JOURNAL OF THE SENATE

Sixty-eighth Legislative Assembly

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Bismarck, April 20, 2023

The Senate convened at 12:30 p.m., with President Miller presiding.

The prayer was offered by Pastor Gretchen Deeg, Bismarck United Church of Christ, Bismarck.

The roll was called and all members were present except Senator Rummel.

A quorum was declared by the President.

REPORT OF CONFERENCE COMMITTEE

SB 2261: Your conference committee (Sens. Kannianen, Beard, Boehm and Reps. Roers Jones, Heinert, Novak) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1210-1211, adopt amendments as follows, and place SB 2261 on the Seventh order:

That the House recede from its amendments as printed on pages 1210 and 1211 of the Senate Journal and page 1357 of the House Journal and that Senate Bill No. 2261 be amended as follows:

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

Page 1, line 1, after "17-04-07" insert "and 35-27-13"

Page 1, after line 11, insert:

"**SECTION 2. AMENDMENT.** Section 35-27-13 of the North Dakota Century Code is amended and reenacted as follows:

35-27-13. How lien perfected - Construction lien recorded.

Every person desiring to perfect the person's lien shall record with the recorder of the county in which the property to be charged with the lien is situated, within ninety days after all the person's contribution is done, and having complied with the provisions of this chapter, a lien describing the property and stating the amount due, the dates of the first and last contribution, and the person with which the claimant contracted. Unless the owner of the freehold estate also is the owner of the leasehold for wind turbines or an electric energy conversion facility for which the labor, materials, or services were supplied, if a recorded lien is for a wind turbine or associated facility under section 17-04-07, the recorded lien must contain the following statement in at least sixteen-point type:

The lien in this chapter attaches only to the leasehold for an electric energy conversion facility or wind turbines for which labor, materials, or services were supplied. This lien does not attach to or encumber the real property or freehold estate.

Failure to include the statement required under this section in the statement of the lien does not invalidate a lien on the leasehold or electric energy conversion facility."

Renumber accordingly

SB 2261 was placed on the Seventh order of business on the calendar.

REQUEST

SEN. CONLEY REQUESTED that the Senate be on the Eighth Order, which request was granted.

MOTION

SEN. CONLEY MOVED that the Senate reconsider its action whereby SB 2343, as amended, passed, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

SB 2343: Your conference committee (Sens. Elkin, Conley, Axtman and Reps. Marschall, Novak, Longmuir) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1333, adopt amendments as follows, and place SB 2343 on the Seventh order:

That the House recede from its amendments as printed on page 1333 of the Senate Journal and page 1393 of the House Journal and that Senate Bill No. 2343 be amended as follows:

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

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

Page 1, line 1, replace "44-04" with "15-10"

Page 1, line 2, after the first "to" insert "the state board of higher education, reporting by the state commissioner of higher education, and"

Page 1, line 2, replace "a public entity governing body" with "the state board of higher education"

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

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

Page 1, line 3, remove "and 44-04-17.1"

Page 1, line 3, remove "defining a"

Page 1, line 4, remove "public entity governing body and"

Page 1, line 4, after "policy" insert "; and to provide for a legislative management report"

Page 6, remove lines 9 through 31

Page 7, remove lines 1 through 31

Page 8, remove lines 1 through 30

Page 9, replace lines 1 through 23 with:

"**SECTION 2.** A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

State commissioner of higher education - Board member information access - Report to the legislative management.

The state commissioner of higher education shall provide a report to the legislative management on state board of higher education policies regarding communications between board members and board member access to current and historic board information.

SECTION 3. A new section to chapter 15-10 of the North Dakota Century Code is created and enacted as follows:

Records of the North Dakota university system and state board of higher education.

The North Dakota university system and the state board of higher education may not deny a member of the governing body access to a record that is closed or

confidential, as defined in chapter 44-04, including a meeting record, whether written or recorded, unless otherwise prohibited by law."

Renumber accordingly

SB 2343 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CONLEY MOVED that the conference committee report on SB 2343 as printed on SJ page 1750 be adopted, which motion prevailed on a verification vote.

SB 2343 was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2343: A BILL for an Act to create and enact two new sections to chapter 15-10 of the North Dakota Century Code, relating to the state board of higher education, reporting by the state commissioner of higher education, and records of the state board of higher education; to amend and reenact section 15-10-17 of the North Dakota Century Code, relating to state board of higher education policy; and to provide for a legislative management 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 30 YEAS, 16 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Beard; Boehm; Burckhard; Cleary; Clemens; Conley; Davison; Dwyer; Elkin; Erbele; Hogan; Hogue; Kessel; Krebsbach; Lee; Lemm; Luick; Magrum; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Weber; Weston

NAYS: Axtman; Barta; Bekkedahl; Braunberger; Dever; Estenson; Kannianen; Klein; Kreun; Larsen; Larson; Mathern; Meyer; Myrdal; Sickler; Wobbema

ABSENT AND NOT VOTING: Rummel

SB 2343, as amended, passed.

