECOND READING OF SENATE BILL

**SB 2019:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of career and technical education; and to provide a statement of legislative intent.

#### ROLL CALL

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beltz; Bosch; Boschee; Brandenburg; Buffalo; Christensen; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Becker; Bellew; Magrum; Toman

**ABSENT AND NOT VOTING:** Boe; Ostlie

Engrossed SB 2019, as amended, passed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. NATHE MOVED** that the conference committee report on Engrossed HB 1019 as printed on HJ pages 1835-1838 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1019, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF HOUSE BILL

**HB 1019:** A BILL for an Act to provide an appropriation for defraying the expenses of the parks and recreation department; to provide for a transfer; to amend and reenact section 10 of chapter 44 of the 2019 Session Laws, relating to International Peace Garden capital projects; to repeal section 12 of chapter 44 of the 2019 Session Laws, relating to International Peace Garden capital projects; to provide for the conveyance of real property; to provide for a legislative management study; to provide for application; to provide for an exemption; to provide for a report; and to declare an emergency.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 85 YEAS, 8 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien;

Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Becker; Bellew; Christensen; Hoverson; Koppelman, B.; Magrum; Marschall; Toman

**ABSENT AND NOT VOTING:** Ostlie

Reengrossed HB 1019 passed and the emergency clause was declared carried.

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

**SB 2319:** A BILL for an Act to create and enact a new section to chapter 57-51.1 of the North Dakota Century Code, relating to distribution of revenue from wells located outside reservation boundaries; and to provide for application.

### **ROLL CALL**

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beltz; Bosch; Boschee; Brandenburg; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; O'Brien; Owens; Paulson; Paur; Pollert; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Becker; Bellew; Buffalo; Christensen; Koppelman, B.; Magrum; Marschall; Martinson; Nehring; Nelson, M.; Porter; Schatz; Toman

**ABSENT AND NOT VOTING:** Boe; Ostlie

Reengrossed SB 2319, as amended, passed.

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

**REP. HEADLAND MOVED** that the conference committee report on Reengrossed SB 2319 as printed on HJ pages 1846-1847 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2319, as amended, was placed on the Fourteenth order of business.

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

**REP. HEINERT MOVED** that the conference committee report on SB 2144 as printed on HJ pages 1844-1845 be adopted, which motion prevailed on a voice vote.

SB 2144, as amended, was placed on the Fourteenth order of business.

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

**SB 2144:** A BILL for an Act to amend and reenact sections 12.1-22-03 and 20.1-01-17 of the North Dakota Century Code, relating to criminal trespass and electronic posting; and to provide a penalty.

### **ROLL CALL**

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Bellew; Beltz; Bosch;

Boschee; Brandenburg; Christensen; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Buffalo; Hager; Mitskog

**ABSENT AND NOT VOTING:** Boe; Ostlie

SB 2144, as amended, passed.

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

**REP. LOUSER MOVED** that the conference committee report on SB 2247 as printed on HJ pages 1845-1846 be adopted, which motion prevailed on a voice vote.

SB 2247, as amended, was placed on the Fourteenth order of business.

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

**SB 2247:** A BILL for an Act to amend and reenact section 47-10-02.1 of the North Dakota Century Code, relating to property disclosure requirements.

#### **ROLL CALL**

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Bellew; Beltz; Bosch; Boschee; Brandenburg; Buffalo; Christensen; Cory; Damschen; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Delzer

**ABSENT AND NOT VOTING:** Boe; Ostlie

SB 2247, as amended, passed.

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#### **ANNOUNCEMENT**

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

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

#### **COMMUNICATION FROM GOVERNOR DOUG BURGUM**

This is to inform you that on April 21, 2021, I have signed the following: HB 1025, HB 1031, HB 1074, HB 1096, HB 1117, HB 1141, HB 1148, HB 1163, HB 1181, HB 1199, HB 1212, HB 1248, HB 1254, HB 1288, HB 1293, HB 1337, HB 1356, HB 1396, HB 1397, HB 1407, HB 1483, HB 1492, and HB 1502.

**VETO MEASURE**

Pursuant to Article V, Section 9 of the North Dakota Constitution, I have vetoed House Bill 1298 and return it to the House. North Dakota today has a level playing field and fairness in girls' sports. House Bill 1298 purports that this long fairness is in immediate danger. There is no evidence to suggest this is true. North Dakota has fairness in girls' and boys' sports in large part because of the caring and thoughtful leadership of the North Dakota High School Activities Association (NDHSAA) Board and its members. We have every confidence they will continue to ensure a level playing field for the more than 27,000 students who participate in North Dakota high school sports. To date there has not been a single recorded incident of a transgender girl attempting to play on a North Dakota girls' team. Further, the NDHSAA already has regulations in place for participation in sex-separated interscholastic contests by transgender students. These regulations require transgender girls to undergo testosterone suppression treatment for gender transition for a full calendar year before they are eligible to compete in girls' sports. This bill's proposed blanket prohibitions do not extend to students attending tribal or privately funded schools, thereby creating the potential for an unlevel playing field. The most responsive sports governance is the organization closest to the teams and athletes they govern. If a question should arise related to a transgender student and athletic competition, the NDHSAA, parents, child, their health care provider, their school and their coaches are in the best position to manage that unique situation, especially given the child's right to privacy. This bill would unnecessarily inject the state into a local issue by creating a ban with myriad unforeseen consequences. For the reasons stated above, House Bill 1298 is vetoed.

**MOTION**

**REP. LOUSER MOVED** that Enrolled HB 1298 be placed on the Eleventh order of business on the calendar for purpose of overriding the Governor's veto pursuant to Article V Section 9 of the Constitution of North Dakota, which motion prevailed on a voice vote.

**CONSIDERATION OF VETOED MEASURE**

**HB 1298:** AN ACT to create and enact a new section to chapter 14-02.4 of the North Dakota Century Code, relating to participation in athletic events exclusively for males or females; and to provide for a legislative management study.

**ROLL CALL**

The question being on the final passage of the enrolled bill, over the Governor's veto, which has been read, the roll was called and there were 68 YEAS, 25 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Becker; Bellew; Bosch; Brandenburg; Christensen; Cory; Damschen; Delzer; Devlin; Dockter; Ertelt; Fegley; Fisher; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Johnson, D.; Jones; Kading; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Meier; Monson; Nathe; Nehring; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Rohr; Ruby, D.; Ruby, M.; Satrom; Schatz; Schauer; Schmidt; Schobinger; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trotter; Tveit; Vetter; Vigesaa; Weisz; Zubke; Speaker Koppelman, K.

**NAYS:** Adams; Anderson, P.; Beltz; Boe; Boschee; Buffalo; Dobervich; Guggisberg; Hager; Hagert; Hanson; Ista; Johnson, M.; Keiser; Martinson; Mitskog; Mock; Nelson, J.; Nelson, M.; O'Brien; Roers Jones; Sanford; Schneider; Schreiber-Beck; Westlind

**ABSENT AND NOT VOTING:** Ostlie

The House overrode the Governor's veto of HB 1298, as enrolled.

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**VETO MEASURE**

Pursuant to Article V, Section 9 of the North Dakota Constitution, I have vetoed House Bill 1323 and return it to the House. North Dakota law assigns the governor the responsibility "to minimize or avert the adverse effects of a disaster or emergency." Likewise, the state health officer is responsible for issuing "any orders relating to disease control measures deemed necessary to prevent the spread of communicable disease." House Bill 1323 would prohibit a statewide elected official or the state health officer from mandating the use of a face mask, face shield or other face covering. To strip future governors and their state health officers of

any low-cost tool that might be used to save lives and livelihoods in a future pandemic or other emergency would be both irresponsible and an unnecessary risk to the future public health and well-being of North Dakota citizens. North Dakota implemented the shortest statewide mask requirement in the country, lasting 65 days. This tool was used briefly and judiciously, in combination with other protocols, at a time when North Dakota's health care facilities and staff were overwhelmed with patients and pandemic-related deaths of North Dakota citizens were peaking. These measures were followed by dramatic reductions in COVID-19 cases and hospitalizations. The current pandemic has painfully demonstrated that viruses do not respect borders and localized protocols may, at peak times, not be adequate to mitigate infection rates and protect our most vulnerable citizens of all ages. The statewide mask requirement was implemented in November only after officials in North Dakota's largest cities had already enacted local mask measures and they, along with an overwhelming majority of our health care leaders, doctors and medical professionals, were requesting a statewide mask requirement to help relieve the immense pressure on our overtaxed hospitals, long-term care facilities and exhausted frontline health care workers, and to slow the spread of COVID-19 and save lives. The statewide mask requirement was lifted on Jan. 18. This bill removes a tool from the emergency toolkit that may be needed to help our state save lives and nimbly navigate future pandemics and their unknowable challenges. For the reasons stated above, House Bill 1323 is vetoed.

#### MOTION

**REP. LOUSER MOVED** that Enrolled HB 1323 be placed on the Eleventh order of business on the calendar for purpose of overriding the Governor's veto pursuant to Article V Section 9 of the Constitution of North Dakota, which motion prevailed on a voice vote., which motion prevailed on a voice vote.

#### CONSIDERATION OF VETOED MEASURE

**HB 1323:** AN ACT to create and enact a new section to chapter 23-07 of the North Dakota Century Code, relating to limitations on mask wearing requirements.

#### ROLL CALL

The question being on the final passage of the enrolled bill, over the Governor's veto, which has been read, the roll was called and there were 66 YEAS, 27 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Anderson, D.; Becker; Bellew; Bosch; Brandenburg; Christensen; Cory; Damschen; Delzer; Devlin; Dockter; Ertelt; Fegley; Fisher; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Johnson, D.; Jones; Kading; Kasper; Kempenich; Kiefert; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Meier; Monson; Nathe; Nehring; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Rohr; Ruby, D.; Ruby, M.; Satrom; Schatz; Schauer; Schmidt; Schobinger; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Adams; Anderson, P.; Beltz; Boe; Boschee; Buffalo; Dobervich; Guggisberg; Hager; Hagert; Hanson; Ista; Johnson, M.; Karls; Keiser; Klemmin; Martinson; Mitskog; Mock; Nelson, J.; Nelson, M.; O'Brien; Roers Jones; Sanford; Schneider; Schreiber-Beck; Trottier

**ABSENT AND NOT VOTING:** Ostlie

The House overrode the Governor's veto of HB 1323, as enrolled.

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#### MOTION

**REP. LOUSER MOVED** that Enrolled HB 1378 be placed on the Eleventh order of business on the calendar for purpose of overriding the Governor's veto pursuant to Article V Section 9 of the Constitution of North Dakota, which motion prevailed on a voice vote., which motion prevailed on a voice vote.

#### CONSIDERATION OF VETOED MEASURE

**HB 1378:** A BILL for an Act to amend and reenact subsection 1 of section 54-03-02 of the North Dakota Century Code, relating to authority for the legislative assembly to conduct business in December of even-numbered years.

**ROLL CALL**

The question being on the final passage of the enrolled bill, over the Governor's veto, which has been read, the roll was called and there were 32 YEAS, 61 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Anderson, B.; Becker; Bellew; Christensen; Ertelt; Fegley; Hagert; Hatlestad; Hauck; Hoverson; Jones; Kading; Kempenich; Koppelman, B.; Lefor; Longmuir; Louser; Magrum; Marschall; Meier; Owens; Paulson; Richter; Rohr; Ruby, D.; Ruby, M.; Schatz; Skroch; Steiner; Toman; Tveit; Speaker Koppelman, K.

**NAYS:** Adams; Anderson, D.; Anderson, P.; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Fisher; Guggisberg; Hager; Hanson; Headland; Heinert; Howe; Ista; Johnson, D.; Johnson, M.; Karls; Kasper; Keiser; Kiefert; Klemin; Kreidt; Martinson; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Paur; Pollert; Porter; Pyle; Roers Jones; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Stemen; Strinden; Thomas; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke

**ABSENT AND NOT VOTING:** Ostlie

The House sustained the Governor's veto of HB 1378, as enrolled.

