JOURNAL OF THE SENATE

Sixty-eighth Legislative Assembly

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Bismarck, April 29, 2023

The Senate convened at 1:00 p.m., with President Miller presiding.

The prayer was offered by Senator Kristin Roers, District 27, Fargo.

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

A quorum was declared by the President.

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, 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 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 1014, HB 1018.

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 "and section"

Page 1, line 5, replace "54-63.1-01" with ", 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 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 9, replace "$50,000,000" with "$30,000,000"

Page 8, line 10, replace "$250,000,000" with "$30,000,000"

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 24 of this Act and exempted in section 26 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 1 through 30 with:

"**SECTION 23. 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 24. 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 25. 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 24 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 28. 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 29. 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 30. EFFECTIVE DATE. Section 18 of this Act becomes effective July 1, 2025."

Page 15, line 12, replace "Section 5" with "Sections 5 and 24"

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 $60 million from the strategic investment and improvements fund for grants ($30 million) and to repay a line of credit ($30 million) 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.
- Removes a section, which was included by both the House and the Senate, clarifying the definition of clean sustainable energy projects to identify hydrogen projects as eligible projects.

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

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.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BEKKEDAHL MOVED that the conference committee report on Engrossed HB 1018 as printed on SJ pages 2202-2211 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1018, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1018: A BILL for an Act to provide an appropriation for defraying the expenses of the department of commerce; to amend and reenact sections 6-09.18-01, 6-09.18-02, 6-09.18-03, 6-09.18-04, 6-09.18-05, 6-09.18-06, 6-09.18-07, 10-30.5-04, 10-30.5-05, 54-60-22, 54-60-28, 54-60-29, 54-60-29.1, 54-60.2-01, and 54-60.2-02 of the North Dakota Century Code and subsection 35 of section 1 of chapter 550 of the 2021 Special Session Session Laws, relating to the legacy investment for technology program, the North Dakota development fund, the workforce enhancement council, the administration of uncrewed aircraft system programs, workforce development grants to tribally controlled community colleges, and a North Dakota development fund grant program; to provide a transfer; to provide an exemption; to provide for a report; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 39 YEAS, 7 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

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

NAYS: Boehm; Erbele; Estenson; Larsen; Magrum; Myrdal; Wobbema

ABSENT AND NOT VOTING: Dwyer

Engrossed HB 1018, as amended, passed and the emergency clause was declared carried.

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CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BEKKEDAHL MOVED that the conference committee report on Engrossed HB 1014 as printed on SJ pages 2189-2202 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1014, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1014: A BILL for an Act to provide an appropriation for defraying the expenses of the industrial commission and the agencies under its control; to amend and reenact sections 6-09.7-05, 54-17-40, and 54-17.7-01, subsections 3 and 4 of section 54-17.7-04, and subsection 3 of section 54-63.1-07 of the North Dakota Century Code and subsection 36 of section 1 of chapter 550 of the 2021 Special Session Session Laws, relating to fuel production facility loan guarantee reserve funding, the housing incentive fund, the powers of the North Dakota pipeline authority, definitions

for the clean sustainable energy authority, a clean sustainable energy authority line of credit, and an appropriation from the state fiscal recovery fund; to provide a contingent appropriation; to provide for a transfer; to provide an exemption; to provide for a study; to provide for a report; to provide a statement of legislative intent; 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 46 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

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

ABSENT AND NOT VOTING: Dwyer

Engrossed HB 1014, as amended, passed and the emergency clause was declared carried.

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MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1014, HB 1018.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2013, SB 2019.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1021.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2013, SB 2019.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2020, SB 2284.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2013, SB 2019, SB 2020, SB 2284.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: Your signature is respectfully requested on: HB 1014, HB 1018.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1014, HB 1018.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1019, HB 1021.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1019, HB 1021.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1376.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 29, 2023: SB 2013, SB 2019, SB 2020, SB 2284.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 28, 2023, I have signed the following: SB 2023, SB 2024, SB 2129, SB 2181, SB 2198, SB 2265, and SB 2328.

MOTION

SEN. KLEIN MOVED that the Senate stand in recess until 6:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Miller presiding.

CORRECTION AND REVISION OF THE JOURNAL

MADAM PRESIDENT: Your **Committee on Correction and Revision of the Journal (Sen. Beard, Chairman)** has carefully examined the Journal of the Fifty-ninth, Sixtieth, Sixty-first, Sixty-second, Sixty-third, Sixty-fourth, Sixty-fifth, Sixty-sixth, Sixty-seventh, Sixty-eighth, Sixty-ninth, Seventieth, Seventy-first, Seventy-second, Seventy-third, and Seventy-fourth Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1402, line 7, replace “bill” with “amended bill”

Page 1402, line 16, remove “, as amended,”

Page 1402, line 29, replace “resolution” with “amended resolution”

Page 1402, line 29, remove “, and has”

Page 1402, line 30, remove “committee recommendation of DO PASS”

Page 1402, line 31, remove “, as amended,”

Page 1412, line 3, replace “bill” with “amended bill”

Page 1412, line 3, remove “and has committee”

Page 1412, line 4, remove “recommendation of DO PASS,”

Page 1412, line 12, remove “, as amended,”

Page 1412, line 23, replace “bill” with “amended bill”

Page 1412, line 23, remove “and has committee”

Page 1412, line 24, remove “recommendation of DO PASS,”

Page 1412, line 32, remove “, as amended,”

Page 1412, line 42, replace “bill” with “amended bill”

Page 1412, line 42, remove “and has committee”

Page 1412, line 43, remove “recommendation of DO PASS,”

Page 1413, line 2, replace “SB 2381, as amended,” with “Engrossed SB 2381”

Page 1413, line 18, remove “, as amended,”

Page 1413, line 18, remove “and has committee”

Page 1413, line 19, remove “recommendation of DO PASS,”

Page 1413, line 27, remove “, as amended,”

Page 1413, line 40, replace “bill” with “amended bill”

Page 1412, line 40, remove “and has committee”

Page 1412, line 41, remove “recommendation of DO PASS,”

Page 1412, line 48, remove “, as amended,”

Page 1445, line 33, replace “1390-1391” with “1391-1392”

Page 1446, line 48, replace “1429” with “1427”

Page 1447, line 7, replace “bill” with “amended bill”

Page 1450, line 24, after “1168” insert “, as amended,”

Page 1451, line 47, remove “, as amended,”

Page 1452, line 9, replace “bill” with “amended bill”

Page 1452, line 18, remove “, as amended,”

Page 1452, line 29, replace “bill” with “amended bill”

Page 1452, line 29, remove “and has committee”

Page 1452, line 30, remove “recommendation of DO PASS,”

Page 1452, line 38, remove “, as amended,”

Page 1453, line 3, replace “bill” with “amended bill”

Page 1453, line 3, remove “and has committee”

Page 1453, line 4, remove “recommendation of DO PASS,”

Page 1453, line 23, replace “bill” with “amended bill”

Page 1453, line 23, remove “and has committee”

Page 1453, line 24, remove “recommendation of DO PASS,”

Page 1453, line 32, remove “, as amended,”

Page 1453, line 43, replace “bill” with “amended bill”

Page 1453, line 43, remove “and has committee”

Page 1453, line 44, remove “recommendation of DO PASS,”

Page 1454, line 2, remove “, as amended,”

Page 1454, line 13, replace “bill” with “amended bill”

Page 1454, line 13, remove “and has committee”

Page 1454, line 14, remove “recommendation of DO PASS,”

Page 1454, line 22, remove “, as amended,”

Page 1454, line 33, replace “bill” with “amended bill”

Page 1454, line 33, remove “and has committee”

Page 1454, line 34, remove “recommendation of DO PASS,”

Page 1454, line 42, remove “, as amended,”

Page 1455, line 7, replace “bill” with “amended bill”

Page 1455, line 7, remove “and has committee”

Page 1455, line 8, remove “recommendation of DO PASS,”

Page 1455, line 16, remove “, as amended,”

Page 1455, line 27, replace “bill” with “amended bill”

Page 1455, line 27, remove “and has committee”

Page 1455, line 28, remove “recommendation of DO PASS,”

Page 1455, line 36, remove “, as amended,”

Page 1455, line 40, replace “15211” with “1211”

Page 1455, line 47, replace “bill” with “amended bill”

Page 1455, line 47, remove “and has committee”

Page 1455, line 48, remove “recommendation of DO PASS,”

Page 1456, line 8, remove “, as amended,”

Page 1456, line 12, replace “1264” with “1265”

Page 1456, line 18, replace “bill” with “amended bill”

Page 1456, line 18, remove “and has committee”

Page 1456, line 19, remove “recommendation of DO PASS,”

Page 1456, line 27, remove “, as amended,”

Page 1456, line 45, replace “bill” with “amended bill”

Page 1456, line 45, remove “and has committee”

Page 1456, line 46, remove “recommendation of DO PASS,”

Page 1457, line 5, “remove “, as amended,”

Page 1457, line 9, replace “page 871” with “pages 941-942”

Page 1457, line 24, replace “bill” with “amended bill”

Page 1457, line 24, remove “and has committee”

Page 1457, line 25, remove “recommendation of DO PASS,”

Page 1457, line 33, remove “, as amended,”

Page 1457, line 46, replace “bill” with “amended bill”

Page 1457, line 46, remove “and has committee”

Page 1457, line 47, remove “recommendation of DO PASS,”

Page 1458, line 7, remove “, as amended,”

Page 1458, line 27, replace “bill” with “amended bill”

Page 1458, line 27, remove “and has committee”

Page 1458, line 28, remove “recommendation of DO PASS,”

Page 1458, line 36, remove “, as amended,”

Page 1458, line 47, replace “bill” with “amended bill”

Page 1458, line 47, remove “and has committee”

Page 1458, line 48, remove “recommendation of DO PASS,”

Page 1459, line 5, remove “, as amended,”

Page 1459, line 18, replace “bill” with “amended bill”

Page 1459, line 18, remove “and has committee”

Page 1459, line 19, remove “recommendation of DO PASS,”

Page 1459, line 27, remove “, as amended,”

Page 1470, line 30, replace “bill” with “amended bill”

Page 1470, line 30, remove “and has committee”

Page 1470, line 31, remove “recommendation of DO PASS,”

Page 1470, line 40, remove “, as amended,”

Page 1471, line 3, replace “bill” with “amended bill”

Page 1471, line 3, remove “and has committee”

Page 1471, line 4, remove “recommendation of DO PASS,”

Page 1471, line 12, remove “, as amended,”

Page 1471, line 31, replace “bill” with “amended bill”

Page 1471, line 31, remove “and has committee”

Page 1471, line 32, remove “recommendation of DO PASS,”

Page 1471, line 40, remove “, as amended,”

Page 1472, line 5, replace “resolution” with “amended resolution”

Page 1472, line 5, remove “, and has”

Page 1472, line 6, remove “committee recommendation of DO PASS”

Page 1473, line 7, remove “, as amended,”

Page 1481, line 42, replace “pages 1195-1196” with “page 1048”

Page 1507, line 19, replace “bill” with “amended bill”

Page 1507, line 19, remove “and has committee”

Page 1507, line 20, remove “recommendation of DO PASS,”

Page 1507, line 29, remove “, as amended,”

Page 1507, line 39, replace “bill” with “amended bill”

Page 1507, line 39, remove “and has committee”

Page 1507, line 40, remove “recommendation of DO PASS,”

Page 1508, line 3, remove “, as amended,”

Page 1508, line 16, replace “bill” with “amended bill”

Page 1508, line 16, remove “and has committee”

Page 1508, line 17, remove “recommendation of DO PASS,”

Page 1509, line 42, replace “resolution” with “amended resolution”

Page 1509, line 42, remove “, and has”

Page 1509, line 43, remove “committee recommendation of DO PASS”

Page 1509, line 44, remove “, as amended,”

Page 1512, line 26, remove “amended”

Page 1513, line 7, replace “resolution” with “amended resolution”

Page 1513, line 20, replace “page 1481” with “pages 1479-1481”

Page 1515, line 10, replace “bill” with “amended bill”

Page 1515, line 10, remove “and has committee”

Page 1515, line 11, remove “recommendation of DO NOT PASS,”

Page 1515, line 33, replace “bill” with “amended bill”

Page 1515, line 33, remove “and has committee”

Page 1515, line 34, remove “recommendation of DO PASS,”

Page 1515, line 42, remove “, as amended,”

Page 1566, line 10, replace “page 1541” with “pages 1541-1543”

Page 1566, line 27, replace “bill” with “amended bill”

Page 1566, line 27, remove “and has committee”

Page 1566, line 28, remove “recommendation of DO NOT PASS,”

Page 1566, line 37, remove “, as amended,”

Page 1566, line 50, replace “bill” with “amended bill”

Page 1566, line 50, remove “and has committee”

Page 1567, line 2, remove “recommendation of DO PASS,”

Page 1567, line 10, remove “, as amended,”

Page 1567, line 21, replace “bill” with “amended bill”

Page 1567, line 21, remove “and has committee”

Page 1567, line 22, remove “recommendation of DO PASS,”

Page 1567, line 31, remove “, as amended,”

Page 1567, line 42, replace “bill” with “amended bill”

Page 1567, line 42, remove “and has committee”

Page 1567, line 43, remove “recommendation of DO PASS,”

Page 1568, line 5, remove “, as amended,”

Page 1568, line 16, replace “bill” with “amended bill”

Page 1568, line 16, remove “and has committee”

Page 1568, line 17, remove “recommendation of DO PASS,”

Page 1568, line 25, remove “, as amended,”

Page 1569, line 2, remove “, as amended,”

Page 1630, line 34, replace “1594” with “1596”

Page 1633, line 20, replace “bill” with “amended bill”

Page 1633, line 20, remove “and has committee”

Page 1633, line 21, remove “recommendation of DO PASS,”

Page 1633, line 29, remove “, as amended,”

Page 1633, line 36, replace “pages 1379-1380” with “page 1596”

Page 1634, line 11, replace “page 1264” with “pages 1596-1597”

Page 1634, line 29, replace “1264” with “1596”

Page 1635, line 5, replace “1264” with “1630”

Page 1653, line 14, replace “1439” with “1327”

Page 1671, line 44, replace “pages” with “page”

