JOURNAL OF THE HOUSE

Sixty-eighth Legislative Assembly

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Bismarck, April 28, 2023

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

The prayer was offered by Pastor Rich Wyatt, Living Hope Nazarene Church, Bismarck.

The roll was called and all members were present except Representatives Dobervich, Heilman, Henderson, and VanWinkle.

A quorum was declared by the Speaker.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. RICHTER MOVED that the conference committee report on Engrossed HB 1019 as printed on HJ pages 2443-2446 be adopted, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

HB 1019: A BILL for an Act to provide an appropriation for defraying the expenses of the department of career and technical education; and to provide an exemption.

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, 3 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Beltz; Bosch; Boschee; Brandenburg; Christensen; Christy; Conmy; Cory; Dakane; Davis; Dockter; Dyk; Fegley; Finley-DeVille; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Henderson; Holle; Hoverson; Ista; Johnson, J.; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; Novak; O'Brien; Olson, J.; Olson, S.; Ostlie; Porter; Pyle; Richter; Rios; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Timmons; Toman; Tveit; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Bellew; Prichard; Schatz

ABSENT AND NOT VOTING: Dobervich; Heilman; VanWinkle

Reengrossed HB 1019 passed.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. BRANDENBURG MOVED that the conference committee report on Engrossed SB 2009 as printed on HJ pages 2446-2455 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2009: A BILL for an Act to provide an appropriation for defraying the expenses of the agriculture commissioner; to amend and reenact sections 4.1-01-02, 4.1-01-18, 4.1-01-21.1, and 49-22-09.2 of the North Dakota Century Code, relating to the salary of the agriculture commissioner, the federal environmental law impact review committee, the environmental impact mitigation fund, and mitigating environmental impacts; to provide for a transfer; to provide an exemption; and to provide for a legislative management study.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 81 YEAS, 10 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Beltz; Bosch; Boschee; Brandenburg; Christy; Conmy; Cory; Dakane; Davis; Dockter; Dyk; Fegley; Finley-DeVille; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Henderson; Hoverson; Ista; Johnson, J.; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; O'Brien; Olson, J.; Olson, S.; Ostlie; Porter; Prichard; Pyle; Richter; Roers Jones; Rohr; Sanford; Satrom; Schatz; Schauer; Schneider; Schobinger; Schreiber-Beck; Stemen; Strinden; Swiontek; Thomas; Tveit; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Bellew; Christensen; Holle; Novak; Rios; Ruby, D.; Ruby, M.; Steiner; Timmons; Toman

ABSENT AND NOT VOTING: Dobervich; Heilman; VanWinkle

Engrossed SB 2009, as amended, passed.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. S. OLSON MOVED that the conference committee report on Reengrossed SB 2107 as printed on HJ page 2455 be adopted, which motion prevailed on a verification vote.

SECOND READING OF SENATE BILL

SB 2107: A BILL for an Act to provide for a legislative management study relating to statutory provisions that prohibit certain individuals from possessing a firearm.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 13 YEAS, 77 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Boschee; Dakane; Davis; Ista; Mitskog; Mock; Nelson; Novak; O'Brien; Olson, S.; Roers Jones; Satrom; Schneider

NAYS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Bellew; Beltz; Bosch; Brandenburg; Christensen; Christy; Conmy; Cory; Dockter; Dyk; Fegley; Finley-DeVille; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Henderson; Holle; Hoverson; Johnson, J.; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McLeod; Meier; Monson; Motschenbacher; Murphy; Nathe; Olson, J.; Ostlie; Porter; Prichard; Pyle; Rios; Rohr; Ruby, D.; Ruby, M.; Sanford; Schatz; Schauer; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Timmons; Toman; Tveit; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

ABSENT AND NOT VOTING: Dobervich; Heilman; Richter; VanWinkle

Reengrossed SB 2107, as amended, failed.

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REQUEST

REP. NOVAK REQUESTED that the record reflect she wants to change her vote to aye on SB 2009, which request was granted.

ANNOUNCEMENT

SPEAKER D. JOHNSON ANNOUNCED that the House will stand in recess until 12:30 p.m.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker D. Johnson presiding.

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 Seventy-second Day and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 2372, remove line 39

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

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 27, 2023, I have signed the following: HB 1011, HB 1158, HB 1239, HB 1310, and HB 1477.

POINT OF PERSONAL PRIVILEGE

REP. STEINER rose on a point of personal privilege.

REMARKS OF REPRESENTATIVE STEINER

MR. SPEAKER: Thank you Mr. Speaker. Members of the assembly…

In February this year, a 7-year-old representing the Dickinson Wrestling Club in the 62-pound division competed at the ND Team qualifier tournament in Bismarck. At 7 years of age, he took first in the 10 and under Team ND Qualifier competition to go compete at the national folkstyle tournament. Ashton then traveled to Waterloo, Iowa representing Team ND to wrestle other qualifiers from states such as Florida and Arizona in hopes of a win.

On March 25, Ashton won his first match against the Iowa state champion by 7 points. He beat the Indiana state champion, by just 2 points and finally, on the championship match, Ashton was losing by 1 point with 20 seconds left and reversed the Wisconsin wrestler to go up by 1 point and he held on to win the national championship representing Team ND.

Ashton has already taken first place in folkstyle in ND. And he is on his way today to Jamestown to try to win a triple crown, by taking first place in Greco and freestyle. He likes to play Spiderman with his younger brothers, and he hopes to become a Navy Seal someday.

Ashton's great grandparents are Doug and Lila Dehne from Mandan, constituents of District 34 Rep. Toman and Rep. Porter. Ashton's parents are Luke and Ashley Steiner. And of course, he's our grandson and we are proud of him. Congratulations to Ashton Steiner, and 3 other national champions Leandro (LJ) Araujo, Eyston Racine and Benjamin DeForest and all the other wrestlers representing Team ND.

Thank you Mr Speaker.

REQUEST

REP. ROHR REQUESTED that the remarks of Rep. Steiner be printed in the Journal, which request was granted.

POINT OF PERSONAL PRIVILEGE

REP. DOBERVICH rose on a point of personal privilege.

REMARKS OF REPRESENTATIVE DOBERVICH

MR. SPEAKER: Today, Workers Memorial Day, we remember the North Dakotans who died at work. North Dakotans who went to work one day and never returned to their loved ones due to an often preventable workplace fatality. In 2022, 34 workers were killed on the job in North Dakota, while many more suffered from occupational illnesses or were injured on the job, making North Dakota the 2nd most deadly state in which to work.

Workers Memorial Day is observed every year on April 28th, which is the anniversary of the day that the Occupational Safety and Health Act went into effect back in 1971, promising every worker the fundamental right to a safe job. We must all do our part to ensure this promise is a reality for all workers. Today is a heavy reminder to recommit to the task of improving workplace safety in North Dakota. All North Dakotans deserve to go home to their families at the end of their workday.

REQUEST

REP. ISTA REQUESTED that the remarks of Rep. Dobervich be printed in the Journal, which request was granted.

REPORT OF CONFERENCE COMMITTEE

HB 1021, as engrossed: Your conference committee (Sens. Davison, Dever, Burckhard and Reps. Kempenich, Meier, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1835-1838, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1835-1838 of the House Journal and pages 1552-1555 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, line 2, after the first semicolon insert, "to amend and reenact subsection 2 of section 54-46-08 of the North Dakota Century Code as amended in section 5 of House Bill No. 1528, as approved by the sixty-eighth legislative assembly, relating to final disposition of records;

Page 1, remove lines 13 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	$101,734,629	$2,637,257	$104,371,886
Operating expenses	114,588,112	34,416,587	149,004,699
Capital assets	3,443,909	466,662	3,910,571
Statewide longitudinal data system	4,486,278	1,096,400	5,582,678
Edutech	9,691,939	472,369	10,164,308
K-12 wide area network	4,679,718	1,682,892	6,362,610
Geographic information system	1,101,806	106,086	1,207,892
Health information technology office	8,725,871	16,240	8,742,111
Statewide interoperable radio network	14,193,796	4,207,673	18,401,469
Broadband infrastructure	0	148,250,000	148,250,000
Total all funds	$262,646,058	$193,352,166	$455,998,224
Less estimated income	233,670,105	179,267,274	412,937,379
Total general fund	$28,975,953	$14,084,892	$43,060,845
Full-time equivalent positions	479.00	28.00	507.00"

Page 2, replace line 12 with:

"Enterprise digitization project	0	7,000,000
Call center software upgrade project	0	3,000,000"

Page 2, replace lines 14 and 15 with:

"Customer relationship management program	0	5,000,000
Universal vulnerability management project	0	1,000,000"

Page 2, replace lines 17 through 21 with:

"Inflationary increases	0	7,325,000
Statewide longitudinal data system	0	1,075,000
Broadband, equity, access, and deployment program	0	147,762,480
State and local cybersecurity grant program	0	487,520
Total all funds	$57,901,000	$183,606,343
Less estimated income	57,901,000	179,093,823
Total general fund	$0	$4,512,520"

Page 2, remove lines 26 through 29

Page 3, line 15, replace "$16,500,000" with "$15,000,000"

Page 3, line 16, replace "$10,000,000" with "$7,000,000"

Page 3, line 17, after "project" insert ", $3,000,000 is for the call center software upgrade project,"

Page 3, line 17, replace "$6,500,000" with "$5,000,000"

Page 3, line 20, replace "$2,499,467" with "$3,499,467"

Page 3, line 21, after "fund" insert ", of which $2,499,467 is"

Page 3, line 22, after "project" insert "and $1,000,000 is for the universal vulnerability management project"

Page 3, after line 22, insert:

"**SECTION 7. ESTIMATED INCOME - CHOICE READY DASHBOARD EXPANSION PROJECT.** The estimated income line item in section 1 of this Act includes the sum of $4,856,876 from the information technology department operating service fund for department of public instruction-related projects, of which $300,000 is for a choice ready dashboard expansion project to allow schools to monitor student progress for graduation and report the results to the department of public instruction.

SECTION 8. AMENDMENT. Subsection 2 of section 54-46-08 of the North Dakota Century Code as amended in section 5 of House Bill No. 1528, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

2. Each departmental agency shall maintain, for at least one year, data contained in electronic mail accounts ~~and personal file storage,~~ for agency heads, state officers appointed by the governor under chapter 44-02, and elected executive branch officials."

Page 3, line 27, after the period insert "The information technology department shall approve any grant application that includes the use or implementation of fiber-optic cable in the proposed service area unless fiber-optic cable currently serves the proposed service area.

SECTION 10. EXEMPTION - BROADBAND INFRASTRUCTURE GRANTS - FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - TRANSFER OF APPROPRIATION AUTHORITY - LEGISLATIVE MANAGEMENT REPORT.

1. Notwithstanding section 9 of this Act, on October 1, 2023, the office of management and budget shall transfer any uncommitted federal coronavirus capital projects fund appropriation authority from the information technology department to the department of career and technical education for the purpose of defraying inflationary costs of existing projects approved under the statewide area career center initiative grant program during the 2021-23 biennium for the biennium beginning July 1, 2023, and ending June 30, 2025. The appropriation authority transferred in this subsection may be spent by the department of career and technical education only if approval is received from the federal government.

2. If any funding in the federal coronavirus capital projects fund is available pursuant to subsection 1 of this section, the office of management and budget shall submit a state plan amendment to the United States Department of the Treasury to request a modification of the planned use of moneys in the federal coronavirus capital projects fund. If the federal government does not approve the state plan amendment to allow the department of career and technical education to use moneys in the federal coronavirus capital projects fund for multipurpose community facility inflationary costs, the office of management and budget shall transfer the uncommitted federal coronavirus capital projects fund appropriation authority to the information technology department for the purpose of providing broadband infrastructure grants pursuant to section 9 of this Act.

3. If the state plan amendment is approved, the department of career and technical education must distribute the funding transferred from the federal coronavirus capital projects fund to existing career academy projects proportionally based on funding allocations provided to each project during the 2021-23 biennium. If funding approved in this section is provided for a career academy project and the funding becomes uncommitted during the 2023-25 biennium, the department of career and technical education may redistribute the funding for existing projects under the program during the biennium beginning July 1, 2023, and ending June 30, 2025.

4. The department of career and technical education shall report to the legislative management during the 2023-24 interim and to the appropriations committees of the sixty-ninth legislative assembly regarding the amount of inflationary funding provided for each project and the construction status of each project.

5. The office of management and budget shall report to the legislative management regarding any appropriation authority transferred under this section."

Page 4, after line 3, insert:

"**SECTION 12. EMERGENCY.** Sections 9 and 10 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1021 - Information Technology Department - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$101,734,629	$115,138,365	($10,766,479)	$104,371,886	$104,371,886	
Operating expenses	114,588,112	153,004,699	(4,000,000)	149,004,699	149,004,699	
Capital assets	3,443,909	3,910,571		3,910,571	3,910,571	
Statewide longitudinal data system	4,486,278	4,610,191	972,487	5,582,678	5,582,678	
EduTech	9,691,939	10,989,458	(825,150)	10,164,308	10,164,308	
K-12 wide area network	4,679,718	7,184,958	(822,348)	6,362,610	6,362,610	
Geographic information system	1,101,806	1,225,447	(17,555)	1,207,892	1,207,892	
Health information technology office	8,725,871	8,801,988	(59,877)	8,742,111	8,742,111	
Broadband infrastructure		148,250,000		148,250,000	148,250,000	
Statewide interoperable radio network	14,193,796	18,429,899	(28,430)	18,401,469	18,401,469	
Total all funds	$262,646,058	$471,545,576	($15,547,352)	$455,998,224	$455,998,224	$0
Less estimated income	233,670,105	421,675,168	(8,737,789)	412,937,379	411,937,379	1,000,000
General fund	$28,975,953	$49,870,408	($6,809,563)	$43,060,845	$44,060,845	($1,000,000)
FTE	479.00	507.00	0.00	507.00	507.00	0.00

Department 112 - Information Technology Department - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Reduces Funding for the Enterprise Digitization Project[3]	Adds Funding for a Customer Relationship Management Program[4]	Reduces Funding for the K-12 ClassLink Project[5]	Adjusts Funding for the Health Information Network[6]
Salaries and wages	$1,839,433	($13,093,855)		$487,943		
Operating expenses			($500,000)			
Capital assets						
Statewide longitudinal data system	30,190	(132,703)				
EduTech	95,367	(420,517)				
K-12 wide area network	(14,330)	(102,130)			($705,888)	
Geographic information system	5,149	(22,704)				
Health information technology office	17,627	(77,504)				
Broadband infrastructure						
Statewide interoperable radio network	8,277	(36,707)				
Total all funds	$1,981,713	($13,886,120)	($500,000)	$487,943	($705,888)	$0
Less estimated income	1,668,122	(10,418,391)	0	0	0	1,000,000
General fund	$313,591	($3,467,729)	($500,000)	$487,943	($705,888)	($1,000,000)
FTE	0.00	0.00	0.00	2.00	(2.00)	0.00

	Adjusts One-Time Funding[7]	Adjusts One-Time Funding for IT Inflationary Increases[8]	Total Conference Committee Changes
Salaries and wages			($10,766,479)
Operating expenses	($3,500,000)		(4,000,000)
Capital assets			
Statewide longitudinal data system	1,075,000		972,487
EduTech		($500,000)	(825,150)
K-12 wide area network			(822,348)
Geographic information system			(17,555)
Health information technology office			(59,877)
Broadband infrastructure			
Statewide interoperable radio network			(28,430)
Total all funds	($2,425,000)	($500,000)	($15,547,352)
Less estimated income	(987,520)	0	(8,737,789)
General fund	($1,437,480)	($500,000)	($6,809,563)
FTE	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	$320,858	$1,715,398	$2,036,256
Health insurance adjustment	(7,267)	(47,276)	(54,543)
Total	$313,591	$1,668,122	$1,981,713

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024. The Senate provided the same salary and health insurance adjustments as the Conference Committee.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool. The Senate also removed this funding.

	General Fund	Other Funds	Total
New FTE positions	($1,998,699)	($2,967,987)	($4,966,686)
Vacant FTE positions	(1,469,030)	(7,450,404)	(8,919,434)
Total	($3,467,729)	($10,418,391)	($13,886,120)

[3] Funding for the enterprise digitization project to modernize state technology is reduced by $500,000 from the general fund to provide total ongoing funding of $3,096,138, of which

$2,000,000 is from the general fund and $1,096,138 is from the Information Technology Department (ITD) operating service fund. Of this amount, $981,138 is for salaries and wages of 5 FTE positions and $2,115,000 is for IT software, data processing, and contractual services. The Senate also reduced this funding by $500,000 and authorized the 5 FTE positions.

The House approved $3,596,138, of which $2,500,000 was from the general fund and $1,096,138 was from the ITD operating service fund. The House also authorized the 5 FTE positions.

[4] Funding of $487,943 is added from the general fund for salaries and wages of 2 FTE positions for the customer relationship management program to provide ongoing funding of $2,841,694, of which $2,339,886 is from the general fund and $501,808 is from the ITD operating service fund. Of the total, $1,477,694 is for salaries and wages of 6 new FTE positions and $1,364,000 is for software licensing costs. The Senate also made this change.

The House approved $2,353,751, of which $1,851,943 was from the general fund and $501,808 was from the ITD operating services fund, including 4 new FTE positions.

[5] Funding of $705,888 for salaries and wages of 2 FTE positions added by the House from the general fund for the K-12 ClassLink project is removed and funding for IT software and supplies related to the project is reduced by $300,000 to provide a total of $1,200,000 from the general fund, the same as the Senate version. The House provided $1,905,888 from the general fund for the project.

[6] Funding for the North Dakota Health Information Network (NDHIN) is adjusted by reducing $1 million from the general fund and adding $1 million from the electronic health information exchange fund in anticipation of NDHIN participant fee revenue collected from hospitals and other health care providers to provide total ongoing funding of $3 million, of which $2 million is from the general fund and $1 million is from the electronic health information exchange fund. The House and Senate provided $3 million of ongoing funding from the general fund.

[7] One-time funding is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding from the strategic investment and improvements fund (SIIF) for the enterprise digitization project to modernize state technology to provide a total of $7 million. The House added $10 million from SIIF.	$0	($3,000,000)	($3,000,000)
Adds funding from SIIF for an ITD call center software upgrade project. The House did not add funding for this project.	0	3,000,000	3,000,000
Reduces funding from SIIF for the enterprise customer relationship management program, also known as the business gateway project, to provide a total of $5 million. The House added $6.5 million from SIIF.	0	(1,500,000)	(1,500,000)
Adjusts funding for the universal vulnerability management project by removing funding from the general fund and adding funding from the federal State Fiscal Recovery Fund. The House added $3 million from the general fund.	(3,000,000)	1,000,000	(2,000,000)
Adds funding for the statewide longitudinal data system. The House did not add funding for this purpose.	1,075,000	0	1,075,000
Adjusts funding from federal funds from the Infrastructure Investment and Jobs Act to provide a state match for the state and local cybersecurity grant program in the broadband infrastructure line item. The House did not provide funding for the state match.	487,520	(487,520)	0
Total	($1,437,480)	($987,520)	($2,425,000)

The Conference Committee did not change one-time funding items adjusted by the Senate.

[8] One-time funding of $500,000 from the general fund for information technology inflationary increases is reduced to provide a total of $7,325,000, of which $2,350,000 is from the general fund, $325,000 is from the PowerSchool fund, and $4,650,000 is from the ITD operating service fund, the same as the Senate version. The House approved $7,825,000 for information technology inflationary increases, including $2,850,000 from the general fund.

This amendment also:

- Removes a section that would have appropriated additional income available from federal funds in excess of funding appropriated in Section 1 to ITD during the 2023-25 biennium. The Senate did not remove this section.

- Amends a section identifying $15 million appropriated from SIIF, the same as provided by the Senate. The House provided $16.5 million.
- Amends a section identifying $3,449,467 appropriated from the federal State Fiscal Recovery Fund, the same as provided by the Senate. The House provided $2,499,467.
- Adds a section to provide of the $4,856,876 of one-time funding appropriated from the ITD operating services fund for Department of Public Instruction projects, $300,000 be designated for a choice ready dashboard expansion project. This section was also added by the Senate.
- Adds a section to amend Section 5 of House Bill No. 1528, as approved by the 68th Legislative Assembly, to remove "and personal file storage," as a technical correction related to the determination necessary for final disposition of records.
- Amends a section providing an exemption for the $45 million appropriated from the federal Coronavirus Capital Projects Fund for broadband infrastructure grants during the November 2021 special legislative session to require ITD to approve any grant application that includes the use or implementation of fiber-optic cable in the proposed service area unless fiber-optic cable currently serves the proposed service area. This section was amended by the Senate to provide an exemption for $18 million of the $45 million appropriation and did not include grant application requirements.
- Adds a section to require the Office of Management and Budget (OMB) to transfer any uncommitted federal Coronavirus Capital Projects Fund appropriation authority from ITD to the Department of Career and Technical Education (CTE) for the purpose of multipurpose community facility inflationary costs during the 2023-25 biennium. The funding may only be spent by CTE if the federal government approves a state plan amendment on the planned use of moneys in the fund. If the state plan amendment is not approved, OMB shall transfer the uncommitted funding to ITD for broadband infrastructure grants. The Department of Career and Technical Education is required to report to the Legislative Management on the use of this funding and OMB is required to report to the Legislative Management regarding appropriation authority transferred pursuant to this section. The Senate did not add this section.
- Adds a section to declare sections 9 and 10 are an emergency measure. The Senate did not declare an emergency.

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

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. MOCK MOVED that the conference committee report on Engrossed HB 1021 as printed on HJ pages 2464-2469 be adopted, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

HB 1021: A BILL for an Act to provide an appropriation for defraying the expenses of the information technology department; to amend and reenact subsection 2 of section 54-46-08 of the North Dakota Century Code as amended in section 5 of House Bill No. 1528, as approved by the sixty-eighth legislative assembly, relating to final disposition of records; to provide a transfer; to provide an exemption; and to provide for a report.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 76 YEAS, 17 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Beltz; Bosch; Boschee; Brandenburg; Conmy; Cory; Dakane; Davis; Dobervich; Dockter; Dyk; Fegley; Finley-DeVille; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Holle; Ista; Johnson, J.; Jonas; Karls; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Novak; O'Brien; Olson, J.; Ostlie; Pyle; Richter; Rios; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schauer; Schneider;

Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Timmons; Tveit; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Bellew; Christensen; Christy; Fisher; Frelich; Heilman; Henderson; Hoverson; Kasper; Koppelman; Marschall; Nelson; Porter; Prichard; Schatz; Toman; VanWinkle

ABSENT AND NOT VOTING: Olson, S.

Reengrossed HB 1021 passed and the emergency clause was declared carried.

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ANNOUNCEMENT

SPEAKER D. JOHNSON ANNOUNCED that the House will stand in recess until 3:00 p.m.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker D. Johnson presiding.

ANNOUNCEMENT

SPEAKER D. JOHNSON ANNOUNCED that the House will stand in recess until 3:45 p.m.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker D. Johnson presiding.