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**REPORT OF CONFERENCE COMMITTEE**

**HB 1279, as engrossed:** Your conference committee (Sens. D. Larsen, Fors, Dwyer and Reps. Weisz, Kading, Owens) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1315-1316 and place HB 1279 on the Seventh order.

Engrossed HB 1279 was placed on the Seventh order of business on the calendar.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. WEISZ MOVED** that the conference committee report on Engrossed HB 1279 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1279, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1279:** A BILL for an Act to amend and reenact section 39-06.1-06 of the North Dakota Century Code, relating to the amount of statutory fees; to provide for a legislative management study; and to provide a penalty.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 55 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Adams; Anderson, B.; Anderson, P.; Beltz; Bosch; Boschee; Buffalo; Cory; Dobervich; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Howe; Ista; Johnson, M.; Keiser; Kempenich; Klemin; Mitskog; Mock; Nathe; Nelson, J.; Nelson, M.; O'Brien; Paur; Porter; Pyle; Richter; Roers Jones; Schauer; Schneider; Schreiber-Beck; Thomas; Trottier; Weisz; Zubke

**NAYS:** Anderson, D.; Becker; Bellew; Boe; Brandenburg; Christensen; Damschen; Delzer; Devlin; Dockter; Ertelt; Fegley; Fisher; Hauck; Headland; Heinert; Hoverson; Johnson, D.; Jones; Kading; Karls; Kasper; Kiefert; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Monson; Nehring; Owens; Paulson; Pollert; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Skroch; Steiner; Stemen; Strinden; Toman; Tveit; Vetter; Vigesaa; Westlind; Speaker Koppelman, K.

**ABSENT AND NOT VOTING:** Ostlie

Reengrossed HB 1279 failed.

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**REPORT OF CONFERENCE COMMITTEE**

**HB 1024, as engrossed:** Your conference committee (Sens. Hogue, Rust, Davison and Reps. Howe, Mock, Meier) recommends that the **HOUSE ACCEDE** to the Senate amendments and place HB 1024 on the Seventh order.

Engrossed HB 1024 was placed on the Seventh order of business on the calendar.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. HOWE MOVED** that the conference committee report on Engrossed HB 1024 be adopted, which motion prevailed on a verification vote.

Engrossed HB 1024, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1024:** A BILL for an Act to provide an appropriation for defraying the expenses of the ethics commission.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 66 YEAS, 27 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Headland; Heinert; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Karls; Keiser; Kiefert; Klemin; Kreidt; Longmuir; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Stemen; Strinden; Thomas; Toman; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Becker; Bellew; Christensen; Cory; Delzer; Ertelt; Hauck; Hoverson; Kading; Kasper; Kempenich; Koppelman, B.; Lefor; Louser; Magrum; Marschall; Nehring; Owens; Paulson; Rohr; Ruby, M.; Schatz; Skroch; Steiner; Trotter; Tveit; Vetter

**ABSENT AND NOT VOTING:** Ostlie

Reengrossed HB 1024 passed.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2016.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2016, as engrossed:** Your conference committee (Sens. Davison, Krebsbach, Heckaman and Reps. Schmidt, Sanford, Boe) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1316-1318, adopt amendments as follows, and place SB 2016 on the Seventh order:

That the House recede from its amendments as printed on pages 1316-1318 of the Senate Journal and pages 1430 and 1431 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 2, after "Dakota" insert "; to amend and reenact subsection 4 of section 52-06-01 of the North Dakota Century Code, relating to conditions required to be eligible for unemployment benefits; to provide for a report; to provide for a statement of legislative intent; and to declare an emergency"

Page 1, replace lines 11 through 20 with:

"Salaries and wages	\$30,572,221	(\$1,577,279)	\$28,994,942
Operating expenses	17,840,895	(676,522)	17,164,373
Capital assets	20,000	0	20,000
Grants	6,166,112	2,114,939	8,281,051
Reed Act - unemployment insurance	<u>10,475,114</u>	<u>470,012</u>	<u>10,945,126</u>
computer modernization			
Total all funds	\$65,074,342	\$331,150	\$65,405,492
Less estimated income	<u>64,643,718</u>	<u>351,545</u>	<u>64,995,263</u>
Total general fund	\$430,624	(\$20,395)	\$410,229
Full-time equivalent positions	172.61	(16.00)	156.61"

Page 2, after line 14, insert:

**"SECTION 5. AMENDMENT.** Subsection 4 of section 52-06-01 of the North Dakota Century Code is amended and reenacted as follows:

4. The individual has been unemployed for a waiting period of one week. The executive director may suspend the waiting period during periods of time when federal reimbursement for benefit charges incurred for the suspended waiting period is made available to the bureau. Any suspension of the waiting period applies to all new initial claims filed with an effective date within the time period in which the waiting period is suspended. No week may be counted as a week of unemployment for the purposes of this subsection:
  - a. Unless it occurs within the benefit year which includes the week with respect to which the individual claims payment of benefits;
  - b. If benefits have been paid with respect thereto; and
  - c. Unless the individual was eligible for benefits, with respect thereto as provided in this section and section 52-06-02; and

**SECTION 6. INFORMATION TECHNOLOGY UNIFICATION - LEGISLATIVE INTENT - LEGISLATIVE MANAGEMENT REPORT.** The information technology department may not charge state agencies selected to participate in the 2021-23 biennium information technology unification initiative an amount in excess of the salaries and wages and related operating expenses of any full-time equivalent positions transferred to the information technology department during the 2021-23 biennium. It is the intent of the sixty-seventh legislative assembly that any full-time equivalent positions transferred to the information technology department for the 2021-23 biennium information technology unification initiative be transferred to the agency employing the positions during the 2019-21 biennium, unless the sixty-eighth legislative assembly is presented with sufficient evidence of efficiencies gained and cost-savings realized by the state as a result of the 2021-23 biennium information technology unification initiative. During the 2021-22 interim, the information technology department shall report annually to the legislative management regarding any efficiencies gained and cost-savings realized as a result of the 2021-23 biennium information technology unification initiative.

**SECTION 7. EMERGENCY.** Section 5 of this Act is declared to be an emergency measure."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2016 - Job Service North Dakota - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$30,572,221	\$28,961,152	\$33,790	\$28,994,942	\$31,443,080	(\$2,448,138)
Operating expenses	17,840,895	17,175,297	(10,924)	17,164,373	13,594,397	3,569,976
Capital assets	20,000	20,000		20,000	20,000	
Grants	6,166,112	8,281,051		8,281,051	8,281,051	

Reed Act - Computer modernization	10,475,114	10,945,126		10,945,126	10,945,126	
Total all funds	\$65,074,342	\$65,382,626	\$22,866	\$65,405,492	\$64,283,654	\$1,121,838
Less estimated income	64,643,718	64,972,321	22,942	64,995,263	63,873,425	1,121,838
General fund	\$430,624	\$410,305	(\$76)	\$410,229	\$410,229	\$0
FTE	172.61	156.61	0.00	156.61	172.61	(16.00)

### Department 380 - Job Service North Dakota - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adjusts Funding for IT Unification <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	\$33,790		\$33,790
Operating expenses		(\$10,924)	(10,924)
Capital assets			
Grants			
Reed Act - Computer modernization			
Total all funds	\$33,790	(\$10,924)	\$22,866
Less estimated income	33,866	(10,924)	22,942
General fund	(\$76)	\$0	(\$76)
FTE	0.00	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as provided by the House; however, the amount for salary increases is reduced compared to the House version due to the Conference Committee approving Job Service North Dakota to participate in the information technology (IT) unification initiative. The Senate provided salary adjustments of 2 percent with a minimum monthly increase of \$80 and a maximum monthly increase of \$300 on July 1, 2021, and 2 percent on July 1, 2022.

<sup>2</sup> Funding of \$10,924 is removed to reflect the change in salary increases for FTE positions approved to be transferred to the Information Technology Department (ITD) as part of the IT unification initiative. The Conference Committee approved the transfer of 16 FTE positions to ITD for IT unification, the same as the Senate. The House did not approve IT unification. Of the 16 FTE positions, 5 FTE positions are unfunded.

This amendment also:

- Adds a section to amend North Dakota Century Code Section 52-06-01(4) to allow the executive director of Job Service North Dakota to suspend the unemployment benefit waiting period when federal reimbursement for benefit charges incurred are made available to Job Service North Dakota. This section is declared an emergency measure. The House also included this section.
- Adds a section to provide ITD may not charge state agencies selected to participate in the 2021-23 biennium IT unification initiative an amount in excess of the salaries and wages and related operating expenses of any FTE positions transferred to ITD during the 2021-23 biennium. Legislative intent is provided that any FTE position transferred to ITD for the 2021-23 biennium IT unification initiative be transferred to the agency employing the positions during the 2019-21 biennium, unless the 68th Legislative Assembly is presented with sufficient evidence of efficiencies gained and cost-savings realized by the state as a result of the 2021-23 biennium IT unification initiative. During the 2021-22 interim, ITD is required to report annually to the Legislative Management regarding any efficiencies gained and cost-savings realized as a result of the 2021-23 biennium IT unification initiative. This section was not included in the Senate or House versions.

Engrossed SB 2016 was placed on the Seventh order of business on the calendar.

### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**REP. SCHMIDT MOVED** that the conference committee report on Engrossed SB 2016 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2016, as amended, was placed on the Fourteenth order of business.

## SECOND READING OF SENATE BILL

**SB 2016:** A BILL for an Act to provide an appropriation for defraying the expenses of job service North Dakota; to amend and reenact subsection 4 of section 52-06-01 of the North Dakota Century Code, relating to conditions required to be eligible for unemployment benefits; to provide for a report; to provide for a statement of legislative intent; and to declare an emergency.

## ROLL CALL

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Bellew; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Christensen; Magrum; Nelson, M.

**ABSENT AND NOT VOTING:** Ostlie; Roers Jones

Engrossed SB 2016, as amended, passed and the emergency clause was declared carried.

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## REPORT OF CONFERENCE COMMITTEE

**HB 1035, as engrossed:** Your conference committee (Sens. Larson, Hogue, Bakke and Reps. Meier, Bellew, Kempenich) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1459-1460, adopt amendments as follows, and place HB 1035 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1459 and 1460 of the House Journal and pages 1171 and 1172 of the Senate Journal and that Engrossed House Bill No. 1035 be amended as follows:

Page 1, line 19, after the second semicolon insert "to provide an appropriation; to provide a legislative management report;"

Page 77, line 22, replace "27-02.3-15" with "27-20.3-15"

Page 90, line 23, after "all" insert "less"

Page 92, line 28, remove "in subdivision c"

Page 94, line 10, after "determination" insert "for intellectual or developmental disabilities program management services and a level of care assessment"

Page 94, line 11, remove "of the eligibility determination"

Page 94, line 11, after "court" insert "upon completion. The department of human services shall provide status updates to the court"

Page 94, line 14, after "a" insert "serious and persistent"

Page 94, line 14, replace "health disorder" with "illness"

Page 94, line 15, replace "mental health hospital placement prescreening" with "diagnostic assessment that includes a recommendation for necessary level of care"

Page 94, line 16, replace "twenty-four" with "forty-eight"

Page 94, line 16, replace "and" with ". The person conducting the diagnostic assessment shall file"

Page 94, line 16, remove "must be filed"

Page 124, after line 14, insert:

**"SECTION 46. APPROPRIATION - LEGISLATIVE MANAGEMENT REPORT - LEGAL COUNSEL SERVICES FOR JUVENILES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$325,000, or so much of the sum as may be necessary, to the commission on legal counsel for indigents for the purpose of providing legal counsel for juveniles, for the biennium beginning July 1, 2021, and ending June 30, 2023. During the 2021-22 interim, the commission on legal counsel for indigents shall report to the legislative management by July 1, 2022, regarding:

1. Actual costs incurred to date and expected costs to be incurred for the 2021-23 biennium to provide legal counsel and related services to indigent juveniles;
2. Actual costs incurred to date and expected costs to be incurred for the 2021-23 biennium to provide legal counsel and related services to nonindigent juveniles; and
3. Any amounts collected from those financially able to pay all or part of the cost of providing legal counsel and related services for juveniles."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1035 - Comm. on Legal Counsel for Indigents - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Comm. on Legal Counsel for Indigents			\$325,000	\$325,000	\$450,000	(\$125,000)
Total all funds	\$0	\$0	\$325,000	\$325,000	\$450,000	(\$125,000)
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$325,000	\$325,000	\$450,000	(\$125,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

#### Department 188 - Comm. on Legal Counsel for Indigents - Detail of Conference Committee Changes

	Adds Funding for Legal Counsel for Juveniles <sup>1</sup>	Total Conference Committee Changes
Comm. on Legal Counsel for Indigents	\$325,000	\$325,000
Total all funds	\$325,000	\$325,000
Less estimated income	0	0
General fund	\$325,000	\$325,000
FTE	0.00	0.00

<sup>1</sup> Funding of \$325,000 from the general fund is added for the Commission on Legal Counsel for Indigents to provide legal counsel for juveniles. The House did not provide funding for this purpose. The Senate provided \$450,000 from the general fund. The Conference Committee amendments require the Commission on Legal Counsel for Indigents to provide a report to the Legislative Management by July 1, 2022, regarding costs to provide legal counsel and

related services to juveniles.