Page 1672, remove lines 24-29

Page 1683, line 36, remove “further”

Page 1688, line 17, replace “bill” with “amended bill”

Page 1688, line 17, remove “and has committee”

Page 1688, line 18, remove “recommendation of DO PASS,”

Page 1688, line 27, remove “, as amended,”

Page 1688, line 44, replace “bill” with “amended bill”

Page 1688, line 44, remove “and has committee”

Page 1688, line 45, remove “recommendation of DO PASS,”

Page 1689, line 3, remove “, as amended,”

Page 1689, line 23, replace “bill” with “amended bill”

Page 1689, line 23, remove “and has committee”

Page 1689, line 24, remove “recommendation of DO PASS,”

Page 1689, line 32, remove “, as amended,”

Page 1689, line 47, replace “bill” with “amended bill”

Page 1689, line 47, remove “and has committee”

Page 1689, line 48, remove “recommendation of DO PASS,”

Page 1690, line 6, remove “, as amended,”

Page 1690, line 20, replace “bill” with “amended bill”

Page 1690, line 20, remove “and has committee”

Page 1690, line 21, remove “recommendation of DO PASS,”

Page 1690, line 30, remove “, as amended,”

Page 1690, line 41, replace “bill” with “amended bill”

Page 1690, line 41, remove “and has committee”

Page 1690, line 42, remove “recommendation of DO PASS,”

Page 1691, line 4, remove “, as amended,”

Page 1692, line 3, remove “, as amended,”

Page 1692, line 23, remove “, as amended,”

Page 1692, line 45, remove “, as amended,”

Page 1693, line 25, remove “, as amended,”

Page 1693, line 44, remove “, as amended,”

Page 1694, line 17, remove “, as amended,”

Page 1694, line 36, remove “, as amended,”

Page 1695, line 11, remove “, as amended,”

Page 1695, line 33, remove “, as amended,”

Page 1696, line 5, remove “, as amended,”

Page 1696, line 23, remove “, as amended,”

Page 1696, line 26, remove “Engrossed”

Page 1696, line 28, remove “Engrossed”

Page 1696, line 42, remove “Engrossed”

Page 1696, line 45, replace “Reengrossed” with “Engrossed”

Page 1697, line 2, replace “Reengrossed” with “Engrossed”

Page 1697, line 16, replace “Reengrossed” with “Engrossed”

Page 1698, line 10, remove “Engrossed”

Page 1698, line 13, replace “Reengrossed” with “Engrossed”

Page 1698, line 16, remove “Engrossed”

Page 1698, line 19, replace “Reengrossed” with “Engrossed”

Page 1698, line 22, remove “Engrossed”

Page 1698, line 25, remove “Engrossed”

Page 1698, line 28, replace “Reengrossed” with “Engrossed”

Page 1724, line 14, replace “Engrossed” with “Reengrossed”

Page 1724, line 40, replace “Engrossed” with “Reengrossed”

Page 1724, line 40, remove “, as amended,”

Page 1725, line 11, remove “, as amended,”

Page 1725, line 31, replace “Engrossed” with “Reengrossed”

Page 1725, line 31, remove “, as amended,”

Page 1726, line 4, remove “, as amended,”

Page 1726, line 7, replace “Reengrossed” with “Engrossed”

Page 1726, line 26, remove “, as amended,”

Page 1726, line 29, replace “Reengrossed” with “Engrossed”

Page 1751, line 8, replace “page 1750” with “pages 1750-1751”

Page 1751, line 28, replace “SB 2343, as amended,” with “Engrossed SB 2343”

Page 1753, line 15, remove “, as amended,”

Page 1753, line 18, replace “Reengrossed” with “Engrossed”

Page 1753, line 20, replace “Reengrossed” with “Engrossed”

Page 1753, line 35, replace “Reengrossed” with “Engrossed”

Page 1754, line 33, remove “HB 1371”

Page 1754, after line 33, insert:

"**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 1371."

Page 1838, line 7, remove “, as amended,”

Page 1838, line 28, remove “, as amended,”

Page 1838, line 31, replace “Reengrossed” with “Engrossed”

Page 1838, line 33, replace “Reengrossed” with “Engrossed”

Page 1838, line 48, replace “Reengrossed” with “Engrossed”

Page 1839, line 4, replace “Reengrossed” with “Engrossed”

Page 1839, line 6, replace “Reengrossed” with “Engrossed”

Page 1839, line 28, replace “Reengrossed” with “Engrossed”

Page 1839, line 31, replace “Reengrossed” with “Engrossed”

Page 1839, line 33, replace “Reengrossed” with “Engrossed”

Page 1839, line 51, replace “Reengrossed” with “Engrossed”

Page 1840, line 4, replace “Reengrossed” with “Engrossed”

Page 1840, line 6, replace “Reengrossed” with “Engrossed”

Page 1840, line 24, replace “Reengrossed” with “Engrossed”

Page 1840, line 27, replace “Reengrossed” with “Engrossed”

Page 1841, line 35, replace “1772-1792” with “1811-1832”

Page 1841, line 36, replace “1792-1813” with “1789-1811”

Page 1841, line 37, replace “1820-1823” with “1778-1781”

Page 1841, line 38, replace “1823-1831” with “1781-1788”

Page 1842, line 45, replace “1830-1834” with “1788-1789”

Page 1843, line 12, remove “, as amended,”

Page 1849, line 22, replace “1835” with “1836”

Page 1849, line 37, remove “, as amended,”

Page 1850, line 8, replace “Engrossed” with “Reengrossed”

Page 1850, line 8, remove “, as amended,”

Page 1850, line 12, replace “1835-1836” with “1836-1837”

Page 1850, line 26, replace “Engrossed” with “Reengrossed”

Page 1850, line 26, remove “, as amended,”

Page 1851, line 2, remove “, as amended,”

Page 1851, line 21, remove “, as amended,”

Page 1905, line 20, remove “, as amended,”

Page 1905, line 42, remove “, as amended,”

Page 1906, line 14, remove “, as amended,”

Page 1908, line 21, remove “, as amended,”

Page 1908, line 41, remove “, as amended,”

Page 1909, line 18, remove “, as amended,”

Page 1909, line 38, remove “, as amended,”

Page 1910, line 11, remove “, as amended,”

Page 1910, line 32, remove “, as amended,”

Page 1911, line 12, replace “Engrossed” with “Reengrossed”

Page 1911, line 12, remove “, as amended,”

Page 1911, line 32, remove “, as amended,”

Page 1912, line 29, replace “Reengrossed” with “Engrossed”

Page 1912, line 31, replace “Reengrossed” with “Engrossed”

Page 1913, line 9, replace “Reengrossed” with “Engrossed”

Page 1913, line 13, replace “Reengrossed” with “Engrossed”

Page 1913, line 16, replace “Reengrossed” with “Engrossed”

Page 1943, line 12, remove “, as amended,”

Page 1943, line 39, remove “, as amended,”

Page 1944, line 11, remove “, as amended,”

Page 1944, line 30, remove “, as amended,”

Page 1945, line 3, remove “, as amended,”

Page 1945, line 31, remove “, as amended,”

Page 1945, line 50, replace “Reengrossed” with “Engrossed”

Page 1946, line 4, replace “Reengrossed” with “Engrossed”

Page 1946, line 5, replace “page 1922” with “pages 1922-1923”

Page 1946, line 6, replace “Reengrossed” with “Engrossed”

Page 1946, line 21, remove “, as amended,”

Page 1946, line 25, replace “1925” with “1926”

Page 1946, line 42, replace “Reengrossed” with “Engrossed”

Page 1948, line 26, remove “, as amended,”

Page 1948, line 46, remove “, as amended,”

Page 1949, line 19, remove “, as amended,”

Page 1949, line 42, remove “, as amended,”

Page 1950, line 16, remove “, as amended,”

Page 2048, line 25, remove “, as amended,”

Page 2048, line 47, remove “, as amended,”

Page 2050, line 22, replace “Reengrossed” with “Engrossed”

Page 2050, line 24, replace “Reengrossed” with “Engrossed”

Page 2050, line 37, replace “Reengrossed” with “Engrossed”

Page 2050, line 40, replace “Reengrossed” with “Engrossed”

Page 2050, line 42, replace “Reengrossed” with “Engrossed”

Page 2051, line 11, replace “Reengrossed” with “Engrossed”

Page 2051, line 14, remove “Engrossed”

Page 2051, line 16, remove “Engrossed”

Page 2051, line 30, remove “Engrossed”

Page 2051, line 33, replace “Reengrossed” with “Engrossed”

Page 2051, line 35, replace “Reengrossed” with “Engrossed”

Page 2052, line 2, replace “Reengrossed” with “Engrossed”

Page 2052, line 5, replace “Reengrossed” with “Engrossed”

Page 2052, line 7, replace “Reengrossed” with “Engrossed”

Page 2052, line 27, replace “Reengrossed” with “Engrossed”

Page 2052, line 31, replace “Reengrossed” with “Engrossed”

Page 2052, line 34, replace “Reengrossed” with “Engrossed”

Page 2052, line 48, replace “Reengrossed” with “Engrossed”

Page 2053, line 4, replace “Reengrossed” with “Engrossed”

Page 2053, line 6, replace “Reengrossed” with “Engrossed”

Page 2053, line 23, replace “Reengrossed” with “Engrossed”

Page 2053, line 26, replace “Reengrossed” with “Engrossed”

Page 2055, line 47, replace “1955-1956” with “1555-1556”

Page 2057, line 8, remove “, as amended,”

Page 2057, line 34, remove “, as amended,”

Page 2057, line 38, replace “Reengrossed” with “Engrossed”

Page 2057, line 41, replace “Reengrossed” with “Engrossed”

Page 2058, line 5, replace “Reengrossed” with “Engrossed”

Page 2058, line 9, replace “Reengrossed” with “Engrossed”

Page 2058, line 11, replace “Reengrossed” with “Engrossed”

Page 2058, line 25, replace “Reengrossed” with “Engrossed”

Page 2059, line 4, replace “Reengrossed” with “Engrossed”

Page 2059, line 6, replace “Reengrossed” with “Engrossed”

Page 2059, line 19, replace “Reengrossed” with “Engrossed”

Page 2059, line 22, replace “Reengrossed” with “Engrossed”

Page 2059, line 24, replace “Reengrossed” with “Engrossed”

Page 2059, line 39, replace “Reengrossed” with “Engrossed”

Page 2059, line 42, replace “Reengrossed” with “Engrossed”

Page 2059, line 44, replace “Reengrossed” with “Engrossed”

Page 2060, line 12, replace “Reengrossed” with “Engrossed”

Page 2060, line 15, replace “Reengrossed” with “Engrossed”

Page 2060, line 18, replace “Reengrossed” with “Engrossed”

Page 2060, line 54, replace “Reengrossed” with “Engrossed”

Page 2061, line 4, replace “Reengrossed” with “Engrossed”

Page 2061, line 7, replace “Reengrossed” with “Engrossed”

Page 2061, line 32, replace “Reengrossed” with “Engrossed”

Page 2072, line 3, remove “Engrossed”

Page 2072, line 22, remove “Engrossed”

Page 2072, line 36, after “read, ” insert “and has committee recommendation of DO NOT PASS,”

Page 2103, line 30, replace “SB 2245” with “Engrossed SB 2245”

Page 2103, line 33, remove “Engrossed”

Page 2103, line 34, replace “pages 2062-2069” with “page 2062”

Page 2103, line 35, remove “Engrossed”

Page 2104, line 5, remove “, as amended,”

Page 2104, line 32, remove “, as amended,”

Page 2105, line 9, remove “, as amended,”

Page 2105, line 32, remove “, as amended,”

Page 2105, line 35, replace “Reengrossed” with “Engrossed”

Page 2105, line 38, replace “Reengrossed” with “Engrossed”

Page 2119, line 32, remove “, as amended,”

Page 2120, line 4, remove “, as amended,”

Page 2120, line 7, replace “Reengrossed” with “Engrossed”

Page 2120, line 9, replace “Reengrossed” with “Engrossed”

Page 2120, line 25, replace “Reengrossed” with “Engrossed”

Page 2120, line 29, replace “Reengrossed” with “Engrossed”

Page 2120, line 32, replace “Reengrossed” with “Engrossed”

Page 2121, line 2, replace “Reengrossed” with “Engrossed”

Page 2121, line 8, replace “Reengrossed” with “Engrossed”

Page 2121, line 10, replace “Reengrossed” with “Engrossed”

Page 2121, line 24, replace “Reengrossed” with “Engrossed”

Page 2122, line 4, replace “Reengrossed” with “Engrossed”

Page 2122, line 6, replace “Reengrossed” with “Engrossed”

Page 2122, line 21, replace “Reengrossed” with “Engrossed”

Page 2122, line 24, replace “Reengrossed” with “Engrossed”

Page 2122, line 26, replace “Reengrossed” with “Engrossed”

Page 2122, line 44, replace “Reengrossed” with “Engrossed”

Page 2122, line 47, replace “Reengrossed” with “Engrossed”

Page 2123, line 3, replace “Reengrossed” with “Engrossed”

Page 2123, line 26, replace “Reengrossed” with “Engrossed”

Page 2149, line 45, replace “2149” with “2148”

Page 2183, line 16, after “2019” insert “, as amended,”

Page 2183, line 30, replace “Engrossed” with “Reengrossed”

Page 2183, line 33, replace “Reengrossed” with “Engrossed”

Page 2183, line 36, replace “Reengrossed” with “Engrossed”

Page 2184, line 7, replace “Reengrossed” with “Engrossed”

Page 2184, line 7, remove “, as amended,”

Page 2184, line 13, after “2013” insert “, as amended,”

Page 2184, line 24, replace “bill” with “amended bill”

SEN. BEARD MOVED that the report be adopted, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2012, as engrossed: Your conference committee (Sens. Dever, Davison, Mathern and Reps. Nelson, O'Brien, Mitskog) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1811-1832, adopt amendments as follows, and place SB 2012 on the Seventh order:

That the House recede from its amendments as printed on pages 1811-1832 of the Senate Journal and pages 2037-2058 of the House Journal and that Engrossed Senate Bill No. 2012 be amended as follows:

Page 1, line 2, after "services" insert "; to provide an appropriation to the university of North Dakota school of medicine and health sciences"

Page 1, line 2, after "exemption" insert "; to create and enact a new section to chapter 50-06 and a new subsection to section 50-24.1-07 of the North Dakota Century Code and two new subsections to the new section to chapter 54-52.1 as created by section 2 of Senate Bill No. 2140, as approved by the sixty-eighth legislative assembly, of the North Dakota Century Code, relating to public employee health benefits coverage of insulin, a North Dakota legislative health care task force, and Medicaid claims"

Page 1 line 2, after "reenact" insert "subsection 2 of section 12.1-04-07,"

Page 1, line 3, after "sections" insert "50-01.2-01,"

Page 1, line 3, after "50-06-42" insert ", 50-11.1-02, 50-11.1-22, 50-11.1-23, 50-11.1-24"

Page 1, line 3, after the first comma insert "and"

Page 1, line 3, after the second comma insert "subsection 5 of section 50-24.1-37, and sections 50-24.5-02.3"

Page 1, line 3, after "to" insert "fitness to proceed examination, human service zone board membership,"

Page 1, line 4, after "services" insert ", the best in class program, basic care payment rates, the Medicaid expansion program"

Page 1, line 6, after the second "a" insert "legislative management"

Page 1, line 7, remove "and"

Page 1, line 7, after "date" insert "; and to declare an emergency"

Page 1, remove lines 19 through 24

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 7 with:

"Salaries and wages	$21,363,556	($21,363,556)	$0
Salaries and wages block grant	0	456,750,493	456,750,493
Operating expenses	151,161,924	95,654,000	246,815,924
Capital assets	75,000	0	75,000
Total all funds	$172,600,480	$531,040,937	$703,641,417
Less estimated income	92,905,426	293,796,361	386,701,787
Total general fund	$79,695,054	$237,244,576	$316,939,630

Subdivision 2.