REPORT OF CONFERENCE COMMITTEE

HB 1018, as engrossed: Your conference committee (Sens. Bekkedahl, Wanzek, Hogue and Reps. Nathe, Swiontek, Martinson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1933-1940, adopt amendments as follows, and place HB 1018 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1933-1940 of the House Journal and pages 1643-1650 of the Senate Journal and that Engrossed House Bill No. 1018 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 3, replace "subsection 4 of section 21-10-13, sections" with "10-30.5-04, 10-30.5-05,"

Page 1, line 4, after the third comma insert "54-60.2-01,"

Page 1, line 6, after the first comma insert "the North Dakota development fund,"

Page 1, line 9, remove "and"

Page 1, line 9, after "report" insert "; and to declare an emergency"

Page 1, remove lines 19 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$12,835,431	$2,622,805	$15,458,236
Operating expenses	17,317,760	7,410,202	24,727,962
Grants	50,232,330	79,065,351	129,297,681
Discretionary funds	2,150,000	0	2,150,000
Workforce programs	0	28,500,000	28,500,000
COVID-19 response	0	16,739,696	16,739,696
Weatherization and energy programs	0	120,000,000	120,000,000
Partner programs	1,562,531	(654,611)	907,920
Entrepreneurship grants and vouchers	948,467	0	948,467
Total all funds	$85,046,519	$253,683,443	$338,729,962
Less estimated income	53,544,379	223,013,053	276,557,432
Total general fund	$31,502,140	$30,670,390	$62,172,530
Full-time equivalent positions	58.80	5.00	63.80"

Page 2, replace lines 12 through 20 with:

"Beyond visual line of sight uncrewed aircraft system	20,000,000	26,000,000
Enhanced use lease grant	7,000,000	10,000,000
Workforce grants to tribally controlled community colleges	500,000	0
Workforce safety grant	1,500,000	0
Job development and economic growth grant	1,500,000	0
Tourism marketing	7,000,000	5,000,000
Tourism destination development initiative	0	40,000,000
Technical skills training grants	6,000,000	2,000,000
Motion picture production and recruitment grant	100,000	600,000
Creamery assistance grant	0	250,000"

Page 2, replace lines 24 and 25 with:

"Discretionary funds	1,000,000	0
Small business credit initiative	56,234,176	572,143"

Page 3, replace lines 1 through 6 with:

"Rural workforce housing grant program	0	2,000,000
Workforce talent attraction initiative	0	12,000,000
Workforce investment grant program	0	12,500,000
Weatherization and energy assistance program	0	120,000,000"

Page 3, replace lines 10 through 13 with:

"Heating and cooling grant program	0	3,258,084
Total all funds	$138,574,496	$252,596,946
Less estimated income	135,409,064	223,246,946
Total general fund	$3,165,432	$29,350,000"

Page 3, line 22, replace "**LEGACY EARNINGS**" with "**STRATEGIC INVESTMENT AND IMPROVEMENTS**"

Page 3, line 23, remove "Pursuant to the designation of"

Page 3, remove line 24

Page 3, line 25, replace the first "the" with "The"

Page 3, line 25, replace "$20,000,000" with "$10,000,000"

Page 3, line 25, remove "legacy"

Page 3, line 26, replace "earnings" with "strategic investment and improvements"

Page 3, line 31, replace "$30,000,000" with "$65,000,000"

Page 4, remove lines 3 through 31

Page 5, remove lines 1 through 31

Page 6, replace lines 1 through 7 with:

"**SECTION 6. ESTIMATED INCOME - FEDERAL WEATHERIZATION AND ENERGY ASSISTANCE PROGRAMS - FULL-TIME EQUIVALENT POSITIONS.** The estimated income line item in section 1 of this Act includes $120,000,000 from federal funds derived from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act for weatherization and energy assistance programs. Of the full-time equivalent positions included in section 1 of this Act, three positions are for the administration of weatherization and energy assistance programs for the 2023-25 biennium. The full-time equivalent positions identified in this section are considered one-time positions."

Page 6, line 10, replace "$98,500,000" with "$83,000,000"

Page 6, line 11, replace "$7,000,000" with "$2,000,000"

Page 6, line 12, replace "$25,000,000" with "$40,000,000"

Page 6, line 13, remove "grant"

Page 6, line 13, replace "$30,000,000" with "$26,000,000"

Page 6, line 14, replace "$28,000,000" with "and $10,000,000"

Page 6, line 14, remove ", $2,000,000 is for new"

Page 6, remove line 15

Page 6, line 16, remove "grant to an organization that provides workforce safety"

Page 6, line 18, remove "grant"

Page 6, line 19, after the period insert "The department of commerce may provide funding for the tourism destination development initiative program in the form of program grants or grants for interest rate buydowns but may not award more than $20,000,000 for a project under this program."

Page 6, line 21, replace "the sum of $6,500,000" with "$1,500,000"

Page 6, line 21, replace "general" with "strategic investment and improvements"

Page 6, line 21, after "fund" insert "as identified in section 7 of this Act"

Page 6, after line 31, insert:

"**SECTION 9. WORKFORCE PROGRAMS.** The workforce programs line item in section 1 of this Act includes $28,500,000 from the general fund for workforce-related programs, of which $12,000,000 is for the workforce talent attraction initiative, $12,500,000 is for the workforce investment grant program, $2,000,000 is for technical skills training grants, and $2,000,000 is for new Americans workforce development and training grants."

Page 7, line 6, replace "appropriated" with "identified"

Page 7, line 8, remove "**- STATE MAGAZINE**"

Page 7, line 10, after "magazine" insert "with the current publisher of the magazine, $350,000 is designated for supporting an organization dedicated to assisting native American small businesses in North Dakota, and $350,000 is designated for providing base retention grant funding to eligible organizations in Minot"

Page 7, replace lines 11 through 20 with:

"**SECTION 12. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** The entrepreneurship grants and voucher line item in section 1 of this Act includes $948,467, of which $740,956 is from the general fund and $207,511 is from the economic development fund, for the purpose of defraying the expenses of the entrepreneurship grants and voucher program. The department shall establish guidelines to provide grants under the program."

Page 11, remove lines 29 and 30

Page 12, replace lines 1 through 17 with:

"**SECTION 20. AMENDMENT.** Section 10-30.5-04 of the North Dakota Century Code is amended and reenacted as follows:

10-30.5-04. Powers.

The corporation must be organized as a nonprofit corporation. In addition to the powers in chapter 10-33, the corporation may:

1. Cooperate ~~and,~~ contract with, and provide funding to any private or public entity.

2. Receive appropriations from the legislative assembly and other public moneys as well as contributions from other private or public contributors. The funds for the entrepreneurship awards under section 10-30.5-12 may not exceed one million dollars.

3. Provide management services for the Bank's alternative and venture capital investments and early-stage capital funds.

SECTION 21. AMENDMENT. Section 10-30.5-05 of the North Dakota Century Code is amended and reenacted as follows:

10-30.5-05. Management.

1. The director of the department of commerce division of economic development and finance shall appoint the chief executive officer of the corporation. The board of directors shall determine minimum qualifications of all other staff positions.

2. If the chief executive officer of the corporation is absent for more than five consecutive days or is anticipated to be absent for more than five consecutive days, the chief executive officer may delegate the duties and responsibilities of the chief executive officer to the director of the department of commerce division of economic development and finance, or the director's designee.

3. All investments, contracts, partnerships, limited liability companies, and business transactions of the corporation are the responsibility of the chief executive officer and the board of directors. The board may provide that normal operating costs anticipated in an approved budget may be incurred and paid without prior board approval."

Page 14, after line 18, insert:

"**SECTION 26. AMENDMENT.** Section 54-60.2-01 of the North Dakota Century Code is amended and reenacted as follows:

54-60.2-01. Establishment of workforce development grant for tribally controlled community colleges.

There is established within the division of workforce development of the department of commerce a program to provide workforce development grants to tribally controlled community colleges in North Dakota. A tribally controlled community college in this state may apply to the department of commerce for a job training grant in such manner as the department of commerce prescribes. The department of commerce shall consult with the executive director of the Indian affairs commission to determine eligible tribally controlled community colleges ~~and shall award grants based on the documented job placement rates at each eligible college~~."

Page 16, line 1, replace "$1,000,000" with "$1,500,000"

Page 16, line 1, replace "general" with "strategic investment and improvements"

Page 16, line 1, remove "discretionary funds in"

Page 16, line 2, replace "section 10 of chapter 15" with "a job development and economic growth grant in section 1 of chapter 46"

Page 16, line 5, replace "general" with "strategic investment and improvements"

Page 16, line 8, replace "strategic investment and improvements" with "general"

Page 17, line 6, remove "administered by the"

Page 17, line 7, replace "department during the 2023-25 biennium" with "identified in section 2 of this Act derived from the general fund or state special funds"

Page 17, line 9, after the third comma insert "and"

Page 17, line 10, remove ", current and future estimated return on"

Page 17, remove lines 11 through 15

Page 17, line 16, remove "of the beyond visual line of sight uncrewed aircraft system program under section 54-60-29.1"

Page 17, after line 18, insert:

"**SECTION 31. EMERGENCY.** The following are declared to be an emergency measure:

1. The $120,000,000 appropriated from federal funds derived from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act for weatherization and energy programs in the weatherization and energy programs line item and in the estimated income line item in section 1 of this Act; and

2. The $26,000,000 appropriated from the strategic investment and improvements fund for the beyond visual line of sight uncrewed aircraft system program in the grants line item and in the estimated income line item in section 1 of this Act."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Department of Commerce - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$12,835,431	$16,764,534	($1,306,298)	$15,458,236	$15,508,248	($50,012)
Operating expenses	17,317,760	33,544,200	(8,816,238)	24,727,962	25,434,200	(706,238)
Grants	50,232,330	176,347,681	(47,050,000)	129,297,681	136,347,681	(7,050,000)
Discretionary funds	2,150,000	2,500,000	(350,000)	2,150,000	2,150,000	
COVID-19 response		16,167,553	572,143	16,739,696	16,739,696	
Weatherization and energy programs			120,000,000	120,000,000	210,000,000	(90,000,000)
Partner programs	1,562,531	1,562,531	(654,611)	907,920	907,920	
Workforce programs			28,500,000	28,500,000	30,000,000	(1,500,000)
Entrepreneurship grants and vouchers	948,467	948,467		948,467	948,467	
Total all funds	$85,046,519	$247,834,966	$90,894,996	$338,729,962	$438,036,212	($99,306,250)
Less estimated income	53,544,379	171,549,469	105,007,963	276,557,432	371,557,432	(95,000,000)
General fund	$31,502,140	$76,285,497	($14,112,967)	$62,172,530	$66,478,780	($4,306,250)
FTE	58.80	62.80	1.00	63.80	65.80	(2.00)

Department 601 - Department of Commerce - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes FTE Positions[2]	Removes Salary Funding for Funding Pool[3]	Transfers Federal Funding Between Line Items[4]	Reduces Funding for Partner Programs[5]	Adjusts Funding for the Heating and Cooling Assistance Programs[6]
Salaries and wages	$214,771	($561,762)	($1,069,307)	$110,000		
Operating expenses		(706,238)		(110,000)		
Grants						
Discretionary funds						
COVID-19 response						
Weatherization and energy programs						
Partner programs					($654,611)	
Workforce programs						
Entrepreneurship grants and vouchers						
Total all funds	$214,771	($1,268,000)	($1,069,307)	$0	($654,611)	$0
Less estimated income	38,391	0	(102,571)	0	0	0
General fund	$176,380	($1,268,000)	($966,736)	$0	($654,611)	$0
FTE	0.00	(2.00)	0.00	0.00	0.00	0.00

	Adjusts One-Time Funding for Workforce Initiatives[7]	Adjusts Other One-Time Funding Initiatives[8]	Adds One-Time Funding for Weatherization and Energy Programs[9]	Total Conference Committee Changes
Salaries and wages				($1,306,298)
Operating expenses	($8,000,000)			(8,816,238)
Grants	(29,000,000)	($18,050,000)		(47,050,000)
Discretionary funds		(350,000)		(350,000)
COVID-19 response		572,143		572,143
Weatherization and energy programs			$120,000,000	120,000,000
Partner programs				(654,611)
Workforce programs	28,500,000			28,500,000
Entrepreneurship grants and vouchers				
Total all funds	($8,500,000)	($17,827,857)	$120,000,000	$90,894,996
Less estimated income	(2,000,000)	(12,927,857)	120,000,000	105,007,963
General fund	($6,500,000)	($4,900,000)	$0	($14,112,967)
FTE	0.00	0.00	3.00	1.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	$187,087	$39,696	$226,783
Health insurance adjustment	(10,707)	(1,305)	(12,012)
Total	$176,380	$38,391	$214,771

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024. The Senate provided salary adjustments of 6 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Two FTE positions and related funding from the general fund is removed as follows:

	Salaries and Wages	Operating Expenses	Total
FTE position - Office of Automation	($310,858)	($689,142)	($1,000,000)
FTE position - Global Engagement Office	(250,904)	(17,096)	(268,000)
Total	($561,762)	($706,238)	($1,268,000)

The reduction of $17,096 of operating expenses for the FTE Global Engagement Office position results in a total of $351,404 of operating expenses available for the Global Engagement Office. The Senate did not remove these positions and related funding.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new

and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($405,880)	$0	($405,880)
Vacant FTE positions	(560,856)	(102,571)	(663,427)
Total	($966,736)	($102,571)	($1,069,307)

The Senate also removed funding for the new and vacant FTE funding pool.

[4] Federal funding of $110,000 for the AmeriCorps workforce community services program is transferred from the operating expenses line item to the salaries and wages line item for temporary salaries, the same as provided by the Senate. The House transferred $220,000 of federal funding for the program from the grants line item to the operating expenses line item.

[5] Ongoing funding of $654,611 from the general fund in the partner program line item for the North Dakota Small Business Development Center is removed, resulting in $907,920 from the general fund remaining for partner programs, the same as provided by the Senate. The House provided $1,562,531 from the general fund for partner programs, the same as the base level.

[6] Federal funding of $2,085,834 added by the House in the COVID-19 response line item for weatherization, heating and furnace, and cooling assistance programs is removed from ongoing funding and added by the Conference Committee as one-time funding. The Senate also made this adjustment.

[7] One-time funding for workforce initiatives is adjusted as follows:

	General Fund	Other Funds	Total
Adds funding for workforce talent attraction initiative operating expenses to provide $12 million from the general fund in the workforce programs line item. The House provided $8 million from the general fund in the operating expenses line item. The Senate provided $14 million from the general fund in the workforce programs line item.	$4,000,000	$0	$4,000,000
Reduces funding for workforce investment program grants to provide a total of $12.5 million from the general fund for the workforce investment program, the same as provided by the Senate. The House provided $15 million from the general fund in the grants line item.	(2,500,000)	0	(2,500,000)
Removes funding added by the House for automation workforce transition training grants. The Senate also removed this funding.	(5,000,000)	0	(5,000,000)
Removes funding added by the House for automation workforce equipment grants. The Senate also removed this funding.	(5,000,000)	0	(5,000,000)
Transfers $2 million from the general fund for technical skills training grants from the grants line item to the workforce programs line item, the same as provided by the Senate.	0	0	0
	2,000,000	(2,000,000)	0
Adjusts funding for new Americans workforce development and training grants by removing funding added by the House from the strategic investment and improvements fund (SIIF) in the grants line item and adding funding from the general fund in the workforce programs line item. The Senate removed $2 million from SIIF in the grants line item and added $1.5 million from the general fund in the workforce programs line item.			
Total	($6,500,000)	($2,000,000)	($8,500,000)

[8] One-time funding for community services, tourism, and uncrewed aircraft systems (UAS), and other workforce initiatives is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for the rural workforce housing grant program to provide a total of $2 million from SIIF, of which $300,000 is for temporary salaries, $200,000 is for operating expenses, and $1.5 million is for grants, the same as provided by the Senate. The House provided $7 million from SIIF, of which $6.5 million was for grants.	$0	($5,000,000)	($5,000,000)
Adds funding for the tourism destination development initiative to provide a total of $40 million from SIIF. The House provided $25 million from SIIF. The Senate provided $50 million from SIIF.	0	15,000,000	15,000,000
Removes funding for Main Street Initiative community development grants. The House and Senate provided $400,000 for this program.	(400,000)	0	(400,000)
Reduces funding for the beyond visual line of sight (BVLOS) UAS program to provide a total of $26 million from SIIF. The House provided $30 million from SIIF. The Senate provided $20 million from SIIF.	0	(4,000,000)	(4,000,000)
Reduces funding for the enhanced use lease grant program to provide a total of $10 million from SIIF. The House provided $28 million from SIIF. The Senate provided $7 million from SIIF.	0	(18,000,000)	(18,000,000)
Removes funding for workforce grants to tribally controlled community colleges. The House provided $5 million from the general fund. The Senate provided $2.5 million from the general fund.	(5,000,000)	0	(5,000,000)
Removes funding added by the House from SIIF for a workforce safety grant. The Senate also removed this funding.	0	(1,500,000)	(1,500,000)
Adds funding for a creamery assistance grant to be provided directly to Cows & Co Creamery. The Senate did not provide funding for this purpose.	250,000	0	250,000
Adds funding for a motion picture production and recruitment grant to be provided directly to Canticle Productions. The Senate did not provide funding for this purpose.	600,000	0	600,000
Reduces funding for discretionary funds to provide a total of $2.15 million from the general fund, the same as the base level and as provided by the Senate. The House added $350,000 to provide a total of $2.5 million from the general fund.	(350,000)	0	(350,000)
Adds federal funding for the State Small Business Credit Initiative technical assistance program, the same as provided by the Senate. The House did not add funding for this program.	0	572,143	572,143
Total	($4,900,000)	($12,927,857)	($17,827,857)

[9] One-time funding of $120 million is added from federal funds derived from the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) for weatherization and energy assistance programs. The Department of Commerce anticipates funding may be available for the following programs:

Program	Federal Funds
State energy program (IIJA)	$3,905,130
Weatherization (IIJA)	15,131,495
Energy efficiency revolving loan fund (IIJA)	4,641,870
Energy efficiency block grant (IIJA)	1,653,240
Home energy performance-based whole-house rebate program (IRA)	37,338,470
High-efficiency electric home rebate program (IRA)	37,121,060
Total	$99,791,265

The department anticipates other states will not use all federal funding awarded for these programs, resulting in additional funding that may be available to North Dakota for an estimated total of $120 million. The department is authorized 3 FTE positions that are considered one-time positions for the administration of these programs.

The House did not add funding for this purpose. The Senate added $210 million and authorized 3 FTE positions.

The Conference Committee:

- Did not add one-time funding for a regional council grant program. The Senate added $4 million from SIIF.
- Retained a section removed by the Senate to amend North Dakota Century Code Section 54-60-22. The House added this section to expand recommendations provided by the Workforce Enhancement Council to the Commissioner of the Department of Commerce regarding the approval of training grants to include training providers and businesses, rather than only providing recommendations for grants to institutions of higher education.

This amendment also:

- Amends a section providing for a transfer to the legacy investment for technology (LIFT) fund for the LIFT program. The House provided for a $20 million transfer from

the legacy earnings fund. The Senate provided a $5 million transfer from SIIF. The Conference Committee provided a $10 million transfer from SIIF.

- Amends a section providing for a transfer from SIIF to the North Dakota Development Fund. The House provided for a $30 million transfer. The Conference Committee provided for a $65 million transfer, the same as provided by the Senate.
- Removes a section that provided for a transfer of $120 million from SIIF to the North Dakota Development Fund for a fertilizer development grant program. The Senate also removed this section.
- Adds a section identifying $120 million of one-time funding and one-time FTE positions for weatherization and energy assistance programs from federal funding available as a result of the federal IIJA and IRA. The Senate identified $210 million.
- Amends a section identifying funding in Section 1 from SIIF. The House provided $98.5 million. The Senate provided $88 million. The Conference Committee provided $83 million.
- Amends a section identifying funding for rural workforce housing program grants. The House provided $6.5 million from SIIF. The Conference Committee provided $1.5 million from SIIF, the same as provided by the Senate.
- Adds a section identifying funding from the general fund in a newly created workforce programs line item. The Senate provided $30 million. The Conference Committee provided $28.5 million.
- Amends a section identifying the funding appropriated from the general fund for discretionary funds,of which $150,000 is designated for supporting the continuation of the North Dakota state magazine with the current publisher, $350,000 is designated for supporting an organization dedicated to assisting Native American small businesses in the state, and $350,000 is for base retention grants to eligible organizations in Minot. The House and Senate included the state magazine designation but did not include the Native American small businesses or base retention grants designations.
- Removes a section identifying funding for workforce development grants to tribally controlled community colleges. The House provided $5 million. The Senate amended the section to identify $2.5 million.
- Adds a section identifying funding available for the entrepreneurship grants and vouchers program, also known as Innovate ND. The Senate also added this section.
- Removes a section added by the House that amended Section 21-10-13(4), related to legacy earnings fund allocations. The Senate also removed this section.
- Adds a section to amend Section 10-30.5-04 to clarify the authority of the North Dakota Development Fund to allow for funding to be provided to private or public entities through North Dakota Development Fund contracts. The Senate also added this section.
- Adds a section to amend Section 10-30.5-05 to provide if the North Dakota Development Fund Chief Executive Officer is absent for more than 5 consecutive days or is anticipated to be absent for more than 5 consecutive days, the Chief Executive Officer may delegate the duties and responsibilities of the Chief Executive Officer to the Director of the Department of Commerce Division of Economic Development and Finance under Chapter 54-34.3, or the Director's designee. The Senate also added this section.
- Adds a section to amend Section 54-60.2-01 to remove the requirement that workforce development grants to tribally controlled community colleges be awarded based on documented job placement rates at each eligible college. The Senate also added this section.
- Removes a subsection providing an exemption for discretionary funds and adds a subsection to provide an exemption for a job development and economic growth grant from the 2021-23 biennium. The Senate also adjusted these exemption subsections.
- Amends a section related to the Department of Commerce providing a report to Legislative Management during the 2023-24 interim regarding the status of grant programs administered by the department. The Senate did not amend this section. The Conference Committee amended the section to provide the report relate only to one-time funding items from the general fund and state special funds.
- Adds a section to declare the $120 million of federal funds appropriated for

weatherization and energy assistance programs and $26 million appropriated from SIIF for the BVLOS UAS program to be an emergency measure. The Senate declared $210 million of federal funding for weatherization and energy programs to be an emergency measure. The House did not declare an emergency for these programs.

Engrossed HB 1018 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2020, as engrossed: Your conference committee (Sens. Sorvaag, Schaible, Bekkedahl and Reps. Swiontek, Martinson, Richter) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1843-1848, adopt amendments as follows, and place SB 2020 on the Seventh order:

That the House recede from its amendments as printed on pages 1843-1848 of the Senate Journal and pages 2173-2178 of the House Journal and that Engrossed Senate Bill No. 2020 be amended as follows:

Page 1, line 2, after the semicolon insert "to provide an appropriation to the parks and recreation department;"

Page 1, line 4, after the first semicolon insert "to provide for a transfer; to provide for a report;"

Page 1, replace lines 14 through 24 with:

"Salaries and wages	$20,537,867	$1,656,382	$22,194,249
Operating expenses	43,366,550	16,112,518	59,479,068
Capital assets	98,467,437	177,316,513	275,783,950
Water supply - grants	125,000,000	191,200,000	316,200,000
Rural water supply - grants	59,600,000	(7,600,000)	52,000,000
Flood control projects	48,000,000	67,700,000	115,700,000
Discretionary funding	0	9,000,000	9,000,000
General water - grants	14,227,275	(2,227,275)	12,000,000
Total special funds	$409,199,129	$453,158,138	$862,357,267
Full-time equivalent positions	90.00	3.00	93.00"

Page 2, replace lines 7 and 8 with:

"Basinwide plan implementation	1,100,000	0
Discretionary funding	0	9,000,000"

Page 2, replace line 23 with:

"Total special funds	$206,600,000	$163,500,383"

Page 2, line 28, after "**ADDITIONAL**" insert "**2021-23 BIENNIUM**"

Page 2, line 28, remove "In addition to the amounts"

Page 2, remove lines 29 through 31

Page 3, replace lines 1 and 2 with "Any revenue deposited in the resources trust fund during the period beginning with the effective date of this Act, and ending June 30, 2023, in excess of the March 2023 legislative revenue forecast is appropriated to the department of water resources for the purpose of providing water supply grants and rural water supply grants, for the period beginning with the effective date of this Act, and ending June 30, 2025. Any additional amounts must be allocated equally between water supply grants and rural water supply grants."

Page 3, after line 9, insert:

"**SECTION 5. TRANSFER - BANK OF NORTH DAKOTA PROFITS - WATER INFRASTRUCTURE REVOLVING LOAN FUND.** The Bank of North Dakota shall transfer $100,000,000, or so much of the sum as may be necessary, from its

current earnings and accumulated profits to the water infrastructure revolving loan fund during the biennium beginning July 1, 2023, and ending June 30, 2025. The moneys must be transferred as requested by the director of the department of water resources, after consultation with the Bank of North Dakota, to provide local cost-share loans for projects approved by the state water commission pursuant to section 6-09-49.2.