Engrossed HB 1035 was placed on the Seventh order of business on the calendar.

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

**REP. MEIER MOVED** that the conference committee report on Engrossed HB 1035 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1035, as amended, was placed on the Eleventh order of business.

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

**HB 1035:** A BILL for an Act to create and enact chapters 27-20.2, 27-20.3, and 27-20.4 of the North Dakota Century Code, relating to the Juvenile Court Act; to amend and reenact subsection 16 of section 11-16-01, section 12.1-32-15, subsections 1 and 3 of section 12.1-41-12, subsection 2 of section 14-02.1-03.1, subsection 2 of section 14-02.1-08, subdivision c of subsection 2 of section 14-07.1-18, section 14-15-11, subsections 1 and 2 of section 15.1-09-33.4, sections 15.1-19-15, 20.1-13.1-01, 20.1-15-01, 26.1-36-20, and 26.1-40-11.1, subsection 2 of section 27-05-30, section 27-20.1-01, paragraph 4 of subdivision n of subsection 2 of section 27-20.1-06, subsection 1 of section 27-20.1-10, subdivision d of subsection 1 of section 27-20.1-11, subsection 3 of section 27-20.1-11, subsection 2 of section 27-20.1-17, section 27-20.1-22, section 27-20.3-05 as created by section 23 of this Act, section 27-20.4-06 as created by section 25 of this Act, subsections 2 and 3 of section 27-21-02, subsection 3 of section 27-21-02.1, section 27-21-09, subsections 2 and 5 of section 27-21-12, section 30.1-27-02, subsection 3 of section 30.1-27-06, section 39-06-32.1, subsection 2 of section 39-20-01, section 39-24.1-01, subsection 5 of section 50-06-05.1, subdivision a of subsection 4 of section 50-06-43.2, subsection 1 of section 50-11.3-01, sections 50-25.1-02 and 50-25.1-06, subsection 4 of section 50-25.1-15, subsection 2 of section 54-12-34, and sections 54-23.4-17 and 62.1-02-01 of the North Dakota Century Code, relating to juvenile justice; to repeal chapter 27-20 and section 27-21-03 of the North Dakota Century Code, relating to the Uniform Juvenile Court Act; to provide a penalty; to provide an appropriation; to provide a legislative management report; and to provide an effective date.

#### **ROLL CALL**

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Cory; Damschen; Delzer; Devlin; Dobervich; Dockter; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Bellew; Christensen; Ertelt; Magrum; Paur

**ABSENT AND NOT VOTING:** Ostlie

Reengrossed HB 1035 passed.

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

**HB 1465, as engrossed:** Your conference committee (Sens. Anderson, Lee, Hogan and Reps. Westlind, Beltz, Devlin) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1513, adopt amendments as follows, and place HB 1465 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1513 and 1514 of the

House Journal and pages 1256 and 1257 of the Senate Journal and that Engrossed House Bill No. 1465 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a legislative management study of health insurance networks."

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

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE NETWORKS.**

1. During the 2021-22 interim, the legislative management shall consider studying health insurance networks, including narrow networks. The study must include:
  - a. Consideration of the use and regulation of broad and narrow networks in the state by individuals and employers, the sales and marketing of broad and narrow networks, opportunities for consumer choice-of-provider, and premium differentials among states with choice-of-provider laws;
  - b. A review of legislative and court history regarding the impact of choice-of-provider laws on exclusive provider organizations and preferred provider organizations and how choice-of-provider laws apply to risk-pooled health plans regulated by the federal Employee Retirement Income Security Act of 1974;
  - c. The impact of the consolidation of the health care market on consumer cash prices, insurance plan deductibles and premiums prices, and consumer options;
  - d. A comparison of health maintenance organizations provider network designs and other health insurer provider network designs;
  - e. A review of how vertical integrated networks utilize HMO plans; and
  - f. A comparison of premiums of health benefit plans offered in the individual and small group markets in relation to the provider network design associated with those plans along with the growth of value-based purchasing.
2. The legislative management shall report its finding and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

Engrossed HB 1465 was placed on the Seventh order of business on the calendar.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**REP. WESTLIND MOVED** that the conference committee report on Engrossed HB 1465 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1465, as amended, was placed on the Eleventh order of business.

**SECOND READING OF HOUSE BILL**

**HB 1465:** A BILL for an Act to provide for a legislative management study of health insurance networks.

**ROLL CALL**

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

**YEAS:** Adams; Anderson, B.; Anderson, D.; Anderson, P.; Becker; Bellew; Beltz; Boe; Bosch; Boschee; Brandenburg; Buffalo; Christensen; Cory; Damschen; Devlin;

Dobervich; Dockter; Ertelt; Fegley; Fisher; Guggisberg; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Hoverson; Howe; Ista; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Kreidt; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nehring; Nelson, J.; Nelson, M.; O'Brien; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Stemen; Strinden; Thomas; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Koppelman, K.

**NAYS:** Delzer; Ruby, D.

**ABSENT AND NOT VOTING:** Ostlie

Reengrossed HB 1465 passed.

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**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1015.

**SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1015**

Page 1, line 3, after the semicolon insert "to provide an appropriation to the department of career and technical education, the department of public instruction, the university of North Dakota, Dickinson state university, the highway patrol, the judicial branch, the department of transportation, and the agriculture commissioner; to create and enact a new section to chapter 10-04 of the North Dakota Century Code, relating to notice filing for certain legacy fund investments;"

Page 1, line 3, after "reenact" insert "subsection 1 of section 10-04-03, a new chapter to title 54, as created by section 3 in House Bill No. 1452, as approved by the sixty-seventh legislative assembly,"

Page 1, line 5, after "to" insert "qualifications of the securities commissioner, the clean sustainable energy authority,"

Page 1, line 11, remove "and"

Page 1, line 11, after "report" insert "; and to declare an emergency"

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$21,903,816	\$23,163	\$21,926,979
Operating expenses	14,937,426	1,375,788	16,313,214
Emergency commission contingency fund	500,000	(100,000)	400,000
Capital assets	767,125	4,767,494	5,534,619
Grants	54,000	(54,000)	0
Guardianship grants	1,950,000	500,000	2,450,000
Prairie public broadcasting	1,200,000	1	1,200,001
Community service supervision grants	350,000	50,000	400,000
State student internship program	0	100,000	100,000
Total all funds	\$41,662,367	\$6,662,446	\$48,324,813
Less estimated income	<u>8,746,515</u>	<u>5,501,898</u>	<u>14,248,413</u>
Total general fund	\$32,915,852	\$1,160,548	\$34,076,400
Full-time equivalent positions	112.00	(4.00)	108.00"

Page 3, line 14, replace "\$8,100,000" with "\$8,200,000"

Page 3, line 18, replace "\$8,100,000" with "\$8,200,000"

Page 3, after line 31, insert:

**"SECTION 5. APPROPRIATION - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - MATCHING FUNDS - ONE-TIME FUNDING.**

1. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$78,000,000, or so much of the sum as may be necessary, to the department of career and technical education for the purpose of a statewide career academy initiative grant program for the period beginning with the effective date of this Act, and ending June 30, 2023. The department of career and technical education shall establish the application process and develop eligibility requirements for the grant program that must include:
  - a. Funding may be used only for career and technical education projects involving construction, addition, maintenance, and equipment for new and existing career academies;
  - b. Grants awarded to each recipient must be at least \$500,000, but may not exceed \$10,000,000;
  - c. Grants may be awarded only to the extent a school district has secured matching funds from nonstate sources on a dollar-for-dollar basis;
  - d. The application period for the grant program begins with the effective date of this Act and ends on June 30, 2022. If funding remains after June 30, 2022, a second application period is available from July 1, 2022, through December 31, 2022. Successful applicants from the first application period are eligible for funding during the second application period. Any funding not committed by December 31, 2022, may not be spent and must be canceled at the end of the 2021-23 biennium in accordance with section 54-44.1-11;
  - e. Preference must be given to school districts that collaborate with other school districts for a regional career academy facility or to school districts to create a new career academy or use an existing career academy to positively affect that region of the state; and
  - f. Preference must be given to school districts that will promote postsecondary education and workforce training education in conjunction with secondary education.
2. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,900,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing a grant to an entity for the development of a children's science center for the period beginning with the effective date of this Act, and ending June 30, 2023.
3. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of reconstruction of the university's apron at the Grand Forks airport for the period beginning with the effective date of this Act, and ending June 30, 2023.
4. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to Dickinson state university for the purpose of a Pulver hall project, a meat processing laboratory remodel, and other projects for the period beginning with the effective date of this Act, and ending June 30, 2023.
5. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of

\$3,000,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of a law enforcement training center remodel project for the period beginning with the effective date of this Act, and ending June 30, 2023.

6. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$500,000, or so much of the sum as may be necessary, to the office of management and budget for the purpose of providing a grant to a medical center located in the county seat of Griggs County for the period beginning with the effective date of this Act, and ending June 30, 2023.
7. There is appropriated from federal funds derived from the federal coronavirus capital projects fund, not otherwise appropriated, the sum of \$157,600, or so much of the sum as may be necessary, to the judicial branch for the purpose of purchasing information technology equipment for the period beginning with the effective date of this Act, and ending June 30, 2023.
8. If the federal government distributes funding derived from the federal coronavirus capital projects fund to the state in more than one funding round, the office of management and budget shall prioritize the amounts received in the first funding round as follows:
  - a. \$21,763,000 to the department of career and technical education;
  - b. \$11,716,400 to the parks and recreation department;
  - c. \$5,900,000 to the department of public instruction;
  - d. \$5,000,000 to the university of North Dakota;
  - e. \$4,200,000 to the state historical society;
  - f. \$4,000,000 to Dickinson state university;
  - g. \$3,000,000 to the highway patrol;
  - h. \$500,000 to the office of management and budget; and
  - i. \$157,600 to the judicial branch.
9. In addition to the amounts appropriated under this section, section 1 of House Bill No. 1019, as approved by the sixty-seventh legislative assembly, includes \$11,716,400 and section 1 of House Bill No. 1018, as approved by the sixty-seventh legislative assembly, includes \$4,200,000 to provide a total of \$112,474,000 from federal funds derived from the federal coronavirus capital projects fund.
10. The funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund. The funding provided under this section is considered a one-time funding item.