PROGRAM AND POLICY

	Base Level	Adjustments or Enhancements	Appropriation
Salaries and wages	$122,081,310	($122,081,310)	$0
Operating expenses	176,078,719	59,740,165	235,818,884
Capital assets	10,000	0	10,000
Grants	467,144,387	168,924,549	636,068,936
Grants - medical assistance	3,028,666,463	396,605,903	3,425,272,366
Opioid prevention	0	2,000,000	2,000,000
Total all funds	$3,793,980,879	$505,189,307	$4,299,170,186
Less estimated income	2,499,452,627	269,279,579	2,768,732,206
Total general fund	$1,294,528,252	$235,909,728	$1,530,437,980

Subdivision 3.

FIELD SERVICES

	Base Level	Adjustments or Enhancements	Appropriation
Human service centers	$163,213,829	($115,810,747)	$47,403,082
Institutions	130,383,428	(69,570,994)	60,812,434
Total all funds	$293,597,257	($185,381,741)	$108,215,516
Less estimated income	114,273,300	(84,296,246)	29,977,054
Total general fund	$179,323,957	($101,085,495)	$78,238,462

Subdivision 4.

COUNTY SOCIAL SERVICE FINANCING

	Base Level	Adjustments or Enhancements	Appropriation
County social services	$189,917,386	$7,746,275	$197,663,661
Total all funds	$189,917,386	$7,746,275	$197,663,661
Less estimated income	188,676,995	8,969,793	197,646,788
Total general fund	$1,240,391	($1,223,518)	$16,873

Subdivision 5.

TOTAL - SECTION 1

	Base Level	Adjustments or Enhancements	Appropriation
Grand total general fund	$1,554,787,654	$370,845,291	$1,925,632,945
Grand total special funds	2,895,308,348	487,749,487	3,383,057,835
Grand total all funds	$4,450,096,002	$858,594,778	$5,308,690,780
Full-time equivalent positions	2,265.33	0.00	2,265.33"

Page 3, replace line 11 with:

"Technology projects	$67,596,372	$71,000,000"

Page 3, replace line 18 with:

"State hospital design	0	12,500,000
Service grants	0	585,000
Cross-disability advisory council	0	1,400,000
Behavioral health facility grants	0	1,950,000
Base care payment study	0	600,000
Health care task force	0	750,000"

Page 3, remove line 20

Page 3, replace lines 23 through 26 with:

"Law enforcement telehealth	0	2,650,000
Total all funds	$216,080,305	$118,234,498
Less estimated income	191,847,089	103,752,326
Total general fund	$24,233,216	$14,482,172

SECTION 3. APPROPRIATION - UNIVERSITY OF NORTH DAKOTA SCHOOL OF MEDICINE AND HEALTH SCIENCES - CLINICAL INTEGRATED NETWORK GRANT.

1. There is appropriated out of any moneys in the community health trust fund in the state treasury, not otherwise appropriated, the sum of $3,500,000, or so much of the sum as may be necessary, to the university of North Dakota school of medicine and health sciences for the purpose of the center for rural health awarding a grant to a clinically integrated network, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. To qualify for a grant under this section, an applicant:

   a. Must be a statewide value-based clinically integrated network that supports a majority of the independent critical access hospitals in the state.

   b. Must certify one dollar of matching funds for every five dollars of grant funds awarded.

   c. Shall demonstrate a strategic plan to accomplish the following goals:

      (1) Implementation of a data-sharing platform;

      (2) Utilization of value-based care contract modeling;

      (3) Utilization of data analytics software to provide for risk stratification and referral management capabilities;

      (4) Development of unified care management practices; and

(5) Staffing of the clinically integrated network.

d. Shall agree during the 2023-25 and 2025-27 bienniums to make annual reports to the department of health and human services and the center for rural health on the use of the grant funds and the status of accomplishing the clinically integrated network strategic plan goals.

SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - CHILD SUPPORT. There is appropriated out of any moneys in the department of health and human services operating fund in the state treasury, not otherwise appropriated, the sum of $4,500, or so much of the sum as may be necessary, to the the department of health and human services for the purpose of repayment of moneys, including interest, not withheld by the state in accordance with section 14-09-09.16 from an obligor's unemployment benefits from June 1, 2021, through September 30, 2021, for the period beginning with the effective date of this section and ending June 30, 2023."

Page 3, line 29, remove "and"

Page 3, line 29, after "3" insert ", and 4"

Page 4, remove lines 3 through 8

Page 4, line 9, replace "health and human services." with "The department of health and human services may use the transfer authority in this section to transfer or expend funds for the continuation of the community behavioral health program pursuant to section 54-23.3-10."

Page 4, after line 22, insert:

"**SECTION 7. FULL-TIME EQUIVALENT POSITION BLOCK GRANT PROGRAM - REPORT.** Subdivision 1 of section 1 of this Act includes funding for a full-time equivalent position block grant program. This funding, along with salaries and wages funding appropriated in House Bill No. 1004, as approved by the sixty-eighth legislative assembly, is available to fund full-time equivalent positions as determined by the department of health and human services. Notwithstanding any other provision of law, the department is authorized to increase or decrease authorized full-time equivalent positions subject to the availability of funds and the provisions of this section. The department may not increase full-time equivalent positions for the purpose of transferring human service zone employees to state employment. Pursuant to section 5 of this Act, the department is authorized to transfer funding to and from the salaries and wages block grant line item. The department shall report to the office of management and budget and legislative council any adjustments to full-time equivalent positions. The department shall provide reports to the legislative management regarding the use of funding for the program."

Page 4, line 25, replace "$21,600,000" with "$26,950,000"

Page 4, line 28, replace "item" with "items"

Page 4, line 28, replace "subdivision" with "subdivisions 1 and"

Page 4, line 28, replace "$221,600,000" with "$226,950,000"

Page 5, line 2, replace "item" with "items"

Page 5, line 2, replace "subdivision" with "subdivisions 1 and"

Page 5, line 2, replace "$20,400,000" with "$24,317,500"

Page 5, line 3, remove "defraying expenses of the child support computer"

Page 5, line 4, replace "replacement project" with "the following purposes:

1. The sum of $20,400,000 for the child support computer replacement project;

2. The sum of $1,867,500 for the 988 crisis hotline program;

3. The sum of $700,000 for costs to implement the cross-disability advisory council;

4. The sum of $600,000 for a study of basic care funding rates; and

5. The sum of $750,000 for costs of the health care task force"

Page 5, replace lines 5 through 7 with:

"**SECTION 11. ESTIMATED INCOME - HEALTH CARE TRUST FUND.** The estimated income line item in subdivision 2 of section 1 of this Act includes the sum of $500,000 from the health care trust fund for basic care facility bad debt expense.

SECTION 12. ESTIMATED INCOME - FEDERAL STATE FISCAL RECOVERY FUND. The estimated income line items in subdivisions 2 and 3 of section 1 of this Act includes the sum of $3,235,000 from the federal state fiscal recovery fund for the following purposes:

1. The sum of $2,650,000 to implement a virtual behavioral health crisis care program for rural law enforcement;

2. The sum of $300,000 for crisis organizations that provide crisis services to young adults who are at risk of being homeless or experiencing other serious adverse life events. After July 1, 2024, this funding may be provided only to organizations that are certified in services provided by the organization; and

3. The sum of $285,000 for grants to volunteer-based ecumenical ministry organizations.

SECTION 13. ESTIMATED INCOME - CHARITABLE GAMING OPERATING FUND. Notwithstanding section 53-06.1-11.2, the estimated income line item in subdivision 2 of section 1 of this Act includes the sum of $500,000 from the charitable gaming operating fund for costs of gambling disorder prevention services."

Page 5, line 10, replace "$17,735,154" with "$25,235,154"

Page 5, line 13, replace "$5,000,000" with "$12,500,000"

Page 5, after line 15, insert:

"**SECTION 15. BEHAVIORAL HEALTH FACILITY GRANTS.** Section 1 of this Act includes the sum of $1,950,000 from the general fund for the purpose of providing a one-time behavioral health facility grant to establish a behavioral health facility in the northwest human service center region, for the biennium beginning July 1, 2023, and ending June 30, 2025. The department of health and human services shall provide a grant as follows:

1. The grant recipient must provide matching funds of $1,750,000 to establish the facility.

2. The grant term must be for five years.

3. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this section.

4. To receive the grant, the behavioral health facility shall:

a. Submit an application in the form and manner prescribed by the department;

b. Enter a grant agreement with the department;

c. Use grant funds to support the provision of behavioral health in the grant award service areas;

d. Provide and disclose information needed to comply with the department's data collection requirements; and

e. Operate in compliance with grant requirements.

5. The department may recapture grant funds distributed to a grant recipient found by the department to be out of compliance with the requirements established by the grant program, including ending or reducing the operation of the behavioral health facility in the service area.

6. The department may not collect property, equipment, or supplies purchased with grant funds from the grant recipient after successful completion of the terms of the grant.

SECTION 16. HEALTH CARE TASK FORCE - APPROPRIATION - REPORT. Subdivision 1 of section 1 of this Act includes the sum of $750,000 from the community health trust fund for expenses of the health care task force and for the purpose of facilitating the task force. The task force may seek funding from outside sources and any funds received are appropriated to the department of health and human services for activities of the task force for the biennium beginning July 1, 2023, and ending June 30, 2025. The purpose of the task force is to understand and create transparency around health care costs and the drivers of cost growth with the goal of lessening the impact of rising health care costs to citizens, businesses, and government. The task force shall take a holistic view to include the full payor mix, including the uninsured and charity care. The task force shall collect and analyze health care spending data to create meaningful actions to slow spending growth and improve health care access and quality. The task force shall meet at least once each quarter and may request, obtain, review, and analyze information relating to North Dakota health care, including data, reports, audits, and other information as requested by the task force."

Page 5, line 18, after "hospital" insert ", southeast human service center,"

Page 5, line 19, replace "3" with "5"

Page 5, line 24, after "hospital" insert ", southeast human service center,"

Page 5, line 30, replace "3" with "5"

Page 6, remove lines 9 and 10

Page 6, line 11, remove "and ending June 30, 2025."

Page 6, line 23, replace "$5,000,000" with "$12,500,000"

Page 6, line 24, after "fund" insert "as identified in section 14 of this Act"

Page 6, line 30, after the period insert "The requirements of chapter 54-44.7 do not apply to the selection of a vendor, the procurement award, or payments made under this section regarding the design process and design of the new state hospital."

Page 7, line 3, replace "$942,550,279" with "$802,616,809"

Page 7, line 4, replace "$94,225,028" with "$80,261,681"

Page 7, line 21, remove "Critical access hospitals may not be paid less than one"

Page 7, remove line 22

Page 7, line 26, after "reimbursement" insert ". Critical access hospitals may not be paid less than one hundred percent of Medicare allowable costs and human service centers may not be paid less than one hundred percent of the current traditional Medicaid rate. Behavioral health services involving partial hospitalization, intensive outpatient, professional services, and residential behavioral health services provided in facilities that are not institutions for mental diseases are not subject to the provisions in subsection 6"

Page 8, after line 2, insert:

"6. Except for the provisions in subsection 4, managed care organization premium payments must be built using the assumption that rates paid to providers under the medical assistance expansion program may not exceed one hundred forty-five percent of Medicare reimbursement. This subsection applies to any medical assistance expansion program provider fee schedule that becomes effective on or after January 1, 2025.

SECTION 23. DEPARTMENT OF HEALTH AND HUMAN SERVICES - PUBLIC AND PARENTING RESOURCE WEBSITE. The department of health and human services shall develop and maintain a state internet website that provides information and links to social services, financial assistance, parenting information, maternal and childbirth life services, planning guidance, care centers and agencies, and other available public and private resources for expectant families and new parents. The department may contract with a third party for the development of the website. The website must be operational by August 1, 2023, and have a domain name life.nd.gov or a similar domain name. The website must be distinct from the department's website and the department shall place a clear and conspicuous link to the website on the department website.

SECTION 24. QUARTERLY BUDGET AND UTILIZATION REPORTS. During the biennium beginning July 1, 2023, and ending June 30, 2025, the department of health and human services shall make quarterly reports available that detail the status of the department's budget and the utilization rates of programs. The reports must be made available within 30 days of the close of each quarter.