SECTION 6. WATER PROJECTS STABILIZATION FUND - TRANSFERS. Notwithstanding subsections 1 and 2 of section 57-51.1-07, any oil extraction tax revenues deposited in the resources trust fund that exceed the amount included in the March 2023 legislative revenue forecast during the period beginning July 1, 2023, and ending June 30, 2025, must be transferred at least quarterly by the office of management and budget from the resources trust fund to the water projects stabilization fund for the period beginning with the effective date of this Act, and ending June 30, 2025.

SECTION 7. APPROPRIATION - PARKS AND RECREATION DEPARTMENT - SOVEREIGN LANDS RECREATION USE GRANTS - ONE-TIME FUNDING. There is appropriated from special funds derived from a grant from the state water commission, not otherwise appropriated, the sum of $2,000,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of providing grants for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2025. An eligible grant recipient must identify $1 of matching funds for each $1 awarded pursuant to this section. This funding is considered to be a one-time funding item.

SECTION 8. SOVEREIGN LANDS RECREATION USE GRANT. The water supply - grants line item in section 1 of this Act includes $2,000,000 from the resources trust fund which the state water commission shall provide as a grant to the parks and recreation department for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2025."

Page 3, remove lines 14 through 30

Page 4, remove lines 1 and 2

Page 4, line 4, replace "$120,000,000" with "$123,380,315"

Page 5, line 4, replace "$175,000,000" with "$180,000,000"

Page 5, line 15, after "project" insert "water treatment plant"

Page 5, after line 16, insert:

"**SECTION 16. LEGISLATIVE INTENT - STATE WATER COMMISSION - CITY OF BISMARCK WATER TREATMENT PLANT.** Excluding the funding provided for the city of Bismarck water treatment plant prior to the 2023-25 biennium, it is the intent of the sixty-eighth legislative assembly that up to $50,000,000 of funding appropriated in the water supply - grants line item in section 1 of this Act be made available during the 2023-25 biennium for the city of Bismarck water treatment plant.

SECTION 17. LEGISLATIVE INTENT - CITY OF MEDORA WATER SUPPLY PROJECT. It is the intent of the sixty-eighth legislative assembly that the city of Medora request funding from the state water commission for water storage, water main replacement, and water supply expansion projects after all agreements for the construction of the Theodore Roosevelt presidential library have been finalized between the library, the library foundation, and the city of Medora.

SECTION 18. MISSOURI RIVER SYSTEM - LEGISLATIVE INTENT. It is the intent of the sixty-eighth legislative assembly that the department of water resources support efforts that protect and develop beneficial use of Missouri River system water and other available water supply sources.

SECTION 19. DEPARTMENT OF WATER RESOURCES - GARRISON DIVERSION CONSERVANCY DISTRICT - LEGISLATIVE INTENT - REPORT. It is the intent of the sixty-eighth legislative assembly that the department of water resources, in coordination with the Garrison Diversion Conservancy District, research and identify options for the use of the Missouri River intake constructed near Washburn. The department of water resources shall report its findings and recommendations to the legislative management by October 1, 2024."

Page 5, line 17, replace "The" with "Notwithstanding section 54-16-04, the"

Page 5, line 18, replace "$13,292,362" with "$9,900,000"

Page 5, line 18, after "operating" insert "expenses"

Page 5, line 24, replace "$405,000,000" with "$367,000,000"

Page 6, line 4, replace "is" with "and Senate Bill No. 2196, as approved by the sixty-eighth legislative assembly, are"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2020 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Parks and Recreation Department						
Total all funds	$0	$0	$2,000,000	$2,000,000	$3,000,000	($1,000,000)
Less estimated income	0	0	2,000,000	2,000,000	3,000,000	(1,000,000)
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
State Water Commission						
Total all funds	$409,199,129	$864,928,344	$27,428,923	$892,357,267	$862,357,267	$30,000,000
Less estimated income	409,199,129	864,928,344	27,428,923	892,357,267	862,357,267	30,000,000
General fund	$0	$0	$0	$0	$0	$0
FTE	90.00	93.00	0.00	93.00	93.00	0.00
Bill total						
Total all funds	$409,199,129	$864,928,344	$29,428,923	$894,357,267	$865,357,267	$29,000,000
Less estimated income	409,199,129	864,928,344	29,428,923	894,357,267	865,357,267	29,000,000
General fund	$0	$0	$0	$0	$0	$0
FTE	90.00	93.00	0.00	93.00	93.00	0.00

Senate Bill No. 2020 - Parks and Recreation Department - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Sovereign lands recreation use grants			$2,000,000	$2,000,000	$3,000,000	($1,000,000)
Total all funds	$0	$0	$2,000,000	$2,000,000	$3,000,000	($1,000,000)
Less estimated income	0	0	2,000,000	2,000,000	3,000,000	(1,000,000)
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adds Funding for Recreation Use Grants[1]	Total Conference Committee Changes
Sovereign lands recreation use grants	$2,000,000	$2,000,000
Total all funds	$2,000,000	$2,000,000
Less estimated income	2,000,000	2,000,000
General fund	$0	$0
FTE	0.00	0.00

[1] One-time funding of $2 million from a grant received from the State Water Commission is added for the Parks and Recreation Department to provide grants for developing recreation opportunities on sovereign lands in the state. The House appropriated $3 million for grants for developing recreation opportunities on sovereign lands, including $800,000 for the Mandan parks and recreation department and $750,000 for the Northern Plains Heritage Foundation for the port of Bismarck. The Senate did not include funding for sovereign lands recreation use grants. Grant recipients must provide $1 of matching funds for each $1 of grant funds received under this program.

Senate Bill No. 2020 - State Water Commission - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$20,537,867	$23,465,326	($1,271,077)	$22,194,249	$22,194,249	
Operating expenses	43,366,550	59,479,068		59,479,068	59,479,068	
Capital assets	98,467,437	300,383,950	(24,600,000)	275,783,950	275,783,950	
Water supply - Grants	125,000,000	283,000,000	33,200,000	316,200,000	316,200,000	
Rural water supply - Grants	59,600,000	40,000,000	12,000,000	52,000,000	52,000,000	
Flood control projects	48,000,000	114,600,000	1,100,000	115,700,000	115,700,000	
General water - Grants	14,227,275	12,000,000		12,000,000	12,000,000	
Basinwide plan implementation		1,000,000	(1,000,000)			
Discretionary funding		1,000,000	8,000,000	9,000,000	9,000,000	
Loan repayment		30,000,000		30,000,000		$30,000,000
Total all funds	$409,199,129	$864,928,344	$27,428,923	$892,357,267	$862,357,267	$30,000,000
Less estimated income	409,199,129	864,928,344	27,428,923	892,357,267	862,357,267	30,000,000
General fund	$0	$0	$0	$0	$0	$0
FTE	90.00	93.00	0.00	93.00	93.00	0.00

Department 770 - State Water Commission - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Adjusts Funding for Water Projects[3]	Total Conference Committee Changes
Salaries and wages	$344,552	($1,615,629)		($1,271,077)
Operating expenses				
Capital assets			($24,600,000)	(24,600,000)
Water supply - Grants			33,200,000	33,200,000
Rural water supply - Grants			12,000,000	12,000,000
Flood control projects			1,100,000	1,100,000
General water - Grants				
Basinwide plan implementation			(1,000,000)	(1,000,000)
Discretionary funding			8,000,000	8,000,000
Loan repayment				
Total all funds	$344,552	($1,615,629)	$28,700,000	$27,428,923
Less estimated income	344,552	(1,615,629)	28,700,000	27,428,923
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House, as follows:

	Other Funds
Salary increase	$354,895
Health insurance adjustment	(10,343)
Total	$344,552

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	Other Funds
New FTE positions	($703,398)
Vacant FTE positions	(912,231)
Total	($1,615,629)

[3] Funding for water projects is adjusted as follows:

	Total Funds
Reduce funding for capital assets	($24,600,000)
Increase funding for water supply grants	33,200,000
Increase funding for rural water supply grants	12,000,000
Increase funding for flood control projects	1,100,000
Remove one-time funding for basinwide plan implementation	(1,000,000)
Increase one-time funding for discretionary water projects	8,000,000
Total	$28,700,000

The Conference Committee made the changes approved by the House except the Conference Committee did not remove $30 million for the Western Area Water Supply Authority loan repayment and provide for a transfer of $30 million from the water projects stabilization fund to the water infrastructure revolving loan fund, which the House had done.

This amendment also:

- Designates the use of excess 2021-23 biennium revenue in the resources trust fund for water supply grants and rural water supply grants. The House designated the use of excess 2021-23 biennium and 2023-25 biennium revenue in the resources trust fund for water supply grants and rural water supply grants. The Senate restricted excess funds from being used for salaries and wages and operating expenses.
- Provides for the transfer of excess 2023-25 biennium revenue in the resources trust fund to the water projects stabilization fund. Neither the House nor the Senate included this section.
- Retains a section added by the Senate and removed by the House appropriating $30 million from the water projects stabilization fund to repay loans issued to the Western Area Water Supply Authority.
- Does not include a section added by the House to transfer $30 million from the water projects stabilization fund to the water infrastructure revolving loan fund.
- Transfers $100 million from Bank of North Dakota profits to the water infrastructure revolving loan fund, the same as the House.
- Designates $2 million for a grant to the Parks and Recreation Department for developing recreation opportunities on sovereign lands in the state. The House designated $3 million for this purpose.
- Removes a section providing for a basinwide plan implementation pilot project, the same as the House.
- Increases funding appropriated for water supply grants from the water projects stabilization fund from $120 million to $123.4 million, the same as the House.
- Does not include sections added by the House to amend North Dakota Century Code Sections 61-02-01.3 and 61-03-21.4 to require economic analyses for water projects in excess of $500,000.
- Provides legislative intent for $50 million to be granted for a City of Bismarck water treatment plant project, the same as the House.
- Provides legislative intent for the City of Medora to request funding from the State Water Commission after all agreements for the construction of the Theodore Roosevelt Presidential Library have been finalized between the library, library foundation, and City of Medora. The House version also required agreements with

Billings County to be finalized.

- Provides legislative intent that the Department of Water Resources support efforts that protect and develop beneficial use of Missouri River system water. The House provided legislative intent expressing support for the Missouri River educate, advocate, and engage program.
- Provides legislative intent for the Department of Water Resources to research and identify options for the use of the Missouri River intake constructed near Washburn, the same as the House.
- Reduces the department's line item transfer authority from $13.3 million to $9.9 million. The House and Senate allowed for $13.3 million of line item transfer authority.
- Reduces the amount of appropriation authority the Department of Water Resources may continue into the next biennium by $38 million, to provide total carryover authority of $367 million, the same as the House.
- Declares Senate Bill No. 2196 to be an emergency measure.

Engrossed SB 2020 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2284, as reengrossed: Your conference committee (Sens. Schaible, Elkin, Axtman and Reps. Heinert, Richter, Hanson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1781-1788, adopt amendments as follows, and place SB 2284 on the Seventh order:

That the House recede from its amendments as printed on pages 1781-1788 of the Senate Journal and pages 2085-2092 of the House Journal and that Reengrossed Senate Bill No. 2284 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to permitting private tutors on public school premises; to"

Page 1, line 1, replace "15.1-01-01" with "15.1-07-26"

Page 1, line 2, replace the first "subsection" with "subsections 2 and"

Page 1, line 4, replace "the state board of public school education members" with "school district enrollment"

Page 1, line 5, after the first comma insert "a school district's policy governing possession of a weapon,"

Page 1, line 5, after the third quotation mark insert "dangerous"

Page 1, line 5, replace "and" with a comma

Page 1, line 6, remove the comma

Page 1, line 6, after "payments" insert ", and the school construction revolving loan fund"

Page 1, line 7, after "a" insert "legislative management"

Page 1, remove lines 10 through 23

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 5 with:

"**SECTION 1. AMENDMENT.** Section 15.1-07-26 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-26. School district demographics and enrollment - ~~Long-term planning process~~Review - Report.

1. Between January first and June thirtieth of every even-numbered year, the board of each school district ~~shall~~may invite the public to participate in a ~~planning process~~review addressing the effects that demographics ~~might~~and changing enrollment will have on the district in the ensuing three-year and five-year periods, and specifically addressing potential effects on:

   a. Academic ~~and extracurricular programs~~achievement, as it relates to the local strategic plan, including progress toward state academic goals adopted by the statewide prekindergarten through grade twelve education strategic vision steering committee;

   b. Instructional ~~and~~, administrative, and ancillary staffing;

   c. Co-curricular or extracurricular programs;

   d. Facility needs and utilization; and

   ~~d.~~e. District property tax levies.

2. At the conclusion of the ~~planning process~~review, the board ~~shall~~is encouraged to prepare a report, ~~publish a notice in the official newspaper of the district indicating that the report is available~~make the report available on the district website, and make the report available upon request."

Page 3, after line 9, insert:

"**SECTION 3. AMENDMENT.** Subsection 2 of section 15.1-19-10 of the North Dakota Century Code is amended and reenacted as follows:

2. The policy must ~~prohibit~~:

   a. Prohibit the possession of a dangerous weapon or a firearm by a student on school property and at school functions and provide for the punishment of any student found to be in violation. ~~Punishment must include immediate suspension from school and expulsion. A~~

   b. Require a student who possesses a firearm in violation of this section ~~must~~to be expelled for at least one year. ~~The school district firearms policy must authorize~~

   c. Authorize the school district superintendent or the school principal, if the school district does not have a superintendent, to modify an expulsion for firearms possession under this section on a case-by-case basis in accordance with criteria established by the board. Before expelling a student, a school board or its designated hearing officer, within ten days of the student's suspension, shall provide the student with a hearing at which time the school board or its designated hearing officer shall take testimony and consider evidence, including the existence of mitigating circumstances. If a designated hearing officer orders that a student be expelled, the student may seek a review of the decision by the school board, based on the record of the expulsion hearing.

   d. Include a referral mechanism to the criminal justice or juvenile delinquency system for a student who possesses a firearm in violation of this subsection."

Page 3, line 13, after "a." insert ""Dangerous weapon" has the meaning provided in 18 U.S.C. 930(g)(2).

b."

Page 3, line 15, overstrike "b." and insert immediately thereafter "c."

Page 3, remove lines 18 through 31

Page 4, replace lines 1 through 3 with:

"**SECTION 5.** A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Private tutors.

A board of a school district may adopt a policy to permit private tutors to provide tutoring services on school premises."

Page 5, line 8, overstrike "0.082" and insert immediately thereafter "0.088"

Page 6, line 21, remove the overstrike over "~~For~~"

Page 6, line 21, remove the overstrike over "~~school districts that operate multiple~~"

Page 6, line 22, remove the overstrike over "~~kindergarten through grade twelve buildings at least~~"

Page 6, line 22, after "~~nineteen~~" insert "fourteen"

Page 6, line 22, remove the overstrike over "~~miles [~~"

Page 6, line 22, after "~~30.58~~" insert "22.53"

Page 6, line 22, remove the overstrike over "~~kilometers]~~"

Page 6, line 23, remove the overstrike over "~~apart, or multiple buildings at least~~"

Page 6, line 23, after "~~nineteen~~" insert "fourteen"

Page 6, line 23, remove the overstrike over "~~miles [~~"

Page 6, line 23, after "~~30.58~~" insert "22.53"

Page 6, line 23, remove the overstrike over "~~kilometers] apart with no~~"

Page 6, remove the overstrike over line 24

Page 6, line 25, remove the overstrike over "~~size weighting factor for each building separately~~" and insert immediately thereafter ", with no adjustment for elementary schools"

Page 6, line 25, remove the overstrike over "~~. The superintendent of public~~"

Page 6, remove the overstrike over lines 26 through 30 and insert immediately thereafter:

"**SECTION 9. AMENDMENT.** Subsection 4 of section 15.1-27-03.2 of the North Dakota Century Code is amended and reenacted as follows:

4. The school district size weighting factor determined under this section and multiplied by a school district's weighted average daily membership equals the district's weighted student units. For for school districts that operate multiple kindergarten through grade twelve buildings at least fourteen miles [22.53 kilometers] apart, or multiple buildings at least fourteen miles [22.53 kilometers] apart with no replicated grades, the superintendent of public instruction shall determine the school size weighting factor for each building separately~~, with no adjustment for elementary schools~~. The superintendent of public instruction shall

multiply the school size weighting factor for each building by the school district's weighted average daily membership to determine each building's weighted student units. The superintendent of public instruction shall combine the weighted student units of all buildings in the school district to determine the school district's weighted student units."

Page 9, line 29, replace "five hundred forty-four" with "six hundred forty-six"

Page 10, line 4, replace "five hundred forty-four" with "six hundred forty-six"

Page 10, line 6, overstrike "fifteen" and insert immediately thereafter "forty-five"

Page 10, line 10, overstrike "ten" and insert immediately thereafter "eleven"

Page 10, line 11, replace "eight hundred sixty" with "seventy-two"

Page 10, line 16, overstrike "ten" and insert immediately thereafter "eleven"

Page 10, line 17, replace "eight hundred sixty" with "seventy-two"

Page 10, line 19, overstrike "thirty" and insert immediately thereafter "sixty"

Page 10, line 20, overstrike "2022-23" and insert immediately thereafter "2024-25"

Page 16, line 18, replace "five hundred forty-four" with "six hundred forty-six"

Page 16, line 24, replace "five hundred forty-four" with "six hundred forty-six"

Page 16, line 26, overstrike "fifteen" and insert immediately thereafter "forty-five"

Page 16, line 30,overstrike "ten" and insert immediately thereafter "eleven"

Page 16, line 31, replace "eight hundred sixty" with "seventy-two"

Page 17, line 5, overstrike "ten" and insert immediately thereafter "eleven"

Page 17, line 6, replace "eight hundred sixty" with "seventy-two"

Page 17, line 8, overstrike "thirty" and insert immediately thereafter "sixty"

Page 17, line 9, overstrike "2022-23" and insert immediately thereafter "2024-25"

Page 20, line 20, overstrike "ten" and insert immediately thereafter "fifteen"

Page 20, line 24, overstrike "eight" and insert immediately thereafter "twelve"

Page 20, line 26, replace "fifty" with "thirty"

Page 20, line 30, replace "forty" with "twenty-four"

Page 21, after line 3, insert:

"e. A district with a school construction loan secured on the open bond market may apply to refinance the loan when callable with the school construction assistance revolving loan fund under this subsection.

f. A district that qualifies for a loan under subdivision a, which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between fifteen million dollars and the amount of the approved loan. Districts qualifying under this subdivision may submit an application for additional funding to the superintendent of public instruction before August 1, 2023.

g. A district that qualifies for a loan under subdivision b, which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between thirty million dollars and the amount of the approved loan. Districts qualifying under this subdivision may submit an application for additional funding to the superintendent of public instruction before August 1, 2023."

Page 21, replace lines 4 through 10 with:

"**SECTION 12. LEGISLATIVE MANAGEMENT STUDY - COMPOSITION OF THE STATE BOARD OF PUBLIC SCHOOL EDUCATION.**

1. During the 2023-24 interim, the legislative management shall consider studying the composition of the state board of public school education. The study must include:

   a. An analysis of the state board of public school education boundaries, including a comparison of methodologies for creating the boundaries;

   b. An analysis of the inclusion of representatives from small, large, urban, and rural schools on the board;

   c. An evaluation of term limits for board members, including staggering terms to ensure continuity of knowledge;

   d. An evaluation of the benefits and consequences of requiring the composition of the board to include two school district superintendents, two members of a board of a school district, and two citizens at large;

   e. An evaluation of the benefits and consequences of requiring a minimum or maximum number of candidates to be submitted to the governor and permitting the governor to request a new list of potential candidates once; and

   f. An analysis of the role and practices of the county superintendent of schools.

2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 13. LEGISLATIVE MANAGEMENT STUDY - SCHOOL CHOICE MODELS.

1. During the 2023-24 interim, the legislative management shall study school choice models implemented nationally for kindergarten through grade twelve schools, including charter schools, magnet schools, private schools, voucher systems, and home schools. The study must include input from stakeholders, including public and nonpublic teachers and administrators, parents of students, representatives from the department of public instruction, a representative from the governor's office, and representatives from regional education associations. The study also must include the following, supported by quantitative data:

   a. A review of regulations implemented by state regulatory agencies to ensure accountability for various school choice models;

   b. A comparison of nontraditional school choice models implemented by other states;

c. An analysis of the impact of enrollment fluctuation, including the impact on state aid;

d. A review of the state's student population and enrollment capacity and tuition costs of nonpublic schools; and

e. A review of services nonpublic schools are able to offer students with special needs.

2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 14. LEGISLATIVE MANAGEMENT STUDY - TEACHER SHORTAGE AND MILITARY FAMILY WORKFORCE. During the 2023-24 interim, the legislative management shall consider studying employer recruitment needs, applicable state regulations, and benefit options for kindergarten through grade twelve educators within the state, including potential barriers to military personnel and spouses teaching in the classroom. The study should identify immediate and long-term public policy strategies to address teacher shortages and support for military families and spouses. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - VIRTUAL INSTRUCTION IN LIEU OF STORM DAYS. During the 2023-24 interim, the legislative management shall consider studying the feasibility, desirability, and impact of replacing storm days with virtual instruction days. The study must include input from the department of public instruction, public school administrators and teachers, and other stakeholders. The study also must include a review of relevant statutes, plans approved by school boards, and current practices related to storm days. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 16. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA - SCHOOL TRANSPORTATION STUDY - ONE-TIME FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $5,000, or so much of the sum as may be necessary, to the university of North Dakota for the purpose of a school transportation study, for the biennium beginning July 1, 2023, and ending June 30, 2025. The funding provided in this section is considered a one-time funding item.

SECTION 17. APPROPRIATION - DEPARTMENT OF PUBLIC INSTRUCTION - GRANTS FOR FREE MEALS. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $6,000,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing grants to school districts to defray the expenses of providing meals, free of charge, for all students enrolled in public or nonpublic school at or below two hundred percent of the federal poverty guideline, for the biennium beginning July 1, 2023, and ending June 30, 2025. The superintendent of public instruction shall develop guidelines and reporting requirements for the grants."

Page 21, after line 23, insert:

"**SECTION 19. APPROPRIATION - PUBLIC INSTRUCTION FUND - DEPARTMENT OF PUBLIC INSTRUCTION - DYSLEXIA IDENTIFICATION TRAINING.** There is appropriated out of any moneys in the public instruction fund in the state treasury, not otherwise appropriated, the sum of $279,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing training in identification of dyslexia characteristics for the biennium beginning July 1, 2023, and ending June 30, 2025. Each school that instructs students in kindergarten through third grade may apply to the department for funding to train at least one educator in the identification of dyslexia characteristics.