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CONSIDERATION OF AMENDMENTS

HB 1539, as engrossed: SEN. K. ROERS (State and Local Government Committee) MOVED that the amendments on SJ page 1741 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

HB 1539: A BILL for an Act to amend and reenact section 54-35-02.4 of the North Dakota Century Code, relating to duties of the employee benefits programs committee.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 42 YEAS, 4 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogue; Kannianen; Kessel; Klein; Kreun; Larsen; Larson; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Schaible; Sickler; Sorvaag; Vedaa; Wanzek; Weber; Weston; Wobbema

NAYS: Hogan; Krebsbach; Lee; Rust

ABSENT AND NOT VOTING: Rummel

Engrossed HB 1539, as amended, passed.

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REQUEST

SEN. KLEIN REQUESTED that the Senate be on the Twelfth Order, which request was granted.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. KLEIN MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1362, which motion prevailed.

THE PRESIDENT ANNOUNCED the following appointments to a Conference Committee on:

Engrossed HB 1362: Sens. Cleary, Lee, Hogan

CONSIDERATION OF MESSAGES FROM THE HOUSE

SEN. KLEIN MOVED that the Senate do not concur in the House amendments to Reengrossed SB 2004 as printed on SJ pages 1726-1732, in the House amendments to Engrossed SB 2164 as printed on SJ pages 1588-1589, and in the House amendments to Engrossed SB 2335 as printed on SJ page 1702 and that a conference committee be appointed to meet with a like committee from the House on each of these measures, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEES

THE PRESIDENT ANNOUNCED the following appointments to a Conference Committee on:
Reengrossed SB 2004: Sens. J. Roers, Erbele, Vedaa.
Engrossed SB 2164: Sens. K. Roers, Davison, Braunberger.
Engrossed SB 2335: Sens. K. Roers, Cleary, Hogan.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. K. ROERS MOVED that the conference committee report on Engrossed SB 2029 as printed on SJ pages 1741-1742 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2029 was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2029: A BILL for an Act to amend and reenact sections 54-16-04.1 and 54-16-04.2 of the North Dakota Century Code, relating to emergency commission and budget section approval to accept and disburse federal funds and state special funds; 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 42 YEAS, 4 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Mathern; Meyer; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rust; Schaible; Sickler; Sorvaag; Vedaa; Wanzek; Weber; Weston; Wobbema

NAYS: Cleary; Hogue; Magrum; Myrdal

ABSENT AND NOT VOTING: Rummel

Reengrossed SB 2029 passed and the emergency clause was declared carried.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. PATTEN MOVED that the conference committee report on SB 2261 as printed on SJ page 1749 be adopted, which motion prevailed on a voice vote.

SB 2261, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2261: A BILL for an Act to amend and reenact sections 17-04-07 and 35-27-13 of the North Dakota Century Code, relating to wind energy facility liens.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 44 YEAS, 2 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Axtman; Barta; Beard; Bekkedahl; Boehm; Braunberger; Burckhard; Cleary; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larsen; Larson; Lee; Lemm; Luick; Magrum; Mathern; Meyer; Myrdal; Patten; Paulson; Piepkorn; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Weber; Weston; Wobbema

NAYS: Hogan; Sickler

ABSENT AND NOT VOTING: Rummel

Engrossed SB 2261, as amended, passed.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. LUICK MOVED that the conference committee report on Reengrossed HB 1515 as printed on SJ page 1743 be adopted, which motion prevailed on a voice vote.

Reengrossed HB 1515, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1515: A BILL for an Act to create and enact a new section to chapter 4.1-25 of the North Dakota Century Code, relating to the sale of raw milk directly to a consumer.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 32 YEAS, 14 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Barta; Beard; Boehm; Burckhard; Cleary; Clemens; Conley; Dever; Elkin; Estenson; Hogue; Kannianen; Kessel; Klein; Larsen; Larson; Lemm; Luick; Magrum; Meyer; Myrdal; Patten; Paulson; Roers, J.; Rust; Schaible; Sickler; Sorvaag; Vedaa; Weber; Weston; Wobbema

NAYS: Axtman; Bekkedahl; Braunberger; Davison; Dwyer; Erbele; Hogan; Krebsbach; Kreun; Lee; Mathern; Piepkorn; Roers, K.; Wanzek

ABSENT AND NOT VOTING: Rummel

Reengrossed HB 1515, as amended, passed.

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

MR. SPEAKER: The Senate has amended and subsequently passed: HB 1539.

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

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2004, SB 2164, and SB 2335, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2004: Sens. J. Roers; Erbele; Vedaa
SB 2164: Sens. K. Roers; Davison; Braunberger
SB 2335: Sens. K. Roers; Cleary; Hogan

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

SB 2089: Reps. Bosch; D. Anderson; Meier
SB 2149: Reps. J. Olson; Weisz; Mitskog
SB 2181: Reps. McLeod; Frelich; Strinden
SB 2245: Reps. Dockter; Toman; Koppelman
SB 2328: Reps. Heinert; Hauck; Richter
SB 2345: Reps. M. Ruby; Beltz; Davis
SB 2371: Reps. Thomas; S. Olson; Schreiber-Beck

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The House does not concur in the Senate amendments to HB 1415 and HB 1474, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1415: Reps. Vetter; S. Olson; B. Anderson
HB 1474: Reps. Rohr; Frelich; Davis

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has appointed as a conference committee to act with a like committee from the House on:

HB 1362: Sens. Cleary; Lee; Hogan

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2261, SB 2343.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1515.