**SECTION 6. APPROPRIATION - HIGHWAY FUND - DEPARTMENT OF TRANSPORTATION - ONE-TIME FUNDING - REPORT.**

1. There is appropriated out of any moneys in the highway fund in the state treasury, not otherwise appropriated, the sum of \$21,800,000, or so much of the sum as may be necessary, to the department of transportation for the purpose of distributions to townships for road and bridge infrastructure needs for the biennium beginning July 1, 2021, and ending June 30, 2023, as follows:

- a. The department shall award grants with preference given to grant applications for projects that:
  - (1) Leverage available state, local, or federal funding;
  - (2) Coordinate with state, county, and other township projects;
  - (3) Focus on flood control and infrastructure resilience;
  - (4) Reduce road restrictions, improve mobility, and improve safety;
  - (5) Improve the agricultural economy and goods movement; and
  - (6) Confirm participating townships' ability to maintain the improvements.
- b. The department shall establish an application process that must include the following eligibility requirements:
  - (1) The roadways or bridges associated with the project must provide continuity and connectivity to efficiently integrate and improve paved and unpaved corridors within the township and across township borders;
  - (2) The project must be consistent with applicable township long-range planning;
  - (3) The project must result in the roadway segment meeting an appropriate legal load limit; and
  - (4) The project must comply with the American association of state highway transportation officials pavement and bridge design procedures and standards developed by the department of transportation in conjunction with the local jurisdiction.
2. For approved projects, the department initially shall distribute the portion of the approved grant funding for engineering and plan development costs. Upon execution of a construction contract by the township, the department shall distribute the remainder of the approved funding. Townships shall report to the department upon awarding of each contract and upon completion of each project.
3. Grants may be awarded for construction, engineering, and plan development costs, but may not be used for routine maintenance. Grants awarded may be applied to engineering, design, and construction costs incurred on related projects as of January 1, 2021. Section 54-44.1-11 does not apply to funding under this section and any funds not spent by June 30, 2023, must be continued into the biennium beginning July 1, 2023, and ending June 30, 2025, and may be expended only for the purposes authorized by this section.
4. For the purposes of this section, a "non-oil-producing county" means a county that has received no allocation of funding or a total allocation of funding under subsection 2 of section 57-51-15 of less than \$5,000,000 for the period beginning September 1, 2019, and ending August 31, 2020.
5. The funding provided under this section is considered a one-time funding item and the department shall report to the budget section and to the appropriations committees of the sixty-eighth legislative assembly on the use of this one-time funding, including the amounts awarded and distributed to each township, the amounts spent to date, and the amounts anticipated to be continued into the 2023-25 biennium.

**SECTION 7. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA - ONE-TIME FUNDING.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$4,000,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a space command initiative and related technical programs, including equipment, renovation costs, a sensitive compartmental information facility, and other expenses for the biennium beginning July 1, 2021, and ending June 30, 2023. The funding provided under this section is considered a one-time funding item.

**SECTION 8. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - GRASSLANDS GRAZING GRANT PROGRAM - ONE-TIME FUNDING - MATCHING FUNDS.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$5,000,000, or so much of the sum as may be necessary, to the agriculture commissioner for the purpose of providing grassland grazing grants to an organization representing cooperative grazing associations in the state for the biennium beginning July 1, 2021, and ending June 30, 2023. To be eligible for a grant under this program, an organization must provide one dollar of matching funds from nonstate sources for every four dollars of grant funding. An organization that receives a grant under this program may distribute the funding to cooperative grazing associations for eligible infrastructure projects, which must be located on national grasslands within the state. Eligible infrastructure projects include water development; fencing; conservation initiatives; compliance with federal permitting requirements, including fees for professional services; and other projects to enhance wildlife habitat, capture carbon, or increase the health of grasslands. The agriculture commissioner shall establish additional guidelines for the program. This funding is considered a one-time funding item.

**SECTION 9. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO CULTURAL ENDOWMENT FUND - INTENT.** The office of management and budget shall transfer the sum of \$1,000,000 from the strategic investment and improvements fund to the cultural endowment fund during the biennium beginning July 1, 2021, and ending June 30, 2023. It is the intent of the sixty-seventh legislative assembly that the council on the arts expend up to \$50,000 annually from the cultural endowment fund pursuant to the appropriation authority provided in section 2 of Senate Bill No. 2010 during the 2021-23 biennium for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program. It is further the intent of the legislative assembly that the council on the arts continue to expend \$50,000 annually from the cultural endowment fund for the maintenance of the public arts projects constructed as part of the North Dakota creative placemaking program until the moneys derived from the strategic investment and improvements fund transfer authorized under this section and deposited in the fund have been fully expended.

**SECTION 10. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO HIGHWAY FUND.** The office of management and budget shall transfer the sum of \$10,000,000 from the strategic investment and improvements fund to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 11. TRANSFER - TAX RELIEF FUND TO HIGHWAY FUND.** The office of management and budget shall transfer the sum of \$11,800,000 from the tax relief fund to the highway fund during the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 4, line 2, replace "\$187,385,888" with "\$187,223,092"

Page 4, line 11, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 12, replace "\$2,268,800" with "\$2,168,800"

Page 4, line 14, replace "\$600,000" with "\$500,000"

Page 4, replace line 26 with:

"Statewide memberships and related expenses \$642,089"

Page 5, line 10, remove "and a maximum of \$250"

Page 5, line 11, remove "per month"

Page 5, line 11, replace "each" with "the first"

Page 5, line 11, after "biennium" insert "and are to average 2 percent per eligible employee for the second year of the biennium"

Page 5, line 15, remove "and maximum"

Page 5, after line 26, insert:

**"SECTION 19. AMENDMENT.** Subsection 1 of section 10-04-03 of the North Dakota Century Code is amended and reenacted as follows:

1. The state securities department is under the supervision of a chief officer designated as the securities commissioner. The securities commissioner must be appointed by the governor and confirmed by the senate and shall hold office for a term of four years, beginning on the first day of July following a national presidential election and continuing until a successor has been appointed, confirmed by the senate, and has qualified, unless removed as herein provided. If the senate is not in session, the governor may make an interim appointment, and the interim appointee ~~shall~~may hold office until the senate confirms or rejects the appointment. ~~The commissioner must be skilled in securities and may not be an incumbent of any other public office in the state.~~ The commissioner may not own or control any security required to be registered under this chapter, or any security which is exempt based on the approval of the securities department. The commissioner may not be an officer, director, or employee of any broker-dealer, agent, investment adviser, or investment adviser representative required to be registered under this chapter, or of a federal covered adviser required to be notice-filed under this chapter. The governor may remove from office any commissioner who fails to discharge faithfully the duties of office or who becomes disqualified under the provisions of this section.

It is the prime duty of the commissioner to administer the provisions of this chapter. The commissioner shall receive a salary within the amount appropriated for salaries by the legislative assembly. The commissioner shall use a seal with the words "securities commissioner, North Dakota" and such design as the commissioner may prescribe engraved thereon by which seal the commissioner may authenticate documents used in the administration of this chapter. The commissioner may employ such employees as are necessary for the administration of this chapter. In the absence or disability of the commissioner, the deputy or designee of the commissioner ~~shall~~may administer the provisions of this chapter as acting commissioner.

**SECTION 20.** A new section to chapter 10-04 of the North Dakota Century Code is created and enacted as follows:

**Legacy fund investments - Notice filing.**

1. Within thirty days of completion of the transaction, any issuer of securities in receipt of an investment from the legacy fund under paragraph 3 of subdivision a of subsection 3 of section 21-10-11 or under subdivision b of subsection 3 of section 21-10-11, as created by section 4 of House Bill No. 1425 as approved by the sixty-seventh legislative assembly, shall file electronically a notice on a form prescribed by the commissioner and containing information as required by the commissioner.

2. The notice filing requirement under this section does not exempt the issuer from or supersede any other provision of this chapter.

**SECTION 21. AMENDMENT.** A new chapter to title 54 of the North Dakota Century Code, as created by section 3 of House Bill No. 1452 as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

**Definitions.**

As used in this chapter:

1. "Authority" means the clean sustainable energy authority.
2. "Clean" means a technology or concept that reduces emissions to the air, water, or land and meets or exceeds state and federal environmental regulations.
3. "Commission" means the industrial commission.
4. "Fund" means the clean sustainable energy fund.
5. "Program" means the clean sustainable energy program.
6. "Sustainable" means a technology or concept that allows the use of a natural resource to be maintained or enhanced through increased efficiency and life cycle benefits while either increasing or not adversely impacting energy security, affordability, reliability, resilience, or national security.

**Clean sustainable energy authority - Purpose.**

There is created the clean sustainable energy authority to support research, development, and technological advancements through partnerships and financial support for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery. The purpose of the financial support is to enhance the production of clean sustainable energy, to make the state a world leader in the production of clean sustainable energy, and to diversify and grow the state's economy.

**Clean sustainable energy authority - Membership - Meetings.**

1. The clean sustainable energy authority consists of sixteen members, including eight voting members and eight nonvoting technical advisors.
2. The eight voting members consist of:
  - a. One member appointed by the legislative management to serve as chairman;
  - b. Two members appointed by the lignite research council;
  - c. Two members appointed by the oil and gas research council;
  - d. Two members appointed by the renewable energy council; and
  - e. One member appointed by the western Dakota energy association.
3. The eight nonvoting technical advisors consist of:
  - a. One member appointed by the North Dakota outdoor heritage fund advisory board;
  - b. The commissioner of commerce or the commissioner's designee;

- c. The director of the department of environmental quality or the director's designee;
  - d. The director of mineral resources or the director's designee;
  - e. The director of the North Dakota pipeline authority or the director's designee;
  - f. The director of the North Dakota transmission authority or the director's designee;
  - g. The director of the state energy research center or the director's designee;
  - h. The president of the Bank of North Dakota or the president's designee;
- 4. The term of office for the chairman is two years. The term of office for the other voting members is four years, and the other voting members may not serve more than two consecutive terms. The terms of office for the voting members commence on July first. The initial terms for the voting members of the authority must be staggered following a method determined by the authority.
  - 5. The authority shall meet at least semiannually. The chairman shall call a meeting upon written request from three voting members of the authority. Five voting members is a quorum at any meeting.
  - 6. The authority may not forward a recommendation to the commission unless the recommendation fulfills the purposes of this chapter and is approved by a majority of the voting members of the authority.

**Clean sustainable energy authority - Duties - Report.**

- 1. The authority shall make recommendations to the commission for program guidelines, including eligibility criteria for entities to receive funding under this chapter.
- 2. The nonvoting technical advisors shall develop a process to review and evaluate projects to determine the technical merits and feasibility of any application, including potential benefits of the development of low-emission technology, the expansion of the development of the state's natural resources or energy production, and the contribution to the economic diversity in the state.
- 3. The authority may develop a loan program or a loan guarantee program under the clean sustainable energy fund. The Bank of North Dakota shall administer the loan program or loan guarantee program. The interest rate of a loan under this program may not exceed two percent per year. The maximum term of a loan under this section must be approved by the commission based on a recommendation from the authority. The Bank shall review applications for loans or loan guarantees and shall consider the business plan, financial statements, and other information necessary to evaluate the application. To be eligible for a loan or loan guarantee, an entity shall agree to provide the Bank of North Dakota with information as requested. The Bank of North Dakota may develop policies for loan participation with local financial institutions.
- 4. The authority shall make recommendations to the commission for grant awards, loan approvals, or other financial assistance to provide funding to support research, development, and technological advancements for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery in accordance with this chapter. Any projects, processes, activities, and

technologies selected by the commission for funding must have been recommended by the authority, must demonstrate feasibility based on a technical review conducted by the nonvoting technical advisors of the authority, must have other sources of financial support, and must achieve the priorities and purposes of the program. At the request of the authority, the Bank of North Dakota shall provide a recommendation regarding the economic feasibility of a project, process, activity, or technology under consideration by the authority. The Bank shall review the business plan, financial statements, and other information necessary to provide a recommendation.

5. The authority may consult with any other state agency necessary to carry out the purposes under this chapter.
6. Each biennium, the authority shall provide a written report to the legislative management regarding its activities and the program's financial impact on state revenues and the state's economy.