SECTION 20. APPROPRIATION - PUBLIC INSTRUCTION FUND - DEPARTMENT OF PUBLIC INSTRUCTION - READING LEARNING PLATFORM TRAINING. There is appropriated out of any moneys in the public instruction fund in the state treasury, not otherwise appropriated, the sum of $558,000, or so much of the sum as may be necessary, to the department of public instruction for the purpose of providing training in a reading learning platform approved by the superintendent of public instruction, for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 21, line 28, replace "$1,000,000" with "$1,837,000"

Page 22, line 1, after "instruction" insert ", training in identification of dyslexia characteristics, and reading training for kindergarten through grade three teachers"

Page 22, line 1, remove "section 10 of"

Page 22, line 8, replace "5" with "7"

Page 22, line 8, after the period insert "Section 9 of this Act becomes effective on July 1, 2028."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2284 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Department of Public Instruction						
Total all funds	$0	$1,000,000	$6,837,000	$7,837,000	$7,837,000	$0
Less estimated income	0	1,000,000	837,000	1,837,000	1,837,000	0
General fund	$0	$0	$6,000,000	$6,000,000	$6,000,000	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
University of North Dakota						
Total all funds	$0	$0	$5,000	$5,000	$0	$5,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$5,000	$5,000	$0	$5,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Bill total						
Total all funds	$0	$1,000,000	$6,842,000	$7,842,000	$7,837,000	$5,000
Less estimated income	0	1,000,000	837,000	1,837,000	1,837,000	0
General fund	$0	$0	$6,005,000	$6,005,000	$6,000,000	$5,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Senate Bill No. 2284 - Department of Public Instruction - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Science of reading		$1,000,000		$1,000,000	$1,000,000	
Grants - program grants			$6,837,000	6,837,000	6,837,000	
Total all funds	$0	$1,000,000	$6,837,000	$7,837,000	$7,837,000	$0
Less estimated income	0	1,000,000	837,000	1,837,000	1,837,000	0
General fund	$0	$0	$6,000,000	$6,000,000	$6,000,000	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 201 - Department of Public Instruction - Detail of Conference Committee Changes

	Adds Funding for School Meal Grants[1]	Adds Funding for Training Programs[2]	Total Conference Committee Changes
Science of reading Grants - program grants	$6,000,000	$837,000	$6,837,000
Total all funds	$6,000,000	$837,000	$6,837,000
Less estimated income	0	837,000	837,000
General fund	$6,000,000	$0	$6,000,000
FTE	0.00	0.00	0.00

[1] Ongoing funding of $6 million from the general fund is added for grants to school districts for school meal expenses related to free meals for all qualifying students at or below 200 percent of the federal poverty guideline, the same as the House version.

[2] Funding of $837,000 of other funds, derived from 2021-23 biennium unspent general fund appropriation authority for state school aid transferred to the department's operating fund, is added for dyslexia identification training ($279,000) and for reading learning platform training ($558,000), the same as the House version.

This amendment also:

- Includes a transfer of $75 million from the foundation aid stabilization fund to the school construction assistance revolving loan fund. The Senate also included a transfer of $75 million, but the House provided a transfer of $40 million.
- Adjusts the K-12 education funding formula.

The Conference Committee also continued $1 million of unexpended funding provided for integrated formula payments during the 2021-23 biennium to the 2023-25 biennium and requires the funding to be deposited in the department's operating fund. The Conference Committee appropriated the funding from the department's operating fund to the Department of Public Instruction to support professional learning related to the science of reading and implement literacy instruction, the same as the Senate version.

Senate Bill No. 2284 - University of North Dakota - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Transportation study			$5,000	$5,000		$5,000
Total all funds	$0	$0	$5,000	$5,000	$0	$5,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$5,000	$5,000	$0	$5,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 230 - University of North Dakota - Detail of Conference Committee Changes

	Adds Funding for a Transportation Study[1]	Total Conference Committee Changes
Transportation study	$5,000	$5,000
Total all funds	$5,000	$5,000
Less estimated income	0	0
General fund	$5,000	$5,000
FTE	0.00	0.00

[1] One-time funding of $5,000 from the general fund for the University of North Dakota is added for a transportation study related to Senate Bill No. 2328. Neither the Senate nor the House included this funding.

Reengrossed SB 2284 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. NATHE MOVED that the conference committee report on Engrossed HB 1018 as printed on HJ pages 2470-2479 be adopted, which motion failed on a verification vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. HEINERT MOVED that the conference committee report on Reengrossed SB 2284 as printed on HJ pages 2484-2491 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2284: A BILL for an Act to create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to permitting private tutors on public school premises; to amend and reenact section 15.1-07-26, subsection 8 of section 15.1-15-02, subsections 2 and 6 of section 15.1-19-10, section 15.1-27-03.1, subsection 4 of section 15.1-27-03.2, section 15.1-27-04.1, and subsection 5 of section 15.1-36-08 of the North Dakota Century Code, relating to school district enrollment, the definition of "probationary teacher", a school district's policy governing possession of a weapon, the definition of "dangerous weapon", modification of weighting factors, transition maximums and an increase in per student payments, and the school construction revolving loan fund; to provide for a legislative management study; to provide a legislative management report; to provide an appropriation; to provide for an exemption; to provide for a transfer; 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 77 YEAS, 15 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Beltz; Bosch; Boschee; Brandenburg; Christy; Conmy; Cory; Dakane; Davis; Dobervich; Dockter; Fegley; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Holle; Ista; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; Novak; O'Brien; Olson, J.; Ostlie; Porter; Pyle; Richter; Rios; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Bellew; Christensen; Dyk; Heilman; Henderson; Hoverson; Johnson, J.; Koppelman; Prichard; Ruby, D.; Schatz; Timmons; Toman; Tveit; VanWinkle

ABSENT AND NOT VOTING: Finley-DeVille; Olson, S.

Reengrossed SB 2284, as amended, passed.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SWIONTEK MOVED that the conference committee report on Engrossed SB 2020 as printed on HJ pages 2479-2484 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2020: A BILL for an Act to provide an appropriation for defraying the expenses of the department of water resources; to provide an appropriation to the parks and recreation department; to amend and reenact section 61-02-79 of the North Dakota Century Code and section 4 of chapter 20 of the 2021 Session Laws, relating to a Bank of North Dakota line of credit and state water commission discretionary funding; to provide for a transfer; to provide for a report; to provide legislative intent; 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 88 YEAS, 4 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Bellew; Beltz; Bosch; Boschee; Brandenburg; Christensen; Christy; Conmy; Cory; Dakane; Davis; Dobervich;

Dockter; Dyk; Fegley; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heilman; Heinert; Henderson; Holle; Hoverson; Ista; Johnson, J.; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Koppelman; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; Novak; O'Brien; Olson, J.; Ostlie; Pyle; Richter; Rios; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Timmons; Tveit; VanWinkle; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Porter; Prichard; Ruby, M.; Toman

ABSENT AND NOT VOTING: Finley-DeVille; Olson, S.

Engrossed SB 2020, as amended, passed and the emergency clause was declared carried.

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ANNOUNCEMENT

SPEAKER D. JOHNSON ANNOUNCED that the House will stand in recess until 8:00 p.m.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker D. Johnson presiding.

REPORT OF CONFERENCE COMMITTEE

HB 1014, as engrossed: Your conference committee (Sens. Schaible, Sorvaag, Bekkedahl and Reps. Kempenich, Brandenburg, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1890-1902, adopt amendments as follows, and place HB 1014 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1890-1902 of the House Journal and pages 1618-1630 of the Senate Journal and that Engrossed House Bill No. 1014 be amended as follows:

Page 1, line 2, remove "to create and enact a new section to chapter"

Page 1, line 3, remove "6-09, relating to a Bank of North Dakota retention incentive program;"

Page 1, line 4, after "6-09.7-05" insert ", 54-17-40,"

Page 1, line 4, remove the third "and"

Page 1, line 5, after "54-63.1-01" insert ", and subsection 3 of section 54-63.1-07"

Page 1, line 5, remove "section 8 of chapter 42 of the 2021 Session"

Page 1, line 6, replace "Laws" with "subsection 36 of section 1 of chapter 550 of the 2021 Special Session Session Laws"

Page 1, line 6, after "funding" insert ", the housing incentive fund"

Page 1, line 7, after "authority" insert ", a clean sustainable energy authority line of credit"

Page 1, line 7, remove "a transfer of"

Page 1, line 8, replace "Bank of North Dakota profits to the general fund" with "an appropriation from the state fiscal recovery fund"

Page 1, line 9, after "exemption" insert "; to provide for a study"

Page 1, line 9, after "report" insert "; to provide a statement of legislative intent; to provide an effective date"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	$23,698,119	($21,835,425)	$1,862,694
Operating expenses	5,119,958	(924,889)	4,195,069
Capital assets	0	1,250,000	1,250,000
Grants	0	8,623,893	8,623,893
Grants - bond payments	22,040,721	97,839,192	119,879,913
Total all funds	$50,858,798	$84,952,771	$135,811,569
Less estimated income	24,369,185	107,017,528	131,386,713
Total general fund	$26,489,613	($22,064,757)	$4,424,856
Full-time equivalent positions	108.25	(98.50)	9.75"

Page 2, replace lines 11 through 17 with:

"Salaries and wages	$0	$23,123,267	$23,123,267
Operating expenses	0	11,541,104	11,541,104
Capital assets	0	98,000	98,000
Total all funds	$0	$34,762,371	$34,762,371
Less estimated income	0	2,568,000	2,568,000
Total general fund	$0	$32,194,371	$32,194,371
Full-time equivalent positions	0.00	108.00	108.00"

Page 2, replace lines 22 through 25 with:

"Bank of North Dakota operations	$67,306,548	$2,760,519	$70,067,067
Capital assets	1,510,000	0	1,510,000
Total special funds	$68,816,548	$2,760,519	$71,577,067
Full-time equivalent positions	173.00	14.00	187.00"

Page 2, remove lines 30 and 31

Page 3, replace lines 1 through 7 with:

"Salaries and wages	$9,556,272	$1,556,933	$11,113,205
Operating expenses	6,109,060	4,794,823	10,903,883
Capital assets	150,000	(130,000)	20,000
Grants	42,975,200	5,829,910	48,805,110
Housing finance agency contingencies	100,000	0	100,000
Total all funds	$58,890,532	$12,051,666	$70,942,198
Less estimated income	58,890,532	9,551,666	68,442,198
Total general fund	$0	$2,500,000	$2,500,000
Full-time equivalent positions	49.00	5.00	54.00"

Page 3, replace lines 12 through 17 with:

"Salaries and wages	$50,560,209	$3,290,171	$53,850,380
Operating expenses	36,817,000	5,574,653	42,391,653
Contingencies	500,000	0	500,000
Agriculture promotion	500,000	0	500,000
Total special funds	$88,377,209	$8,864,824	$97,242,033
Full-time equivalent positions	156.00	14.00	170.00"

Page 3, replace lines 22 through 24 with:

"Grand total general fund	$26,489,613	$12,629,614	$39,119,227
Grand total special funds	240,453,474	130,762,537	371,216,011
Grand total all funds	$266,943,087	$143,392,151	$410,335,238"

Page 4, remove line 6

Page 4, after line 7 insert:

"Administration - carbon capture education	0	300,000
Administration - records digitization	0	75,000
Administration - inflationary increases	0	35,688"

Page 4, replace line 11 with:

"Mineral resources - inflationary expenses	0	886,868
Mineral resources - drones and computers	0	83,648"

Page 4, replace lines 23 through 25 with:

"Total all funds	$936,341,260	$20,919,820
Less estimated income	874,235,000	9,155,335
Total general fund	$62,106,260	$11,764,485"

Page 5, replace line 4 with:

"Infrastructure project and program bonds - legacy sinking and interest fund $102,620,461"

Page 6, line 10, replace "$12,500,000" with "$13,750,000"

Page 6, line 15, after "funds" insert "from the new and vacant FTE funding pool"

Page 6, line 18, replace "spend" with "request the office of management and budget transfer up to"

Page 6, line 18, after "$82,068" insert "of other funds"

Page 6, line 18, after "the" insert "new and vacant FTE funding pool for"

Page 6, line 18, replace "line item" with "for the full-time equivalent position identified in this section,"

Page 6, line 18, after the second "and" insert "the agency"

Page 6, line 22, after "**FUND**" insert "**- ADMINISTRATION**"

Page 6, line 23, replace "$1,899,877" with "$1,818,114"

Page 7, line 6, after "**FUND**" insert "**- GRANT MANAGEMENT SOFTWARE**"

Page 7, after line 15, insert:

"**SECTION 10. TRANSFER - FUNDS UNDER THE CONTROL OF THE INDUSTRIAL COMMISSION TO INDUSTRIAL COMMISSION FUND - CARBON CAPTURE EDUCATION.** The sum of $300,000, or so much of the sum as may be necessary, included in the appropriation in subdivision 1 of section 1 of this Act, may be transferred from funds under the control of the industrial commission to the industrial commission fund to contract for carbon capture and utilization education and marketing in consultation with the lignite research council, the oil and gas research council, and the renewable energy council. Of the $300,000, the industrial commission may transfer:

1. Up to $100,000 from the lignite research fund;

2. Up to $100,000 from the oil and gas research fund; and

3. Up to $100,000 from the renewable energy development fund."

Page 7, line 17, replace "$70,000,000" with "$140,000,000"

Page 7, line 31, replace "$3,000,000 to the agricultural products utilization fund" with "$1,500,000 to the university of North Dakota for the North Dakota small business development center for the purpose of matching federal grants"

Page 8, line 1, replace "**LEGACY EARNINGS**" with "**STRATEGIC INVESTMENT AND IMPROVEMENTS**"

Page 8, line 2, remove "**AND LOANS**"

Page 8, line 3, remove "and pursuant to the"

Page 8, remove line 4

Page 8, line 5, replace "section 21-10-13, the state treasurer" with "the office of management and budget"

Page 8, line 5, remove "legacy"

Page 8, line 6, replace "earnings" with "strategic investment and improvements"

Page 8, line 7, replace "$5,000,000" with "$3,000,000"

Page 8, line 8, after the semicolon insert "and"

Page 8, line 9, replace "$50,000,000" with "$30,000,000"

Page 8, line 9, remove "for grants; and"

Page 8, line 10, remove "3. $250,000,000 to the clean sustainable energy fund"

Page 8, line 10, remove "and to"

Page 8, line 11, remove "provide funding for loans"

Page 8, line 15, replace "$3,000,000" with "$1,500,000"

Page 8, line 19, replace "$3,000,000" with "$1,500,000"

Page 9, line 2, after "**FUND**" insert "**- FEDERAL STATE FISCAL RECOVERY FUND**"

Page 9, line 4, replace "$22,000,000" with "$6,000,000"

Page 9, line 6, after "57-51.1-07.9" insert "and pursuant to subsection 36 of section 1 of chapter 550 of the 2021 Special Session Session Laws, as amended in section 25 of this Act and exempted in section 27 of this Act"

Page 9, line 7, replace "$22,000,000" with "$6,000,000"

Page 9, line 8, after "fund" insert "and up to $5,300,000 of federal funds from the state fiscal recovery fund"

Page 9, remove lines 20 through 27

Page 10, remove lines 20 through 31

Page 11, replace lines 1 and 2 with:

"**SECTION 17. LIGNITE RESEARCH FUND - FUTURE LIGNITE ELECTRICAL GENERATION FACILITIES STUDY - REPORT TO LEGISLATIVE MANAGEMENT.**

1. Pursuant to the continuing appropriation under section 57-61-01.6, up to $500,000 from the lignite research fund may be used for the purpose of contracting with the energy and environmental research center for a nonmatching study of future lignite electrical generation facilities.

2. The study must include consideration of an energy demand forecast for dispatchable electricity generation and the regulatory environment for future lignite electrical generation facilities, an analysis of the economic impact of future lignite electrical generation facilities and the value-added products or services that may result from those facilities, and other

factors related to the development and operation of future lignite electrical generation facilities.

3. During the 2023-24 interim, the energy and environmental research center shall provide at least one report to the legislative management regarding the status of the study."

Page 11, after line 20, insert:

"**SECTION 19. AMENDMENT.** Section 54-17-40 of the North Dakota Century Code is amended and reenacted as follows:

54-17-40. Housing incentive fund - Continuing appropriation - Report to budget section.

1. The housing incentive fund is created as a special revolving fund at the Bank of North Dakota. The housing finance agency may direct disbursements from the fund and a continuing appropriation from the fund is provided for that purpose.

2. a. After a public hearing, the housing finance agency shall create an annual allocation plan for the distribution of the fund as authorized under subsection 3. ~~At least ten percent of the fund must be used to assist developing communities to address an unmet housing need or alleviate a housing shortage. At least ten percent of the fund must be made available to prevent homelessness as authorized by subdivision d of subsection 3.~~

b. The annual allocation plan must give priority to provide housing for individuals and families of low or moderate income. For purposes of this priority, eligible income limits are determined as a percentage of median family income as published in the most recent federal register notice. Under this priority, the annual allocation plan must give preference to projects that benefit households with the lowest income and to projects that have rent restrictions at or below department of housing and urban development published federal fair market rents or department of housing and urban development section 8 payment standards.

c. At least ten percent of the fund must be used to assist developing communities to address an unmet housing need or alleviate a housing shortage.

3. The housing finance agency shall adopt guidelines for the fund so as to address unmet housing needs in this state. Assistance from the fund may be used solely for:

a. New construction, rehabilitation, preservation, or acquisition of a multifamily housing project;

b. New construction, rehabilitation, preservation, or acquisition of a single-family housing project in a developing community or a community land trust project;

c. Gap assistance, matching funds, and accessibility improvements;

~~c.~~d. Assistance that does not exceed the amount necessary to qualify for a loan using underwriting standards acceptable for secondary market financing or to make the project feasible; and

~~d.~~e. Rental assistance, emergency assistance, barrier mitigation, or ~~targeted supportive~~ services designated to prevent or end homelessness.

4. Eligible recipients include units of local, state, and tribal government; local and tribal housing authorities; community action agencies; regional planning councils; and nonprofit organizations and for-profit developers of ~~multifamily~~residential housing. Individuals may not receive direct assistance from the fund.

5. Except for subdivision d of subsection 3, assistance is subject to repayment or recapture under the guidelines adopted by the housing finance agency. Any assistance that is repaid or recaptured must be deposited in the fund and is appropriated on a continuing basis for the purposes of this section.

6. The agency may collect a reasonable administrative fee from the fund, project developers, applicants, or grant recipients. The origination fee assessed to grant recipients may not exceed five percent of the project award.

7. Upon request, the housing finance agency shall report to the industrial commission regarding the activities of the housing incentive fund.

8. At least once per biennium, the housing finance agency shall provide a report to the budget section of the legislative management regarding the activities of the housing incentive fund."

Page 12, line 26, replace "2025" with "2027"

Page 13, replace lines 16 through 30 with:

"**SECTION 24. AMENDMENT.** Subsection 3 of section 54-63.1-07 of the North Dakota Century Code is amended and reenacted as follows:

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~~three hundred ~~fifty~~ninety 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 derived from payments received on loans issued under this chapter or other sources. 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 or the industrial commission may repay the line of credit from other funds, as appropriated by the legislative assembly.

SECTION 25. AMENDMENT. Subsection 36 of section 1 of chapter 550 of the 2021 Special Session Session Laws is amended and reenacted as follows:

36. There is appropriated from federal funds derived from the state fiscal recovery fund, not otherwise appropriated, the sum of $20,000,000, or so much of the sum as may be necessary, to the industrial commission for the purpose of providing hydrogen development grants, as approved by the clean sustainable energy authority, and distributions to the state energy research center for an underground energy storage research project, for the period beginning with the effective date of this Act, and ending June 30, 2023. Of the $20,000,000, up to $5,300,000 is available for distributions to the state energy research center for an underground energy storage research project, and any remaining amounts are available for providing hydrogen development grants, as approved by the clean sustainable energy authority.

SECTION 26. EMPLOYEE RECRUITMENT AND RETENTION INCENTIVE PROGRAM STUDY - REPORT TO LEGISLATIVE MANAGEMENT. During the 2023-24 interim, the industrial commission and Bank of North Dakota shall study the

feasibility and desirability of creating an employee recruitment and retention incentive program for the Bank of North Dakota. The industrial commission shall report its findings and recommendations to the legislative management by March 31, 2024."

Page 14, line 12, replace "$14,500,000" with "$17,500,000"

Page 14, line 22, after "grants" insert "and an underground energy storage research project"

Page 14, line 23, after "Laws" insert "as amended in section 25 of this Act"

Page 14, line 25, after "fund" insert "to the department of mineral resources for a survey review"

Page 14, after line 28, insert:

"**SECTION 29. LEGISLATIVE INTENT - USE OF BANK OF NORTH DAKOTA PROFITS.** It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative assembly consider developing procedures or adopting legislative rules for introducing bills and amendments related to the use of Bank of North Dakota profits.

SECTION 30. LEGISLATIVE INTENT - ENERGY DEVELOPMENT PROJECTS. It is the intent of the sixty-eighth legislative assembly that the state provide support for an entity's application for federal funding to upgrade a high-voltage direct current transmission line in the state and that the state provide support for energy development projects in the state through the state's energy-related programs, including:

1. The clean sustainable energy authority;
2. The North Dakota pipeline authority;
3. The North Dakota transmission authority;
4. The lignite research council;
5. The oil and gas research council; and
6. The renewable energy council.

SECTION 31. EFFECTIVE DATE. Section 18 of this Act becomes effective July 1, 2025."

Page 15, line 12, replace "Section 5" with "Sections 5 and 25"

Page 15, line 13, replace "Section 23 of this Act" with "Senate Bill No. 2165, as approved by the sixty-eighth legislative assembly"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1014 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Industrial Commission						
Total all funds	$50,858,798	$160,932,060	($25,120,491)	$135,811,569	$135,811,569	$0
Less estimated income	24,369,185	156,507,204	(25,120,491)	131,386,713	131,386,713	0
General fund	$26,489,613	$4,424,856	$0	$4,424,856	$4,424,856	$0
FTE	108.25	9.75	0.00	9.75	9.75	0.00
Department of Mineral Resources						
Total all funds	$0	$37,141,066	($2,128,695)	$35,012,371	$35,012,371	$0
Less estimated income	0	2,568,000	0	2,568,000	2,568,000	0

General fund	$0	$34,573,066	($2,128,695)	$32,444,371	$32,444,371	$0
FTE	0.00	108.00	0.00	108.00	108.00	0.00
Bank of North Dakota						
Total all funds	$68,816,548	$76,237,686	($4,660,619)	$71,577,067	$71,577,067	$0
Less estimated income	68,816,548	76,237,686	(4,660,619)	71,577,067	71,577,067	0
General fund	$0	$0	$0	$0	$0	$0
FTE	173.00	187.00	0.00	187.00	187.00	0.00
Housing Finance Agency						
Total all funds	$58,890,532	$84,333,093	$359,105	$84,692,198	$85,942,198	($1,250,000)
Less estimated income	58,890,532	69,333,093	(890,895)	68,442,198	68,442,198	0
General fund	$0	$15,000,000	$1,250,000	$16,250,000	$17,500,000	($1,250,000)
FTE	49.00	53.00	1.00	54.00	54.00	0.00
Mill and Elevator						
Total all funds	$88,377,209	$100,974,447	($3,732,414)	$97,242,033	$97,242,033	$0
Less estimated income	88,377,209	100,974,447	(3,732,414)	97,242,033	97,242,033	0
General fund	$0	$0	$0	$0	$0	$0
FTE	156.00	170.00	0.00	170.00	170.00	0.00
Bill total						
Total all funds	$266,943,087	$459,618,352	($35,283,114)	$424,335,238	$425,585,238	($1,250,000)
Less estimated income	240,453,474	405,620,430	(34,404,419)	371,216,011	371,216,011	0
General fund	$26,489,613	$53,997,922	($878,695)	$53,119,227	$54,369,227	($1,250,000)
FTE	486.25	527.75	1.00	528.75	528.75	0.00

House Bill No. 1014 - Industrial Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$23,698,119	$2,471,236	($608,542)	$1,862,694	$1,862,694	
Operating expenses	5,119,958	3,707,018	488,051	4,195,069	4,195,069	
Capital assets		1,250,000		1,250,000	1,250,000	
Grants		33,623,893	(25,000,000)	8,623,893	8,623,893	
Grants - Bond payments	22,040,721	119,879,913		119,879,913	119,879,913	
Total all funds	$50,858,798	$160,932,060	($25,120,491)	$135,811,569	$135,811,569	$0
Less estimated income	24,369,185	156,507,204	(25,120,491)	131,386,713	131,386,713	0
General fund	$26,489,613	$4,424,856	$0	$4,424,856	$4,424,856	$0
FTE	108.25	9.75	0.00	9.75	9.75	0.00

Department 405 - Industrial Commission - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Adjusts Funding for an FTE Position[2]	Removes Salary Funding for a Funding Pool[3]	Adds Funding for Software[4]	Adjusts One-Time Funding Items[5]	Total Conference Committee Changes
Salaries and wages	$34,386	($121,985)	($520,943)			($608,542)
Operating expenses		3,363		$74,000	$410,688	488,051
Capital assets						
Grants					(25,000,000)	(25,000,000)
Grants - Bond payments						
Total all funds	$34,386	($118,622)	($520,943)	$74,000	($24,589,312)	($25,120,491)
Less estimated income	34,386	(118,622)	(520,943)	74,000	(24,589,312)	(25,120,491)
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

	General Fund	Other Funds	Total
Salary increase	$0	$35,332	$35,332
Health insurance adjustment	0	(946)	(946)
Total	$0	$34,386	$34,386

The House provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Funding from other funds for an administrative assistant position is decreased by $118,622 from $300,943 to $182,321, the same as the Senate. The $118,622 decrease reflects a decrease of $121,985 to salaries and wages and an increase of $3,363 to operating expenses. This provides the same level of funding as a grant administration position. The House provided $300,943 for the administrative assistant position.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the Senate. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	$0	($490,562)	($490,562)
Vacant FTE positions	0	(30,381)	(30,381)
Total	$0	($520,943)	($520,943)

The House did not remove funding for a new and vacant FTE funding pool.