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 2029.

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 1011, HB 1052, HB 1371, HB 1429, HB 1455.

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: HCR 3035.

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 2063.

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 2026.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2026, SB 2063.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2150, SB 2247.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1288, HB 1465.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1515.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2026, SB 2063.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2150, SB 2247.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2026, SB 2063.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2150, SB 2247.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1288, HB 1465.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1515.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1288, HB 1465.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 20, 2023: SB 2150, SB 2247.

MOTION

SEN. KLEIN MOVED that the absent member be excused, which motion prevailed.

MOTION

SEN. KLEIN MOVED that the Senate be on the Fourth, Fifth, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Friday, April 21, 2023, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2024, as engrossed: Your conference committee (Sens. Davison, Dever, Mathern and Reps. Pyle, Meier, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1575-1576, adopt amendments as follows, and place SB 2024 on the Seventh order:

That the House recede from its amendments as printed on pages 1575 and 1576 of the Senate Journal and pages 1777 and 1778 of the House Journal and that Engrossed Senate Bill No. 2024 be amended as follows:

Page 1, line 2, after "commission" insert "; to provide for a legislative management study; to provide for a legislative management report; and to declare an emergency"

Page 1, replace lines 11 through 13 with:

"Ethics commission	$623,984	$514,258	$1,138,242
Total general fund	$623,984	$514,258	$1,138,242
Full-time equivalent positions	1.00	2.00	3.00"

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-NINTH LEGISLATIVE ASSEMBLY. The following amounts reflect the one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2021-23	2023-25
Attorney fees	$0	$72,000
Office relocation	0	25,000
New FTE position one-time costs	0	1,825
Total general fund	$0	$98,825

The 2023-25 biennium one-time funding amounts are not a part of the entity's base budget for the 2025-27 biennium. The ethics commission shall report to the appropriations committees of the sixty-ninth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - FEE STRUCTURE. During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of establishing a rate structure to offset the operating expenses of the ethics commission. The study must include a comparison of the funding method for ethics commissions used by other states within the region. 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 4. REPORT - ETHICS COMMISSION ACTIVITIES. During the 2023-24 interim, the ethics commission shall provide reports to the legislative management regarding the activities and operations of the commission. The reports must include information regarding the number of complaints received by the commission, education and outreach efforts, and the status of the commission's budget.

SECTION 5. EMERGENCY. The sum of $97,000 for attorney fees and office relocation costs included in the ethics commission line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2024 - Ethics Commission - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Ethics commission	$623,984	$1,051,976	$86,266	$1,138,242	$1,016,099	$122,143
Total all funds	$623,984	$1,051,976	$86,266	$1,138,242	$1,016,099	$122,143
Less estimated income	0	0	0	0	0	0
General fund	$623,984	$1,051,976	$86,266	$1,138,242	$1,016,099	$122,143
FTE	1.00	2.00	1.00	3.00	2.00	1.00

Department 195 - Ethics Commission - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Reduces Temporary Salaries Funding Increase[3]	Adds Education and Outreach Position[4]	Reduces Funding for Professional Fees[5]	Adds Contingency Funding[6]
Ethics commission	$9,030	($71,907)	($50,000)	$268,143	($216,000)	$50,000
Total all funds	$9,030	($71,907)	($50,000)	$268,143	($216,000)	$50,000
Less estimated income	0	0	0	0	0	0
General fund	$9,030	($71,907)	($50,000)	$268,143	($216,000)	$50,000
FTE	0.00	0.00	0.00	1.00	0.00	0.00

	Adds One-Time Funding[7]	Total Conference Committee Changes
Ethics commission	$97,000	$86,266
Total all funds	$97,000	$86,266
Less estimated income	0	0
General fund	$97,000	$86,266
FTE	0.00	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
Salary increase	$9,148
Health insurance adjustment	(118)
Total	$9,030

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. 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
New FTE positions	($60,798)
Vacant FTE positions	(11,109)
Total	($71,907)

The House also removed this funding.

[3] Funding of $100,000 added by the Senate to increase temporary salaries funding is reduced to $50,000. The House reduced funding for temporary salaries to $30,000.

[4] Funding is added for an attorney position that includes education and outreach responsibilities. The position was not added by the Senate or House.

[5] Funding added by the Senate and House for an increase in professional fees is removed.

[6] Contingency funding is added for professional fees. This funding was not added by the Senate or House.

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

	General Fund
Attorney fees	$72,000
Office relocation costs	25,000
Total	$97,000

A section is also added to declare the one-time funding to be an emergency measure. The House also added this funding.

This amendment also:

- Adds a Legislative Management study of establishing a rate structure to offset the operating expenses of the Ethics Commission.
- Provides for the Ethics Commission to provide updates to the Legislative Management regarding the activities of the commission.