**Clean sustainable energy program - Powers and duties of the commission.**

1. The commission is granted all the powers necessary to carry out the purposes of this chapter, including the power to:
  - a. Provide grants, loans, or other forms of financial assistance to qualified entities for the research, demonstration, development, and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and use energy sources derived from within the state. Other forms of financial assistance include venture capital investments and interest rate buydowns. The commission must require an entity to provide assurance of financial and other types of support that demonstrate a commitment to the project, process, activity, or technology. The commission may develop policies for the approval of loans or loan guarantees issued from the clean sustainable energy fund.
  - b. Enter into contracts or agreements to carry out the purposes of this chapter, including contracting for the administration of the program.
  - c. Keep accurate records of all financial transactions performed under this chapter.
  - d. Cooperate with any private, local, state, or national organization to make contracts and agreements for programs that advance the mission of the program.
  - e. Accept loan repayments, donations, grants, contributions, or gifts from any public or private source to carry out the purposes of this chapter, which must be deposited in the clean sustainable energy fund.
  - f. Make guidelines necessary to carry out the purposes of this chapter, including guidelines relating to the ownership of intellectual property.
  - g. Borrow from the Bank of North Dakota, as authorized by the legislative assembly, to make loans or loan guarantees under a loan program or loan guarantee program developed by the clean sustainable energy authority.
2. The commission may acquire, purchase, hold, use, lease, license, sell, transfer, or dispose of any interest in an asset necessary for clean sustainable energy technology development to facilitate the production, transportation, distribution, or delivery of clean energy commodities produced in the state as a purchases of last resort.

3. The commission shall provide administrative support to the authority for the operation of the program, including the preparation of forms, review of applications, and ongoing review of any contracts. The commission may contract with a public or private entity to provide technical assistance necessary to implement the purposes of this chapter.
4. The commission is not subject to the reporting requirements under chapter 54-60.1.

**Clean sustainable energy program - Access to records.**

1. To the extent the commission or authority determines the materials or data consist of trade secrets or commercial, financial, or proprietary information of individuals or entities applying to or contracting with the commission or receiving commission services under this chapter, materials and data submitted to, made by, or received by the commission or authority, are not public records subject to section 44-04-18 and section 6 of article XI of the Constitution of North Dakota, and are subject to section 44-04-18.4.
2. A person or entity may file a request with the commission to have material designated as confidential under subsection 1. The request must contain any information required by the commission and must include at least the following:
  - a. A general description of the nature of the information sought to be protected.
  - b. An explanation of why the information derives independent economic value, actual or potential, from not being generally known to other persons.
  - c. An explanation of why the information is not readily ascertainable by proper means of other persons.
  - d. A general description of any person that may obtain economic value from disclosure or use of the information, and how the person may obtain this value.
  - e. A description of the efforts used to maintain the secrecy of the information.
3. Any request under subsection 2 is confidential. The commission shall examine the request and determine whether the information is relevant to the matter at hand and is a trade secret under the definition in section 47-25.1-01 or 44-04-18.4. If the commission determines the information is either not relevant or not a trade secret, the commission shall notify the requester and the requester may ask for the return of the information and the request within ten days of the notice. If no return is sought, the information and request are public record.
4. The names or identities of independent technical reviewers on a project or program are confidential, may not be disclosed by the commission, and are not public records subject to section 44-04-18 or section 6 of article XI of the Constitution of North Dakota.

**Clean sustainable energy fund - Continuing appropriation - Line of credit - Loans - Repayments.**

1. There is created in the state treasury the clean sustainable energy fund. The fund consists of all moneys transferred to the fund by the legislative assembly; loan proceeds; interest upon moneys in the fund; principal and interest payments to the fund; and donations, grants, and other contributions received by the commission for deposit in the fund. All moneys in the fund are appropriated to the commission on a continuing

basis to provide grants, loans, and other financial assistance and for administrative and operating costs of the authority and program pursuant to the provisions under this chapter.

2. Any bond proceeds deposited in the fund must be used for loans or loan guarantees. The Bank of North Dakota shall deposit in the fund all principal and interest paid on the loans made from the fund. The Bank may use a portion of the interest paid on the outstanding loans as a servicing fee to pay for administrative costs, not to exceed one-half of one percent of the amount of the interest payment. The Bank shall contract with a certified public accounting firm to audit the fund annually if the fund has any outstanding loans. The cost of the audit must be paid from the fund.
3. The Bank of North Dakota shall extend a line of credit to the industrial commission to support loans or loan guarantees issued from the clean sustainable energy fund. The line of credit may not exceed two hundred fifty million dollars, and the interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota governmental entities. The industrial commission shall repay the line of credit from moneys available in the clean sustainable energy fund or other funds, as appropriated by the legislative assembly. If the moneys available from the clean sustainable energy fund on June 30, 2025, are not sufficient to repay the line of credit, the industrial commission shall request from the legislative assembly a deficiency appropriation to repay the line of credit.
4. The industrial commission may access the line of credit to the extent needed through June 30, 2025, to provide funding as authorized by the legislative assembly to support loans or loan guarantees issued from the clean sustainable energy fund. Any moneys borrowed from the Bank of North Dakota pursuant to this section must be transferred to the clean sustainable energy fund to support loans or loan guarantees."

Page 12, after line 12, insert:

**"SECTION 34. LEGISLATIVE MANAGEMENT STUDY - STATE EMPLOYEE COMPENSATION.** During the 2021-22 interim, the legislative management shall consider studying the classified state employee compensation system, including a review of the development and determination of pay grades and classifications. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 35. EMERGENCY.** Sections 3 and 5 of this Act and Senate Bill No. 2140, as approved by the sixty-seventh legislative assembly, are declared to be an emergency measure."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1015 - Summary of Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Office of Management and Budget				
Total all funds	\$41,662,367	\$47,361,750	\$1,463,063	\$48,824,813
Less estimated income	8,746,515	14,252,906	495,507	14,748,413
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00
State Treasurer				
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	0	8,100,000	100,000	8,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Judicial Branch				
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	0	0	157,600	157,600
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Public Instruction				
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	0	0	5,900,000	5,900,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
University of North Dakota				
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$4,000,000	\$4,000,000
FTE	0.00	0.00	0.00	0.00
Dickinson State University				
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	0	0	4,000,000	4,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Dept. of Career and Technical Education				
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	0	0	78,000,000	78,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Highway Patrol				
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Agriculture				
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
State Historical Society				
Total all funds	\$0	\$0	\$0	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Parks and Recreation Department				
Total all funds	\$0	\$0	\$0	\$0
Less estimated income	0	0	0	0
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Department of Transportation				
Total all funds	\$0	\$0	\$21,800,000	\$21,800,000
Less estimated income	0	0	21,800,000	21,800,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$41,662,367	\$55,461,750	\$128,420,663	\$183,882,413
Less estimated income	8,746,515	22,352,906	123,453,107	145,806,013
General fund	\$32,915,852	\$33,108,844	\$4,967,556	\$38,076,400
FTE	112.00	112.00	(4.00)	108.00

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

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$21,903,816	\$22,797,003	(\$870,024)	\$21,926,979
Operating expenses	14,937,426	15,430,128	883,086	16,313,214
Capital assets	767,125	5,534,619		5,534,619
Grants	54,000			
Emergency commission contingency fund	500,000	400,000		400,000
Guardianship grants	1,950,000	2,050,000	400,000	2,450,000
Prairie public broadcasting	1,200,000	800,000	400,001	1,200,001
Community service supervision grants	350,000	250,000	150,000	400,000
Student internship program		100,000		100,000
Federal coronavirus capital projects			500,000	500,000
Total all funds	\$41,662,367	\$47,361,750	\$1,463,063	\$48,824,813
Less estimated income	8,746,515	14,252,906	495,507	14,748,413
General fund	\$32,915,852	\$33,108,844	\$967,556	\$34,076,400
FTE	112.00	112.00	(4.00)	108.00

**Department 110 - Office of Management and Budget - Detail of Senate Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Transfers FTE Positions for IT Unification <sup>2</sup>	Adds Funding for Statewide Dues <sup>3</sup>	Adds Funding for Grants <sup>4</sup>	Total Senate Changes
Salaries and wages	(\$23,477)	(\$846,547)			(\$870,024)
Operating expenses		866,061	\$17,025		883,086
Capital assets					
Grants					
Emergency commission contingency fund					
Guardianship grants				\$400,000	400,000
Prairie public broadcasting				400,001	400,001
Community service supervision grants				150,000	150,000
Student internship program					
Federal coronavirus capital projects				500,000	500,000
Total all funds	(\$23,477)	\$19,514	\$17,025	\$1,450,001	\$1,463,063
Less estimated income	(4,493)	0	0	500,000	495,507
General fund	(\$18,984)	\$19,514	\$17,025	\$950,001	\$967,556
FTE	0.00	(4.00)	0.00	0.00	(4.00)

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Four FTE positions are transferred to the Information Technology Department for the IT unification project, reducing salaries and wages by \$846,547 and increasing operating expenses by \$866,061. The House did not include the IT unification project.

<sup>3</sup> Funding of \$17,025 from the general fund is added for increased costs associated with statewide memberships and dues.

<sup>4</sup> Funding of \$1,450,001 is added as follows:

- \$400,000 from the general fund for guardianship grants to provide a total of \$2,450,000. The House provided a total of \$2,050,000.
- \$400,001 from the general fund for Prairie Public Broadcasting to provide a total of \$1,200,001. The House provided a total of \$800,000.
- \$150,000 from the general fund for community service supervision grants to provide a total of \$400,000. The House provided a total of \$250,000.
- \$500,000 from federal funds derived from the federal Coronavirus Capital Projects Fund for a capital project grant to a medical center in Griggs County. The House did not include this funding.

This amendment also:

- Adds a section to appropriate funding from the federal Coronavirus Capital Projects Fund to various agencies for eligible capital projects. The House did not include this section.

- Transfers \$11.8 million from the tax relief fund and \$10 million from the strategic investment and improvements fund to the highway fund for township road and bridge projects. The House did not provide for a transfer to the highway fund.
- Transfers \$1 million from the strategic investment and improvements fund to the cultural endowment fund for arts initiatives. The House did not include this transfer.
- Adjusts the transfer from the tax relief fund to the human service finance fund to provide \$187,223,092. The House provided for a transfer of \$187,385,888.
- Adjusts the funding identified from the Capitol building fund for extraordinary repairs to match the \$500,000 appropriated in Section 1 of the bill. The House appropriated \$500,000 for extraordinary repairs.
- Increases the amount of funding identified for statewide memberships and dues totaling \$642,089. The House provided \$625,064 for statewide memberships and dues.
- Adjusts the compensation guidelines to reflect an average increase of 1.5 percent with a monthly minimum of \$100 in the 1st year of the biennium and an average increase of 2 percent in the 2nd year of the biennium. The House provided an average increase of 1.5 percent with a monthly minimum of \$100 and a monthly maximum of \$200 for both years of the biennium.
- Removes the requirement for the Securities Commissioner to be skilled in securities and removes the restriction that the Securities Commissioner may not hold any other public office. The House did not include this change.
- Requires a notice filing for certain securities held as investments from the legacy fund. The House did not include this requirement.
- Authorizes the Bank of North Dakota to provide a line of credit of up to \$250 million to support loans or loan guarantees under the clean sustainable energy fund. The House did not authorize this line of credit.
- Adds a Legislative Management study of state employee compensation. The House did not include a study of state employee compensation.
- Provides an emergency clause for community service supervision fund grants, federal coronavirus capital projects, and Senate Bill No. 2140, relating to repayments under the professional student exchange program. The House did not include an emergency clause.

#### House Bill No. 1015 - State Treasurer - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Non-oil township grants		\$8,100,000	\$100,000	\$8,200,000
Total all funds	\$0	\$8,100,000	\$100,000	\$8,200,000
Less estimated income	0	8,100,000	100,000	8,200,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

#### Department 120 - State Treasurer - Detail of Senate Changes

	Increases Funding for Grants <sup>1</sup>	Total Senate Changes
Non-oil township grants	\$100,000	\$100,000
Total all funds	\$100,000	\$100,000
Less estimated income	100,000	100,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Funding for grants to non-oil-producing townships is increased by \$100,000 to provide a total of \$8.2 million from the state disaster relief fund.