[4] Funding of $74,000 from other funds is added for software related to a meeting management license and an accounting subscription, the same as the Senate. The House did not include this funding.

[5] One-time funding, which was not included by the House version, is added by the Conference Committee and Senate as follows:

- $75,000 from other funds for a records digitization project.
- $35,688 from other funds for inflationary increases related to rent.
- $300,000 from other funds for carbon capture and utilization education and marketing, including $100,000 from the lignite research fund, $100,000 from the oil and gas research fund, and $100,000 from the renewable energy development fund.

One-time funding, which was added in the House version, is removed by the Conference Committee and Senate as follows:

- $25 million from the strategic investment and improvements fund for a transmission line grant.

This amendment also includes the following changes related to the Industrial Commission:

- Adjusts the transfer for administrative services to provide $1,818,114, the same as the Senate. The House provided for a transfer of $1,899,877.
- Includes a transfer of up to $100,000 from three energy programs, which was added by the Senate, to provide a total of $300,000 for carbon capture and utilization education and marketing. The House did not include this funding.
- Adjusts the funding for a pipeline leak detection and prevention program to provide $3 million from the strategic investment and improvements fund, the same as the Senate. The House provided $5 million from legacy fund earnings.
- Adjusts the funding for the clean sustainable energy fund to provide $30 million from the strategic investment and improvements fund to repay a line of credit and to increase the line of credit available to support the fund by $140 million, from $250 million to $390 million. The House provided $300 million from legacy fund earnings, including $50 million for grants and $250 million to repay a line of credit and for additional loans. The Senate provided $30 million from the strategic investment and improvements fund for grants.
- Decreases funding from the strategic investment and improvements fund for a critical minerals study to provide $1.5 million. The Senate also decreased this funding, but the House provided $3 million for the study.
- Adjusts the funding for an underground energy storage research project to provide $6 million from the strategic investment and improvements fund and $5.3 million from the federal State Fiscal Recovery Fund. An appropriation of $20 million from the federal State Fiscal Recovery Fund from the November 2021 special legislative session is amended to provide up to $5.3 million for the research project with the remaining amount available for hydrogen development grants. The Senate also included these adjustments, but the House provided $22 million from the strategic investment and

improvements fund for the research project.

- Designates $500,000 from the lignite research fund for a study of future lignite electrical generation facilities, the same as the Senate. The House did not designate funding for this study.
- Provides an effective date of July 1, 2025, for a guarantee from the strategic investment and improvements fund for a line of credit related to the purchase of capacity positions on a pipeline, the same as the Senate. The House added the guarantee and line of credit, but did not include an effective date.
- Provides an emergency clause for Senate Bill No. 2165, relating to membership of the clean sustainable energy authority, which was added by the Senate. The House did not include an emergency clause for that bill.
- Adds a statement of legislative intent regarding the state's energy-related programs to support energy development projects. Neither the House nor the Senate included this statement of intent.

House Bill No. 1014 - Department of Mineral Resources - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages		$25,401,022	($2,277,755)	$23,123,267	$23,123,267	
Operating expenses		11,410,044	131,060	11,541,104	11,541,104	
Capital assets		80,000	18,000	98,000	98,000	
Transfer to fossil restoration fund		250,000		250,000	250,000	
Total all funds	$0	$37,141,066	($2,128,695)	$35,012,371	$35,012,371	$0
Less estimated income	0	2,568,000	0	2,568,000	2,568,000	0
General fund	$0	$34,573,066	($2,128,695)	$32,444,371	$32,444,371	$0
FTE	0.00	108.00	0.00	108.00	108.00	0.00

Department 470 - Department of Mineral Resources - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for a Funding Pool[2]	Adds One-Time Funding Items[3]	Total Conference Committee Changes
Salaries and wages	$396,394	($2,674,149)		($2,277,755)
Operating expenses			$131,060	131,060
Capital assets			18,000	18,000
Transfer to fossil restoration fund				
Total all funds	$396,394	($2,674,149)	$149,060	($2,128,695)
Less estimated income	0	0	0	0
General fund	$396,394	($2,674,149)	$149,060	($2,128,695)
FTE	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

	General Fund	Other Funds	Total
Salary increase	$409,369	$0	$409,369
Health insurance adjustment	(12,975)	0	(12,975)
Total	$396,394	$0	$396,394

The House provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the Senate. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($1,284,293)	$0	($1,284,293)
Vacant FTE positions	(1,389,856)	0	(1,389,856)
Total	($2,674,149)	$0	($2,674,149)

The House did not remove funding for a new and vacant FTE funding pool.

[3] One-time funding from the general fund, which was also added by the Senate, but not included by the House, is added as follows:

- $65,412 for additional inflationary increases related to state fleet mileage.
- $83,648 for drones and computer equipment.

The Conference Committee and Senate amended a section related to the Department of Mineral Resources to increase the oil and gas tax revenue allocations to the oil and gas research fund to $17.5 million, an increase of $3 million from the House version, which provided $14.5 million, the same as the 2021-23 biennium.

House Bill No. 1014 - Bank of North Dakota - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Capital assets	$1,510,000	$1,510,000		$1,510,000	$1,510,000	
Bank of North Dakota operations	67,306,548	74,727,686	($4,660,619)	70,067,067	70,067,067	
Total all funds	$68,816,548	$76,237,686	($4,660,619)	$71,577,067	$71,577,067	$0
Less estimated income	68,816,548	76,237,686	(4,660,619)	71,577,067	71,577,067	0
General fund	$0	$0	$0	$0	$0	$0
FTE	173.00	187.00	0.00	187.00	187.00	0.00

Department 471 - Bank of North Dakota - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for a Funding Pool[2]	Total Conference Committee Changes
Capital assets			
Bank of North Dakota operations	$769,366	($5,429,985)	($4,660,619)
Total all funds	$769,366	($5,429,985)	($4,660,619)
Less estimated income	769,366	(5,429,985)	(4,660,619)
General fund	$0	$0	$0
FTE	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

	General Fund	Other Funds	Total
Salary increase	$0	$789,224	$789,224
Health insurance adjustment	0	(19,858)	(19,858)
Total	$0	$769,366	$769,366

The House provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the Senate. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	$0	($3,106,682)	($3,106,682)
Vacant FTE positions	0	(2,323,303)	(2,323,303)
Total	$0	($5,429,985)	($5,429,985)

The House did not remove funding for a new and vacant FTE funding pool.

This amendment also includes the following changes related to the Bank of North Dakota:

- Adds a transfer of $1.5 million from the Bank's profits to a small business development center, the same as the Senate. The House did not include this transfer.
- Removes a transfer of $3 million from the Bank's profits to the agricultural products utilization fund, which was included by the the House but was also removed by the Senate; however, Senate Bill No. 2009 includes a transfer of $3 million from the Bank's profits to the agricultural products utilization fund.
- Increases the transfer from the Bank's profits to the general fund to provide $140 million for the 2023-25 biennium, which is the same as the Senate but an increase of $70 million compared to the House version of $70 million.
- Removes a section added by the House to limit the transfer from the Bank's profits to the general fund to provide $70 million for the 2021-23 biennium. The Senate also removed this section. The House version resulted in a reduction to the July 1, 2023, general fund beginning balance. As approved by the Senate and Conference Committee, the transfer for the 2021-23 biennium is $140 million, the same as the transfer approved during the 2021 legislative session.
- Adds a requirement for the Industrial Commission and Bank of North Dakota to study a recruitment and retention incentive program and to provide a report to the Legislative Management. Neither the House nor the Senate included this study and report.
- Adds a statement of legislative intent that the Legislative Assembly consider developing procedures or adopting legislative rules for introducing bills and amendments related to the use of Bank of North Dakota profits. Neither the House nor the Senate provided a statement of legislative intent.

House Bill No. 1014 - Housing Finance Agency - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$9,556,272	$12,169,742	($1,056,537)	$11,113,205	$11,113,205	
Operating expenses	6,109,060	10,738,241	165,642	10,903,883	10,903,883	
Capital assets	150,000	20,000		20,000	20,000	
Grants	42,975,200	48,805,110		48,805,110	48,805,110	
HFA contingencies	100,000	100,000		100,000	100,000	
Housing incentive fund		12,500,000	1,250,000	13,750,000	15,000,000	($1,250,000)
Total all funds	$58,890,532	$84,333,093	$359,105	$84,692,198	$85,942,198	($1,250,000)
Less estimated income	58,890,532	69,333,093	(890,895)	68,442,198	68,442,198	0
General fund	$0	$15,000,000	$1,250,000	$16,250,000	$17,500,000	($1,250,000)
FTE	49.00	53.00	1.00	54.00	54.00	0.00

Department 473 - Housing Finance Agency - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Adds FTE Position[2]	Removes Salary Funding for a Funding Pool[3]	Adds Funding for Operating Expenses[4]	Adds Funding for Housing Incentive Fund[5]	Total Conference Committee Changes
Salaries and wages	$176,196	$218,908	($1,451,641)			($1,056,537)
Operating expenses				$165,642		165,642
Capital assets						
Grants						
HFA contingencies						
Housing incentive fund					$1,250,000	1,250,000
Total all funds	$176,196	$218,908	($1,451,641)	$165,642	$1,250,000	$359,105
Less estimated income	176,196	218,908	(1,451,641)	165,642	0	(890,895)
General fund	$0	$0	$0	$0	$1,250,000	$1,250,000
FTE	0.00	1.00	0.00	0.00	0.00	1.00

[1] Salaries and wages funding is adjusted for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the Senate, as follows:

	General Fund	Other Funds	Total
Salary increase	$0	$182,349	$182,349
Health insurance adjustment	0	(6,153)	(6,153)
Total	$0	$176,196	$176,196

The House provided salary adjustments of 4 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Funding of $218,908 from other funds is added for 1 FTE compliance officer position to provide a total of $437,816 for 2 FTE compliance officer positions. The Senate also provided $437,816 for 2 FTE compliance officer positions, but the House provided $218,908 for 1 FTE compliance officer position.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the Senate. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	$0	($986,476)	($986,476)
Vacant FTE positions	0	(465,165)	(465,165)
Total	$0	($1,451,641)	($1,451,641)

The House did not remove funding for a new and vacant FTE funding pool.

[4] Funding of $165,642 from other funds is added for inflationary increases, the same as the Senate. The House did not include funding for inflationary increases.

[5] One-time funding for a transfer from the general fund to the housing incentive fund is increased by $1.25 million to provide total funding of $13.75 million for the housing incentive fund pursuant to a section in the bill. The House provided for a transfer of $12.5 million, but the Senate provided for a transfer of $15 million.

This amendment adds a section related to the Housing Finance Agency to amend the housing incentive fund to remove the 10 percent designation for funding to prevent homelessness and to allow funding to be used for single family housing projects, the same as the Senate. The House did not amend the housing incentive fund.

House Bill No. 1014 - Mill and Elevator - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$50,560,209	$57,582,794	($3,732,414)	$53,850,380	$53,850,380	
Operating expenses	36,817,000	42,391,653		42,391,653	42,391,653	
Contingencies	500,000	500,000		500,000	500,000	
Agriculture promotion	500,000	500,000		500,000	500,000	
Total all funds	$88,377,209	$100,974,447	($3,732,414)	$97,242,033	$97,242,033	$0
Less estimated income	88,377,209	100,974,447	(3,732,414)	97,242,033	97,242,033	0
General fund	$0	$0	$0	$0	$0	$0
FTE	156.00	170.00	0.00	170.00	170.00	0.00

Department 475 - Mill and Elevator - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance[1]	Adds Funding for Salary Increases[2]	Removes Salary Funding for a Funding Pool[3]	Total Conference Committee Changes
Salaries and wages	($17,750)	$409,231	($4,123,895)	($3,732,414)
Operating expenses				
Contingencies				
Agriculture promotion				
Total all funds	($17,750)	$409,231	($4,123,895)	($3,732,414)
Less estimated income	(17,750)	409,231	(4,123,895)	(3,732,414)
General fund	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00

[1] Funding of $17,750 from other funds is removed related to an adjustment to health insurance premiums. The Senate also removed this funding, which was added by the House.

[2] Funding of $409,231 from other funds is added for salary increases, which are subject to union negotiations, to provide total salary increase funding of $2,723,414, the same as the Senate. The House provided $2,314,183 for salary increases, the same as requested by the agency in the Executive Budget.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the Senate. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Fund	Total
New FTE positions	$0	($2,367,332)	($2,367,332)
Vacant FTE positions	0	(1,756,563)	(1,756,563)
Total	$0	($4,123,895)	($4,123,895)

The House did not remove funding for a new and vacant FTE funding pool.

This amendment also removes a section added by the House related to the Mill and Elevator Association, which limited the transfer of Mill profits to the general fund to 10 percent. As a result, the transfer of Mill profits to the general fund is 50 percent, the same as the Senate and current law.

Engrossed HB 1014 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2013, as engrossed: Your conference committee (Sens. Schaible, Sorvaag, Meyer and Reps. Richter, Sanford, Nathe) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1789-1811, adopt amendments as follows, and place SB 2013 on the Seventh order:

That the House recede from its amendments as printed on pages 1789-1811 of the Senate Journal and pages 2058-2079 of the House Journal and that Engrossed Senate Bill No. 2013 be amended as follows:

Page 1, line 3, after "15.1-02-02" insert ", 15.1-27-04.1, 15.1-32-01, 15.1-32-14, 15.1-32-18,"

Page 1, line 4, after "instruction" insert ", baseline funding, high-cost students,"

Page 1, line 5, remove "and"

Page 1, line 6, after "exemption" insert "; to provide an effective date; and to declare an emergency"

Page 1, remove lines 19 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	$17,854,747	$965,839	$18,820,586
Operating expenses	33,098,149	(304,829)	32,793,320
Integrated formula payments	2,131,825,000	164,849,851	2,296,674,851
Grants - special education	27,000,000	(3,000,000)	24,000,000
Grants - transportation	58,100,000	0	58,100,000
Grants - other grants	312,738,893	70,000,000	382,738,893
Grants - program grants	0	13,550,000	13,550,000
Grants - passthrough grants	0	8,569,000	8,569,000
Grants - program and passthrough	10,387,064	(10,387,064)	0
PowerSchool	5,250,000	525,000	5,775,000
National board certification	176,290	0	176,290
Total all funds	$2,596,430,143	$244,767,797	$2,841,197,940

Less estimated income	938,233,270	187,349,226	1,125,582,496
Total general fund	$1,658,196,873	$57,418,571	$1,715,615,444
Full-time equivalent positions	86.25	0.00	86.25

Subdivision 2.

CENTER FOR DISTANCE EDUCATION

	Base Level	Adjustments or Enhancements	Appropriation
Center for distance education	$0	$11,347,980	$11,347,980
Total all funds	$0	$11,347,980	$11,347,980
Less estimated income	0	4,550,000	4,550,000
Total general fund	$0	$6,797,980	$6,797,980
Full-time equivalent positions	0.00	30.80	30.80"

Page 2, line 10, replace "2" with "3"

Page 2, replace lines 14 through 19 with:

"Salaries and wages	$4,139,907	$295,408	$4,435,315
Operating expenses	1,822,703	752,595	2,575,298
Grants	2,233,528	50,000	2,283,528
Total all funds	$8,196,138	$1,098,003	$9,294,141
Less estimated income	2,364,417	107,626	2,472,043
Total general fund	$5,831,721	$990,377	$6,822,098"

Page 2, line 21, replace "3" with "4"

Page 2, replace lines 25 through 30 with:

"Salaries and wages	$8,332,820	$604,780	$8,937,600
Operating expenses	1,705,586	120,171	1,825,757
Capital assets	158,678	843,500	1,002,178
Total all funds	$10,197,084	$1,568,451	$11,765,535
Less estimated income	2,790,528	875,163	3,665,691
Total general fund	$7,406,556	$693,288	$8,099,844"

Page 3, line 1, replace "4" with "5"

Page 3, replace lines 5 through 10 with:

"Salaries and wages	$4,992,194	$354,219	$5,346,413
Operating expenses	792,671	103,015	895,686
Capital assets	39,192	439,000	478,192
Total all funds	$5,824,057	$896,234	$6,720,291
Less estimated income	1,062,178	598,533	1,660,711
Total general fund	$4,761,879	$297,701	$5,059,580"

Page 3, line 12, replace "5" with "6"

Page 3, replace lines 16 through 18 with:

"Grand total general fund	$1,676,197,029	$66,197,917	$1,742,394,946
Grand total special funds	944,450,393	193,480,548	1,137,930,941
Grand total all funds	$2,620,647,422	$259,678,465	$2,880,325,887"

Page 3, remove lines 24 through 31

Page 4, replace lines 1 through 14 with:

"Department of public instruction		
Science experiments grants	$13,500,000	$5,500,000
Regional education association grants	250,000	70,000
State automated reporting system maintenance	200,000	0
Children's science center	5,900,000	0

State automated reporting system and statewide longitudinal data system upgrades	10,100,000	0
Elementary and secondary school emergency education relief	305,266,879	0
Emergency education relief homeless children and youth program	1,999,661	0
Assistance to nonpublic schools	4,151,371	0
Individuals with Disabilities Education Act grant	8,632,569	0
School board training grants	0	1,500,000
Statewide reading tool	0	1,600,000
Statewide teacher retention program	0	2,300,000
Total department of public instruction - all funds	$350,000,480	$10,970,000
Total department of public instruction - estimated income	349,800,480	10,900,000
Total department of public instruction - general fund"	$200,000	$70,000

Page 5, replace lines 18 through 20 with:

"Grand total - all funds	$353,300,706	$12,731,671
Grand total - estimated income	353,100,706	12,238,586
Grand total - general fund	$200,000	$493,085"

Page 6, line 3, replace "$143,454,500" with "$157,000,000"

Page 6, after line 3, insert:

"**SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes the sum of $19,493,086 from the strategic investment and improvements fund for integrated formula payments and certain passthrough grants."

Page 6, after line 30, insert:

"**SECTION 9. REGIONAL EDUCATION ASSOCIATION MERGER GRANTS - ONE-TIME FUNDING - DISTRIBUTION.** The grants - program grants line item included in subdivision 1 of section 1 of this Act includes $70,000 from the general fund for the purpose of providing a one-time $35,000 grant to each regional education association that merges with another regional education association to form a single entity with a single governing board during the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 7, remove lines 8 through 20

Page 7, line 26, after "compensation" insert "and benefits"

Page 8, line 12, replace "$16,009,764" with "$16,549,000"

Page 8, after line 26, insert:

"**SECTION 15. EXEMPTION - UNEXPENDED STATE AUTOMATED REPORTING SYSTEM AND STATEWIDE LONGITUDINAL DATA SYSTEM UPGRADE APPROPRIATION - TRANSFER.** The sum of $10,000,000 of special funds from the public instruction fund in the state treasury, derived from reimbursements withheld from school districts' integrated formula payments for the purpose of information technology project upgrades to the state automated reporting system and the statewide longitudinal data system, appropriated to the department of public instruction in section 17 of chapter 549 of the 2021 Special Session Session Laws, is not subject to the provisions of section 54-44.1-11 and any unexpended funds from this one-time appropriation may be continued and are available for information technology project upgrades to the state automated reporting system and the statewide longitudinal data system during the biennium beginning July 1, 2023, and ending June 30, 2025. The department of public

instruction shall transfer any funds continued in excess of $5,000,000 to the information technology department for statewide longitudinal data system upgrades."

Page 8, line 27, replace "2" with "3"

Page 9, line 3, replace "thirty-five thousand five hundred thirty-six" with "thirty-eight thousand one hundred forty-two"

Page 9, line 4, remove "forty thousand"

Page 9, line 5, replace "nine hundred fifty-seven" with "forty-three thousand six hundred sixty-eight"

Page 9, after line 5, insert:

"**SECTION 18. AMENDMENT.** Section 15.1-27-04.1 of the North Dakota Century Code is amended and reenacted as follows:

15.1-27-04.1. Baseline funding - Establishment - Determination of state aid. (Effective through June 30, 2025)

1. To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:

   a. All state aid received by the district in accordance with chapter 15.1-27 during the 2018-19 school year;

   b. An amount equal to the property tax deducted by the superintendent of public instruction to determine the 2018-19 state aid payment;

   c. An amount equal to seventy-five percent of the revenue received by the school district during the 2017-18 school year for the following revenue types:

      (1) Revenue reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;

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

      (3) Tuition reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception of revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition received for the provision of an adult farm management program, and beginning in the 2021-22 school year, seventeen percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid, and an additional seventeen percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid each school year thereafter, until the 2024-25 school year when sixty-eight percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid must be excluded from the tuition calculation under this paragraph;

(4) Revenue from payments in lieu of taxes on the distribution and transmission of electric power;

(5) Revenue from payments in lieu of taxes on electricity generated from sources other than coal; and

(6) Revenue from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3);

d. An amount equal to the total revenue received by the school district during the 2017-18 school year for the following revenue types:

(1) Mobile home tax revenue;

(2) Telecommunications tax revenue; and

(3) Revenue from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit; and

e. Beginning with the 2020-21 school year, the superintendent shall reduce the baseline funding for any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must be proportional to the number of weighted student units in the grades that are offered through another school district relative to the total number of weighted student units the school district offered in the year before the school district became an elementary district. The reduced baseline funding applies to the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter. For districts that become an elementary district prior to the 2020-21 school year, the superintendent shall use the reduced baseline funding to calculate state aid for the 2020-21 school year and for each year thereafter.

2. a. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's 2017-18 weighted student units to determine the district's baseline funding per weighted student unit.

b. For any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the district's baseline funding per weighted student unit used to calculate state aid. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's weighted student units after the school district becomes an elementary district to determine the district's adjusted baseline funding per weighted student unit. The superintendent shall use the district's adjusted baseline funding per weighted student unit in the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter.

c. Beginning with the 2021-22 school year and for each school year thereafter, the superintendent shall reduce the district's baseline funding per weighted student unit. Each year the superintendent shall calculate the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit provided in subsection 3. The superintendent shall reduce the district's baseline funding per weighted student unit by fifteen percent of the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit for the 2021-22 school year. For each year thereafter, the reduction percentage is increased by an additional fifteen percent.

However, the district's baseline funding per weighted student unit, after the reduction, may not be less than the payment per weighted student unit provided in subsection 3.

3. a. For the 2021-22 school year, the superintendent shall calculate state aid as the greater of:

(1) The district's weighted student units multiplied by ten thousand one hundred thirty-six dollars;

(2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand one hundred thirty-six dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by fifteen percent and then the difference added to the amount determined in paragraph 1.

b. For the 2022-23 school year and each school year thereafter, the superintendent shall calculate state aid as the greater of:

(1) The district's weighted student units multiplied by ten thousand two hundred thirty-seven dollars;

(2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand two hundred thirty-seven dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by thirty percent for the 2022-23 school year and the reduction percentage increasing by fifteen percent each school year thereafter until the difference is reduced to zero, and then the difference added to the amount determined in paragraph 1.

c. The superintendent also shall adjust state aid determined in this subsection to ensure the amount does not exceed the transition maximum as follows:

(1) For the 2021-22 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.