SECTION 25. AMENDMENT. Subsection 2 of section 12.1-04-07 of the North Dakota Century Code is amended and reenacted as follows:

2. An examination must occur within fifteen days from receipt of material necessary to examine the fitness of the individual and notice of entry of the order served upon the tier 1a mental health professional. Attorneys shall disclose any materials necessary to examine the fitness of the individual to the tier 1a examiner contemporaneously with the order. For good cause shown, the court may grant an extension allowing an additional seven days to complete the examination."

SECTION 26. AMENDMENT. Section 50-01.2-01 of the North Dakota Century Code is amended and reenacted as follows:

50-01.2-01. Human service zone board - Members - Qualifications.

The board of county commissioners of each county within the human service zone shall appoint the appointed members of the human service zone board based upon fitness to serve as members by reason of character, experience, and training without regard to political affiliation. Appointed members of the human service zone board must consist of local elected officials and other key community partners, including at least one member of the legislative assembly. If a human service zone consists of two or more counties, each county must be represented on the human service zone board by only one county commissioner of that county. If a human service zone consists of a single county, the county must be represented on the human service zone board by no more than two county commissioners of that county and the human service zone board must have at least five appointed members. Appointed members shall elect a vice presiding officer and appoint a secretary, and

other officers as the human service zone board determines necessary. The human service zone director shall serve as presiding officer of the human service zone board as a nonappointed member.

Page 9, after line 11, insert:

"**SECTION 28.** A new section to chapter 50-06 of the North Dakota Century Code is created and enacted as follows:

North Dakota legislative health care task force - Duties - Membership - Legislative management report.

There is created a North Dakota legislative health care task force. The task force shall meet at least once each quarter and may request, obtain, review, and analyze information relating to North Dakota health care, including data, reports, audits, and other information as requested by the task force. The department of health and human services shall provide staff services for the task force. The task force shall submit a report of its activities and any recommendations to improve health care in the state to the legislative management by October first of each year. The chairman of the task force must be a member of the legislative assembly appointed by the chairman of the legislative management. The chairman of the task force may invite guests to participate in task force activities. The task force consists of the following members:

1. The chairman of the house appropriations committee human resources division, or the chairman's designee;

2. The chairman of the senate appropriations committee human resources division, or the chairman's designee;

3. The chairman of the house human services committee, or the chairman's designee;

4. The chairman of the senate human services committee, or the chairman's designee;

5. One member of the house of representatives as appointed by the house minority leader;

6. One member of the senate as appointed by the senate minority leader;

7. The commissioner of the department of health and human services, or the commissioner's designee;

8. Two members of the department of health and human services, including the state health officer and one member appointed by the commissioner of the department of health and human services;

9. One member from the governor's office, appointed by the governor;

10. The insurance commissioner, or the insurance commissioner's designee;

11. Two members to represent the North Dakota health insurance industry;

12. One member of the public, appointed by an organization that represents North Dakota businesses;

13. One member appointed by the Indian affairs commissioner to represent tribal health care;

14. One member from a North Dakota association that represents physicians;

15. Five members from a North Dakota association that represents hospitals, of which:

a. Two members must represent rural hospitals, including one representative of a hospital in a city with a population of ten thousand or more and one representative of a hospital in a city with a population under ten thousand;

b. Two members must represent urban hospitals, including one representative of an independent hospital and one representative of an integrated health care system; and

c. One member must represent a psychiatric hospital; and

16. Any other members appointed by the chairman of legislative management.

SECTION 29. AMENDMENT. Section 50-11.1-02 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-02. Definitions. ~~(Effective through June 30, 2025)~~

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

1. "Authorized agent" means the human service zone, unless another entity is designated by the department.

2. "Child care center" means an early childhood program licensed to provide early childhood services to nineteen or more children.

3. "Department" means the department of health and human services.

4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled basis to meet the short-term needs of families.

5. "Early childhood program" means any program licensed under this chapter where early childhood services are provided for at least two hours a day for three or more days a week.

6. "Early childhood services" means the care, supervision, education, or guidance of a child or children, which is provided in exchange for money, goods, or other services. Early childhood services does not include:

   a. Substitute parental child care provided pursuant to chapter 50-11.

   b. Child care provided in any educational facility, whether public or private, in grade one or above.

   c. Child care provided in a kindergarten which has been established pursuant to chapter 15.1-22 or a nonpublic elementary school program approved pursuant to section 15.1-06-06.1.

   d. Child care, preschool, and prekindergarten services provided to children under six years of age in any educational facility through a program approved by the department.

   e. Child care provided in facilities operated in connection with a church, business, or organization where children are cared for during periods of time not exceeding four continuous hours while the child's parent is attending church services or is engaged in other activities, on the premises.

   f. Schools or classes for religious instruction conducted by religious orders during the summer months for not more than two weeks, Sunday schools, weekly catechism, or other classes for religious instruction.

g. Summer resident or day camps for children which serve no children under six years of age for more than two weeks.

h. Sporting events, practices for sporting events, or sporting or physical activities conducted under the supervision of an adult.

i. Head start and early head start programs that are federally funded and meet federal head start performance standards.

j. Child care provided in a medical facility by medical personnel to children who are ill.

7. "Family child care" means a private residence licensed to provide early childhood services for no more than seven children at any one time, except that the term includes a residence licensed to provide early childhood services to two additional school-age children.

8. "Four-year old program" means an approved child care program operated by a public or private educational entity or an early childhood program designed to serve four-year olds.

9. "Group child care" means a child care program licensed to provide early childhood services for thirty or fewer children.

10. "Household member" means an adult living in the private residence out of which a program is operated, regardless of whether the adult is living there permanently or temporarily.

11. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.

12. "In-home provider" means any person who provides early childhood services to children in the children's home.

13. "Licensed" means an early childhood program has the rights, authority, or permission granted by the department to operate and provide early childhood services.

14. "Multiple licensed program" means an early childhood program licensed to provide more than one type of early childhood services.

15. "Owner" or "operator" means the person who has legal responsibility for the early childhood program and premises.

16. "Parent" means an individual with the legal relationship of father or mother to a child or an individual who legally stands in place of a father or mother, including a legal guardian or custodian.

17. "Premises" means the indoor and outdoor areas approved for providing early childhood services.

18. "Preschool" means a program licensed to offer early childhood services, which follows a preschool curriculum and course of study designed primarily to enhance the educational development of the children enrolled and which serves no child for more than three hours per day.

19. "Public approval" means a nonlicensed early childhood program operated by a government entity that has self-certified that the program complies with this chapter.

20. "Registrant" means the holder of an in-home provider registration document issued by the department in accordance with this chapter.

21. "Registration" means the process whereby the department maintains a record of all in-home providers who have stated that they have complied or will comply with the prescribed standards and adopted rules.

22. "Registration document" means a written instrument issued by the department to publicly document that the registrant has complied with this chapter and the applicable rules and standards as prescribed by the department.

23. "School-age child care" means a child care program licensed to provide early childhood services on a regular basis for nineteen or more children aged five years through eleven years.

24. "School-age children" means children served under this chapter who are at least five years but less than twelve years of age.

25. "Self-declaration" means voluntary documentation of an individual providing early childhood services in a private residence for up to five children through the age of eleven, of which no more than three may be under the age of twenty-four months.

26. "Staff member" means an individual:

    a. Who is an employee of an early childhood program or of an early childhood services provider under a self-declaration;

    b. Whose activities involve the care, supervision, or guidance of children of an early childhood program; or

    c. Who may have unsupervised access to children under the care, supervision, or guidance of an early childhood program or early childhood services provider under a self-declaration.

~~Definitions. (Effective after June 30, 2025)~~

~~As used in this chapter, unless the context or subject matter otherwise requires:~~

~~1. "Authorized agent" means the human service zone, unless another entity is designated by the department.~~

~~2. "Child care center" means an early childhood program licensed to provide early childhood services to nineteen or more children.~~

~~3. "Department" means the department of health and human services.~~

~~4. "Drop-in care" means the care of children on a one-time, occasional, or unscheduled basis to meet the short-term needs of families.~~

~~5. "Early childhood program" means any program licensed under this chapter where early childhood services are provided for at least two hours a day for three or more days a week.~~

~~6. "Early childhood services" means the care, supervision, education, or guidance of a child or children, which is provided in exchange for money, goods, or other services. Early childhood services does not include:~~

~~a. Substitute parental child care provided pursuant to chapter 50-11.~~

~~b. Child care provided in any educational facility, whether public or private, in grade one or above.~~

~~c. Child care provided in a kindergarten which has been established pursuant to chapter 15.1-22 or a nonpublic elementary school program approved pursuant to section 15.1-06-06.1.~~

d. Child care, preschool, and prekindergarten services provided to children under six years of age in any educational facility through a program approved by the department.

e. Child care provided in facilities operated in connection with a church, business, or organization where children are cared for during periods of time not exceeding four continuous hours while the child's parent is attending church services or is engaged in other activities, on the premises.

f. Schools or classes for religious instruction conducted by religious orders during the summer months for not more than two weeks, Sunday schools, weekly catechism, or other classes for religious instruction.

g. Summer resident or day camps for children which serve no children under six years of age for more than two weeks.

h. Sporting events, practices for sporting events, or sporting or physical activities conducted under the supervision of an adult.

i. Head start and early head start programs that are federally funded and meet federal head start performance standards.

j. Child care provided in a medical facility by medical personnel to children who are ill.

7. "Family child care" means a private residence licensed to provide early childhood services for no more than seven children at any one time, except that the term includes a residence licensed to provide early childhood services to two additional school-age children.

8. "Group child care" means a child care program licensed to provide early childhood services for thirty or fewer children.

9. "Household member" means an adult living in the private residence out of which a program is operated, regardless of whether the adult is living there permanently or temporarily.

10. "Human service zone" means a county or consolidated group of counties administering human services within a designated area in accordance with an agreement or plan approved by the department.

11. "In-home provider" means any person who provides early childhood services to children in the children's home.

12. "Licensed" means an early childhood program has the rights, authority, or permission granted by the department to operate and provide early childhood services.

13. "Multiple licensed program" means an early childhood program licensed to provide more than one type of early childhood services.

14. "Owner" or "operator" means the person who has legal responsibility for the early childhood program and premises.

15. "Parent" means an individual with the legal relationship of father or mother to a child or an individual who legally stands in place of a father or mother, including a legal guardian or custodian.

16. "Premises" means the indoor and outdoor areas approved for providing early childhood services.

17. "Preschool" means a program licensed to offer early childhood services, which follows a preschool curriculum and course of study designed

~~primarily to enhance the educational development of the children enrolled and which serves no child for more than three hours per day.~~

~~18. "Public approval" means a nonlicensed early childhood program operated by a government entity that has self-certified that the program complies with this chapter.~~

~~19. "Registrant" means the holder of an in-home provider registration document issued by the department in accordance with this chapter.~~

~~20. "Registration" means the process whereby the department maintains a record of all in-home providers who have stated that they have complied or will comply with the prescribed standards and adopted rules.~~

~~21. "Registration document" means a written instrument issued by the department to publicly document that the registrant has complied with this chapter and the applicable rules and standards as prescribed by the department.~~

~~22. "School-age child care" means a child care program licensed to provide early childhood services on a regular basis for nineteen or more children aged five years through eleven years.~~

~~23. "School-age children" means children served under this chapter who are at least five years but less than twelve years of age.~~

~~24. "Self-declaration" means voluntary documentation of an individual providing early childhood services in a private residence for up to five children through the age of eleven, of which no more than three may be under the age of twenty-four months.~~

~~25. "Staff member" means an individual:~~

~~a. Who is an employee of an early childhood program or of an early childhood services provider under a self-declaration;~~

~~b. Whose activities involve the care, supervision, or guidance of children of an early childhood program; or~~

~~c. Who may have unsupervised access to children under the care, supervision, or guidance of an early childhood program or early childhood services provider under a self-declaration.~~

SECTION 30. AMENDMENT. Section 50-11.1-22 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-22. Early childhood grant for best in class four-year old experiences. ~~(Expired effective July 1, 2025)~~

1. A four-year old program deemed eligible under section 50-11.1-23 may submit an application for the best in class four-year old experiences grant. An approved program is eligible for an annual award of one hundred twenty thousand dollars per approved group size. The grant award must be matched with no less than twenty thousand dollars in other funds. The department shall assign a program support coach to each approved program. An approved program:

   a. Shall utilize the assigned support coach and utilize the sliding fee scale for parent fees, as established by the department.

   b. May use grant funds to support the provision of quality early childhood experiences, including expenditures related to staffing, training, equipment, and supplies.

c. May not use grant funds for construction or rehabilitation. An approved program must enter a grant agreement with the department.

2. The department may not collect equipment or supplies purchased with grant funds from the approved program after successful completion of the term of the grant.

SECTION 31. AMENDMENT. Section 50-11.1-23 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-23. Eligibility for best in class four-year old experiences grant. ~~(Expired effective July 1, 2025)~~

1. A four-year old program may submit, in the form and manner prescribed by the department, an application to the department for a grant under section 50-11.1-22, if the provider certifies to the department the provider:

   a. Operates a four-year old program in this state;

   b. Operates a four-year old program for children who have reached four years of age before August first in the year of enrollment;

   c. Operates a four-year old program that has a duration of at least four hundred hours over a period of at least thirty-two consecutive weeks;

   d. Incorporates within the four-year old program at least ten hours of research-based family engagement;

   e. Has been determined to meet the standards and expectations of no less than step three in the North Dakota early childhood quality improvement system;

   f. Is willing to admit children of all learning abilities into the four-year old program;

   g. Is willing to admit children who receive assistance from the child care assistance program into the four-year old program; and

   h. Is willing to operate in compliance with the grant requirements, including:

      (1) Maintaining the recommended group size for number of children served in the four-year old program;

      (2) Complying with requirements related to qualifications, training, and professional development of staff delivering services in the four-year old program; and

      (3) Adhering to expectations established by the department related to four-year old program monitoring and oversight.

2. The department may distribute grants under this section to approved four-year old programs, including four-year old programs operated as early childhood programs by educational facilities or federally funded head start programs or in connection with a church, business, or organization that operates a four-year old program.

3. The department may recapture grant funds distributed to an approved four-year old program found by the department to be out of compliance with requirements established for the best in class four-year old experiences grant program.