**House Bill No. 1015 - Judicial Branch - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$157,600	\$157,600
Total all funds	\$0	\$0	\$157,600	\$157,600
Less estimated income	0	0	157,600	157,600
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 180 - Judicial Branch - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$157,600	\$157,600
Total all funds	\$157,600	\$157,600
Less estimated income	157,600	157,600
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$157,600 from the federal Coronavirus Capital Projects Fund is added for information technology equipment. The House did not include this funding.

**House Bill No. 1015 - Department of Public Instruction - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$5,900,000	\$5,900,000
Total all funds	\$0	\$0	\$5,900,000	\$5,900,000
Less estimated income	0	0	5,900,000	5,900,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 201 - Department of Public Instruction - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$5,900,000	\$5,900,000
Total all funds	\$5,900,000	\$5,900,000
Less estimated income	5,900,000	5,900,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$5.9 million from the federal Coronavirus Capital Projects Fund is added for a grant to an entity for the development of a children's science center in Minot. The House did not include this funding.

**House Bill No. 1015 - University of North Dakota - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$5,000,000	\$5,000,000
Space command initiative			4,000,000	4,000,000
Total all funds	\$0	\$0	\$9,000,000	\$9,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$4,000,000	\$4,000,000
FTE	0.00	0.00	0.00	0.00

**Department 230 - University of North Dakota - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$5,000,000	\$5,000,000
Space command initiative	4,000,000	4,000,000
Total all funds	\$9,000,000	\$9,000,000
Less estimated income	5,000,000	5,000,000
General fund	\$4,000,000	\$4,000,000
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$5 million from the federal Coronavirus Capital Projects Fund is added for reconstruction of the University of North Dakota's apron at the Grand Forks airport. One-time funding of \$4 million from the general fund is added for a space command initiative. The House did not include funding for these items.

**House Bill No. 1015 - Dickinson State University - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$4,000,000	\$4,000,000
Total all funds	\$0	\$0	\$4,000,000	\$4,000,000
Less estimated income	0	0	4,000,000	4,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 239 - Dickinson State University - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$4,000,000	\$4,000,000
Total all funds	\$4,000,000	\$4,000,000
Less estimated income	4,000,000	4,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$4 million from the federal Coronavirus Capital Projects Fund is added for a Pulver Hall, meat processing laboratory, and other projects at Dickinson State University. The House did not include this funding.

**House Bill No. 1015 - Dept. of Career and Technical Education - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$78,000,000	\$78,000,000
Total all funds	\$0	\$0	\$78,000,000	\$78,000,000
Less estimated income	0	0	78,000,000	78,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 270 - Dept. of Career and Technical Education - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$78,000,000	\$78,000,000
Total all funds	\$78,000,000	\$78,000,000
Less estimated income	78,000,000	78,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$78 million from the federal Coronavirus Capital Projects Fund is added for a statewide career academy initiative grant program. The House did not include this funding.

**House Bill No. 1015 - Highway Patrol - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Federal coronavirus capital projects			\$3,000,000	\$3,000,000
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 504 - Highway Patrol - Detail of Senate Changes**

	Adds Funding for Capital Projects <sup>1</sup>	Total Senate Changes
Federal coronavirus capital projects	\$3,000,000	\$3,000,000
Total all funds	\$3,000,000	\$3,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$3 million from the federal Coronavirus Capital Projects Fund is added for a law enforcement training center remodel project. The House did not include this funding.

**House Bill No. 1015 - Department of Agriculture - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Grasslands grants			\$5,000,000	\$5,000,000
Total all funds	\$0	\$0	\$5,000,000	\$5,000,000
Less estimated income	0	0	5,000,000	5,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 602 - Department of Agriculture - Detail of Senate Changes**

	Adds Funding for Grasslands Grants <sup>1</sup>	Total Senate Changes
Grasslands grants	\$5,000,000	\$5,000,000
Total all funds	\$5,000,000	\$5,000,000
Less estimated income	5,000,000	5,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$5 million from the strategic investment and improvements fund is added for grassland grazing grants. The House did not include funding for grassland grazing grants.

**House Bill No. 1015 - Department of Transportation - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Township road projects			\$21,800,000	\$21,800,000
Total all funds	\$0	\$0	\$21,800,000	\$21,800,000
Less estimated income	0	0	21,800,000	21,800,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

**Department 801 - Department of Transportation - Detail of Senate Changes**

	Adds Funding for Township Roads <sup>1</sup>	Total Senate Changes
Township road projects	\$21,800,000	\$21,800,000
Total all funds	\$21,800,000	\$21,800,000
Less estimated income	21,800,000	21,800,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$21.8 million from the highway fund is added for township road and bridge projects. The funding is derived from a transfer of \$11.8 million from the tax relief fund and a transfer of \$10 million from the strategic investment and improvements fund.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2018 and SB 2139, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2018:** Sens. Bekkedahl; Holmberg; Heckaman

**SB 2139:** Sens. Burckhard; Bell; Oban

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2245, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2245:** Sens. Krebsbach; Davison; Rust

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1024.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1027.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1035, HB 1465.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2019, SB 2144, SB 2247, SB 2319.

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

**MR. PRESIDENT:** The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1019.

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

**MR. PRESIDENT:** The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2016.

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

**MR. PRESIDENT:** The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2015.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently failed to pass: HB 1279.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1027.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1019.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1020.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2015, SB 2019, SB 2144, SB 2247, SB 2319.

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

**MR. SPEAKER:** The President has signed: HB 1020.

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

**MR. PRESIDENT:** The Speaker has signed: HB 1017, HB 1032, HB 1162, HB 1164, HB 1183, HB 1247, HB 1418, HB 1475, HB 1493.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2003, SB 2013, SB 2026, SB 2074, SB 2089, SB 2212, SB 2244, SB 2271, SB 2304, SB 2311, SB 2332, SCR 4014, SCR 4016.

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

**MR. SPEAKER:** The President has signed: SB 2003, SB 2013, SB 2026, SB 2074, SB 2089, SB 2212, SB 2244, SB 2271, SB 2304, SB 2311, SB 2332.

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

**MR. SPEAKER:** The President has signed: SCR 4014, SCR 4016.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 22, 2021: HB 1017, HB 1032, HB 1162, HB 1164, HB 1183, HB 1247, HB 1418, HB 1475, HB 1493.

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

**MR. PRESIDENT:** The House has overridden the Governor's veto on HB 1298. The vote was 68 YEAS, 25 NAYS, 1 ABSENT AND NOT VOTING, and your favorable consideration is requested.

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

**MR. PRESIDENT:** The House has overridden the Governor's veto on HB 1323. The vote was 66 YEAS, 27 NAYS, 1 ABSENT AND NOT VOTING, and your favorable consideration is requested.

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

**MR. PRESIDENT:** The House has sustained the Governor's veto on HB 1378. The vote was 32 YEAS, 61 NAYS, 1 ABSENT AND NOT VOTING.

**MOTION**

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

**MOTION**

**REP. LOUSER MOVED** that the House be on the Fourth, Fifth, Seventh, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Friday, April 23, 2021, which motion prevailed on a voice vote.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1006, as engrossed:** Your conference committee (Sens. Wanzek, Bekkedahl, Rust and Reps. Howe, Bellew, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1418-1421, adopt amendments as follows, and place HB 1006 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1418-1421 of the House Journal and pages 1104-1107 of the Senate Journal and that Engrossed House Bill No. 1006 be amended as follows:

Page 1, replace lines 16 through 24 with:

"Salaries and wages	\$22,867,956	(\$273,760)	\$22,594,196
Operating expenses	7,112,460	353,660	7,466,120
Capital assets	6,000	0	6,000
Homestead tax credit	15,800,000	2,200,000	18,000,000
Disabled veterans' tax credit	<u>8,410,200</u>	<u>7,889,800</u>	<u>16,300,000</u>
Total all funds	\$54,196,616	\$10,169,700	\$64,366,316
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$54,071,616	\$10,169,700	\$64,241,316
Full-time equivalent positions	123.00	(5.00)	118.00"

Page 2, after line 12, insert:

**"SECTION 4. STATEWIDE LITIGATION FUNDING POOL - PAYMENT OF TAX COMMISSIONER LITIGATION-RELATED EXPENSES.** The tax commissioner may submit litigation-related expenses to the attorney general which the attorney general shall pay from the statewide litigation funding pool for litigation expenses incurred by the tax commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 2, line 18, replace "twenty-three" with "twenty-four"

Page 2, line 18, replace "six" with "two"

Page 2, line 18, replace "forty-one" with "fifty"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1006 - State Tax Commissioner - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$22,867,956	\$22,342,802	\$251,394	\$22,594,196	\$22,841,932	(\$247,736)
Operating expenses	7,112,460	7,466,120		7,466,120	7,466,120	
Capital assets	6,000	6,000		6,000	6,000	
Homestead tax credit	15,800,000	18,000,000		18,000,000	18,000,000	
Disabled veterans' credit	<u>8,410,200</u>	<u>14,000,000</u>	<u>2,300,000</u>	<u>16,300,000</u>	<u>16,300,000</u>	
Total all funds	\$54,196,616	\$61,814,922	\$2,551,394	\$64,366,316	\$64,614,052	(\$247,736)
Less estimated income	<u>125,000</u>	<u>125,000</u>	<u>0</u>	<u>125,000</u>	<u>125,000</u>	<u>0</u>
General fund	\$54,071,616	\$61,689,922	\$2,551,394	\$64,241,316	\$64,489,052	(\$247,736)
FTE	123.00	118.00	0.00	118.00	118.00	0.00

#### Department 127 - State Tax Commissioner - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for Salaries and Wages <sup>2</sup>	Increases Funding for Tax Credit Programs <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$3,657	\$247,737		\$251,394
Operating expenses				
Capital assets				
Homestead tax credit				
Disabled veterans' credit			\$2,300,000	2,300,000
Total all funds	\$3,657	\$247,737	\$2,300,000	\$2,551,394
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$3,657	\$247,737	\$2,300,000	\$2,551,394
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate.

The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Funding of \$247,737 from the general fund is added for salaries and wages to provide total anticipated savings of \$1,074,505 related to vacant positions and employee turnover. The Senate anticipated salaries and wages savings relating to vacant positions and employee turnover of \$826,769. The House anticipated salaries and wages savings of \$1,322,242 from vacant positions and employee turnover.

<sup>3</sup> Funding of \$2.3 million from the general fund is added for the disabled veterans' tax credit related to the expansion of the credit in Senate Bill No. 2213, the same as the Senate. The House did not include this increase.

This amendment also:

- Provides the statutory changes to increase the Tax Commissioner's salary, the same as the Senate. The Tax Commissioner's annual salary would increase from the current level of \$120,014 to \$121,814, effective July 1, 2021, and to \$124,250, effective July 1, 2022, to reflect the 1.5 percent and 2 percent salary increase respectively. The House provided for a 1.5 percent annual salary increase.
- Directs the Attorney General to pay litigation-related expenses from the statewide litigation funding pool on behalf of the Tax Commissioner, the same as the Senate. The House did not include this section.
- Removes a section added by the Senate to exclude the sale or exchange of farm machinery as gross income from farming activities for determining eligibility for a farming-related property tax exemption and removes the effective date related to the property tax exemption.

Engrossed HB 1006 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1021, as engrossed:** Your conference committee (Sens. Hogue, Oehlke, Heckaman and Reps. Nathe, Schatz, Boe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1461-1462, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1461 and 1462 of the House Journal and page 1132 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, replace lines 10 through 13 with:

"Workforce safety and insurance operations	<u>\$60,887,842</u>	<u>\$12,299,086</u>	<u>\$73,186,928</u>
Total special funds	\$60,887,842	\$12,299,086	\$73,186,928
Full-time equivalent positions	260.14	0.00	260.14"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

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

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
WSI operations	\$60,887,842	\$73,159,652	\$27,276	\$73,186,928	\$73,186,928	
Total all funds	\$60,887,842	\$73,159,652	\$27,276	\$73,186,928	\$73,186,928	\$0
Less estimated income	60,887,842	73,159,652	27,276	73,186,928	73,186,928	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	260.14	260.14	0.00	260.14	248.14	12.00

## Department 485 - Workforce Safety and Insurance - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Total Conference Committee Changes
WSI operations	\$27,276	\$27,276
Total all funds	\$27,276	\$27,276
Less estimated income	27,276	27,276
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

The conference committee did not transfer 12 FTE positions to the Information Technology Department for the information technology unification initiative. The Senate transferred the positions. The House did not.