(2) For the 2022-23 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.

(3) For the 2023-24 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus twenty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and

one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(4) For the 2024-25 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus forty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(5) For the 2025-26 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus sixty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(6) For the 2026-27 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus eighty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

4. After determining the product in accordance with subsection 3, the superintendent of public instruction shall:

a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the school district, except the amount in dollars subtracted for purposes of this subdivision may not exceed the previous year's amount in dollars subtracted for purposes of this subdivision by more than twelve percent, adjusted pursuant to section 15.1-27-04.3; and

b. Subtract an amount equal to seventy-five percent of all revenue types listed in subdivisions c and d of subsection 1. Before determining the deduction for seventy-five percent of all revenue types, the superintendent of public instruction shall adjust revenues as follows:

(1) Tuition revenue shall be adjusted as follows:

(a) In addition to deducting tuition revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition revenue received for the provision of an adult farm management program, tuition received for the education of high-cost and special education students, and tuition received

under an agreement to educate students from a school district on an air force base with funding received through federal impact aid as directed each school year in paragraph 3 of subdivision c of subsection 1, the superintendent of public instruction also shall reduce the total tuition reported by the school district by the amount of tuition revenue received for the education of students not residing in the state and for which the state has not entered a cross-border education contract; and

(b) The superintendent of public instruction also shall reduce the total tuition reported by admitting school districts meeting the requirements of subdivision e of subsection 2 of section 15.1-29-12 by the amount of tuition revenue received for the education of students residing in an adjacent school district.

(2) After adjusting tuition revenue as provided in paragraph 1, the superintendent shall reduce all remaining revenues from all revenue types by the percentage of mills levied in 2020 by the school district for sinking and interest relative to the total mills levied in 2020 by the school district for all purposes.

5. The amount remaining after the computation required under subsection 4 is the amount of state aid to which a school district is entitled, subject to any other statutory requirements or limitations.

6. On or before June thirtieth of each year, the school board shall certify to the superintendent of public instruction the final average daily membership for the current school year.

7. For purposes of the calculation in subsection 4, each county auditor, in collaboration with the school districts, shall report the following to the superintendent of public instruction on an annual basis:

a. The amount of revenue received by each school district in the county during the previous school year for each type of revenue identified in subdivisions c and d of subsection 1;

b. The total number of mills levied in the previous calendar year by each school district for all purposes; and

c. The number of mills levied in the previous calendar year by each school district for sinking and interest fund purposes.

Baseline funding - Establishment - Determination of state aid. (Effective after June 30, 2025)

1. To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:

a. All state aid received by the district in accordance with chapter 15.1-27 during the 2018-19 school year;

b. An amount equal to the property tax deducted by the superintendent of public instruction to determine the 2018-19 state aid payment;

c. An amount equal to seventy-five percent of the revenue received by the school district during the 2017-18 school year for the following revenue types:

(1) Revenue reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as

developed by the superintendent of public instruction in accordance with section 15.1-02-08;

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

(3) Tuition reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception of revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition received for the provision of an adult farm management program, and beginning in the 2025-26 school year, eighty-five percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid, until the 2026-27 school year, and each school year thereafter, when all tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid must be excluded from the tuition calculation under this paragraph;

(4) Revenue from payments in lieu of taxes on the distribution and transmission of electric power;

(5) Revenue from payments in lieu of taxes on electricity generated from sources other than coal; and

(6) Revenue from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3); and

d. An amount equal to the total revenue received by the school district during the 2017-18 school year for the following revenue types:

(1) Mobile home tax revenue;

(2) Telecommunications tax revenue; and

(3) Revenue from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit.

e. Beginning with the 2020-21 school year, the superintendent shall reduce the baseline funding for any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must be proportional to the number of weighted student units in the grades that are offered through another school district relative to the total number of weighted student units the school district offered in the year before the school district became an elementary district. The reduced baseline funding applies to the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter. For districts that become an elementary district prior to the 2020-21 school year, the superintendent shall use the reduced baseline funding to calculate state aid for the 2020-21 school year and for each year thereafter.

2. a. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's 2017-18 weighted

student units to determine the district's baseline funding per weighted student unit.

b. For any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the district's baseline funding per weighted student unit used to calculate state aid. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's weighted student units after the school district becomes an elementary district to determine the district's adjusted baseline funding per weighted student unit. The superintendent shall use the district's adjusted baseline funding per weighted student unit in the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter.

c. Beginning with the 2021-22 school year and for each school year thereafter, the superintendent shall reduce the district's baseline funding per weighted student unit. Each year the superintendent shall calculate the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit provided in subsection 3. The superintendent shall reduce the district's baseline funding per weighted student unit by fifteen percent of the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit for the 2021-22 school year. For each year thereafter, the reduction percentage is increased by an additional fifteen percent. However, the district's baseline funding per weighted student unit, after the reduction, may not be less than the payment per weighted student unit provided in subsection 3.

3. a. For the 2021-22 school year, the superintendent shall calculate state aid as the greater of:

(1) The district's weighted student units multiplied by ten thousand one hundred thirty-six dollars;

(2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand one hundred thirty-six dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by fifteen percent and then the difference added to the amount determined in paragraph 1.

b. For the 2022-23 school year and each school year thereafter, the superintendent shall calculate state aid as the greater of:

(1) The district's weighted student units multiplied by ten thousand two hundred thirty-seven dollars;

(2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand two hundred thirty-seven dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by thirty percent for the 2022-23 school year and the reduction percentage increasing by fifteen percent each school year thereafter until the difference is reduced to zero, and then the difference added to the amount determined in paragraph 1.

c. The superintendent also shall adjust state aid determined in this subsection to ensure the amount does not exceed the transition maximum as follows:

(1) For the 2021-22 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.

(2) For the 2022-23 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.

(3) For the 2023-24 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus twenty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(4) For the 2024-25 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus forty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(5) For the 2025-26 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus sixty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

(6) For the 2026-27 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus eighty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not

exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

4. After determining the product in accordance with subsection 3, the superintendent of public instruction shall:

   a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the school district; and

   b. Subtract an amount equal to seventy-five percent of all revenue types listed in subdivisions c and d of subsection 1. Before determining the deduction for seventy-five percent of all revenue types, the superintendent of public instruction shall adjust revenues as follows:

      (1) Tuition revenue shall be adjusted as follows:

         (a) In addition to deducting tuition revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition revenue received for the provision of an adult farm management program, tuition received for the education of high-cost and special education students, and tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid as directed each school year in paragraph 3 of subdivision c of subsection 1, the superintendent of public instruction also shall reduce the total tuition reported by the school district by the amount of tuition revenue received for the education of students not residing in the state and for which the state has not entered a cross-border education contract; and

         (b) The superintendent of public instruction also shall reduce the total tuition reported by admitting school districts meeting the requirements of subdivision e of subsection 2 of section 15.1-29-12 by the amount of tuition revenue received for the education of students residing in an adjacent school district.

      (2) After adjusting tuition revenue as provided in paragraph 1, the superintendent shall reduce all remaining revenues from all revenue types by the percentage of mills levied in 2020 by the school district for sinking and interest relative to the total mills levied in 2020 by the school district for all purposes.

5. The amount remaining after the computation required under subsection 4 is the amount of state aid to which a school district is entitled, subject to any other statutory requirements or limitations.

6. On or before June thirtieth of each year, the school board shall certify to the superintendent of public instruction the final average daily membership for the current school year.

7. For purposes of the calculation in subsection 4, each county auditor, in collaboration with the school districts, shall report the following to the superintendent of public instruction on an annual basis:

   a. The amount of revenue received by each school district in the county during the previous school year for each type of revenue identified in subdivisions c and d of subsection 1;

   b. The total number of mills levied in the previous calendar year by each school district for all purposes; and

c. The number of mills levied in the previous calendar year by each school district for sinking and interest fund purposes.

SECTION 19. AMENDMENT. Section 15.1-32-01 of the North Dakota Century Code is amended and reenacted as follows:

15.1-32-01. Definitions.

As used in this chapter:

1. "Major life activities" include learning, walking, talking, breathing, and caring for oneself.

2. "Related services" means transportation and developmental and corrective or supportive services required to assist a student with disabilities to benefit from special education.

~~2.~~3. "Special education" means instruction designed to meet the needs of a student with disabilities, transportation, and corrective and supporting services required to assist a student with disabilities in taking advantage of, or responding to, educational programs and opportunities.

~~3.~~4. "Student who is gifted" means an individual who is identified by qualified professionals as being capable of high performance and who needs educational programs and services beyond those normally provided in a regular education program.

~~4.~~5. a. "Student with a disability" means an individual who is at least three years of age but who has not reached the age of twenty-one before August first of the year in which the individual turns twenty-one and who requires special education and related services because of:

(1) An intellectual disability;

(2) A hearing impairment, including deafness;

(3) Deaf-blindness;

(4) A speech or language impairment;

(5) A visual impairment, including blindness;

(6) An emotional disturbance;

(7) An orthopedic impairment;

(8) Autism;

(9) A traumatic brain injury;

(10) Other health impairment; or

(11) A specific learning disability.

b. "Student with a disability" includes a student age eighteen through twenty-one who is incarcerated in an adult correctional facility and who, in the last educational placement prior to incarceration, was identified as being a student with a disability and did not have an individualized education program or was identified as being a student with a disability and had an individualized education program.

6. "Student with a significant medical condition" means a student with a physical or mental impairment, whether permanent or temporary, which

substantially limits one or more major life activities and who is not entitled to special education and related services.

SECTION 20. AMENDMENT. Section 15.1-32-14 of the North Dakota Century Code is amended and reenacted as follows:

15.1-32-14. ~~Special education students - Contracts for placement~~High-cost students.

1. If in the opinion of an individualized education program team or a services plan team a student with a disability or a student with a significant medical condition is unable to attend a public school in ~~the special education unit to which~~ the student's school district of residence ~~belongs~~, the student's school district of residence shall ~~contract~~release the student at the time deemed necessary to begin attendance with another public school that:

   a. ~~Does not belong to the same special education unit;~~

   ~~b.~~ Is located in this state;

   ~~c.~~b. Is willing to admit the student; and

   ~~d.~~c. Is able to provide appropriate services to the student.

2. ~~The superintendent of public instruction shall approve in advance the terms of the contract and the services to be provided by the admitting school.~~

~~3.~~ The contract must provide that the student's school district of residence is liable for the cost of educating the student.

~~4.~~3. Upon being notified by the district in which the student receives services that the student's school district of residence has not paid for services that were provided to the student, the superintendent of public instruction, after verification, shall withhold all state aid payments to which the student's school district of residence is entitled, until the required payments have been made.

SECTION 21. AMENDMENT. Section 15.1-32-18 of the North Dakota Century Code is amended and reenacted as follows:

15.1-32-18. Cost - Liability of school district for special education and other high-cost services.

1. Each year the superintendent of public instruction shall identify the approximately one percent of ~~special education~~ students with a disability and students with a significant medical condition statewide who are not eligible for cost reimbursement under section 15.1-29-14 and who require the greatest school district expenditures ~~in order~~ to provide them with education and services, including special education and related services. This percentage represents the number of students that would qualify for excess cost reimbursement beyond the multiplier that is established in subsection 3.

2. The excess costs of providing ~~special education and related~~ services to these students are the responsibility of the state and the superintendent of public instruction shall reimburse the school districts for any excess costs incurred in the provision of ~~special education and related~~the services to the identified students.

3. "Excess costs" are those that exceed four times the state average cost of education per student and which are incurred by the ~~special education~~ students identified in subsection 1.

4. All costs of providing ~~special education and related~~ services to those students identified in subsection 1, other than excess costs reimbursed by the state, are the responsibility of the student's school district of residence.

5. In addition to any other reimbursements provided under this section, if a school district expends more than two percent of its annual budget for the provision of ~~special~~ education and ~~related~~ services to one student with a disability or significant medical condition, the district shall notify the superintendent of public instruction. Upon verification, the superintendent shall reimburse the district for the difference between:

   a. Two percent of the district's annual budget; and

   b. The lesser of:

      (1) The amount actually expended by the district for the provision of special education and related services to that student; or

      (2) The amount representing four times the state average cost of education per student."

Page 10, after line 3, insert:

"**SECTION 23. EFFECTIVE DATE.** Senate Bill No. 2269, as approved by the sixty-eighth legislative assembly, becomes effective July 1, 2023. Sections 3, 4, and 7 of Senate Bill No. 2050, as approved by the sixty-eighth legislative assembly, become effective May 15, 2023.

SECTION 24. EMERGENCY. Sections 3, 4, and 7 of Senate Bill No. 2050 and Senate Bill No. 2269, as approved by the sixty-eighth legislative assembly, are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Department of Public Instruction						
Total all funds	$2,596,430,143	$2,991,058,326	($149,860,386)	$2,841,197,940	$3,029,248,074	($188,050,134)
Less estimated income	938,233,270	1,092,638,081	32,944,415	1,125,582,496	1,118,669,746	6,912,750
General fund	$1,658,196,873	$1,898,420,245	($182,804,801)	$1,715,615,444	$1,910,578,328	($194,962,884)
FTE	86.25	86.25	0.00	86.25	86.25	0.00
Center for Distance Education						
Total all funds	$0	$0	$11,347,980	$11,347,980	$11,183,325	$164,655
Less estimated income	0	0	4,550,000	4,550,000	4,550,000	0
General fund	$0	$0	$6,797,980	$6,797,980	$6,633,325	$164,655
FTE	0.00	0.00	30.80	30.80	30.80	0.00
State Library						
Total all funds	$8,196,138	$9,007,514	$286,627	$9,294,141	$9,294,141	$0
Less estimated income	2,364,417	2,143,007	329,036	2,472,043	2,472,043	0
General fund	$5,831,721	$6,864,507	($42,409)	$6,822,098	$6,822,098	$0
FTE	26.75	26.75	0.00	26.75	26.75	0.00
School for the Deaf						
Total all funds	$10,197,084	$12,016,187	($250,652)	$11,765,535	$11,765,535	$0
Less estimated income	2,790,528	3,678,221	(12,530)	3,665,691	3,665,691	0
General fund	$7,406,556	$8,337,966	($238,122)	$8,099,844	$8,099,844	$0
FTE	44.61	45.36	0.00	45.36	45.36	0.00
Vision Services - School for the Blind						
Total all funds	$5,824,057	$6,811,738	($91,447)	$6,720,291	$6,720,291	$0

Less estimated income	1,062,178	1,664,423	(3,712)	1,660,711	1,660,711	0
General fund	$4,761,879	$5,147,315	($87,735)	$5,059,580	$5,059,580	$0
FTE	27.75	27.75	0.00	27.75	27.75	0.00
Bill total						
Total all funds	$2,620,647,422	$3,018,893,765	($138,567,878)	$2,880,325,887	$3,068,211,366	($187,885,479)
Less estimated income	944,450,393	1,100,123,732	37,807,209	1,137,930,941	1,131,018,191	6,912,750
General fund	$1,676,197,029	$1,918,770,033	($176,375,087)	$1,742,394,946	$1,937,193,175	($194,798,229)
FTE	185.36	186.11	30.80	216.91	216.91	0.00

Senate Bill No. 2013 - Department of Public Instruction - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$17,854,747	$19,313,859	($493,273)	$18,820,586	$18,557,316	$263,270
Operating expenses	33,098,149	33,293,320	(500,000)	32,793,320	32,793,320	
Integrated formula payments	2,131,825,000	2,448,651,200	(151,976,349)	2,296,674,851	2,471,568,255	(174,893,404)
Grants - Special education contracts	27,000,000	27,000,000	(3,000,000)	24,000,000	27,000,000	(3,000,000)
Grants - Transportation	58,100,000	58,100,000		58,100,000	58,100,000	
Grants - Other grants	312,738,893	382,738,893		382,738,893	382,738,893	
Grants - Program and passthrough	10,387,064					
Grants - Program grants		13,780,000	(230,000)	13,550,000	15,550,000	(2,000,000)
Grants - Passthrough grants		2,229,764	6,339,236	8,569,000	16,989,000	(8,420,000)
PowerSchool	5,250,000	5,775,000		5,775,000	5,775,000	
National board certification	176,290	176,290		176,290	176,290	
Total all funds	$2,596,430,143	$2,991,058,326	($149,860,386)	$2,841,197,940	$3,029,248,074	($188,050,134)
Less estimated income	938,233,270	1,092,638,081	32,944,415	1,125,582,496	1,118,669,746	6,912,750
General fund	$1,658,196,873	$1,898,420,245	($182,804,801)	$1,715,615,444	$1,910,578,328	($194,962,884)
FTE	86.25	86.25	0.00	86.25	86.25	0.00

Department 201 - Department of Public Instruction - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Decreases Funding for Information Technology[3]	Adjusts Funding for Integrated Formula Payments[4]	Adjusts the Funding Source of Integrated Formula Payments[5]	Decreases Funding for Special Education Contract Grants[6]
Salaries and wages	$296,542	($789,815)				
Operating expenses			($500,000)			
Integrated formula payments				($151,976,349)		
Grants - Special education contracts						($3,000,000)
Grants - Transportation						
Grants - Other grants						
Grants - Program and passthrough						
Grants - Program grants						
Grants - Passthrough grants						
PowerSchool						
National board certification						
Total all funds	$296,542	($789,815)	($500,000)	($151,976,349)	$0	($3,000,000)
Less estimated income	185,588	(493,995)	(325,000)	0	27,538,586	0
General fund	$110,954	($295,820)	($175,000)	($151,976,349)	($27,538,586)	($3,000,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Increases Funding for Adult Education[7]	Removes Funding for Free Breakfast Program[8]	Increases Funding for Teacher Mentoring[9]	Adds Funding for Passthrough Grants[10]	Decreases One-Time Funding for School Board Training[11]	Removes One-Time Funding for Cybersecurity Training[12]
Salaries and wages						
Operating expenses						
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants						
Grants - Program and passthrough						
Grants - Program grants	$500,000	($200,000)			($500,000)	($1,000,000)
Grants - Passthrough grants			$374,236	$465,000		
PowerSchool						
National board certification						
Total all funds	$500,000	($200,000)	$374,236	$465,000	($500,000)	($1,000,000)
Less estimated income	500,000	(200,000)	374,236	465,000	(500,000)	(1,000,000)
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes One-Time Funding for a Grow-Your-Own Teacher Program[13]	Adds One-Time Funding for Regional Education Association Merger Incentive Grants[14]	Adds One-Time Funding for a Statewide Reading Tool[15]	Adds One-Time Funding for a Teacher Retention Program[16]	Adds One-Time Funding for Passthrough Grants[17]	Total Conference Committee Changes
Salaries and wages						($493,273)
Operating expenses						(500,000)
Integrated formula payments						(151,976,349)
Grants - Special education contracts						(3,000,000)
Grants - Transportation						
Grants - Other grants						
Grants - Program and passthrough						
Grants - Program grants	($3,000,000)	$70,000	$1,600,000	$2,300,000		(230,000)
Grants - Passthrough grants					$5,500,000	6,339,236
PowerSchool						
National board certification						
Total all funds	($3,000,000)	$70,000	$1,600,000	$2,300,000	$5,500,000	($149,860,386)
Less estimated income	(3,000,000)	0	1,600,000	2,300,000	5,500,000	32,944,415
General fund	$0	$70,000	$0	$0	$0	($182,804,801)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates for the Department of Public Instruction, the same as the House, as follows:

	General Fund	Other Funds	Total
Salary increase	$114,670	$191,386	$306,056
Health insurance adjustment	(3,716)	(5,798)	(9,514)
Total	$110,954	$185,588	$296,542

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House version. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($0)	($0)	($0)
Vacant FTE positions	(295,820)	(493,995)	(789,815)
Total	($295,820)	($493,995)	($789,815)

[3] Funding for information technology charges based on total agency appropriation is decreased. Charges assessed by the Information Technology Department based on agency

funding must not include funding provided to the Department of Public Instruction for integrated formula payments, transportation grants, and special education contract grants. The House decreased funding for information technology charges by $500,000 from the general fund. The Senate did not include this reduction.

[4] Funding for integrated formula payments is adjusted as follows:

	General Fund
Adjusts savings related to cost to continue integrated formula payments for a total of $46,367,895 in savings, the same as the House version.	($11,038,751)
Senate Bill No. 2066:	
Removes funding included by the Senate and the House for property tax relief provided through the state school aid formula. Property tax relief is included in House Bill No. 1158 and is not delivered through the state school aid formula.	(203,100,000)
Senate Bill No. 2284:	
Adjusts the funding to increase the integrated payment rate by 4 percent each year of the biennium. The Senate provided 3 percent increases each year of the biennium and the House increased the integrated payment rate by 3.5 percent in the 1st year and 3 percent in the 2nd year of the biennium.	41,382,430
Adjusts the funding to remove transition maximum payment adjustments, the same as the Senate and House versions.	12,020
Adjusts the funding to implement on-time funding based on fall enrollment, the same as the Senate and House versions.	(5,334)
Adds the funding to increase the special education weighting factor from .082 to .088, the same as the House version.	15,660,200
Adjusts the funding to increase the school size weighting factor for school districts operating two plants at least 14 miles apart, the same as the Senate and House versions.	93,086
Senate Bill No. 2013:	
Adds the funding to exempt tuition for high-cost students from deduction in the state aid formula, the same as the House version.	5,020,000
Increase (Decrease) in integrated formula payments	($151,976,349)

[5] The funding source for integrated formula payments is adjusted to increase funding from the foundation aid stabilization fund by $13,545,500 to provide a total of $157,000,000, the same as the House version.

In addition, the Conference Committee provided $13,993,086 from the strategic investment and improvements fund for increases in state school aid related to school districts size weighting factors ($8,973,086) and an exemption in the formula for tuition for high-cost students ($5,020,000). The Senate and the House did not include funding from the strategic investment and improvements fund for integrated formula payments.

[6] Funding for special education contract grants is reduced to provide a total of $24 million from the general fund. The Senate and House did not reduce funding for special education contract grants.

[7] Funding from special funds derived from carryover funds deposited in the department's operating fund is increased for adult education matching grants to provide a total of $5.5 million, the same as the House version.

[8] Funding from special funds derived from carryover funds deposited in the department's operating fund for a free breakfast program is removed because qualifying students are included in funding for meals in Senate Bill No. 2284, the same as the House version.

[9] Funding from special funds derived from carryover funds deposited in the department's operating fund is increased for the teacher mentoring passthrough grant to provide a total of $2,500,000. The Senate provided $2,125,764 from special funds resulting from carryover and the House provided $4,000,000 from carryover.

[10] Funding from special funds derived from carryover funds deposited in the department's operating fund is added for passthrough grants added by the House as follows:

- $40,000 for national writing projects; and
- $425,000 for rural art outreach.

The Senate did not include funding for these passthrough grants. The Conference Committee did not include $20,000 provided by the House for TeenPact.

[11] One-time funding from special funds derived from carryover funds deposited in the department's operating fund for program grants related to school board training is reduced to provide a total of $1.5 million, the same as the House version.

[12] One-time funding from special funds derived from carryover funds deposited in the department's operating fund for program grants related to cybersecurity training is removed, the same as the House version.

[13] One-time funding from special funds derived from carryover funds deposited in the department's operating fund for the grow-your-own teacher/paraprofessional-to-teacher program is removed, the same as the House version. Funding for the program was approved in Senate Bill No. 2032.

[14] One-time funding is added for regional education association merger incentive grants, the same as the House version.

[15] One-time funding is added from special funds derived from carryover funds deposited in the department's operating fund to make available the Amira reading tool for all students in grades 1 through 3 and for certain students in grades 4 through 12, the same as the House version.

[16] One-time funding is added from special funds derived from carryover funds deposited in the department's operating fund to make a teacher retention program available statewide. The House included $4.3 million for the teacher retention program. The Senate did not include funding for this program.

[17] One-time funding is added from the strategic investment and improvements fund for passthrough grants to the Grand Forks Science Center ($5,000,000) and the Fargo Science Center ($500,000).