SECTION 32. AMENDMENT. Section 50-11.1-24 of the North Dakota Century Code is amended and reenacted as follows:

50-11.1-24. Grant program data collection - Requirements. ~~(Expired effective July 1, 2025)~~

The state agency with approval authority over four-year old programs, with the advice and consent of the department, shall implement a uniform system for the accounting, budgeting, and reporting of data by any four-year old program provider to whom or to which grants are distributed under section 50-11.1-23. Grants may be withheld or forfeited, in whole or in part, if information required in accordance with this section is not submitted at the time or in the manner requested by the state agency with approval authority over four-year old programs. A grant recipient shall consent to provide information needed to comply with data collection requirements. The state agency with approval authority over four-year old programs shall disclose the requested information to the department.

SECTION 33. A new subsection to section 50-24.1-07 of the North Dakota Century Code is created and enacted as follows:

In any probate proceedings in which the department has filed a claim under this section, no additional evidence of foundation may be required for the admission of the department's payment record supporting the department's claim if the payment record is certified as a true copy and bears the signature of a representative of the department. There is a rebuttable presumption that the amount of medical assistance on the claim was incurred and paid on behalf of the recipient of medical assistance and is an allowable claim."

Page 9, after line 19, insert:

"**SECTION 35. AMENDMENT.** Subsection 5 of section 50-24.1-37 of the North Dakota Century Code is amended and reenacted as follows:

5. Provider and managed care organization reimbursement rate information received or held by the department under this section is an open record.

SECTION 36. AMENDMENT. Section 50-24.5-02.3 of the North Dakota Century Code is amended and reenacted as follows:

50-24.5-02.3. Basic care payment rates.

1. The department shall ~~establish, by rule, procedures for determining rates~~determine limits for the care of residents of basic care facilities that qualify as vendors of an aged, blind, and disabled persons program and for implementing provisions of this chapter~~. The procedures must be~~ based on ~~methods and standards that the department finds are adequate to recognize the~~data demonstrating the most recent costs that must be incurred for the care of residents in efficiently and economically operated basic care facilities. The department shall determine the limits every four years by July first, beginning with July 1, 2023.

2. The department shall ~~identify costs that are recognized for establishing payment rates~~establish the limits by using the median rates from the most recent data available. The direct care limit must be the median plus eighteen percent. The indirect care limit must be the median plus twelve percent.

3. For the rate year beginning July 1, ~~2016~~2023, the department shall ~~establish the limits by using the average of the highest and lowest rates from the 2014 rate year. The direct care limit must be ninety-five percent of the average and the indirect care limit must be ninety percent of the average. Beginning with the July 1, 2017, rate year, the department shall adjust the limits by using the cost percentage change from the prior two rate years, within the limits of legislative appropriations~~increase rates and

limits three and one-half percent for inflation. For the rate year beginning July 1, 2024, the department shall increase rates and limits three and one-half percent for inflation.

4. The department shall ~~provide, by rule, within the limits of legislative appropriations, for payment of rates paid by the aged, blind, and disabled persons program for a maximum of thirty days per occurrence for leave days for a resident who is in a licensed health care facility when the resident is expected to return to the facility~~provide a rate increase in the amount of five dollars per day for the period beginning July 1, 2023, and ending June 30, 2025, after which the increase is not effective. This rate increase may not be included in any calculation of inflation increase.

5. Within the limits of legislative appropriations, the department shall establish an uncompensated care expense of ~~one hundred eighty~~three hundred sixty-five days."

Page 10, after line 2, insert:

SECTION 38. Two new subsections to the new section to chapter 54-52.1 of the North Dakota Century Code as created by section 2 of Senate Bill No. 2140, as approved by the sixty-eighth legislative assembly, are created and enacted as follows:

If application of subsection 3 would result in the ineligibility of a health benefit plan that is a qualified high-deductible health plan to qualify as a health savings account under section 223 of the Internal Revenue Code [26 U.S.C. 223], the requirements of subsection 3 do not apply with respect to the deductible of the health benefit plan until after the enrollee has satisfied the minimum deductible under section 26 U.S.C. 223.

This section does not apply to the Medicare part D prescription drug coverage plan.

Page 10, line 19, remove "**CONTINGENT**"

Page 10, line 19, after "**REPORT**" insert "- **EXEMPTION**"

Page 10, line 20, replace "Beginning with the effective date of this Act, the" with "1. The"

Page 10, line 21, replace "three" with "at least one"

Page 10, line 21, replace "centers" with "center"

Page 10, line 24, remove "up to fifty"

Page 10, after line 27, insert:

"2. The department may consider the inclusion of providers of integrated, wraparound crisis services to young adults, who are at risk of being homeless or experiencing serious adverse life events, into the creation of any certified community behavioral health clinic.

3. The $15,000,000 from the general fund appropriated to the department of health and human services for the substance use disorder treatment voucher system in chapter 12 of the 2021 Session Laws is not subject to the provisions of section 54-44.1-11, and any unexpended funds of up to $4,150,000 from this appropriation may be continued and spent for defraying the expenses of additional human service centers to begin the process of becoming a certified community behavioral health clinic to provide continuous community-based behavioral health services for children and adults during the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 11, line 15, remove "of which the amount"

Page 11, remove line 16

Page 11, line 17, remove "home- and community-based services 10 percent enhancement plan"

Page 11, line 25, remove the second "and"

Page 11, line 28, after "50-06-42.1" insert ";

10. The sum of $175,000 for home and community-based services housing assistance in chapter 12 of the 2021 Session Laws; and

11. The sum of $15,000,000 appropriated from the general fund and the sum of $15,000,000 appropriated from federal funds for the child welfare technology project in chapter 12 of the 2021 Session Laws"

Page 12, line 10, after the first "of" insert "underfunding,"

Page 12, line 11, remove "and"

Page 12, line 12, after "percentage" insert ", and unexpected contract cost increases that exceed ten percent"

Page 12, line 16, replace "four" with "three"

Page 12, line 18, replace "seven" with "two"

Page 12, line 18, replace "the first" with "each"

Page 12, line 18, remove "of the biennium and four percent the"

Page 12, line 19, remove "second year"

Page 12, line 20, after "facilities" insert "or prospective payment system hospitals that have different inflation rates"

Page 12, after line 20, insert:

"**SECTION 49. DEVELOPMENTAL DISABILITY PROVIDER ADJUSTMENT.** Subdivision 2 of section 1 of this Act includes funding for developmental disability provider rate adjustments. Adjustments must provide for the equivalent of a one dollar per hour increase for direct care staff and the equivalent of a one dollar per hour increase for indirect program support staff of licensed developmental disability providers. Developmental disability providers shall provide a report to the department of health and human services as determined by the department. The increase to direct care staff and related indirect program support staff does not apply to qualified service provider rates as established under the long-term care program."

Page 13, after line 2, insert:

SECTION 52. LEGISLATIVE MANAGEMENT STUDY - SOCIAL WORK LICENSURE COMPACT. During the 2023-24 interim, the legislative management shall consider studying the feasibility and desirability of the legislative assembly enacting the social work licensure compact. The study may include consideration of whether the public and the social work community support enactment and whether the North Dakota board of social work examiners has the capacity to participate in the compact. 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 53. LEGISLATIVE MANAGEMENT STUDY - MEDICAID PROVIDER REIMBURSEMENT ARRANGEMENTS. During the 2023-24 interim, the

legislative management shall study the benefits of basing provider reimbursement rates for the Medicaid program in accordance with a provider's performance under established and accepted value-based care metrics. 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 54. LEGISLATIVE MANAGEMENT STUDY - INTERMEDIATE CARE FACILITY RATE FORMULA. During the 2023-24 interim, the legislative management shall consider studying the payment rates for intermediate care facilities, including options to increase the rates. The study must consider the funded percentage of costs for services including day and small group care, individual employment, in-home supports, respite care, habilitative care, independent habitation, and residential habitation. 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 55. SUPREME COURT STUDY - WELLNESS COURT - REPORT TO LEGISLATIVE MANAGEMENT. During the 2023-24 interim, the supreme court, in consultation with the department of corrections and rehabilitation, the department of health and human services, and the attorney general, shall study and identify those provisions of the North Dakota Century Code which pertain to drug court and assess whether the term wellness court should be adopted to replace drug court. The supreme court shall report its findings and recommendations, together with any legislation required to implement the statutory change of drug court to wellness court, to the legislative management by June 1, 2024.

Page 13, line 7, replace "19" with "39"

Page 13, line 8, after "2024" insert "; Senate Bill No. 2181, as approved by the sixty-eighth legislative assembly, becomes effective on October 1, 2023; and section 2 of Senate Bill No. 2276, as approved by the sixty-eighth legislative assembly, becomes effective on April 1, 2024"

Page 13, after line 8, insert:

"**SECTION 58. EMERGENCY.** Section 4 of this Act is declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2012 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
UND Medical Center						
Total all funds	$0	$0	$3,500,000	$3,500,000	$3,500,000	$0
Less estimated income	0	0	3,500,000	3,500,000	3,500,000	0
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
DHHS - Management						
Total all funds	$172,600,480	$265,550,380	$438,091,037	$703,641,417	$702,891,417	$750,000
Less estimated income	92,905,426	186,160,843	200,540,944	386,701,787	385,951,787	750,000
General fund	$79,695,054	$79,389,537	$237,550,093	$316,939,630	$316,939,630	$0
FTE	97.85	113.90	2,151.43	2,265.33	2,265.33	0.00
DHHS - Program/Policy						
Total all funds	$3,793,980,879	$4,617,924,174	($318,753,988)	$4,299,170,186	$4,100,427,740	$198,742,446
Less estimated income	2,499,452,627	2,988,736,618	(220,004,412)	2,768,732,206	2,613,495,737	155,236,469
General fund	$1,294,528,252	$1,629,187,556	($98,749,576)	$1,530,437,980	$1,486,932,003	$43,505,977
FTE	666.17	687.32	(687.32)	0.00	0.00	0.00
DHHS - County Social Services Financing						
Total all funds	$189,917,386	$225,361,586	($27,697,925)	$197,663,661	$193,913,661	$3,750,000
Less estimated income	188,676,995	224,010,514	(26,363,726)	197,646,788	193,896,788	3,750,000

General fund	$1,240,391	$1,351,072	($1,334,199)	$16,873	$16,873	$0
FTE	159.00	164.00	(164.00)	0.00	0.00	0.00
DHHS - Field Services						
Total all funds	$293,597,257	$352,897,223	($244,681,707)	$108,215,516	$107,857,691	$357,825
Less estimated income	114,273,300	95,698,581	(65,721,527)	29,977,054	29,977,054	0
General fund	$179,323,957	$257,198,642	($178,960,180)	$78,238,462	$77,880,637	$357,825
FTE	1,342.31	1,394.11	(1,394.11)	0.00	0.00	0.00
Bill total						
Total all funds	$4,450,096,002	$5,461,733,363	($149,542,583)	$5,312,190,780	$5,108,590,509	$203,600,271
Less estimated income	2,895,308,348	3,494,606,556	(108,048,721)	3,386,557,835	3,226,821,366	159,736,469
General fund	$1,554,787,654	$1,967,126,807	($41,493,862)	$1,925,632,945	$1,881,769,143	$43,863,802
FTE	2,265.33	2,359.33	(94.00)	2,265.33	2,265.33	0.00

Senate Bill No. 2012 - UND Medical Center - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Clinical integrated network grant			$3,500,000	$3,500,000	$3,500,000	
Total all funds	$0	$0	$3,500,000	$3,500,000	$3,500,000	$0
Less estimated income	0	0	3,500,000	3,500,000	3,500,000	0
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 232 - UND Medical Center - Detail of Conference Committee Changes

	Adds Funding for Clinical Integrated Network Grant[1]	Total Conference Committee Changes
Clinical integrated network grant	$3,500,000	$3,500,000
Total all funds	$3,500,000	$3,500,000
Less estimated income	3,500,000	3,500,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding is added from the community health trust fund to allow the Center for Rural Health to award a grant to a clinical integrated network. The House also added this funding.

Senate Bill No. 2012 - DHHS - Management - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$21,363,556	$24,409,456	($24,409,456)			
Operating expenses	151,161,924	241,065,924	5,750,000	$246,815,924	$246,065,924	$750,000
Capital assets	75,000	75,000		75,000	75,000	
Salary block grant program			456,750,493	456,750,493	456,750,493	
Total all funds	$172,600,480	$265,550,380	$438,091,037	$703,641,417	$702,891,417	$750,000
Less estimated income	92,905,426	186,160,843	200,540,944	386,701,787	385,951,787	750,000
General fund	$79,695,054	$79,389,537	$237,550,093	$316,939,630	$316,939,630	$0
FTE	97.85	113.90	2,151.43	2,265.33	2,265.33	0.00

Department 326 - DHHS - Management - Detail of Conference Committee Changes

	Adjusts Funding for Management[1]	Total Conference Committee Changes
Salaries and wages	($24,409,456)	($24,409,456)
Operating expenses	5,750,000	5,750,000
Capital assets		
Salary block grant program	456,750,493	456,750,493
Total all funds	$438,091,037	$438,091,037
Less estimated income	200,540,944	200,540,944
General fund	$237,550,093	$237,550,093
FTE	2,151.43	2,151.43

[1] Funding is adjusted for management as follows:

2023-25 Ongoing Funding Changes	FTE Positions	General Fund	Other Funds	Total
Transfers salary increase funding to a new FTE position block grant program, the same as the House.		($862,063)	($283,496)	($1,145,559)
Transfers health insurance funding to a new FTE position block grant program, the same as the House.		(436,667)	(139,099)	(575,766)
Transfers funding for salaries and wages to a new salary block grant program, the same as the House.	(112.40)	(16,918,521)	(5,622,318)	(22,540,839)
Creates a new departmentwide FTE block grant program, the same as the House.	2,265.33	247,896,527	190,940,966	438,837,493
Provides a salary increase for the FTE block grant program of 6 percent the 1st year and 4 percent the 2nd year of the 2023-25 biennium, the same as the House.		16,629,803	10,869,007	27,498,810
Provides funding for increases in health insurance premiums from $1,429 to $1,643 per month, the same as the House.		5,861,794	4,052,396	9,914,190
Underfunds salaries and wages in anticipation of vacant positions, the same as the House.		(19,500,000)		(19,500,000)
Removes new criminal background check positions added by the Senate. The House also removed these positions.	(1.50)	(120,780)	(26,512)	(147,292)
Reduces operating reductions made by the Senate from $19.9 million to $13.9 million. The House also made this adjustment.		6,000,000		6,000,000
Total ongoing funding changes	2,151.43	$238,550,093	$199,790,944	$438,341,037
One-time Funding Items				
Removes one-time funding added by the Senate to automate the criminal background check process. The House also removed this funding.		($1,000,000)		($1,000,000)
Adds one-time funding from the community health trust fund for expenses of the health care task force including a health care study.			750,000	750,000
Total one-time funding changes	0.00	($1,000,000)	$750,000	($250,000)
Total changes to base level funding	2,151.43	$237,550,093	$200,540,944	$438,091,037