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

### REPORT OF STANDING COMMITTEE

**SB 2046, as engrossed: Government and Veterans Affairs Committee (Rep. Kasper, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (10 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2046 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 6-09.4, a new section to chapter 21-10, sections 54-52-02.15, 54-52-02.16, and 54-52.6-02.1, and a new section to chapter 57-38 of the North Dakota Century Code, relating to a legacy sinking and interest fund, a legacy earnings fund, the public employees retirement system main system, membership in the public employees retirement system defined contribution plan, and an income tax relief fund; to amend and reenact section 21-10-12, subsection 4 of section 54-52-01, section 54-52-02.5, subsection 1 of section 54-52-02.9, section 54-52-02.9, subsection 2 of section 54-52-05, subsection 1 of section 54-52-06, and sections 54-52.6-01, 54-52.6-02, and 54-52.6-03 of the North Dakota Century Code, relating to legacy fund definitions and the public employees retirement system retirement plans; to provide for a legislative management study; to provide an appropriation; to provide for a transfer; to provide a statement of legislative intent; to provide for application; to provide an effective date; and to declare an emergency.

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

**SECTION 1.** A new section to chapter 6-09.4 of the North Dakota Century Code is created and enacted as follows:

#### Legacy sinking and interest fund - Debt service requirements - Public finance authority.

There is created in the state treasury the legacy sinking and interest fund. The fund consists of all moneys deposited in the fund under section 3 of this Act. Moneys in the fund may be spent by the public finance authority pursuant to legislative appropriations to meet the debt service requirements for evidences of indebtedness issued by the authority for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs and the clean sustainable energy fund. Any moneys in the fund in excess of the amounts appropriated from the fund to meet the debt service requirements for a biennium may be appropriated by the legislative assembly for other purposes.

**SECTION 2. AMENDMENT.** Section 21-10-12 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-12. Legacy fund –~~Earnings defined~~definitions.**

For the purposes of section 26 of article X of the Constitution of North Dakota, ~~the term "earnings":~~

1. "Earnings" means net income in accordance with generally accepted accounting principles, excluding any unrealized gains or losses.
2. "Principal" means all moneys in the legacy fund not included in earnings as defined under subsection 1.

**SECTION 3.** A new section to chapter 21-10 of the North Dakota Century Code is created and enacted as follows:

**Legacy earnings fund - State treasurer - Transfers.**

1. There is created in the state treasury the legacy earnings fund. The fund consists of all moneys transferred to the fund under subsection 2 and all interest and earnings upon moneys in the fund.
2. Any legacy fund earnings transferred to the general fund at the end of each biennium in accordance with section 26 of article X of the Constitution of North Dakota must be immediately transferred by the state treasurer to the legacy earnings fund.
3. For each biennium subsequent to the biennium in which the legacy fund earnings are transferred under subsection 2, the amount available for appropriation from the legacy earnings fund is six percent of the five-year average value of the legacy fund assets as reported by the state investment board. The average value of the legacy fund assets must be calculated using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even-numbered fiscal year.
4. On July first of each odd-numbered year, from the amount available for appropriation or transfer from the legacy earnings fund for the biennium, the state treasurer shall transfer funding in the following order:
  - a. The first one hundred million dollars to the legacy sinking and interest fund under section 1 of this Act.
  - b. The next forty million dollars to the clean sustainable energy fund.
  - c. The next forty million dollars to the public employees retirement system main system plan under chapter 54-52, but only if the public employees retirement system main system plan's actuarial funded ratio as reported for the most recently completed even-numbered fiscal year is less than ninety percent. If the public employees retirement system main system plan's actuarial funded ratio is ninety percent or more and then subsequently decreases below ninety percent, the state treasurer may not resume the transfers under this subdivision unless the main system plan's actuarial funded ratio is less than seventy percent.
  - d. Any remaining funds for other purposes as designated by the legislative assembly.
5. If the amounts transferred under subsection 2 exceed the amount available for appropriation under subsection 3, the state treasurer shall transfer the excess, within thirty days, as follows:
  - a. Forty percent to the strategic investment and improvements fund to be used in accordance with the provisions of section 15-08.1-08;
  - b. Forty percent to the legacy fund to become part of the principal; and

- c. Twenty percent to the income tax relief fund under section 12 of this Act.

**SECTION 4. AMENDMENT.** Subsection 4 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

4. "Eligible employee" means all permanent employees who are participating members before January 1, 2023, and who meet all of the eligibility requirements set by this chapter and who are eighteen years or more of age, and includes appointive and elective officials under sections 54-52-02.5, 54-52-02.11, and 54-52-02.12 who are participating members before January 1, 2023, and nonteaching employees of the superintendent of public instruction, including the superintendent of public instruction, who ~~elect~~elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.13, and employees of the state board for career and technical education who ~~elect~~elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.14. Eligible employee does not include ~~nonclassified-state employees who elect to become members of the retirement plan established under chapter 54-52.6~~are first employed after December 31, 2022, and are not participating members, but does include employees of the judicial branch supreme court judges and district court judges, employees eligible to participate in a law enforcement retirement plan, employees of a participating political subdivision, and employees of the board of higher education and state institutions under the jurisdiction of the board who are not participating in the teachers' insurance and annuity association of America - college retirement equities fund retirement plan.

**SECTION 5. AMENDMENT.** Section 54-52-02.5 of the North Dakota Century Code is amended and reenacted as follows:

**54-52-02.5. Newly elected and appointed state officials.**

After December 31, 1999, ~~a person~~and before January 1, 2023, an individual elected or appointed to a state office for the first time must, from and after the date that ~~person~~individual qualifies and takes office, be a participating member of the public employees retirement system unless that ~~person~~individual makes an election at any time during the first six months after the date the person takes office to participate in the retirement plan established under chapter 54-52.6. After December 31, 2022, an individual elected or appointed to a state office, from and after the date the individual qualifies and takes office, must be a participating member of the retirement plan established under chapter 54-52.6 unless the individual is a participating member under this chapter. As used in this section, the phrase "for the first time" means ~~a person~~an individual appointed, who, after December 31, 1999, does not hold office as an appointed official at the time of that ~~person's~~individual's appointment.

**SECTION 6. AMENDMENT.** Subsection 1 of section 54-52-02.9 of the North Dakota Century Code is amended and reenacted as follows:

1. Within one hundred eighty days of beginning employment, a temporary employee may elect to participate in the public employees retirement system and receive credit for service after enrollment.
  - a. Monthly, the state temporary employee shall pay to the fund an amount equal to ~~eight~~twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2012, ~~and with an additional two percent increase, beginning with the reporting period of January 2013, and with an additional increase of two~~

percent, beginning with the monthly reporting period of January 2014.

- b. Monthly, the political subdivision temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014 and with an additional one percent increase beginning with the reporting period of January 2022.

**SECTION 7. AMENDMENT.** Section 54-52-02.9 of the North Dakota Century Code is amended and reenacted as follows:

**54-52-02.9. Participation by temporary employees.**

1. Before January 1, 2023, within one hundred eighty days of beginning employment, a state temporary employee may elect to participate in the public employees retirement system under this chapter and receive credit for service after enrollment. Within one hundred eighty days of beginning employment, a participating political subdivision temporary employee may elect to participate in the public employees retirement system under this chapter and receive credit for service after enrollment.
  - a. Monthly, the state temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014.
  - b. Monthly, the political subdivision temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014 and with an additional one percent increase beginning with the reporting period of January 2022.
2. If the temporary employee first enrolled:
  - a. Before January 1, 2020, in addition the temporary employee shall pay the required monthly contribution to the retiree health benefit fund established under section 54-52.1-03.2. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2.
  - b. After December 31, 2019, the temporary employee shall pay to the fund an additional amount equal to one and fourteen hundredths percent times the temporary employee's present monthly salary.
3. An employer may not pay the temporary employee's contributions. A temporary employee who is a participating member before January 1, 2023, may continue to participate as a temporary employee in the public employees retirement system until termination of employment or reclassification of the temporary employee as a permanent employee. A temporary employee may not purchase any additional credit, including additional credit under section 54-52-17.4 or past service under section 54-52-02.6.

**SECTION 8.** Section 54-52-02.15 of the North Dakota Century Code is created and enacted as follows:

**54-52-02.15. Public employees retirement system main system - Political subdivisions - Legislative management.**

1. Effective July 1, 2021, the board shall maintain a plan for political subdivisions that participate in the public employees retirement system main system which is separate from the main plan maintained for the state.
2. During the 2021-22 interim, the legislative management, in consultation with the public employees retirement system, shall prepare for submission to the sixty-eighth legislative assembly legislation to statutorily separate the plan for political subdivisions that participate so the plan funds are not held in trust with the other plans in the public employees retirement system main system.

**SECTION 9.** Section 54-52-02.16 of the North Dakota Century Code is created and enacted as follows:

**Public employees retirement system main system - State employees.**

Effective January 1, 2023, the public employees retirement system main plan maintained for the state is closed to new participating members. This section does not impact the main plan maintained for participating political subdivisions, law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or teachers' insurance and annuity association of America - college retirement equities fund retirement plan.

**SECTION 10. AMENDMENT.** Subsection 2 of section 54-52-05 of the North Dakota Century Code is amended and reenacted as follows:

2. Each participating member must be assessed and required to pay monthly ~~four~~six percent of the monthly salary or wage paid to the member, and such assessment must be deducted and retained out of such salary in equal monthly installments commencing with the first month of employment. ~~Member~~
  - a. State participating member contributions increase by one percent of the monthly salary or wage paid to the member beginning with the monthly reporting period of January 2012, and with an additional increase of one percent, beginning with the monthly reporting period of January 2013, and with an additional increase of one percent, beginning with the monthly reporting period of January 2014.
  - b. Political subdivision participating member contributions increase by one percent of the monthly salary or wage paid to the member beginning with the monthly reporting period of January 2014 and with an additional increase of one-half of one percent beginning with the monthly reporting period of January 2022.

**SECTION 11. AMENDMENT.** Subsection 1 of section 54-52-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Each governmental unit shall contribute an amount equal to ~~four~~six and twelve-hundredths percent of the monthly salary or wage of a participating member. ~~Governmental~~
  - a. State governmental unit contributions increase by one percent of the monthly salary or wage of a participating member beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; and with an additional increase of one percent, beginning with the monthly reporting period of January 2014.
  - b. Political subdivision governmental unit contributions increase by one percent of the monthly salary or wage of a participating member

beginning with the monthly reporting period of January 2014 and with an additional increase of one-half of one percent beginning with the monthly reporting period of January 2022.

- c. For a participating member who first enrolls after December 31, 2019, the governmental unit shall contribute an additional amount equal to one and fourteen-hundredths percent of the monthly salary or wage of the participating member.