The Conference Committee did not include $3.5 million from the general fund for North Dakota's Gateway to Science or $2.5 million from the strategic investment and improvements fund for Sleepy Hollow Children's Theatre and Art Park included by the House. The House provided $5.9 million from the strategic investment and improvements fund for the Grand Forks Science Center.

The Senate did not include funding for these passthrough grants.

In addition this amendment:

- Amends the section related to funding from the foundation aid stabilization fund to provide a total of $157 million, the same as the House version;
- Adds a section identifying $19,493,086 of funding from the strategic investment and improvements fund. The House had identified $8,900,000;
- Adds a section related to the distribution of regional education association merger incentive grants, the same as the House version;
- Removes the section related to the application, distribution, and reporting for passthrough grants, the same as the House version;
- Amends the section related to new money to provide additional funding is for compensation and benefits. The House provided additional funding made available to school districts by reducing the local property tax contribution to the state school aid formula is not considered new money;
- Amends the section related to general fund carryover to be deposited in the department's operating fund to provide a total of $16,549,000;
- Adds a section to allow carryover for the state automated reporting system and statewide longitudinal data system upgrades and provides the amount continued over $5 million will be transferred to the Information Technology Department, the same as the House;
- Amends the section related to the salary of the Superintendent of Public Instruction to provide salary increases of 6 percent in the 1st year of the biennium and 4 percent in the 2nd year of the biennium, the same as the House;
- Adds a section to amend the state school aid funding formula to exempt tuition received for the education of high-cost and special education students from deduction in the formula, the same as the House;
- Adds three sections to provide for various definitions relating to high-cost students, services to high-cost students, and school district liability related to special

education and other high-cost services, the same as the House;

- Adds a section to provide effective dates for Sections 3, 4, and 7 of Senate Bill No. 2050 relating to libraries and for Senate Bill No. 2269 relating to the Center for Distance Education, the same as the House; and
- Adds a section to provide Sections 3, 4, and 7 of Senate Bill No. 2050 relating to libraries and Senate Bill No. 2269 relating to the Center for Distance Education are an emergency measure, the same as the House.

The Conference Committee did not include a section of legislative intent, added by the House, to provide it is the intent of the 68th Legislative Assembly that the 69th Legislative Assembly consider amendments to the state school aid integrated funding formula only in the appropriation bill for the Department of Public Instruction.

Senate Bill No. 2013 - Center for Distance Education - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Center for Distance Education			$11,347,980	$11,347,980	$11,183,325	$164,655
Total all funds	$0	$0	$11,347,980	$11,347,980	$11,183,325	$164,655
Less estimated income	0	0	4,550,000	4,550,000	4,550,000	0
General fund	$0	$0	$6,797,980	$6,797,980	$6,633,325	$164,655
FTE	0.00	0.00	30.80	30.80	30.80	0.00

Department 204 - Center for Distance Education - Detail of Conference Committee Changes

	Adds Funding to Transfer the Center for Distance Education[1]	Adds Funding for Salary and Benefit Increases[2]	Removes Salary Funding for Funding Pool[3]	Adds 1 FTE Elementary Teacher Position[4]	Adds 1 FTE Information Technology Position[5]	Increases Funding for Center for Distance Education[6]
Center for Distance Education	$9,474,354	$538,281	($485,655)	$165,000	$156,000	$1,500,000
Total all funds	$9,474,354	$538,281	($485,655)	$165,000	$156,000	$1,500,000
Less estimated income	3,050,000	0	0	0	0	1,500,000
General fund	$6,424,354	$538,281	($485,655)	$165,000	$156,000	$0
FTE	28.80	0.00	0.00	1.00	1.00	0.00

	Total Conference Committee Changes
Center for Distance Education	$11,347,980
Total all funds	$11,347,980
Less estimated income	4,550,000
General fund	$6,797,980
FTE	30.80

[1] Funding is added to transfer the base budget for the Center for Distance Education to the control of the Department of Public Instruction, including 28.80 FTE positions and the cost to continue 2021-23 salary increases, pursuant to Senate Bill No. 2269, the same as the House version.

[2] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates for the Center for Distance Education, the same as the House, as follows:

	General Fund	Other Funds	Total
Salary increase	$378,835	$0	$378,835
Health insurance increase	159,446	0	159,446
Total	$538,281	$0	$538,281

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House version. These amounts are available to

the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($321,000)	$0	($321,000)
Vacant FTE positions	(164,655)	0	(164,655)
Total	($485,655)	$0	($485,655)

[4] One FTE elementary teacher position and related funding for salaries and wages is added for the Center for Distance Education, the same as the House version.

[5] One FTE information technology position and related funding for salaries and wages is added for the Center for Distance Education, the same as the House version.

[6] Funding from special funds derived from tuition is added for Center for Distance Education teacher salaries and wages and operating expenses, the same as the House version.

This amendment also adds two sections to provide an effective date for Senate Bill No. 2269, related to the transfer of the Center for Distance Education, and to provide Senate Bill No. 2269 is an emergency measure, the same as the House.

Senate Bill No. 2013 - State Library - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$4,139,907	$4,485,513	($50,198)	$4,435,315	$4,435,315	
Operating expenses	1,822,703	2,238,473	336,825	2,575,298	2,575,298	
Grants	2,233,528	2,283,528		2,283,528	2,283,528	
Total all funds	$8,196,138	$9,007,514	$286,627	$9,294,141	$9,294,141	$0
Less estimated income	2,364,417	2,143,007	329,036	2,472,043	2,472,043	0
General fund	$5,831,721	$6,864,507	($42,409)	$6,822,098	$6,822,098	$0
FTE	26.75	26.75	0.00	26.75	26.75	0.00

Department 250 - State Library - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Adds Funding for Increased Federal Funds[3]	Total Conference Committee Changes
Salaries and wages	$61,354	($111,552)		($50,198)
Operating expenses			$336,825	336,825
Grants				
Total all funds	$61,354	($111,552)	$336,825	$286,627
Less estimated income	9,908	(17,697)	336,825	329,036
General fund	$51,446	($93,855)	$0	($42,409)
FTE	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House, as follows:

	General Fund	Other Funds	Total
Salary increase	$54,286	$10,263	$64,549
Health insurance adjustment	(2,840)	(355)	(3,195)
Total	$51,446	$9,908	$61,354

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House version. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	$0	$0	$0
Vacant FTE positions	(93,855)	(17,697)	(111,552)
Total	($93,855)	($17,697)	($111,552)

[3] Funding for operating expenses is added for anticipated increases in federal funds, the same as the House version.

This amendment also adds a section to provide an effective date for Sections 3, 4, and 7 of Senate Bill No. 2050, related to the calculation of library state aid and local funding, and to declare an emergency measure, the same as the House version.

Senate Bill No. 2013 - School for the Deaf - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$8,332,820	$9,188,252	($250,652)	$8,937,600	$8,937,600	
Operating expenses	1,705,586	1,825,757		1,825,757	1,825,757	
Capital assets	158,678	1,002,178		1,002,178	1,002,178	
Total all funds	$10,197,084	$12,016,187	($250,652)	$11,765,535	$11,765,535	$0
Less estimated income	2,790,528	3,678,221	(12,530)	3,665,691	3,665,691	0
General fund	$7,406,556	$8,337,966	($238,122)	$8,099,844	$8,099,844	$0
FTE	44.61	45.36	0.00	45.36	45.36	0.00

Department 252 - School for the Deaf - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Total Conference Committee Changes
Salaries and wages	$78,185	($328,837)	($250,652)
Operating expenses			
Capital assets			
Total all funds	$78,185	($328,837)	($250,652)
Less estimated income	2,329	(14,859)	(12,530)
General fund	$75,856	($313,978)	($238,122)
FTE	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House, as follows:

	General Fund	Other Funds	Total
Salary increase	$81,505	$2,478	$83,983
Health insurance adjustment	(5,649)	(149)	(5,798)
Total	$75,856	$2,329	$78,185

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House version. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($115,294)	$0	($115,294)
Vacant FTE positions	(198,684)	(14,859)	(213,543)
Total	($313,978)	($14,859)	($328,837)

Senate Bill No. 2013 - Vision Services - School for the Blind - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$4,992,194	$5,437,860	($91,447)	$5,346,413	$5,346,413	
Operating expenses	792,671	895,686		895,686	895,686	
Capital assets	39,192	478,192		478,192	478,192	
Total all funds	$5,824,057	$6,811,738	($91,447)	$6,720,291	$6,720,291	$0
Less estimated income	1,062,178	1,664,423	(3,712)	1,660,711	1,660,711	0
General fund	$4,761,879	$5,147,315	($87,735)	$5,059,580	$5,059,580	$0
FTE	27.75	27.75	0.00	27.75	27.75	0.00

Department 253 - Vision Services - School for the Blind - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Total Conference Committee Changes
Salaries and wages	$40,640	($132,087)	($91,447)
Operating expenses			
Capital assets			
Total all funds	$40,640	($132,087)	($91,447)
Less estimated income	4,053	(7,765)	(3,712)
General fund	$36,587	($124,322)	($87,735)
FTE	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House, as follows:

	General Fund	Other Funds	Total
Salary increase	$39,664	$4,408	$44,072
Health insurance adjustment	(3,077)	(355)	(3,432)
Total	$36,587	$4,053	$40,640

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below, the same as the House version. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	$0	$0	$0
Vacant FTE positions	(124,322)	(7,765)	(132,087)
Total	($124,322)	($7,765)	($132,087)

Engrossed SB 2013 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2019, as engrossed: Your conference committee (Sens. Sorvaag, Bekkedahl, Meyer and Reps. Sanford, Martinson, Hanson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1778-1781, adopt amendments as follows, and place SB 2019 on the Seventh order:

That the House recede from its amendments as printed on pages 1778-1781 of the Senate Journal and pages 2111-2115 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, replace lines 14 through 19 with:

"Administration	$2,765,070	$189,761	$2,954,831
Park operations and maintenance	21,155,523	90,860,669	112,016,192
Recreation	11,126,162	9,558,081	20,684,243
Total all funds	$35,046,755	$100,608,511	$135,655,266

Less estimated income	22,599,593	99,917,122	122,516,715
Total general fund	$12,447,162	$691,389	$13,138,551"

Page 2, replace lines 1 and 2 with:

"International Peace Garden	$876,329	$1,050,000	$1,926,329
Total all funds	$876,329	$1,050,000	$1,926,329
Less estimated income	0	800,000	800,000
Total general fund	$876,329	$250,000	$1,126,329"

Page 2, replace lines 7 through 9 with:

"Grand total general fund	$13,323,491	$941,389	$14,264,880
Grand total special funds	22,599,593	100,717,122	123,316,715
Grand total all funds	$35,923,084	$101,658,511	$137,581,595"

Page 2, replace lines 24 through 27 with:

"City, county, and tribal park system grants	0	6,000,000
Pembina Gorge campground construction	0	6,000,000
International Peace Garden pavilion construction	0	800,000
Theodore Roosevelt presidential library project	0	70,000,000
Total all funds	$27,782,800	$98,450,000
Total other funds	27,532,800	98,450,000
Total general fund	$250,000	$0"

Page 2, after line 31, insert:

"**SECTION 3. LINE OF CREDIT - THEODORE ROOSEVELT PRESIDENTIAL LIBRARY PROJECT.**

1. The Bank of North Dakota shall extend a line of credit not to exceed $70,000,000 to the parks and recreation department. The interest rate on the line of credit may not exceed the prevailing interest rate charged to North Dakota governmental entities.

2. The parks and recreation department may use the funds borrowed through the line of credit to support activities related to the Theodore Roosevelt presidential library project. The parks and recreation department shall require any entity receiving funds under this section to repay the funds to the department, including accrued interest.

3. The parks and recreation department may accept funds from participating entities and shall use the funds to repay the line of credit. If the amounts available are not anticipated to be sufficient to repay the line of credit by June 30, 2027, the department shall request a deficiency appropriation from the legislative assembly to repay the line of credit.

4. The department shall develop guidelines and rules for the use and repayment of this funding."

Page 3, remove lines 14 through 17

Page 3, line 20, replace "$12,500,000" with "$26,950,000"

Page 3, line 21, after the first comma insert "$6,000,000 is for a Pembina Gorge campground construction project, $2,400,000 is for cabin construction at a park selected by the director of the parks and recreation department,"

Page 3, line 22, after the second comma insert "$800,000 is for the construction of a pavilion at the International Peace Garden,"

Page 3, line 22, replace "$750,000" with "$6,000,000"

Page 3, line 24, after the boldfaced dash insert "**MATCHING REQUIREMENTS -**"

Page 3, line 26, after "department" insert "shall make available $1,000,000 for grant awards to communities with a population of fifteen thousand or less and"

Page 3, line 26, replace "$100,000" with "$150,000"

Page 3, line 26, after "entity" insert "and $5,000,000 for grant awards to communities with a population of more than fifteen thousand and may not award more than $1,000,000 to an entity. Expenditure of these funds is subject to one-to-one matching funds from nonstate sources"

Page 3, after line 26, insert:

"**SECTION 8. INTERNATIONAL PEACE GARDEN PAVILION CONSTRUCTION GRANT - MATCHING REQUIREMENTS.** The International Peace Garden line item in subdivision 2 of section 1 of this Act includes $800,000 for construction of a pavilion at the International Peace Garden. Expenditure of these funds is subject to one-to-one matching funds from the province of Manitoba or other nonstate sources."

Page 4, after line 29, insert:

"10. Any funds remaining from the federal state fiscal recovery fund in section 6 of chapter 19 of the 2021 Session Laws as amended by section 3 of chapter 548 of the 2021 Special Session Session Laws for deferred maintenance and capital projects."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Parks and Recreation Department - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Administration	$2,765,070	$3,005,826	($50,995)	$2,954,831	$2,954,831	
Park operations and maintenance	21,155,523	36,461,299	75,554,893	112,016,192	113,016,192	($1,000,000)
Recreation	11,126,162	15,465,049	5,219,194	20,684,243	27,434,243	(6,750,000)
International Peace Garden	876,329	1,126,329	800,000	1,926,329	1,926,329	
Total all funds	$35,923,084	$56,058,503	$81,523,092	$137,581,595	$145,331,595	($7,750,000)
Less estimated income	22,599,593	41,418,280	81,898,435	123,316,715	114,066,715	9,250,000
General fund	$13,323,491	$14,640,223	($375,343)	$14,264,880	$31,264,880	($17,000,000)
FTE	57.75	65.00	0.00	65.00	65.00	0.00

Department 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adds Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Adds Funding for One-Time Items[3]	Total Conference Committee Changes
Administration	$16,983	($67,978)		($50,995)
Park operations and maintenance	147,971	(593,078)	$76,000,000	75,554,893
Recreation	18,451	(49,257)	5,250,000	5,219,194
International Peace Garden			800,000	800,000
Total all funds	$183,405	($710,313)	$82,050,000	$81,523,092
Less estimated income	11,653	(163,218)	82,050,000	81,898,435
General fund	$171,752	($547,095)	$0	($375,343)
FTE	0.00	0.00	0.00	0.00

[1] Salaries and wages funding is adjusted to provide for the 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates, the same as the House version, as follows:

	General Fund	Other Funds	Total
Salary increase	$177,883	$12,010	$189,893
Health insurance adjustment	(6,131)	(357)	(6,488)
Total	$171,752	$11,653	$183,405

The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.

[2] Funding for the new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($65,175)	($131,928)	($197,103)
Vacant FTE positions	(481,920)	(31,290)	(513,210)
Total	($547,095)	($163,218)	($710,313)

The House had also removed funding for the new and vacant FTE funding pool.

[3] One-time funding is added for the following:

- $6 million from the strategic investment and improvements fund for a Pembina Gorge campground construction project. The House had added $7 million from the general fund. The Senate did not add any funding for the project.
- $70 million from a line of credit at the Bank of North Dakota for supporting activities related to the Theodore Roosevelt Presidential Library project, the same as the House version.
- $800,000 from the strategic investment and improvements fund for construction of the Willis Pavilion at the International Peace Garden, the same as the House version. A section is added requiring dollar-for-dollar matching funds from the province of Manitoba for the project, the same as the House version.
- $5,250,000 from the strategic investment and improvements fund for city, county, and tribal park system grants to provide a total of $6,000,000. Both the Senate and House had provided $750,000.

The House had added $10 million from the general fund for grants to local park districts to renovate or upgrade existing outdoor facilities. This funding was not included in the Conference Committee version.

The House had added $2 million from the strategic investment and improvements fund for a Bismarck riverfront revitalization project. This funding was not included in the Conference Committee version.

The Conference Committee adjusted the $2.4 million from the legacy earnings fund for the cabin construction project to the strategic investment and improvements fund. Both the Senate and House had the project funded from the legacy earnings fund.

This amendment also:

- Adds a section providing a line of credit from the Bank of North Dakota to the Parks and Recreation Department of $70 million for supporting activities related to the Theodore Roosevelt Presidential Library project, same as the House.
- Adjusts the total funding from the strategic investment and improvements fund to $26.95 million. The Conference Committee added $6 million for a Pembina Gorge campground construction project, $2.4 million for the construction of cabins at a state park, $5.25 million for city, county, and tribal park system grants, and $800,000 for the construction of a pavilion at the International Peace Garden. The House had added $2.8 million from the strategic investment and improvements fund, of which $2 million was for a Bismarck riverfront revitalization grant and $800,000 was for the International Peace Garden pavilion construction project. The House had also added $7 million from the general fund for a Pembina Gorge campground construction project.
- Establishes matching requirements for city, county, and tribal park system grants to provide $1 million to communities with a population of 15,000 or less and a limit of

$150,000 per entity and $5 million to communities with a population greater than 15,000 and a limit of $1 million per entity. Expenditures are subject to one-to-one matching funds from the city, county, or park entity.

- Removes a section identifying $2.4 million from the legacy earnings fund for a cabin construction project at a state park. The Conference Committee changed the funding to the strategic investment and improvements fund.
- Adds a subsection to allow any funds remaining from the federal State Fiscal Recovery Fund appropriation in Section 6 of Chapter 19 of the 2021 Session Laws to be available for deferred maintenance and capital projects.

Engrossed SB 2019 was placed on the Seventh order of business on the calendar.

POINT OF PERSONAL PRIVILEGE

REP. SCHREIBER-BECK AND REP. MITSKOG rose on a point of personal privilege.

REMARKS OF REPRESENTATIVE SCHREIBER-BECK

MR. SPEAKER: North Dakota State Offensive Tackle Cody Mauch has been drafted by the Tampa Bay Buccaneers with the 48th pick in the second round of the 2023 NFL Draft. A two-time FCS All-American Tackle, Mauch has started thirty-nine consecutive games over the past three seasons, appearing in every game from 2019-2022.

Cody Mauch is an experienced college player who enters the NFL with an intriguing resume. A former walk-on tight end, Mauch transitioned to the offensive line where he quickly developed into one of the best left tackles in the country.

The 6-foot-5, 302-pound Mauch is hard to miss, especially with his long red hair and missing front teeth.

From Hankinson, North Dakota, Cody attended Hankinson High School and was a three-year starter who played numerous positions, including tight end, quarterback, and defensive end. He was also an All-Conference Basketball Player and a standout track star. At North Dakota, he majored in Agricultural Engineering with a minor in Crop and Weed Science and Precision Agriculture.

REQUEST

REP. BOSCH REQUESTED that the remarks of Rep. Schreiber-Beck and Rep. Mitskog be printed in the Journal, which request was granted.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. KEMPENICH MOVED that the conference committee report on Engrossed HB 1014 as printed on HJ pages 2493-2506 be adopted, which motion failed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SANFORD MOVED that the conference committee report on Engrossed SB 2019 as printed on HJ pages 2528-2532 be adopted, which motion prevailed on a verification vote.

SECOND READING OF SENATE BILL

SB 2019: A BILL for an Act to provide an appropriation for defraying the expenses of the parks and recreation department; to provide for a transfer; and to provide for an exemption.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 63 YEAS, 27 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Beltz; Bosch; Boschee; Brandenburg; Christy; Conmy; Cory; Dakane; Davis; Dobervich; Fisher; Grueneich; Hager; Hagert; Hanson; Hatlestad; Headland; Ista; Jonas; Karls; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Martinson; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; Novak; O'Brien; Olson, J.; Porter; Pyle; Richter; Roers Jones; Ruby, M.; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Anderson, K.; Christensen; Dockter; Dyk; Fegley; Frelich; Hauck; Heilman; Heinert; Henderson; Holle; Hoverson; Johnson, J.; Kasper; Koppelman; Marschall; McLeod; Ostlie; Prichard; Rios; Rohr; Ruby, D.; Schatz; Timmons; Toman; Tveit; VanWinkle

ABSENT AND NOT VOTING: Bahl; Bellew; Finley-DeVille; Olson, S.

Engrossed SB 2019, as amended, passed.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. RICHTER MOVED that the conference committee report on Engrossed SB 2013 as printed on HJ pages 2506-2528 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2013: A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the state library, the school for the deaf, and North Dakota vision services - school for the blind; to amend and reenact sections 15.1-02-02, 15.1-27-04.1, 15.1-32-01, 15.1-32-14, 15.1-32-18, and 54-24.3-01 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction, baseline funding, high-cost students, and regional library cooperative definitions; to provide for a transfer; to provide for reports; to provide an exemption; to provide an effective date; 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 73 YEAS, 17 NAYS, 0 EXCUSED, 4 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, K.; Beltz; Bosch; Boschee; Brandenburg; Christy; Conmy; Cory; Dakane; Davis; Dobervich; Dockter; Fegley; Fisher; Frelich; Grueneich; Hager; Hagert; Hanson; Hatlestad; Hauck; Headland; Heinert; Holle; Ista; Jonas; Karls; Kasper; Kempenich; Kiefert; Klemin; Kreidt; Lefor; Longmuir; Louser; Martinson; McLeod; Meier; Mitskog; Mock; Monson; Motschenbacher; Murphy; Nathe; Nelson; Novak; O'Brien; Olson, J.; Ostlie; Pyle; Richter; Rios; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Stemen; Strinden; Swiontek; Thomas; Vetter; Vigesaa; Wagner; Warrey; Weisz; Speaker Johnson, D.

NAYS: Anderson, D.; Christensen; Dyk; Heilman; Henderson; Hoverson; Johnson, J.; Koppelman; Marschall; Porter; Prichard; Ruby, D.; Schatz; Timmons; Toman; Tveit; VanWinkle

ABSENT AND NOT VOTING: Bahl; Bellew; Finley-DeVille; Olson, S.

Engrossed SB 2013, as amended, passed and the emergency clause was declared carried.

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

MADAM PRESIDENT: The House has not adopted the conference committee report on: HB 1018.

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

MADAM PRESIDENT: The House has not adopted the conference committee report on: HB 1014.

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1019.

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2009.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2284.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2019.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1021.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2013.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2020.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House has adopted the conference committee report and subsequently failed to pass: SB 2107.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1025.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2284.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2019.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1019.

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 2020.

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 2013.

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 1021.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1015, HB 1020, HB 1088, HB 1362, HB 1379, HB 1413, HB 1474, HB 1519, HB 1522, HB 1538.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1025.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1019.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2003, SB 2004, SB 2080, SB 2240.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2009.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2020, SB 2284.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1015, HB 1020, HB 1025, HB 1088, HB 1362, HB 1379, HB 1413, HB 1474, HB 1519, HB 1522, HB 1538.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1003, HB 1008, HB 1010, HB 1012, HB 1168, HB 1297, HB 1313, HB 1415, HB 1539.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1003, HB 1008, HB 1010, HB 1012, HB 1168, HB 1297, HB 1313, HB 1415, HB 1539.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1015, HB 1020, HB 1025, HB 1088, HB 1362, HB 1379, HB 1413, HB 1474, HB 1519, HB 1522, HB 1538.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2003, SB 2004, SB 2009, SB 2080, SB 2240.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2003, SB 2004, SB 2009, SB 2080, SB 2240.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bills were delivered to the Governor for approval on April 28, 2023: HB 1003, HB 1008, HB 1010, HB 1012, HB 1168, HB 1297, HB 1313, HB 1415, HB 1539.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bills were delivered to the Governor for approval on April 28, 2023: HB 1015, HB 1020, HB 1025, HB 1088, HB 1362, HB 1379, HB 1413, HB 1474, HB 1519, HB 1522, HB 1538.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following resolution was delivered to the Secretary of State for filing on April 28, 2023: HCR 3033.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bill was delivered to the Secretary of State for filing on April 28, 2023: HB 1532.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bill was delivered to the Secretary of State for filing on April 20, 2023: HB 1416.