Senate Bill No. 2012 - DHHS - Program/Policy - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$122,081,310	$141,618,507	($141,618,507)			
Operating expenses	176,078,719	231,801,268	4,017,616	$235,818,884	$228,468,330	$7,350,554
Capital assets	10,000	10,000		10,000	10,000	
Grants	467,144,387	657,651,069	(21,582,133)	636,068,936	634,074,486	1,994,450
Grants - Medical assistance	3,028,666,463	3,584,843,330	(159,570,964)	3,425,272,366	3,235,874,924	189,397,442
Opioid prevention		2,000,000		2,000,000	2,000,000	
Total all funds	$3,793,980,879	$4,617,924,174	($318,753,988)	$4,299,170,186	$4,100,427,740	$198,742,446
Less estimated income	2,499,452,627	2,988,736,618	(220,004,412)	2,768,732,206	2,613,495,737	155,236,469
General fund	$1,294,528,252	$1,629,187,556	($98,749,576)	$1,530,437,980	$1,486,932,003	$43,505,977
FTE	666.17	687.32	(687.32)	0.00	0.00	0.00

Department 328 - DHHS - Program/Policy - Detail of Conference Committee Changes

	Adjusts Funding for Program and Policy[1]	Total Conference Committee Changes
Salaries and wages	($141,618,507)	($141,618,507)
Operating expenses	4,017,616	4,017,616
Capital assets		
Grants	(21,582,133)	(21,582,133)
Grants - Medical assistance	(159,570,964)	(159,570,964)
Opioid prevention		
Total all funds	($318,753,988)	($318,753,988)
Less estimated income	(220,004,412)	(220,004,412)
General fund	($98,749,576)	($98,749,576)
FTE	(687.32)	(687.32)

[1] Funding for program and policy is adjusted as follows:

2023-25 Ongoing Funding Changes	FTE Positions	General Fund	Other Funds	Total
Transfers salary increase funding to a new FTE position block grant program, the same as the House.		($2,661,463)	($3,528,496)	($6,189,959)
Transfers health insurance funding to a new FTE position block grant program, the same as the House.		(1,338,470)	(1,865,110)	(3,203,580)
Transfers salaries and wages funding to a new FTE block grant program, the same as the House.	(675.32)	(52,606,648)	(77,965,332)	(130,571,980)
Reduces funding for provider inflation from 4 percent per year to 3 percent per year except as noted in medical services, long-term care, and developmental disabilities. The House provided 2 percent per year inflationary adjustments.		(10,189,967)	(11,820,510)	(22,010,477)
Economic assistance				
Removes funding added by the Senate to increase the utilization of the child care assistance program for children ages 0 to 3. The House also removed this funding.		(22,000,000)		(22,000,000)
Removes funding added by the Senate to improve the ability of low-income parents to obtain child care, the same as the House.		(12,900,000)		(12,900,000)
Medical Services				
Removes new Medicaid provider strike team positions added by the Senate. The House also removed these positions.	(2.00)	(48,642)	(266,995)	(315,637)
Adjusts inflation for prospective payment system hospital to 0 percent the 1st year and 2 percent the 2nd year of the biennium. The House removed provider inflation for prospective payment system hospitals.		(4,385,331)	(4,133,123)	(8,518,454)
Reduces estimated utilization rates for Medicaid Expansion ($110,753,873) and provides for a realigned rate structure to pay 145 percent of traditional Medicaid costs effective January 1, 2025 ($29,179,602) except for behavioral health providers.		(13,993,347)	(125,940,128)	(139,933,475)
Long-Term Care				
Adds funding for a long-term care value based payment program, the same as the House.		6,000,000	6,000,000	12,000,000
Reduces estimated long-term care utilization rates, the same as the House.		(9,949,900)	(11,220,100)	(21,170,000)

Adds funding to rebase basic care rates. The House also added funding to rebase basic care rates.		3,880,000	2,120,000	6,000,000
Increases basic care daily rate by $5.		4,067,056	1,474,184	5,541,240
Adds funding from the health care trust fund for basic care facility bad debt expense, the same as the House.			500,000	500,000
Provides additional funding to increase basic care inflation to 3.5 percent each year of the 2023-25 biennium.		301,358	141,244	442,602
Aging Services				
Removes new home- and community-based services positions added by the Senate. The House also removed these positions.	(3.00)	(143,912)	(143,912)	(287,824)
Removes a new aging services compliance position added by the Senate.The House also removed this position.	(1.00)	(103,868)	(103,868)	(207,736)
Removes a new aging services lawsuit coordinator position added by the Senate. The House also removed this position.	(1.00)			0
Children and Family Services				
Adds funding for kinship childcare, the same as the House.		460,000		460,000
Behavioral Health				
Removes new community behavioral health positions added by the Senate. The House also removed these positions.	(2.00)	(223,946)		(223,946)
Adjusts funding for the free through recovery program to provide funding directly to DHHS for the program rather than using passthrough funds. The House also made this adjustment.		15,500,000	(15,500,000)	0
Increases school behavioral health grants to provide a total of $9.5 million, the same as the House.		3,000,000		3,000,000
Adds funding from the community health trust fund for the 988 crisis hotline program, the same as the House.			1,867,500	1,867,500
Adds funding from the charitable gaming operating fund for additional gambling disorder services. This will result in a general fund reduction of $500,000.			500,000	500,000
Developmental Disabilities				
Removes a new quality assurance position added by the Senate. The House also removed this position.	(1.00)	(103,868)	(103,868)	(207,736)
Removes a new early intervention position added by the Senate. The House also removed this position.	(1.00)	(86,602)	(86,602)	(173,204)
Adjusts enhanced payment rates for developmental disabilities providers to provide for a $1 per hour increase for workers and 2 percent annual inflation increases. The House had provided 3 percent annual inflation adjustments.		2,664,879	2,971,677	5,636,556
Early Childhood				
Combines the best in class program and the kindergarten readiness program into the		2,400,000		2,400,000

research-based 0-4 program, the same as the House.				
Removes funding added by the Senate for early childhood career grants, the same as the House.		(2,000,000)		(2,000,000)
Removes a new program administrator position added by the Senate. The House also removed this position.	(1.00)	(236,905)		(236,905)
Adds federal funds spending authority for the child care development fund and the preschool development grant, the same as the House.			21,514,027	21,514,027
Total ongoing funding changes	(687.32)	($94,699,576)	($215,589,412)	($310,288,988)
One-Time Funding Items				
Adds funding for a behavioral health facility grant in the Northwest human service region, the same as the House.		$1,950,000		$1,950,000
Adds funding from the federal state fiscal recovery fund for grants to organizations that provide youth crisis services, the same as the House.			300,000	300,000
Adds funding from the federal state fiscal recovery fund for grants to volunteer-based ecumenical ministry organizations, the same as the House.			285,000	285,000
Adds one-time funding from the community health trust fund ($700,000) and from federal funds ($700,000) for consultant and other costs to implement the cross disability advisory council. The House did not add the federal funding.			1,400,000	1,400,000
Adds one-time funding from the community health trust fund for a study of the basic care payment system. The House and Senate did not include this funding.			600,000	600,000
Workforce Initiative One-Time Funding				
Removes funding added by the Senate for early childhood rating infrastructure. The House also removed this funding.		(3,000,000)		(3,000,000)
Removes funding added by the Senate for quality tiers in the child care reimbursement program. The House also removed this funding.		(3,000,000)		(3,000,000)
Removes funding added from legacy fund earnings to expand public-private child care benefits. The House also removed this funding.			(1,000,000)	(1,000,000)
Removes funding added from legacy fund earnings for child care business operating grants. The House also removed this funding.			(5,000,000)	(5,000,000)
Removes funding added from legacy fund earnings for a pilot program for child care during nontraditional hours. The House also removed this funding.			(1,000,000)	(1,000,000)
Total one-time funding changes	0.00	($4,050,000)	($4,415,000)	($8,465,000)
Total changes to base level funding	(687.32)	($98,749,576)	($220,004,412)	($318,753,988)

Senate Bill No. 2012 - DHHS - County Social Services Financing - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
County social services	$189,917,386	$225,361,586	($27,697,925)	$197,663,661	$193,913,661	$3,750,000
Total all funds	$189,917,386	$225,361,586	($27,697,925)	$197,663,661	$193,913,661	$3,750,000
Less estimated income	188,676,995	224,010,514	(26,363,726)	197,646,788	193,896,788	3,750,000
General fund	$1,240,391	$1,351,072	($1,334,199)	$16,873	$16,873	$0
FTE	159.00	164.00	(164.00)	0.00	0.00	0.00

Department 333 - DHHS - County Social Services Financing - Detail of Conference Committee Changes

	Adjusts Funding for County Social Services[1]	Total Conference Committee Changes
County social services	($27,697,925)	($27,697,925)
Total all funds	($27,697,925)	($27,697,925)
Less estimated income	(26,363,726)	(26,363,726)
General fund	($1,334,199)	($1,334,199)
FTE	(164.00)	(164.00)

[1] Funding for the county social services program is adjusted as follows:

2023-25 Ongoing Funding Changes	FTE Positions	General Fund	Other Funds	Total
Transfers salary increase funding to a new FTE position block grant program, the same as the House.		($61,440)	($1,486,858)	($1,548,298)
Transfers health insurance funding to a new FTE position block grant program, the same as the House.		(30,807)	(721,687)	(752,494)
Funding is transferred to a new FTE position block grant program. The House also transferred this funding.	(157.00)	(1,241,952)	(27,900,463)	(29,142,415)
Adds funding to provide for 2023-25 biennium human service zone salary increases of 6 percent on July 1, 2023, and 4 percent on July 1, 2024, the same as the House. The Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.			2,097,313	2,097,313
Increases funding added by the Senate for human service zone employee salary equity adjustments to provide $3.75 million. The House did not include any equity funding.			2,750,000	2,750,000
Removes new FTE positions added by the Senate for home- and community-based services.	(7.00)		(1,102,031)	(1,102,031)
Total ongoing funding changes	(164.00)	($1,334,199)	($26,363,726)	($27,697,925)

Senate Bill No. 2012 - DHHS - Field Services - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Human service centers	$163,213,829	$189,374,455	($141,971,373)	$47,403,082	$47,045,257	$357,825
Institutions	130,383,428	163,522,768	(102,710,334)	60,812,434	60,812,434	
Total all funds	$293,597,257	$352,897,223	($244,681,707)	$108,215,516	$107,857,691	$357,825
Less estimated income	114,273,300	95,698,581	(65,721,527)	29,977,054	29,977,054	0
General fund	$179,323,957	$257,198,642	($178,960,180)	$78,238,462	$77,880,637	$357,825
FTE	1,342.31	1,394.11	(1,394.11)	0.00	0.00	0.00

Department 349 - DHHS - Field Services - Detail of Conference Committee Changes

	Adjust Funding for Field Services[1]	Total Conference Committee Changes
Human service centers	($141,971,373)	($141,971,373)
Institutions	(102,710,334)	(102,710,334)
Total all funds	($244,681,707)	($244,681,707)
Less estimated income	(65,721,527)	(65,721,527)
General fund	($178,960,180)	($178,960,180)
FTE	(1,394.11)	(1,394.11)

[1] Funding for field services is adjusted as follows:

2023-25 Ongoing Funding Changes	FTE Positions	General Fund	Other Funds	Total
Transfers salary increase funding to a new FTE position block grant program, the same as the House.		($8,926,423)	($2,830,652)	($11,757,075)
Transfers health insurance increase funding to a new FTE position block grant program, the same as the House.		(4,161,185)	(1,449,231)	(5,610,416)
Transfers salaries and wages to an FTE block grant funding pool, the same as the House.	(1,320.61)	(172,296,141)	(77,619,785)	(249,915,926)
Removes FTE positions added by the Senate for community-based behavioral health. The House also removed these positions.	(28.50)	(950,906)		(950,906)
Removes FTE positions added by the Senate for crisis support services. The House also removed these positions.	(21.00)	(2,813,836)		(2,813,836)
Adjusts provider inflation to provide 3 percent annual adjustments. The Senate provided 4 percent annual adjustment and the House provided 2 percent annual adjustments.		(357,870)		(357,870)
Reduces the number of certified community behavioral health clinics from 3 to 1 and removes new FTE positions added for the clinics. The House also made this adjustment.	(24.00)	(5,711,959)		(5,711,959)
Restores operating reductions made in the executive budget for Human Service Centers ($13,200,000) and the State Hospital ($7,586,281). The House also restored this funding.		20,786,281		20,786,281
Adds funding to provide telehealth psychiatric services in correctional facilities, the same as the House.		1,500,000		1,500,000
Adds ongoing general fund support to replace funding at facilities due to a revenue shortfall, the same as the House.		30,000,000	(30,000,000)	0
Total ongoing funding changes	(1,394.11)	($142,932,039)	($111,899,668)	($254,831,707)
One-Time Funding Items				
Increases funding from the strategic investment and improvements fund for State Hospital design from $5 to $12.5 million, the same as the House.			$7,500,000	$7,500,000
Removes one-time general fund support to replace funding at facilities due to a revenue shortfall. The House also removed this funding.		(36,028,141)	36,028,141	0
Adds funding from the state fiscal recovery fund for a rural law enforcement telehealth program, the same as the House.			2,650,000	2,650,000
Total one-time funding changes	0.00	($36,028,141)	$46,178,141	$10,150,000

Total changes to base level funding	(1,394.11)	($178,960,180)	($65,721,527)	($244,681,707)

Senate Bill No. 2012 - Other Changes - Conference Committee Action

This amendment also:

- Provides a 2021-23 biennium appropriation from the DHHS operating fund for the repayment of funds withheld from unemployment benefits. The House also included an appropriation.
- Authorizes DHHS to adjust the number of authorized full-time equivalent positions subject to the availability of funds. The House also authorized this provision.
- Adjusts the amount of the transfer from the strategic investment and improvements fund to the human service finance fund from $21.6 million to $26.95 million. The House transferred $23.2 million.
- Identifies appropriations from the strategic investment and improvements fund, human service finance fund, community health trust fund, health care trust fund, and the federal State Fiscal Recovery Fund.
- Directs the department to create a parenting resource website. The House also included this provision.
- Directs the department to provide quarterly budget and utilization information.
- Creates a North Dakota legislative health care task force. The House also included this provision.
- Removes the sunset clause on the best in class program. The House also included this provision.
- Adjusts Medicaid language relating to probate proceedings and reimbursement rate information. The House also included this provision.
- Provides for the rebasement of basic care payment rates. The House also included this provision.
- Provides statutory clarification regarding public employee health plan coverage of insulin.
- Adjusts guidelines for the development of certified community behavioral health clinics. The House also adjusted the guidelines.
- Authorizes the carryover of unexpended appropriation to be used for the certified community behavioral health clinics. This will reduce the general fund beginning balance by $4.15 million.
- Adjusts the amount of funding allowed to be continued from the 2021-23 biennium into the 2023-25 biennium.
- Provides for a Legislative Management study of the social work licensure compact. The House also included this study.
- Provides for a Legislative Management study of Medicaid provider reimbursement arrangements. The House also included this study.
- Provides for a Legislative Management study of the intermediate care facility rate formula.
- Adds effective dates for Senate Bill No. 2181 relating to medical assistance for pregnant women and Senate Bill No. 2276 relating to a family caregiver pilot project.