Engrossed SB 2024 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2276, as engrossed: Your conference committee (Sens. Cleary, Hogan, Clemens and Reps. McLeod, M. Ruby, Frelich) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1331-1332, adopt amendments as follows, and place SB 2276 on the Seventh order:

That the House recede from its amendments as printed on pages 1331 and 1332 of the Senate Journal and pages 1446 and 1447 of the House Journal and that Engrossed Senate Bill No. 2276 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 50-06 and a new section to chapter 50-24.1 of the North Dakota Century Code, relating to the establishment of a cross-disability advisory council and a family caregiver service pilot project; to provide an appropriation; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

Cross-disability advisory council - Appointment - Duties.

1. The cross-disability advisory council shall participate with and provide feedback to the department regarding the implementation, planning, and design of the cross-disability children's waiver, level of care reform for the comprehensive developmental disabilities Medicaid home and community-based waiver, and a service option that will allow payment to a legally responsible individual who provides extraordinary care to an eligible individual through the Medicaid 1915(c) waivers. This subsection does not apply to the Medicaid 1915(c) home and community-based services aged and disabled waivers.

2. The department shall contract with a qualified, independent third party to facilitate and provide support services to the council. The contracted facilitator shall appoint the cross-disability advisory council members in accordance with subsection 3 and establish the length of member terms and the structure of the cross-disability advisory council. A representative from the contracted facilitator shall serve as the presiding officer of the advisory council.

3. The cross-disability advisory council consists of up to fifteen voting members. A majority of the members of the council must be family members of individuals with a disability, or must be individuals with a disability, who receive Medicaid home and community-based services. The remaining members of the council must be appointed based on their professional subject matter expertise in or knowledge of the needs and interests of individuals with disabilities. The council's membership must represent different regions of the state and a broad range of disabilities that pertain to the Medicaid home and community-based services. Upon request of the department, state agency representatives shall participate with the cross-disability advisory council in a nonvoting role.

4. The cross-disability advisory council shall meet at least quarterly and may appoint subcommittees to address specific topics or disabilities, which may include autism spectrum disorder, traumatic brain injury, and fetal alcohol spectrum disorder. A majority of the voting members of the council constitutes a quorum.

5. The cross-disability advisory council shall:

   a. Discuss strategies to address gaps or needs regarding individuals with disabilities and Medicaid home and community-based services, including eligibility of legally responsible individuals;

   b. Provide for the active participation of stakeholders, including consumers and providers; and

   c. Receive information from the department and its consultants.

6. The cross-disability advisory council members, excluding the contracted facilitator, are entitled to reimbursement from the department for travel and lodging at the same rate as provided for state officers and employees.

SECTION 2. A new section to chapter 50-24.1 of the North Dakota Century Code is created and enacted as follows:

Family caregiver service pilot project - Report.

1. The department shall establish the family caregiver service pilot project to assist in making payments to a legally responsible individual who provides extraordinary care to an eligible individual who is a participant in the Medicaid 1915(c) waivers, excluding the home and community-based services aged and disabled waiver.

2. The family caregiver service pilot project may include funding for extraordinary care, which means care:

   a. Exceeding the range of activities a legally responsible individual would ordinarily perform in the household on behalf of an individual without extraordinary medical or behavioral needs; and

   b. Is necessary to assure the health and welfare and avoid institutionalization of the individual in need of care.

3. The department may adopt rules addressing management of the family caregiver service pilot project and establish the eligibility requirements and exclusions for the family caregiver service pilot project. The department shall utilize an assessment of an eligible individual to determine the level of care authorized and to determine the best interests of the individual in need of care. The pilot project may not provide a payment for any care that is otherwise compensated through a Medicaid 1915(c) waiver or the Medicaid state plan.

4. A decision on an application which is issued by the department under this section may be appealed as provided under chapter 28-32. An individual may not appeal a denial, a revocation, a reduction in payment, or the termination of the family caregiver service pilot project administered by the department due to the unavailability of funding received for the purpose of issuing payments as part of the family caregiver service pilot project for the biennium.

5. The department shall provide the legislative management with periodic reports on the impact, usage, and costs associated with the family caregiver service pilot project.

SECTION 3. APPROPRIATION - DEPARTMENT OF HEALTH AND HUMAN SERVICES - ONE-TIME FUNDING - FAMILY CAREGIVER SERVICE PILOT PROJECT - PROJECT COORDINATOR. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $2,500,000, or so much of the sum as may be necessary, to the department of health and human services for the purpose of establishing and issuing payments as part of a family caregiver service pilot project, for the biennium beginning July 1, 2023, and ending June 30, 2025. Of this amount, the sum of $300,000, or so much of the sum as may be necessary, may be used by the department of health and human services for the purpose of hiring up to one full-time equivalent position to serve as the family caregiver service pilot project coordinator, who would be responsible for implementing the pilot project and for establishing a payment portal. Participation in this service pilot project is capped at 120 individuals. The department of health and human services is authorized one full-time equivalent position for this purpose.

SECTION 4. EFFECTIVE DATE. Section 2 of this Act becomes effective January 1, 2024.