MOTION
REP. BOSCH MOVED that the absent members be excused, which motion prevailed.

MOTION
REP. BOSCH MOVED that the House be on the Fourth, Fifth, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 1:00 p.m., Saturday, April 29, 2023, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE
HB 1018, as engrossed: Your conference committee (Sens. Bekkedahl, Vedaa, Hogue and Reps. Nathe, Swiontek, Martinson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1933-1940, adopt amendments as follows, and place HB 1018 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1933-1940 of the House Journal and pages 1643-1650 of the Senate Journal and that Engrossed House Bill No. 1018 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 3, replace "subsection 4 of section 21-10-13, sections" with "10-30.5-04, 10-30.5-05,"

Page 1, line 4, after the third comma insert "54-60.2-01,"

Page 1, line 6, after the first comma insert "the North Dakota development fund,"

Page 1, line 9, remove "and"

Page 1, line 9, after "report" insert "; and to declare an emergency"

Page 1, remove lines 19 through 24

Page 2, replace lines 1 through 5 with:

"Salaries and wages	$12,835,431	$2,622,805	$15,458,236
Operating expenses	17,317,760	7,410,202	24,727,962
Grants	50,232,330	64,065,351	114,297,681
Discretionary funds	2,150,000	0	2,150,000
Workforce programs	0	28,500,000	28,500,000
COVID-19 response	0	16,739,696	16,739,696
Weatherization and energy programs	0	120,000,000	120,000,000
Partner programs	1,562,531	(654,611)	907,920
Entrepreneurship grants and vouchers	948,467	0	948,467
Total all funds	$85,046,519	$238,683,443	$323,729,962
Less estimated income	53,544,379	208,013,053	261,557,432
Total general fund	$31,502,140	$30,670,390	$62,172,530
Full-time equivalent positions	58.80	5.00	63.80"

Page 2, replace lines 12 through 20 with:

"Beyond visual line of sight uncrewed aircraft system	20,000,000	26,000,000
Enhanced use lease grant	7,000,000	10,000,000
Workforce grants to tribally controlled community colleges	500,000	0
Workforce safety grant	1,500,000	0
Job development and economic growth grant	1,500,000	0
Tourism marketing	7,000,000	5,000,000
Tourism destination development initiative	0	25,000,000
Technical skills training grants	6,000,000	2,000,000
Motion picture production and recruitment grant	100,000	600,000
Creamery assistance grant	0	250,000"

Page 2, replace lines 24 and 25 with:

"Discretionary funds	1,000,000	0
Small business credit initiative	56,234,176	572,143"

Page 3, replace lines 1 through 6 with:

"Rural workforce housing grant program	0	2,000,000
Workforce talent attraction initiative	0	12,000,000
Workforce investment grant program	0	12,500,000
Weatherization and energy assistance program	0	120,000,000"

Page 3, replace lines 10 through 13 with:

"Heating and cooling grant program	0	3,258,084
Total all funds	$138,574,496	$237,596,946

Less estimated income	135,409,064	208,246,946
Total general fund	$3,165,432	$29,350,000"

Page 3, line 22, replace "**LEGACY EARNINGS**" with "**STRATEGIC INVESTMENT AND IMPROVEMENTS**"

Page 3, line 23, remove "Pursuant to the designation of"

Page 3, remove line 24

Page 3, line 25, replace the first "the" with "The"

Page 3, line 25, replace "$20,000,000" with "$10,000,000"

Page 3, line 25, remove "legacy"

Page 3, line 26, replace "earnings" with "strategic investment and improvements"

Page 3, line 31, replace "$30,000,000" with "$65,000,000"

Page 4, remove lines 3 through 31

Page 5, remove lines 1 through 31

Page 6, replace lines 1 through 7 with:

"**SECTION 6. ESTIMATED INCOME - FEDERAL WEATHERIZATION AND ENERGY ASSISTANCE PROGRAMS - FULL-TIME EQUIVALENT POSITIONS.** The estimated income line item in section 1 of this Act includes $120,000,000 from federal funds derived from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act for weatherization and energy assistance programs. Of the full-time equivalent positions included in section 1 of this Act, three positions are for the administration of weatherization and energy assistance programs for the 2023-25 biennium. The full-time equivalent positions identified in this section are considered one-time positions."

Page 6, line 10, replace "$98,500,000" with "$68,000,000"

Page 6, line 11, replace "$7,000,000" with "$2,000,000"

Page 6, line 13, remove "grant"

Page 6, line 13, replace "$30,000,000" with "$26,000,000"

Page 6, line 14, replace "$28,000,000" with "and $10,000,000"

Page 6, line 14, remove ", $2,000,000 is for new"

Page 6, remove line 15

Page 6, line 16, remove "grant to an organization that provides workforce safety"

Page 6, line 18, remove "grant"

Page 6, line 19, after the period insert "The department of commerce may provide funding for the tourism destination development initiative program in the form of program grants or grants for interest rate buydowns but may not award more than $5,000,000 for a project under this program."

Page 6, line 21, replace "the sum of $6,500,000" with "$1,500,000"

Page 6, line 21, replace "general" with "strategic investment and improvements"

Page 6, line 21, after "fund" insert "as identified in section 7 of this Act"

Page 6, after line 31, insert:

"**SECTION 9. WORKFORCE PROGRAMS.** The workforce programs line item in section 1 of this Act includes $28,500,000 from the general fund for workforce-related programs, of which $12,000,000 is for the workforce talent attraction initiative, $12,500,000 is for the workforce investment grant program, $2,000,000 is for technical skills training grants, and $2,000,000 is for new Americans workforce development and training grants."

Page 7, line 6, replace "appropriated" with "identified"

Page 7, line 8, remove "**- STATE MAGAZINE**"

Page 7, line 10, after "magazine" insert "with the current publisher of the magazine, $350,000 is designated for supporting an organization dedicated to assisting native American small businesses in North Dakota, and $350,000 is designated for providing base retention grant funding to eligible organizations in Minot"

Page 7, replace lines 11 through 20 with:

"**SECTION 12. ENTREPRENEURSHIP GRANTS AND VOUCHER PROGRAM.** The entrepreneurship grants and voucher line item in section 1 of this Act includes $948,467, of which $740,956 is from the general fund and $207,511 is from the economic development fund, for the purpose of defraying the expenses of the entrepreneurship grants and voucher program. The department shall establish guidelines to provide grants under the program."

Page 11, remove lines 29 and 30

Page 12, replace lines 1 through 17 with:

"**SECTION 20. AMENDMENT.** Section 10-30.5-04 of the North Dakota Century Code is amended and reenacted as follows:

10-30.5-04. Powers.

The corporation must be organized as a nonprofit corporation. In addition to the powers in chapter 10-33, the corporation may:

1. Cooperate ~~and~~, contract with, and provide funding to any private or public entity.

2. Receive appropriations from the legislative assembly and other public moneys as well as contributions from other private or public contributors. The funds for the entrepreneurship awards under section 10-30.5-12 may not exceed one million dollars.

3. Provide management services for the Bank's alternative and venture capital investments and early-stage capital funds.

SECTION 21. AMENDMENT. Section 10-30.5-05 of the North Dakota Century Code is amended and reenacted as follows:

10-30.5-05. Management.

1. The director of the department of commerce division of economic development and finance shall appoint the chief executive officer of the corporation. The board of directors shall determine minimum qualifications of all other staff positions.

2. If the chief executive officer of the corporation is absent for more than five consecutive days or is anticipated to be absent for more than five consecutive days, the chief executive officer may delegate the duties and responsibilities of the chief executive officer to the director of the

department of commerce division of economic development and finance, or the director's designee.

3. All investments, contracts, partnerships, limited liability companies, and business transactions of the corporation are the responsibility of the chief executive officer and the board of directors. The board may provide that normal operating costs anticipated in an approved budget may be incurred and paid without prior board approval."

Page 14, after line 18, insert:

"**SECTION 26. AMENDMENT.** Section 54-60.2-01 of the North Dakota Century Code is amended and reenacted as follows:

54-60.2-01. Establishment of workforce development grant for tribally controlled community colleges.

There is established within the division of workforce development of the department of commerce a program to provide workforce development grants to tribally controlled community colleges in North Dakota. A tribally controlled community college in this state may apply to the department of commerce for a job training grant in such manner as the department of commerce prescribes. The department of commerce shall consult with the executive director of the Indian affairs commission to determine eligible tribally controlled community colleges ~~and shall award grants based on the documented job placement rates at each eligible college~~."

Page 16, line 1, replace "$1,000,000" with "$1,500,000"

Page 16, line 1, replace "general" with "strategic investment and improvements"

Page 16, line 1, remove "discretionary funds in"

Page 16, line 2, replace "section 10 of chapter 15" with "a job development and economic growth grant in section 1 of chapter 46"

Page 16, line 5, replace "general" with "strategic investment and improvements"

Page 16, line 8, replace "strategic investment and improvements" with "general"

Page 17, line 6, remove "administered by the"

Page 17, line 7, replace "department during the 2023-25 biennium" with "identified in section 2 of this Act derived from the general fund or state special funds"

Page 17, line 9, after the third comma insert "and"

Page 17, line 10, remove ", current and future estimated return on"

Page 17, remove lines 11 through 15

Page 17, line 16, remove "of the beyond visual line of sight uncrewed aircraft system program under section 54-60-29.1"

Page 17, after line 18, insert:

"**SECTION 31. EMERGENCY.** The following are declared to be an emergency measure:

1. The $120,000,000 appropriated from federal funds derived from the Infrastructure Investment and Jobs Act and the Inflation Reduction Act for weatherization and energy programs in the weatherization and energy programs line item and in the estimated income line item in section 1 of this Act; and

2. The $26,000,000 appropriated from the strategic investment and improvements fund for the beyond visual line of sight uncrewed aircraft system program in the grants line item and in the estimated income line item in section 1 of this Act."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1018 - Department of Commerce - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	$12,835,431	$16,764,534	($1,306,298)	$15,458,236	$15,508,248	($50,012)
Operating expenses	17,317,760	33,544,200	(8,816,238)	24,727,962	25,434,200	(706,238)
Grants	50,232,330	176,347,681	(62,050,000)	114,297,681	136,347,681	(22,050,000)
Discretionary funds	2,150,000	2,500,000	(350,000)	2,150,000	2,150,000	
COVID-19 response		16,167,553	572,143	16,739,696	16,739,696	
Weatherization and energy programs			120,000,000	120,000,000	210,000,000	(90,000,000)
Partner programs	1,562,531	1,562,531	(654,611)	907,920	907,920	
Workforce programs			28,500,000	28,500,000	30,000,000	(1,500,000)
Entrepreneurship grants and vouchers	948,467	948,467		948,467	948,467	
Total all funds	$85,046,519	$247,834,966	$75,894,996	$323,729,962	$438,036,212	($114,306,250)
Less estimated income	53,544,379	171,549,469	90,007,963	261,557,432	371,557,432	(110,000,000)
General fund	$31,502,140	$76,285,497	($14,112,967)	$62,172,530	$66,478,780	($4,306,250)
FTE	58.80	62.80	1.00	63.80	65.80	(2.00)

Department 601 - Department of Commerce - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes FTE Positions[2]	Removes Salary Funding for Funding Pool[3]	Transfers Federal Funding Between Line Items[4]	Reduces Funding for Partner Programs[5]	Adjusts Funding for the Heating and Cooling Assistance Programs[6]
Salaries and wages	$214,771	($561,762)	($1,069,307)	$110,000		
Operating expenses		(706,238)		(110,000)		
Grants						
Discretionary funds						
COVID-19 response						
Weatherization and energy programs						
Partner programs					($654,611)	
Workforce programs						
Entrepreneurship grants and vouchers						
Total all funds	$214,771	($1,268,000)	($1,069,307)	$0	($654,611)	$0
Less estimated income	38,391	0	(102,571)	0	0	0
General fund	$176,380	($1,268,000)	($966,736)	$0	($654,611)	$0
FTE	0.00	(2.00)	0.00	0.00	0.00	0.00

	Adjusts One-Time Funding for Workforce Initiatives[7]	Adjusts Other One-Time Funding Initiatives[8]	Adds One-Time Funding for Weatherization and Energy Programs[9]	Total Conference Committee Changes
Salaries and wages				($1,306,298)
Operating expenses	($8,000,000)			(8,816,238)
Grants	(29,000,000)	($33,050,000)		(62,050,000)
Discretionary funds		(350,000)		(350,000)
COVID-19 response		572,143		572,143
Weatherization and energy programs			$120,000,000	120,000,000
Partner programs				(654,611)
Workforce programs	28,500,000			28,500,000
Entrepreneurship grants and vouchers				
Total all funds	($8,500,000)	($32,827,857)	$120,000,000	$75,894,996
Less estimated income	(2,000,000)	(27,927,857)	120,000,000	90,007,963
General fund	($6,500,000)	($4,900,000)	$0	($14,112,967)
FTE	0.00	0.00	3.00	1.00

[1] Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

	General Fund	Other Funds	Total
Salary increase	$187,087	$39,696	$226,783
Health insurance adjustment	(10,707)	(1,305)	(12,012)
Total	$176,380	$38,391	$214,771

The House provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024. The Senate provided salary adjustments of 6 percent on July 1, 2023, and 4 percent on July 1, 2024.

[2] Two FTE positions and related funding from the general fund is removed as follows:

	Salaries and Wages	Operating Expenses	Total
FTE position - Office of Automation	($310,858)	($689,142)	($1,000,000)
FTE position - Global Engagement Office	(250,904)	(17,096)	(268,000)
Total	($561,762)	($706,238)	($1,268,000)

The reduction of $17,096 of operating expenses for the FTE Global Engagement Office position results in a total of $351,404 of operating expenses available for the Global Engagement Office. The Senate did not remove these positions and related funding.

[3] Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. These amounts are available to the agency if needed by submitting a request to the Office of Management and Budget for a transfer from the new and vacant FTE funding pool.

	General Fund	Other Funds	Total
New FTE positions	($405,880)	$0	($405,880)
Vacant FTE positions	(560,856)	(102,571)	(663,427)
Total	($966,736)	($102,571)	($1,069,307)

The Senate also removed funding for the new and vacant FTE funding pool.

[4] Federal funding of $110,000 for the AmeriCorps workforce community services program is transferred from the operating expenses line item to the salaries and wages line item for temporary salaries, the same as provided by the Senate. The House transferred $220,000 of federal funding for the program from the grants line item to the operating expenses line item.

[5] Ongoing funding of $654,611 from the general fund in the partner program line item for the North Dakota Small Business Development Center is removed, resulting in $907,920 from the general fund remaining for partner programs, the same as provided by the Senate. The House provided $1,562,531 from the general fund for partner programs, the same as the base level.

[6] Federal funding of $2,085,834 added by the House in the COVID-19 response line item for weatherization, heating and furnace, and cooling assistance programs is removed from ongoing funding and added by the Conference Committee as one-time funding. The Senate also made this adjustment.

[7] One-time funding for workforce initiatives is adjusted as follows:

	General Fund	Other Funds	Total
Adds funding for workforce talent attraction initiative operating expenses to provide $12 million from the general fund in the workforce programs line item. The House provided $8 million from the general fund in the operating expenses line item. The Senate provided $14 million from the general fund in the workforce programs line item.	$4,000,000	$0	$4,000,000
Reduces funding for workforce investment program grants to provide a total of $12.5 million from the general fund for the workforce investment program, the same as provided by the Senate. The House provided $15 million from the general fund in the grants line item.	(2,500,000)	0	(2,500,000)
Removes funding added by the House for automation workforce transition training grants. The Senate also removed this funding.	(5,000,000)	0	(5,000,000)
Removes funding added by the House for automation workforce equipment grants. The Senate also removed this funding.	(5,000,000)	0	(5,000,000)
Transfers $2 million from the general fund for technical skills training grants from the grants line item to the workforce programs line item, the same as provided by the Senate.	0	0	0
	2,000,000	(2,000,000)	0
Adjusts funding for new Americans workforce development and training grants by removing funding added by the House from the strategic investment and improvements fund (SIIF) in the grants line item and adding funding from the general fund in the workforce programs line item. The Senate removed $2 million from SIIF in the grants line item and added $1.5 million from the general fund in the workforce programs line item.			
Total	($6,500,000)	($2,000,000)	($8,500,000)

[8] One-time funding for community services, tourism, and uncrewed aircraft systems (UAS), and other workforce initiatives is adjusted as follows:

	General Fund	Other Funds	Total
Reduces funding for the rural workforce housing grant program to provide a total of $2 million from SIIF, of which $300,000 is for temporary salaries, $200,000 is for operating expenses, and $1.5 million is for grants, the same as provided by the Senate. The House provided $7 million from SIIF, of which $6.5 million was for grants.	$0	($5,000,000)	($5,000,000)
Removes funding for Main Street Initiative community development grants. The House and Senate provided $400,000 for this program.	(400,000)	0	(400,000)
Reduces funding for the beyond visual line of sight (BVLOS) UAS program to provide a total of $26 million from SIIF. The House provided $30 million from SIIF. The Senate provided $20 million from SIIF.	0	(4,000,000)	(4,000,000)
Reduces funding for the enhanced use lease grant program to provide a total of $10 million from SIIF. The House provided $28 million from SIIF. The Senate provided $7 million from SIIF.	0	(18,000,000)	(18,000,000)
Removes funding for workforce grants to tribally controlled community colleges. The House provided $5 million from the general fund. The Senate provided $2.5 million from the general fund.	(5,000,000)	0	(5,000,000)
Removes funding added by the House from SIIF for a workforce safety grant. The Senate also removed this funding.	0	(1,500,000)	(1,500,000)
Adds funding for a creamery assistance grant to be provided directly to Cows & Co Creamery. The Senate did not provide funding for this purpose.	250,000	0	250,000
Adds funding for a motion picture production and recruitment grant to be provided directly to Canticle Productions. The Senate did not provide funding for this purpose.	600,000	0	600,000
Reduces funding for discretionary funds to provide a total of $2.15 million from the general fund, the same as the base level and as provided by the Senate. The House added $350,000 to provide a total of $2.5 million from the general fund.	(350,000)	0	(350,000)
Adds federal funding for the State Small Business Credit Initiative technical assistance program, the same as provided by the Senate. The House did not add funding for this program.	0	572,143	572,143
Total	($4,900,000)	($27,927,857)	($32,827,857)

[9] One-time funding of $120 million is added from federal funds derived from the Infrastructure Investment and Jobs Act (IIJA) and the Inflation Reduction Act (IRA) for weatherization and energy assistance programs. The Department of Commerce anticipates funding may be available for the following programs:

Program	Federal Funds
State energy program (IIJA)	$3,905,130
Weatherization (IIJA)	15,131,495
Energy efficiency revolving loan fund (IIJA)	4,641,870
Energy efficiency block grant (IIJA)	1,653,240
Home energy performance-based whole-house rebate program (IRA)	37,338,470
High-efficiency electric home rebate program (IRA)	37,121,060
Total	$99,791,265

The department anticipates other states will not use all federal funding awarded for these programs, resulting in additional funding that may be available to North Dakota for an estimated total of $120 million. The department is authorized 3 FTE positions that are considered one-time positions for the administration of these programs.

The House did not add funding for this purpose. The Senate added $210 million and authorized 3 FTE positions.

The Conference Committee:

- Approved a total $25 million for the tourism destination development initiative program with a maximum of $5 million available per project. The House provided $25 million with no project maximum. The Senate provided $50 million with no maximum.
- Did not add one-time funding for a regional council grant program. The Senate added $4 million from SIIF.
- Retained a section removed by the Senate to amend Section 54-60-22. The House added this section to expand recommendations provided by the Workforce Enhancement Council to the Commissioner of the Department of Commerce regarding the approval of training grants to include training providers and businesses, rather than only providing recommendations for grants to institutions of higher education.

This amendment also:

- Amends a section providing for a transfer to the legacy investment for technology (LIFT) fund for the LIFT program. The House provided for a $20 million transfer from the legacy earnings fund. The Senate provided a $5 million transfer from SIIF. The Conference Committee provided a $10 million transfer from SIIF.
- Amends a section providing for a transfer from SIIF to the North Dakota Development Fund. The House provided for a $30 million transfer. The Conference Committee provided for a $65 million transfer, the same as provided by the Senate.
- Removes a section that provided for a transfer of $120 million from SIIF to the North Dakota Development Fund for a fertilizer development grant program. The Senate also removed this section.
- Adds a section identifying $120 million of one-time funding and one-time FTE positions for weatherization and energy assistance programs from federal funding available as a result of the federal IIJA and IRA. The Senate identified $210 million.
- Amends a section identifying funding in Section 1 from SIIF. The House provided $98.5 million. The Senate provided $88 million. The Conference Committee provided $68 million.
- Amends a section identifying funding for rural workforce housing program grants. The House provided $6.5 million from SIIF. The Conference Committee provided $1.5 million from SIIF, the same as provided by the Senate.
- Adds a section identifying funding from the general fund in a newly created workforce programs line item. The Senate provided $30 million. The Conference Committee provided $28.5 million.
- Amends a section identifying the funding appropriated from the general fund for discretionary funds, of which $150,000 is designated for supporting the continuation of the North Dakota state magazine with the current publisher, $350,000 is designated for supporting an organization dedicated to assisting Native American small businesses in the state, and $350,000 is for base retention grants to eligible organizations in Minot. The House and Senate included the state magazine designation but did not include the Native American small businesses or base retention grants designations.
- Removes a section identifying funding for workforce development grants to tribally controlled community colleges. The House provided $5 million. The Senate amended the section to identify $2.5 million.
- Adds a section identifying funding available for the entrepreneurship grants and vouchers program, also known as Innovate ND. The Senate also added this section.

- Removes a section added by the House that amended North Dakota Century Code Section 21-10-13(4), related to legacy earnings fund allocations. The Senate also removed this section.
- Adds a section to amend Section 10-30.5-04 to clarify the authority of the North Dakota Development Fund to allow for funding to be provided to private or public entities through North Dakota Development Fund contracts. The Senate also added this section.
- Adds a section to amend Section 10-30.5-05 to provide if the North Dakota Development Fund Chief Executive Officer is absent for more than 5 consecutive days or is anticipated to be absent for more than 5 consecutive days, the Chief Executive Officer may delegate the duties and responsibilities of the Chief Executive Officer to the Director of the Department of Commerce Division of Economic Development and Finance under Chapter 54-34.3, or the Director's designee. The Senate also added this section.
- Adds a section to amend Section 54-60.2-01 to remove the requirement that workforce development grants to tribally controlled community colleges be awarded based on documented job placement rates at each eligible college. The Senate also added this section.
- Removes a subsection providing an exemption for discretionary funds and adds a subsection to provide an exemption for a job development and economic growth grant from the 2021-23 biennium. The Senate also adjusted these exemption subsections.
- Amends a section related to the Department of Commerce providing a report to the Legislative Management during the 2023-24 interim regarding the status of grant programs administered by the department. The Senate did not amend this section. The Conference Committee amended the section to provide the report relate only to one-time funding items from the general fund and state special funds.
- Adds a section to declare the $120 million of federal funds appropriated for weatherization and energy assistance programs and $26 million appropriated from SIIF for the BVLOS UAS program to be an emergency measure. The Senate declared $210 million of federal funding for weatherization and energy programs to be an emergency measure. The House did not declare an emergency for these programs.

Engrossed HB 1018 was placed on the Seventh order of business on the calendar.

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

Buell J. Reich, Chief Clerk