**SECTION 12. AMENDMENT.** Section 54-52.6-01 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-01. Definition of terms.**

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

1. "Board" means the public employees retirement system board.
2. "Deferred member" means a person who elected to receive deferred vested retirement benefits under chapter 54-52.
3. "Eligible employee" means a permanent state employee, ~~except an employee of the judicial branch or an employee of the board of higher education and state institutions under the jurisdiction of the board, who is eighteen years or more of age and who is in a position not classified by North Dakota human resource management services.~~ If a participating member loses permanent employee status and becomes a temporary employee, the member may still participate in the defined contribution retirement plan. The term does not include a supreme court judge or a district court judge, an employee eligible to participate in a law enforcement retirement plan, an employee of a political subdivision, or an employee of the board of higher education and state institutions under the jurisdiction of the board of higher education who is participating in the teachers' insurance and annuity association of America - college retirement equities fund retirement plan.
4. "Employee" means any person employed by the state, whose compensation is paid out of state funds, or funds controlled or administered by the state or paid by the federal government through any of its executive or administrative officials.
5. "Employer" means the state of North Dakota.
6. "Participating member" means an eligible employee who ~~elects to participate~~ participates in the defined contribution retirement plan established under this chapter.
7. "Permanent employee" means a state employee whose services are not limited in duration and who is filling an approved and regularly funded position and is employed twenty hours or more per week and at least five months each year.
8. "Temporary employee" means a state employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored pension fund.
9. "Wages" and "salaries" means earnings in eligible employment under this chapter reported as salary on a federal income tax withholding statement plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement, incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability

insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between an employee and a participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board.

**SECTION 13. AMENDMENT.** Section 54-52.6-02 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-02. Election.**

1. The board shall provide an opportunity for each eligible employee who is first employed before January 1, 2023, and who is a member of the public employees retirement system on September 30, 2001, and who has not made a written election under this section June 30, 2023, to transfer to the defined contribution retirement plan before October 1, 2001, to elect by electing in writing to terminate membership in the public employees retirement system and elect to become a participating member under this chapter. Except as provided in section 54-52.6-03, an election made by an eligible employee under this section is irrevocable. The board shall accept written elections under this section from eligible employees during the period beginning on July 1, 1999, and ending 12:01 a.m. December 14, 2001. An eligible employee who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. An eligible employee who makes and files a written election transfers to the defined contribution plan under this section ceases to be a member of the public employees retirement system effective twelve midnight December 31, 2001; and becomes a participating member in the defined contribution retirement plan under this chapter effective 12:01 a.m. January 1, 2002; and waives all of that person's rights to a pension, annuity, retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective December 31, 2001. This section does not affect a person's right to health benefits or retiree health benefits under chapter 54-52.1. An eligible employee who is first employed and entered upon the payroll of that person's employer after September 30, 2001, may make an election to participate in the defined contribution retirement plan established under this chapter at any time during the first six months after the date of employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend beyond the original six month decision window period beginning July 3, 2023, and ending 5:00 p.m. December 29, 2023.
2. If an individual who is a deferred member of the public employees retirement system on ~~September 30, 2001~~ December 31, 2022, is re-employed and by virtue of that employment is again eligible for membership in the public employees retirement system under chapter 54-52, the individual may elect in writing to remain a member of the public employees retirement system or if eligible to participate in the defined contribution retirement plan established under this chapter to terminate membership in the public employees retirement system and become a participating member in the defined contribution retirement plan established under this chapter. An election made by a deferred member under this section is irrevocable. The board shall accept written elections under this section from a deferred member during the period beginning on the date of the individual's re-employment and ending upon the expiration of six months after the date of that re-employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend

- beyond the original six-month decision window. A deferred member who makes and files a written election to remain a member of the public employees retirement system retains all rights and is subject to all conditions as a member of that retirement system. A deferred member who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. A deferred member who makes and files a written election to terminate membership in the public employees retirement system ceases to be a member of the public employees retirement system effective on the last day of the payroll period that includes the date of the election; becomes a participating member in the defined contribution retirement plan under this chapter effective the first day of the payroll immediately following the date of the election; and waives all of that person's rights to a pension, an annuity, a retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective the last day of the payroll that includes the date of the election. This section does not affect any right to health benefits or retiree health benefits to which the deferred member may otherwise be entitled.
3. An eligible employee who elects to participate in the retirement plan established under this chapter must remain a participant even if that employee returns to the classified service or becomes employed by a political subdivision that participates in the public employees retirement system. The contribution amount must be as provided in this chapter, regardless of the position in which the employee is employed. Notwithstanding the irrevocability provisions of this chapter, if a member who elects to participate in the retirement plan established under this chapter becomes a supreme or district court judge, becomes a member of the highway patrol, becomes employed in a position subject to teachers' fund for retirement membership, or becomes an employee of the board of higher education or state institution under the jurisdiction of the board who is eligible to participate in an alternative retirement program established under subsection 6 of section 15-10-17, the member's status as a member of the defined contribution retirement plan is suspended, and the member becomes a new member of the retirement plan for which that member's new position is eligible. The member's account balance remains in the defined contribution retirement plan, but no new contributions may be made to that account. The member's service credit and salary history that were forfeited as a result of the member's transfer to the defined contribution retirement plan remain forfeited, and service credit accumulation in the new retirement plan begins from the first day of employment in the new position. If the member later returns to employment that is eligible for the defined contribution plan, the member's suspension must be terminated, the member again becomes a member of the defined contribution retirement plan, and the member's account resumes accepting contributions. At the member's option, and pursuant to rules adopted by the board, the member may transfer any available balance as determined by the provisions of the alternate retirement plan into the member's account under this chapter.
  4. After consultation with its actuary, the board shall determine the method by which a participating member or deferred member may make a written election under this section. If the participating member or deferred member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the board may waive this requirement if the spouse's signature cannot be obtained because of extenuating circumstances.
  5. If the board receives notification from the internal revenue service that this section or any portion of this section will cause the public employees retirement system or the retirement plan established under this chapter to be disqualified for tax purposes under the Internal Revenue Code, then the portion that will cause the disqualification does not apply.

6. A participating member who becomes a temporary employee may still participate in the defined contribution retirement plan upon filing an election with the board within one hundred eighty days of transferring to temporary employee status. The participating member may not become a member of the defined benefit plan as a temporary employee. The temporary employee electing to participate in the defined contribution retirement plan shall pay monthly to the fund an amount equal to eight and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2012, and with an additional increase of two percent, beginning with the monthly reporting period of January 2013, and with an additional increase of two percent, beginning with the monthly reporting period of January 2014. The temporary employee shall also pay the required monthly contribution to the retiree health benefit fund established under section 54-52.1-03.2. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2. An employer may not pay the temporary employee's contributions. A temporary employee may continue to participate as a temporary employee until termination of employment or reclassification of the temporary employee as a permanent employee.
7. A former participating member who has accepted a retirement distribution pursuant to section 54-52.6-13 and who subsequently becomes employed by an entity different from the employer with which the member was employed at the time the member retired but which does participate in any state-sponsored retirement plan may, before re-enrolling in the defined contribution retirement plan, elect to permanently waive future participation in the defined contribution retirement plan, whatever plan in which the new employing entity participates, and the retiree health program and maintain that member's retirement status. Neither the member nor the employer are required to make any future retirement contributions on behalf of that employee.

**SECTION 14.** Section 54-52.6-02.1 of the North Dakota Century Code is created and enacted as follows:

**54-52.6-02.1. Membership.**

1. Except as otherwise provided, all eligible employees who are not participating in the public employees retirement system under chapter 54-52 are participating members. This subsection does not impact the public employees retirement system main plan maintained for participating political subdivisions, law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or teachers' insurance and annuity association of America - college retirement equities fund retirement plan.
2. Effective January 1, 2023, a temporary employee may elect, within one hundred eighty days of beginning employment, to participate in the defined contribution plan under this chapter. The temporary employee electing to participate in the defined contribution retirement plan shall pay monthly to the fund an amount equal to fourteen and twelve-hundredths percent. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2. An employer may not pay the temporary employee's contributions. A temporary employee may continue to participate as a temporary employee in the public employees retirement system until termination of employment.

**SECTION 15. AMENDMENT.** Section 54-52.6-03 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-03. Transfer of accumulated fund balances.**

For an individual who elects to terminate membership in the public employees retirement system under chapter 54-52, the board shall transfer a lump sum amount from the retirement fund to the participating member's account in the defined contribution retirement plan under this chapter. However, if the individual terminates employment prior to receiving the lump sum transfer under this section, the election made under section 54-52.6-02 is ineffective and the individual remains a member of the public employees retirement system under chapter 54-52 and retains all the rights and benefits provided under that chapter. The board shall calculate the amount to be transferred for persons employed before October 1, 2001, using the two following formulas, and shall transfer the greater of the two amounts obtained:

1. ~~The~~For a vested or a nonvested individual, an estimate of the actuarial present value of the individual's accumulated benefit obligation under the public employees retirement system based on the assumption that the individual will retire under the earliest applicable normal retirement age, plus interest from January 1, 2001~~2004~~, to the date of transfer, at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election; or
2. ~~The~~For a nonvested individual, an estimate of the actual employer contribution made, less vested employer contributions made pursuant to section 54-52-11.1, plus compound interest at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election plus the employee account balance.

~~The board shall calculate the amount to be transferred for persons employed after September 30, 2001, using only the formula contained in subsection 2.~~

**SECTION 16.** A new section to chapter 57-38 of the North Dakota Century Code is created and enacted as follows:

**Income tax relief fund.**

There is created in the state treasury the income tax relief fund. The fund consists of all moneys deposited in the fund under section 3 of this Act. Moneys in the fund may be spent pursuant to legislative appropriations for individual and corporate income tax relief.

**SECTION 17. PUBLIC EMPLOYEES RETIREMENT SYSTEM - ESTIMATE OF ACCUMULATED BALANCE TRANSFER.** For the period beginning January 2, 2023, and ending December 29, 2023, upon the request of an individual who is eligible for termination of membership in the public employees retirement system under chapter 54-52 as provided for in subsection 1 of section 54-52.6-02, the public employees retirement system shall estimate the individual's accumulated balance transfer amount by calculating the actuarial present value of the individual's accumulated benefit obligation under the public employees retirement system based on the assumption that the individual will retire under the earliest applicable normal retirement age.

**SECTION 18. APPROPRIATION - TRANSFER - GENERAL FUND TO PUBLIC EMPLOYEES RETIREMENT SYSTEM FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000,000, which the office of management and budget shall transfer on January 1, 2023, to the public employees retirement system main system plan for state employees for the purpose of reducing the unfunded actuarial liability of the state share of the public employees retirement system main system plan for state employees for the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 19. LEGISLATIVE INTENT - OTHER USES OF LEGACY FUND EARNINGS.** It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider additional allocations from the legacy earnings fund, including allocations to the highway tax distribution fund, value-added

agricultural programs, the innovation loan fund to support technology advancement, state building maintenance and improvements, and for other one-time initiatives and projects, including initiatives and projects to diversify the state's economy, to improve the efficiency and effectiveness of state government, and to reduce ongoing general fund appropriations of state agencies.

**SECTION 20. LEGISLATIVE MANAGEMENT STUDY - PUBLIC EMPLOYEES RETIREMENT SYSTEM RETIREMENT PLANS.**

1. During the period July 1, 2021, through November 1, 2021, the legislative management shall study the public employees retirement system retirement plans, including:
  - a. Identifying a strategy for the main system plan for political subdivisions reaching full funding within thirty years and considering the governance of this plan;
  - b. Reviewing the financial status of the plans under chapter 54-52; and
  - c. Contracting for actuarial analyses of the plans under chapter 54-52 to determine the feasibility and desirability of remaining open as defined benefit plans versus closing and moving to a defined contribution plan.
2. By November 1, 2021, the legislative management shall be prepared to report its findings and recommendations, together with any legislation required to implement the recommendations, for introduction to the special session of the sixty-seventh legislative assembly.

**SECTION 21. APPLICATION.** In implementing section 8 of this Act, effective July 1, 2021, for all current active and retired members of the public employees retirement system main plan, the public employees retirement system board shall calculate separate data on the actuarial accrued liability, actuarial value of assets, and unfunded actuarial liability for the main system plan for state employees and the plan for political subdivisions.

**SECTION 22. EFFECTIVE DATE.** Sections 1, 2, 3, and 16 of this Act become effective on August 1, 2021. Sections 4, 5, 7, 12, 13, 14, 15, and 17 of this Act become effective on January 1, 2023.

**SECTION 23. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

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

**Buell J. Reich, Chief Clerk**