SECTION 5. EXPIRATION DATE. Section 1 of this Act is effective through July 31, 2025, and after that date is ineffective; section 2 of this Act is effective until the date the commissioner of the department of health and human services certifies to the legislative council that an approximate or equivalent family caregiver services program is available through a Medicaid and Medicare-approved home and community-based services waiver."

Renumber accordingly

Engrossed SB 2276 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2341, as engrossed: Your conference committee (Sens. Cleary, K. Roers, Hogan and Reps. Beltz, M. Ruby, Davis) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1414-1415, adopt amendments as follows, and place SB 2341 on the Seventh order:

That the House recede from its amendments as printed on pages 1414 and 1415 of the Senate Journal and page 1595 of the House Journal and that Engrossed Senate Bill No. 2341 be amended as follows:

Page 1, line 1, remove "amend and reenact section 50-11-00.1 of the North Dakota Century Code,"

Page 1, line 2, replace "relating to definitions for foster homes for children and treatment centers for trafficked youth" with "provide for a study of youth services for children impacted or potentially impacted by human trafficking; and to provide for a legislative management report"

Page 1, remove lines 4 through 22

Page 2, remove lines 1 through 30

Page 3, remove lines 1 through 5

Page 3, line 17, replace "January 2" with "July 1"

Page 3, line 18, replace "interim human services committee" with "legislative management"

Renumber accordingly

Engrossed SB 2341 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1011, as engrossed: Your conference committee (Sens. Rust, Sorvaag, Krebsbach and Reps. Brandenburg, Mock, Pyle) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1610, adopt amendments as follows, and place HB 1011 on the Seventh order:

That the Senate recede from its amendments as printed on page 1610 of the House Journal and pages 1351-1354 and 1384 of the Senate Journal and that Engrossed House Bill No. 1011 be amended as follows:

Page 1, line 1, after "patrol" insert "; to create and enact section 39-03-18.1 of the North Dakota Century Code, relating to a federal assets forfeiture fund; to provide an exemption; to provide a continuing appropriation; to provide a report"

Page 1, replace lines 11 through 15 with:

"Highway patrol	$62,113,414	$9,075,774	$71,189,188
Total all funds	$62,113,414	$9,075,774	$71,189,188
Less estimated income	25,785,652	(4,035,290)	21,750,362
Total general fund	$36,327,762	$13,111,064	$49,438,826
Full-time equivalent positions	193.00	12.00	205.00"

Page 1, replace line 21 with:

"Commercial motor carrier system	$275,000	$150,000"

Page 2, replace line 2 with:

"New trooper startup costs	0	636,000"

Page 2, replace lines 7 through 11 with:

"Technology enhancements	0	283,200
Shooting range repairs	0	200,000
Total all funds	$7,310,000	$4,422,200
Less estimated income	7,310,000	1,589,616
Total general fund	$0	$2,832,584"

Page 2, line 17, replace "$11,575,949" with "$11,256,381"

Page 2, line 24, replace "$1,648,955" with "$1,633,648"

Page 2, line 29, replace "$2,000,000" with "$3,000,000"

Page 3, after line 2, insert:

"**SECTION 6. EXEMPTION - UNEXPENDED APPROPRIATIONS.** The following appropriations are not subject to the provisions of section 54-44.1-11 and may be continued into the biennium beginning July 1, 2023, and ending June 30, 2025:

1. The sum of $3,000,000 of federal funds appropriated in section 6 of chapter 15 of the 2021 Session Laws for the law enforcement training academy project.

2. The sum of $225,000 of federal funds appropriated in section 1 of chapter 39 of the 2021 Session Laws for the commercial vehicle information exchange window system.

3. The sum of $2,612,000 of federal funds derived from the state fiscal recovery fund appropriated in subsection 21 of section 1 of chapter 550 of the 2021 Special Session Session Laws for purchasing radios compatible with the statewide interoperable radio network."

Page 3, after line 10, insert:

"**SECTION 8.** Section 39-03-18.1 of the North Dakota Century Code is created and enacted as follows:

39-03-18.1. Highway patrol - Federal assets forfeiture fund - Continuing appropriation.

There is created in the state treasury the highway patrol federal assets forfeiture fund. The fund consists of moneys received through federal asset forfeiture sharing programs. Funds received through federal sharing programs may not be deposited in the same account as assets forfeited pursuant to section 39-03-18. Up to three hundred thousand dollars is appropriated from the fund on a continuing basis each biennium to the highway patrol. Funding may be used only for eligible purchases identified by the federal department of justice and federal department of treasury. The superintendent, with the concurrence of the director of the office of management and budget, shall establish the necessary accounting procedures in accordance with the federal asset sharing program for the use of the fund. All expenditures of moneys in the fund must be approved by the superintendent.