Engrossed SB 2012 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BEKKEDAHL MOVED that the conference committee report on Engrossed SB 2012 as printed on SJ pages 2225-2250 be adopted.

REQUEST

SEN. LARSEN REQUESTED a verification vote, which request was granted.

REQUEST

SEN. HOGUE REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed SB 2012, the roll was called and there were 44 YEAS, 3 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

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

NAYS: Boehm; Larsen; Luick

The conference committee report on Engrossed SB 2012 was adopted on a recorded roll call vote.

Engrossed SB 2012, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2012: A BILL for an Act to provide an appropriation for defraying the expenses of various divisions of the department of health and human services; to provide an appropriation to the university of North Dakota school of medicine and health sciences; to provide an exemption; to create and enact a new section to chapter 50-06 and a new subsection to section 50-24.1-07 of the North Dakota Century Code and two new subsections to the new section to chapter 54-52.1 as created by section 2 of Senate Bill No. 2140, as approved by the sixty-eighth legislative assembly, of the North Dakota Century Code, relating to public employee health benefits coverage of insulin, a North Dakota legislative health care task force, and Medicaid claims; to amend and reenact subsection 2 of section 12.1-04-07, sections 50-01.2-01, 50-06-42, 50-11.1-02, 50-11.1-22, 50-11.1-23, 50-11.1-24, and 50-24.1-26, subsection 5 of section 50-24.1-37, and sections 50-24.5-02.3 and 50-29-04 of the North Dakota Century Code, relating to fitness to proceed examination, human service zone board membership, the substance use disorder treatment voucher system, Medicaid in-home services, the best in class program, basic care payment rates, the Medicaid expansion program, and the children's health insurance program; to repeal section 50-06-32.1 of the North Dakota Century Code, relating to the autism voucher; to provide a statement of legislative intent; to provide for a legislative management study; to provide for a report; 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, and has committee recommendation of DO PASS, the roll was called and there were 41 YEAS, 6 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

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

NAYS: Kannianen; Larsen; Lemm; Myrdal; Paulson; Wobbema

Reengrossed SB 2012 passed and the emergency clause was declared carried.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2012.

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 2012.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2012.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2012.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2012.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: HB 1014, HB 1018.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bill was delivered to the Governor for approval on April 29, 2023: SB 2012.

MOTION
SEN. KLEIN MOVED that the Senate stand in recess until 10:00 p.m., which motion prevailed.

THE SENATE RECONVENED pursuant to recess taken, with President Miller presiding.

REPORT OF CONFERENCE COMMITTEE
SB 2015, as engrossed: Your conference committee (Sens. Bekkedahl, Hogue, Wanzek and Reps. Vigesaa, Lefor, Bosch) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1851-1861, adopt amendments as follows, and place SB 2015 on the Seventh order:

That the House recede from its amendments as printed on pages 1851-1861 of the Senate Journal and pages 2163-2173 of the House Journal and that Engrossed Senate Bill No. 2015 be amended as follows:

Page 1, line 2, after "budget" insert "; to provide an appropriation to the office of the governor, legislative assembly, adjutant general, legislative council, department of environmental quality, department of labor and human rights, department of public instruction, department of commerce, department of health and human services, department of career and technical education, and judicial branch"

Page 1, line 3, after "enact" insert "a new subsection to section 10-30.5-02 and"

Page 1, line 3, after the second "to" insert "the purpose and use of the North Dakota development fund and"

Page 1, line 4, replace "sections" with "section 15.1-27-04.1 as amended by section 10 of Senate Bill No. 2284, as approved by the sixty-eighth legislative assembly, sections 15.1-36-02 and 15.1-36-04, subsection 2 of the new section to chapter 19-03.1, as created by section 1 of Senate Bill No. 2248, as approved by the sixty-eighth legislative assembly, subsection 1 of section 21-10-12, as amended in section 3 of Senate Bill No. 2330, as approved by the sixty-eighth legislative assembly, section 24-02-37.3, as amended by section 10 of House Bill No. 1012, as approved by the sixty-eighth legislative assembly, sections"

Page 1, line 4, after the first comma insert "54-06-14.7, and"

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

Page 1, line 5, replace "57-40.3-10" with "sections 54-52-02.5, 54-52-02.9, 54-52-02.11, and 54-52-02.12, as amended in sections 3, 4, 5, and 6 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52-02.15 as created by section 7 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52-03, subsection 2 of section 54-52-06.4, as amended in section 1 of House Bill No. 1309, as approved by the sixty-eighth legislative assembly, subsection 4 of section 54-52-17, as amended in section 4 of House Bill No. 1183, as approved by the sixty-eighth legislative assembly, section 54-52.2-09 as created by section 13 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 3 of section 54-52.6-01 and section 54-52.6-02 as

amended in sections 14 and 15 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 1 of section 54-52.6-02.1 and section 54-52.6-02.2 as created by sections 16 and 17 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 2 of section 54-52.6-03 as amended by section 18 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52.6-09 as amended in section 22 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-63.1-04, and the new subsection to section 61-16.1-11, as created in section 1 of Senate Bill No. 2372, as approved by the sixty-eighth legislative assembly,"

Page 1, line 5, after "Code" insert "and section 2 of House Bill No. 1438, as approved by the sixty-eighth legislative assembly"

Page 1, line 5, after "to" insert "baseline funding and the determination of state school aid, loans from the coal development trust fund, evidence of indebtedness, distribution of illegal drugs, legacy fund earnings, the flexible transportation fund,"

Page 1, line 6, after the first comma insert "the state leave sharing program,"

Page 1, line 6, after "collections" insert ", the retirement board"

Page 1, line 6, remove "and the allocation of motor vehicle"

Page 1, line 7, replace "excise tax collections" with "the public employees retirement system retirement plan, the public employees retirement system plan for state peace officers, the clean sustainable energy authority duties, and joint water resource boards; to repeal section 5 of Senate Bill No. 2020, as approved by the sixty-eighth legislative assembly, relating to a transfer of Bank of North Dakota profits to a water infrastructure revolving loan fund"

Page 1, line 7, after "exemption" insert "; to provide for a legislative management study"

Page 1, line 7, after "report" insert "; to provide a penalty; to provide for application; to provide a retroactive effective date; to provide a contingent effective date"

Page 1, remove lines 18 through 24

Page 2 replace lines 1 through 8 with:

"Salaries and wages	$21,926,979	$1,231,851	$23,158,830
Operating expenses	15,663,214	3,729,579	19,392,793
Capital assets	764,515	8,567,640	9,332,155
Emergency commission contingency fund	400,000	0	400,000
Targeted market equity pool	0	82,500,000	82,500,000
Guardianship grants	2,450,000	4,650,000	7,100,000
Prairie public broadcasting	1,200,000	1,792,450	2,992,450
Community service supervision grants	350,000	0	350,000
State student internship program	0	500,000	500,000
Governor's emergency education relief	0	3,659,555	3,659,555
Deferred maintenance funding pool	0	20,000,000	20,000,000
New and vacant FTE funding pool	0	98,200,000	98,200,000
Employer retirement contribution pool	0	12,538,779	12,538,779
Infrastructure grant	0	200,000	200,000
Total all funds	$42,754,708	$237,569,854	$280,324,562
Less estimated income	8,828,309	137,175,715	146,004,024
Total general fund	$33,926,399	$100,394,139	$134,320,538
Full-time equivalent positions	108.00	2.00	110.00"

Page 2, remove lines 22 through 31,

Page 3 replace line 1 through 12 with:

"Accrued leave retirement payouts	0	100,369
Inflationary increases	0	340,000
Capitol accessibility consulting	25,000	50,000

Accessibility improvements - legislative areas	0	150,000
State employee leave management system	0	335,000
Cash management study	0	450,000
Procurement software	2,021,204	400,000
Building automation project	518,800	800,000
Extraordinary repairs	500,000	250,000
Capitol space utilization improvements	0	2,500,000
Central services software and equipment	0	573,800
Governor's residence improvements	0	100,000
Brynhild Haugland room remodeling project	0	250,000
Capitol window replacement project	0	4,000,000
Deferred maintenance projects	10,000,000	20,000,000
Prairie public broadcasting grants	0	1,792,450
State student internship program	100,000	500,000
Governor's emergency education relief	0	3,659,555
Infrastructure grant	0	200,000
Total all funds	$24,795,104	$36,451,174
Less estimated income	24,695,104	29,934,355
Total general fund	$100,000	$6,516,819"

Page 3, line 17, replace "**SERVICES**" with "**SERVICE**"

Page 3, after line 21, insert:

"**SECTION 4. APPROPRIATION - 2021-23 BIENNIUM - OFFICE OF THE GOVERNOR - LEGISLATIVE ASSEMBLY.**

1. There is appropriated from special funds derived from federal funds or other income, not otherwise appropriated, the sum of $6,500, or so much of the sum as may be necessary, to the office of the governor for the salaries and wages line item for the period beginning with the effective date of this section, and ending June 30, 2023.

2. 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 legislative assembly for international legislators' forum dues for the period beginning with the effective date of this section, and ending June 30, 2023.

SECTION 5. APPROPRIATION - 2021-23 BIENNIUM - ADJUTANT GENERAL - STATE DISASTER RELIEF FUND - SNOW REMOVAL GRANTS - REPORT TO LEGISLATIVE MANAGEMENT.

1. There is appropriated out of any moneys in the state disaster relief fund in the state treasury, not otherwise appropriated, the sum of $5,000,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of providing full season emergency snow removal grants to tribal governments, counties, cities, and townships, for the period beginning with the effective date of this section, and ending June 30, 2023.

2. A tribal government, county, township, or city may apply to the department of emergency services for a full season emergency snow removal grant for reimbursement of up to sixty percent of the snow removal costs incurred by the tribal government, county, city, or township for the period of October 1, 2022, through April 30, 2023, which exceeded one hundred fifty percent of the average snow removal cost for the seven-month period of October to April for the four lowest cost years for those years during the period beginning October 1, 2017, through April 30, 2022.

3. Each tribal government, county, city, or township requesting reimbursement under this section shall submit the request in accordance with guidelines developed by the department of emergency services. An award under subsection 2 must be reduced by any amount awarded

under Senate Bill No. 2183, as approved by the sixty-eighth legislative assembly. A tribal government, county, city, or township may not be required to return any funds awarded under Senate Bill No. 2183, as approved by the sixty-eighth legislative assembly, due to the calculation completed under subsection 2.

4. The department of emergency services shall distribute the grants under this section before June 30, 2023, and shall report to the legislative management regarding the grants awarded.

SECTION 6. APPROPRIATION - GENERAL FUND - LEGISLATIVE COUNCIL - DEPARTMENT OF ENVIRONMENTAL QUALITY - DEPARTMENT OF LABOR AND HUMAN RIGHTS - DEPARTMENT OF PUBLIC INSTRUCTION - DEPARTMENT OF COMMERCE - REPORT - ONE-TIME FUNDING. For the biennium beginning July 1, 2023, and ending June 30, 2025, there is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the following amounts, or so much of the sum as may be necessary:

1. $500,000 to the legislative council for the purpose of contracting for a performance audit of the state auditor and for other consulting services of interim committees. The chairman of the legislative management shall arrange for the audit and receive the audit report. The performance audit must address the efficiency and effectiveness of the state auditor's office relative to industry best practices. The performance audit must include a review of the appropriateness of the number of hours to complete audits; methods used to monitor staff time and allocate hours charged to audits; billing processes; quality assurance processes; the adequacy and timeliness of communications with audited entities, governing boards, and the public; and other areas as determined by the chairman of the legislative management. The funding provided in this subsection is considered a one-time funding item.

2. $40,000 to the department of environmental quality for the purpose of providing meeting expense reimbursement to members of the onsite wastewater recycling technical committee. A member of the committee who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the department of environmental quality. A state employee who is a member of the committee is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency.

3. $50,000 to the department of labor and human rights for the purpose of defraying expenses of analyzing the administration of occupational and professional boards pursuant to Senate Bill No. 2249, as approved by the sixty-eighth legislative assembly. The funding provided in this subsection is considered a one-time funding item.

4. $3,000,000 to the department of public instruction for the purpose of providing integrated formula payments.