SECTION 9. DEFERRED MAINTENANCE - UNEXPENDED APPROPRIATIONS. Pursuant to section 54-44.1-11, the highway patrol may submit a request to the chairmen of the appropriations committees of the senate and house of representatives of the legislative assembly and office of management and budget to continue unexpended appropriation authority transferred to the agency for deferred maintenance under subsection 10 of section 1 of chapter 550 of the 2021 Special Session Session Laws."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1011 - Highway Patrol - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Highway patrol	$62,113,414	$73,828,550	($2,639,362)	$71,189,188	$70,746,988	$442,200
Total all funds	$62,113,414	$73,828,550	($2,639,362)	$71,189,188	$70,746,988	$442,200
Less estimated income	25,785,652	22,117,633	(367,271)	21,750,362	21,272,902	477,460
General fund	$36,327,762	$51,710,917	($2,272,091)	$49,438,826	$49,474,086	($35,260)
FTE	193.00	202.00	3.00	205.00	205.00	0.00

Department 504 - Highway Patrol - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes Salary Funding for Funding Pool[2]	Adds Trooper FTE Positions[3]	Adds Per Diem Funding for New Trooper Positions[4]	Adds Funding for On-Call and Overtime Pay[5]	Adds Funding for CVIEW System[6]
Highway patrol	$754,249	($5,319,935)	$1,064,377	$52,800	$416,947	$150,000
Total all funds	$754,249	($5,319,935)	$1,064,377	$52,800	$416,947	$150,000
Less estimated income	200,830	(1,595,167)	421,909	7,392	170,305	150,000
General fund	$553,419	($3,724,768)	$642,468	$45,408	$246,642	$0
FTE	0.00	0.00	3.00	0.00	0.00	0.00

	Adjusts Funding for Technology Projects[7]	Total Conference Committee Changes
Highway patrol	$242,200	($2,639,362)
Total all funds	$242,200	($2,639,362)
Less estimated income	277,460	(367,271)
General fund	($35,260)	($2,272,091)
FTE	0.00	3.00

[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 Senate, as follows:

	General Fund	Other Funds	Total
Salary increase	$583,105	$209,014	$792,119
Health insurance adjustment	(29,686)	(8,184)	(37,870)
Total	$553,419	$200,830	$754,249

The House 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 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	($1,705,561)	($886,351)	($2,591,912)
Vacant FTE positions	(2,019,207)	(708,816)	(2,728,023)
Total	($3,724,768)	($1,595,167)	($5,319,935)

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

[3] The following FTE positions are added:

	FTE	General Fund	Other Funds	Total
Criminal interdiction trooper	1.00	$244,341	$39,772	$284,113
Capitol security trooper	1.00	244,533	39,552	284,085
Motor carrier trooper	1.00	16,854	320,325	337,179
Total	3.00	$505,728	$399,649	$905,377

One-time funding of $159,000 is also added for equipment costs for the positions. These 3

new FTE positions were also added by the Senate and are in addition to the 9 FTE trooper positions added by the House including 7 FTE criminal interdiction troopers, 1 FTE drug recognition trooper, and 1 FTE motor carrier trooper.

[4] Funding is added for $200 per month per diem payments for new trooper positions consistent with per diem payments for existing trooper positions, the same as the Senate. The House did not include this funding.

[5] Funding is added for on-call and overtime pay to account for employee salary increases and equity adjustments, the same as the Senate. The House did not include this funding adjustment.

[6] One-time federal funding is added for the motor carrier Commercial Vehicle Information Exchange Window system. The House did not include this funding, but the Senate added this funding.

[7] Funding for technology enhancements is adjusted as follows:

- Ongoing funding of $129,000 is added, including $110,940 from the general fund and $18,060 from the highway tax distribution fund, to provide total funding of $225,320. The House and Senate provided $133,000, including $114,380 from the general fund and $18,620 from the highway tax distribution fund.
- One-time funding of $113,200 is added by decreasing funding from the general fund by $146,200 and by increasing funding of $259,400 from the motor carrier electronic permit fund to provide total funding of $283,200. The House and Senate provided $146,200 from the general fund and $23,800 from the highway tax distribution fund.

This amendment also:

- Increases the transfer from the motor carrier electronic permit fund to the Highway Patrolmen's Retirement Fund by $1 million, from $2 million to $3 million. The House provided for a transfer of $2 million, and the Senate included a transfer of $3 million.
- Includes a section added by the Senate to create a federal assets forfeiture fund with a continuing appropriation of up to $300,000 per biennium to the Highway Patrol for eligible purchases. The House did not include this provision.
- Includes an exemption added by the Senate allowing unexpended 2021-23 biennium federal funding to continue into the 2023-25 biennium for the Commercial Vehicle Information Exchange Window system. The House did not include this exemption.
- Includes an exemption added by the Senate to allow 2021-23 biennium appropriations for the Law Enforcement Training Academy project to be continued into the 2023-25 biennium. The House did not include this exemption.
- Adds an exemption to allow 2021-23 biennium appropriations for radio equipment to be continued into the 2023-25 biennium. Neither the House or Senate included this exemption.
- Adds a section authorizing the agency to submit a request allowing 2021-23 biennium appropriations for deferred maintenance to continue into the 2023-25 biennium. Neither the House or Senate included this provision.

Engrossed HB 1011 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1052, as engrossed: Your conference committee (Sens. Kessel, Larsen, Klein and Reps. Koppelman, Dakane, D. Ruby) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1389, adopt further amendments as follows, and place HB 1052 on the Seventh order:

That the House accede to the Senate amendments as printed on page 1076 of the Senate Journal and page 1389 of the House Journal and that Engrossed House Bill No. 1052 be further amended as follows:

Page 1, line 9, after "records;" remove "and"

Page 1, line 9, after "to" insert "provide for a legislative management report; and to"

Page 7, after line 3, insert

SECTION 9. WORKFORCE SAFETY AND INSURANCE - STUDY GENERAL CONTRACTOR LIABILITY FOR SUBCONTRACTORS AND INDEPENDENT CONTRACTS - REPORT TO LEGISLATIVE MANAGEMENT. During the 2023-24 interim, workforce safety and insurance shall study section 65-04-26.2 regarding the liability of a general contractor or the payment of premium for subcontractors and independent contractors who do not secure required coverage or pay premiums owed. The study must address whether changes can be made to gain efficiencies for those subject to 65-04-26.2 and determine whether changes can be made to increase the effective application of the statute. The study must include research of comparable laws in other jurisdictions and a review of workforce safety and insurance policies and procedures in applying 65-04-26.2. Workforce safety and insurance shall seek input from relevant stakeholders including business personnel and industry groups. Before July 1, 2024, workforce safety and insurance shall report the findings of the study and recommend any statutory changes to the legislative management.

Renumber accordingly

Engrossed HB 1052 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1429, as engrossed: Your conference committee (Sens. Larsen, Kessel, Boehm and Reps. Warrey, Schauer, Tveit) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1487-1488, adopt amendments as follows, and place HB 1429 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1487 and 1488 of the House Journal and pages 1215-1217 of the Senate Journal and that Engrossed House Bill No. 1429 be amended as follows:

Page 1, line 4, after "21-10-08.1" insert "and subsection 10 of section 54-44.4-02"

Page 1, line 5, after "investments" insert "and restrictions on perpetual contracts"

Page 1, line 5, replace "study" with "report"

Page 1, line 15, after "board" insert ", or any other state entity investing public funds,"

Page 1, line 18, after "board" insert ", or other state entity,"

Page 1, remove lines 22 and 23

Page 1, line 24, replace "refusing" with "Refusing"

Page 1, line 24, after "insure" insert "or charging a different rate"

Page 2, line 2, after "factors" insert ", unless the refusal or different rate is the result of the application of sound underwriting and actuarial principles related to actual or reasonably anticipated loss experience"

Page 2, after line 11 insert:

"**SECTION 4. AMENDMENT.** Subsection 10 of section 54-44.4-02 of the North Dakota Century Code is amended and reenacted as follows:

10. Employee benefit services, trust-related services, and investment management services obtained by an agency with a fiduciary responsibility regarding those services. Nothing in this subsection may be

construed to allow an agency to create or renew a contract perpetually and without limitation."

Page 2, line 12, replace "**LEGISLATIVE MANAGEMENT**" with "**BANK OF NORTH DAKOTA**"

Page 2, line 12, remove "**DIVESTMENT OF COMPANIES** "

Page 2, line 13, replace "**THAT BOYCOTT ENERGY OR COMMODITIES**" with "**ENVIRONMENTAL, SOCIAL, AND GOVERNANCE TRENDS - REPORT TO LEGISLATIVE MANAGEMENT**"

Page 2, line 13, remove "During the 2023-24 interim, the legislative"

Page 2, replace lines 14 through 26 with:

"1. During the 2023-24 interim, the Bank of North Dakota shall study environmental, social, and governance trends, laws, and policies that impact businesses and industries of this state. The study must include input from representatives from state government and industry with expertise in the areas of energy, agriculture, investment, insurance, economic development, finance, procurement, and contracting, and laws related to these areas.

2. The study must identify laws and regulations enacted by the federal government and other state governments related to environmental, social, and governance policies and trends which impact the state's energy and production agriculture industries. The study also must examine corporate environmental, social, and governance policies and trends impacting the state's energy and production agriculture industries, including finance, lending, insurance, and boycotts of energy or production agriculture commodities.

3. The study must identify a strategy to make the delivery of investment reports relating to state funds available and readily consumable to the public.

4. The study may identify industry-specific public policy strategies for immediate and long-term implementation to help the state continue to be a global leader in energy and agriculture. Strategies may include marketing and advocacy for state industries, exploration of emerging technology and practices, and examination of investment policy.

5. Before June 1, 2024, the Bank of North Dakota shall provide a report of its findings and recommendations to the legislative management, together with any legislation and appropriation requests required to implement the recommendations."

Renumber accordingly

Engrossed HB 1429 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1455, as engrossed: Your conference committee (Sens. Rummel, Weber, Magrum and Reps. Hagert, Toman, Steiner) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1430-1431, adopt amendments as follows, and place HB 1455 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1430 and 1431 of the House Journal and pages 1181-1183 of the Senate Journal and that Engrossed House Bill No. 1455 be amended as follows:

Page 1, line 1, after "enact" insert "a new subdivision to subsection 3 of section 54-35-26,"

Page 1, line 1, after "57-39.2" insert a comma

Page 1, line 2, replace "4" with "3"

Page 1, line 2, after "to" insert "evaluation of economic development tax incentives and"

Page 1, line 3, after "for" insert "raw"

Page 1, line 3, after "materials" insert ", single-use product contact systems, and reagents"

Page 1, line 3, remove "in the research and development of bioscience and"

Page 1, remove line 4

Page 1, line 5, remove "products"

Page 1, line 5, replace "use in the health care industry" with "biologic manufacturing; to provide for a legislative management report"

Page 1, line 5, remove "and"

Page 1, line 5, after "date" insert "; and to provide an expiration date"

Page 1, after line 6, insert:

"**SECTION 1.** A new subdivision to subsection 3 of section 54-35-26 of the North Dakota Century Code is created and enacted as follows:

Sales and use tax exemption for raw materials, single-use product contact systems, and reagents used for biologic manufacturing."

Page 1, line 9, after "**for**" insert "**raw**"

Page 1, line 9, after "**materials**" insert "**, single-use product contact systems, and reagents**"

Page 1, line 9, remove "**in the research and development of** "

Page 1, remove line 10

Page 1, line 11, replace "**and biotechnology products used in the health care industry**" with "**for biologic manufacturing - Report**"

Page 1, line 12, remove "tangible personal property purchased for use, storage, or"

Page 1, remove line 13

Page 1, line 14, remove "bioscience and biotechnology in the health care industry and"

Page 1, line 14, remove "or"

Page 1, line 15, replace "consumables purchased" with ", single-use product contact systems, and reagents used directly for discovery, testing, screening, and production"

Page 1, line 15, remove "use, storage, or consumption which are critical to"

Page 1, line 16, replace "the health care industry" with "this state are exempt from taxes under this chapter"

Page 1, line 17, remove "qualified biotechnology taxpayer"

Page 1, line 18, remove "or qualified bioscience"

Page 1, line 19, remove "tangible personal property,"

Page 1, line 19, after the second underscored comma insert "single-use product contact systems,"

Page 1, line 19, replace "consumables" with "reagents"

Page 1, line 20, remove "If a certificate is not received before the purchase, the qualified"

Page 1, remove lines 21 and 22

Page 1, line 23, remove "If the tangible personal property, raw materials, or consumables are purchased or"

Page 1, remove line 24

Page 2, remove lines 1 and 2

Page 2, line 3, remove "4."

Page 2, line 4, replace "includes" with "means"

Page 2, line 5, after the first "product" insert "discovery, development,"

Page 2, line 6, after "in-process" insert "products"

Page 2, line 6, remove "in the"

Page 2, line 7, replace "health care industry" with "which occurs exclusively within this state"

Page 2, line 8, remove ""Bioscience" means the use of compositions, methods, and organisms in cellular"

Page 2, remove lines 9 through 11

Page 2, line 12, replace "microbiology" with ""Single-use product contact systems" means tubing, capsule filters, ion exchange membrane chromatography devices, mixers, bioreactors, sterile fluid containment bags, connection devices, and sampling receptacles"

Page 2, remove lines 13 through 30

Page 3, replace lines 1 through 8 with:

4. a. By April first of each year, each taxpayer that received the exemption under this section in the preceding calendar year shall file with the tax commissioner, on forms and in the manner prescribed by the tax commissioner, a report showing for the calendar year preceding the reporting deadline in this subdivision, the taxpayer's:

(1) Total sales and use tax liability exempted under this section;

(2) Total gross payroll;

(3) Total property taxes paid and square footage of buildings owned by the taxpayer;

(4) Total North Dakota workforce safety and insurance premiums paid;

(5) North Dakota unemployment taxes paid; and

(6) Total state income tax withheld by the taxpayer.

b. Failure to file the report required under subdivision a is cause to disallow the exemption due to noncompliance. The tax commissioner shall provide notice of the disallowed exemption to the taxpayer and

assess any sales and use tax due. An assessment of tax made under this subsection is final and irrevocably fixed.

c. By June first of each year, the tax commissioner shall submit to the legislative management a written report summarizing the information received under subdivision a, including a comparison of information received in the current calendar year with data received in the preceding calendar year.

Page 3, replace lines 9 and 10 with:

"**SECTION 3.** A new subdivision to subsection 3 of section 57-40.2-03.3 of the North Dakota Century Code is created and enacted as follows:"

Page 3, line 11, replace "Tangible personal property, raw" with "Raw"

Page 3, line 11, replace "or consumables" with "single-use product contact systems, and reagents used for biologic manufacturing"

Page 3, line 12, replace "1" with "2"

Page 3, line 13, after "**DATE**" insert "**- EXPIRATION DATE**"

Page 3, line 13, replace "This" with "Sections 2 and 3 of this"

Page 3, line 13, replace "is" with "are"

Page 3, line 14, after "2023" insert ", and before July 1, 2029, and are thereafter ineffective"

Renumber accordingly

Engrossed HB 1455 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HCR 3035, as engrossed: Your conference committee (Sens. Lee, Braunberger, Estenson and Reps. Jonas, Heilman, Hager) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1798 and place HCR 3035 on the Seventh order.

Engrossed HCR 3035 was placed on the Seventh order of business on the calendar.

The Senate stood adjourned pursuant to Senator Klein's motion.

Shanda Morgan, Secretary