5. $500,000 to the department of commerce for the purpose of providing workforce development grants to a tribally controlled community college in the Turtle Mountain area. To be eligible for a grant under this section, a tribally controlled community college shall partner with at least one high school in the state for programs under section 54-60.2-02. During the 2023-24 interim, a tribally controlled community college receiving funding under this program shall report to the department of commerce by August 1, 2024, regarding the use of grant funds and the department of commerce shall provide a report to the legislative management by October 1, 2024, regarding the use of grant funds. The funding provided in this subsection is considered a one-time funding item.

6. $2,000,000 to the department of commerce for the purpose of defraying the expenses of the office of legal immigration. The funding provided in this subsection is considered a one-time funding item.

SECTION 7. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - DEPARTMENT OF HEALTH AND HUMAN SERVICES - DEPARTMENT OF CAREER AND TECHNICAL EDUCATION - ONE-TIME FUNDING - LEGISLATIVE MANAGEMENT REPORT. For the biennium beginning July 1, 2023, and ending June 30, 2025, there is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the following amounts, or so much of the sum as may be necessary:

1. $8,250,000 to the department of health and human services for the purpose of providing a behavioral health facility grant. The department of health and human services shall provide the grant as follows:

   a. A grant of $8,250,000 must be provided to establish a behavioral health facility in the badlands human service center service region. The grant recipient must provide matching funds of $1,950,000 to establish the facility.

   b. The department shall require an entity receiving funding under this subsection to operate the facility for a period of at least ten years and require the grant amount to be repaid if the entity does not operate the facility for at least ten years.

   c. The requirements of chapter 54-44.4 do not apply to the selection of a grant recipient, the grant award, or payments made under this subsection.

   d. The funding provided under this subsection is a one-time funding item.

2. $26,500,000 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. The department of career and technical education shall distribute the funding to existing career academy projects proportionally based on funding allocations provided to each project during the 2021-23 biennium. If funding approved in this subsection 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. 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. The funding provided under this subsection is considered a one-time funding item.

SECTION 8. APPROPRIATION - JUDICIAL BRANCH - EMPLOYER RETIREMENT CONTRIBUTION FUNDING. The funds provided in this section, or so much of the funds as may be necessary, are appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, and from special funds derived from federal funds and other income, to the judicial branch for the purpose of providing funding for the cost of the one percent employer retirement contribution increase included in House Bill No. 1040, as approved by the sixty-eighth legislative assembly, for the biennium beginning July 1, 2023, and ending June 30, 2025.

Salaries and wages	$347,518
Total all funds	$347,518
Less estimated income	4,273
Total general fund appropriation	$343,245

SECTION 9. APPROPRIATION - LEGISLATIVE COUNCIL - EMPLOYER RETIREMENT CONTRIBUTION FUNDING. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of $58,283, or so much of the sum as may be necessary, to the legislative council for the purpose of providing funding for the cost of the one percent employer retirement contribution increase included in House Bill No. 1040, as approved by the sixty-eighth legislative assembly, for the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 10. APPROPRIATION - TRANSFER OF APPROPRIATION AUTHORITY - FEDERAL STATE FISCAL RECOVERY FUND - EXEMPTION - SPENDING RESTRICTION - REPORT.

1. Notwithstanding any other provision of law, on December 1, 2024, the office of management and budget shall transfer any uncommitted federal state fiscal recovery fund appropriation authority from the state agency that received the appropriation authority to the department of corrections and rehabilitation for the purpose of defraying the expenses of salaries and wages and other operating costs of the department of corrections and rehabilitation for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. The office of management and budget shall transfer any uncommitted accumulated interest and earnings of the federal state fiscal recovery fund to the department of corrections and rehabilitation during the biennium beginning July 1, 2023, and ending June 30, 2025. Any interest and earnings received by the department of corrections and rehabilitation under this section are appropriated to the department for the purpose of defraying the expenses of salaries and wages and other operating costs of the department for the biennium beginning July 1, 2023, and ending June 30, 2025.

3. The department of corrections and rehabilitation may not spend general fund savings resulting from the use of the federal state fiscal recovery fund moneys.

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

Page 3, line 22, after "**FUND**" insert "**OR SOCIAL SERVICES FUND**"

Page 3, line 24, after the first "fund" insert "or the social services fund under section 57-51.1-07.5"

Page 3, after line 29, insert:

"**SECTION 13. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO GENERAL FUND.** The office of management and budget shall transfer the sum of $50,000,000 from the strategic investment and improvements fund to the general fund during the biennium beginning July 1, 2023, and ending June 30, 2025.

SECTION 14. TRANSFER - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND TO NORTH DAKOTA DEVELOPMENT FUND. The office of management and budget shall transfer the sum of $30,000,000 from the strategic investment and improvements fund to the North Dakota development fund for programs under chapter 10-30.5, during the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 4, line 4, replace "$12,000,000" with "$12,700,000"

Page 4, line 5, after "pool" insert ", including up to $12,000,000"

Page 4, line 5, after "capitol" insert "and up to $700,000 for a water mitigation project at the liberty memorial building"

Page 4, line 9, replace "$4,800,000" with "$5,550,000"

Page 4, line 12, replace "$300,000" with "$150,000 for accessibility improvements in legislative areas of the capitol;

2. $800,000 for a building automation project;

3. $250,000 for electrical and mechanical repairs;

4. $100,000"

Page 4, line 12, replace "exterior repairs and" with "security"

Page 4, line 13, replace "2." with "5."

Page 4, line 13, replace "$500,000" with "$250,000"

Page 4, line 14, replace "3." with "6."

Page 4, after line 14, insert:

"**SECTION 17. OPERATING EXPENSES LINE ITEM - CASH MANAGEMENT STUDY - OFFICE OF MANAGEMENT OF BUDGET - REPORT TO LEGISLATIVE MANAGEMENT.** The operating expenses line item in section 1 of this Act includes the sum of $450,000 from the general fund for the purpose of the office of management and budget procuring consulting services to conduct a study and develop recommendations for improvement of the cash management practices of the state, for the biennium beginning July 1, 2023, and ending June 30, 2025. The study must include cash management practices employed by the Bank of North Dakota, state treasurer, retirement and investment office, board of university and school lands, and other agencies as determined by the office of management and budget. The office of management and budget shall report to the legislative management before September 30, 2024, regarding the findings and recommendations resulting from its study.

SECTION 18. INFRASTRUCTURE GRANT LINE ITEM - RURAL SENIOR CENTER. The infrastructure grant line item in section 1 of this Act includes the sum of $200,000 from the general fund for the purpose of providing a rural senior center infrastructure grant to an organization in Wells County located in a city with a population between 1,500 and 1,800 according to the 2020 census, for the biennium beginning July 1, 2023, and ending June 30, 2025."

Page 4, line 23, replace "$41,000,000" with "$45,100,000"

Page 4, line 24, replace "$34,000,000" with "$37,400,000"

Page 4, line 27, replace "Act" with "section"'

Page 5, line 9, replace "10" with "21"

Page 5, line 19, replace "4" with "6"

Page 6, after line 3, insert:

"**SECTION 22. NEW AND VACANT FTE FUNDING POOL - GUIDELINES - EXEMPTION - TRANSFER OF APPROPRIATION AUTHORITY - APPLICATION - BUDGET SECTION REPORT.**

1. The new and vacant FTE funding pool line item in section 1 of this Act includes $40,100,000 from the general fund and $58,100,000 from special funds derived from federal funds and other income for the purpose of providing funding for hiring new full-time equivalent positions

and for agencies that do not realize sufficient savings from vacant full-time equivalent positions in accordance with provisions of this section for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. An executive branch state agency that had funding removed by the sixty-eighth legislative assembly for purposes of the new and vacant full-time equivalent funding pool may submit a request to the office of management and budget for an allocation of funding from the pool:

   a. To provide funding for the salaries and wages necessary for the 2023-25 biennium for a new full-time equivalent position authorized by the sixty-eighth legislative assembly from the date of hiring through the end of the biennium;

   b. To provide funding for the salaries and wages necessary for the 2023-25 biennium for filling a full-time equivalent position that was vacant on July 1, 2023, from the date of hiring through the end of the biennium;

   c. After March 1, 2025, for salaries and wages funding necessary for the 2023-25 biennium if actual salaries and wages savings from vacant positions adjusted for other salaries and wages uses are less than the estimate used by the sixty-eighth legislative assembly in the development of the agency's appropriation; or

   d. As requested by the department of transportation, the sum of up to $7,400,000 for salaries and wages funding needs.

3. The office of management and budget may transfer general fund appropriation authority from the pool to an agency only upon the agency certifying to the office of management and budget that special funds from federal or other sources are not available for the salaries and wages of the full-time equivalent position.

4. An agency may not receive more funding from the pool than the amount that was removed from the agency budget for new and vacant full-time equivalent positions as contained in the statement of purpose of amendment of bills approved by the sixty-eighth legislative assembly as printed in the house and senate journals.

5. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority from the new and vacant full-time equivalent funding pool to eligible executive branch state agencies:

   a. Within fifteen days of receiving an agency request for the hiring of a new full-time equivalent position authorized by the sixty-eighth legislative assembly, along with documentation of the salaries and wages necessary for the position for the remainder of the biennium, limited to the amount identified for the position in the statement of purpose of amendment;

   b. Within fifteen days of receiving an agency request for filling a full-time equivalent position that was vacant on July 1, 2023, along with documentation verifying that funding available for salaries and wages within the agency's budget is insufficient to provide funding for the position for the remainder of the biennium;

   c. Within thirty days of receiving an agency request, along with documentation verifying that actual salaries and wages savings from vacant positions through February 2025 and estimates for the remainder of the biennium adjusted for other salaries and wages uses are less than the estimate used by the sixty-eighth legislative assembly in the development of the agency's appropriation; or

d. Within fifteen days of receiving a request from the department of transportation to transfer the sum of up to $7,400,000 for salaries and wages funding needs.

6. The provisions of section 54-27-10 do not apply to the salaries and wages line item of appropriations approved by the sixty-eighth legislative assembly for the biennium beginning July 1, 2023, and ending June 30, 2025.

7. If funding in the new and vacant full-time equivalent funding pool is insufficient to provide the necessary salaries and wages funding for the biennium, the office of management and budget shall request a deficiency appropriation from the sixty-ninth legislative assembly. Any funding remaining in the funding pool at the end of the biennium must be canceled in accordance with the provisions of section 54-44.1-11.

8. The office of management of budget shall report to each meeting of the budget section regarding salaries and wages, vacant position information, and use of funding in the pool, including:

   a. The number of agency requests submitted, amounts transferred from the pool, and information on:

      (1) New full-time equivalent positions, including the date hired; and

      (2) Vacant full-time equivalent positions, including dates the positions were vacated and filled;

   b. Salaries and wages savings to date resulting from vacant positions by agency; and

   c. Each agency's use of salaries and wages funding, including amounts spent for accrued leave payouts, salary increases in addition to general salary increases provided by the sixty-eighth legislative assembly, bonuses, incentive or location pay adjustments, reclassifications, funding used for temporary salaries or overtime in excess of amounts provided by the sixty-eighth legislative assembly, or other purposes.

SECTION 23. EMPLOYER RETIREMENT CONTRIBUTION POOL - GUIDELINES - EXEMPTION - TRANSFER OF APPROPRIATION AUTHORITY.

1. The employer retirement contribution pool line item in section 1 of this Act includes $5,563,709 from the general fund and $6,975,070 from special funds derived from federal funds and other income for providing funding to executive branch agencies for the increased cost of the employer retirement contribution increases included in House Bill No. 1040, House Bill No. 1183, and House Bill No. 1309, as approved by the sixty-eighth legislative assembly, in accordance with provisions of this section, for the biennium beginning July 1, 2023, and ending June 30, 2025.

2. Notwithstanding any other provision of law, the office of management and budget shall transfer appropriation authority provided in this section to the listed executive branch state agencies as follows:

	General Fund	Other Funds	Total Funds
Governor	$26,154	$0	$26,154
Secretary of state	24,295	4,050	28,345
Office of management and budget	95,753	16,423	112,176
Information technology department	104,514	525,014	629,528
State auditor	44,533	32,769	77,302
State treasurer	7,502	0	7,502
Attorney general	1,268,037	843,938	2,111,975
Tax commissioner	114,348	0	114,348
Office of administrative hearings	0	7,135	7,135

Commission on legal counsel for indigents	45,111	1,268	46,379
Retirement and investment office	0	42,355	42,355
Public employees retirement system	0	36,736	36,736
Ethics commission	1,957	0	1,957
Department of public instruction	31,605	53,383	84,988
North Dakota university system	39,435	16,789	56,224
Department of trust lands	0	40,947	40,947
Bismarck state college	31,441	56,303	87,744
Lake region state college	14,693	20,449	35,142
Williston state college	8,607	12,224	20,831
University of North Dakota	100,821	520,248	621,069
University of North Dakota school of medicine and health sciences	38,691	68,304	106,995
North Dakota state university	97,772	375,024	472,796
North Dakota state college of science	43,662	53,548	97,210
Dickinson state university	15,061	19,859	34,920
Mayville state university	11,331	43,952	55,283
Minot state university	31,980	49,180	81,160
Valley City state university	17,606	16,577	34,183
Dakota college at Bottineau	8,526	9,863	18,389
North Dakota forest service	8,411	669	9,080
State library	16,695	3,148	19,843
School for the deaf	23,099	1,617	24,716
North Dakota vision services - school for the blind	12,195	1,382	13,577
Center for distance education	9,799	0	9,799
Department of career and technical education	21,878	3,144	25,022
Department of health and human services - public health	49,333	156,146	205,479
Department of environmental quality	51,295	119,961	171,256
Veterans' home	20,372	58,979	79,351
Indian affairs commission	4,454	0	4,454
Department of veterans' affairs	7,261	1,075	8,336
Department of health and human services - human services	1,265,293	831,416	2,096,709
Protection and advocacy project	12,935	16,646	29,581
Job service North Dakota	1,878	138,944	140,822
Insurance commissioner	0	51,040	51,040
Industrial commission	123,610	11,031	134,641
Department of labor and human rights	11,636	2,448	14,084
Public service commission	26,468	21,823	48,291
Aeronautics commission	0	8,712	8,712
Department of financial institutions	0	42,723	42,723
Securities department	0	11,771	11,771
Bank of North Dakota	0	181,939	181,939
Housing finance agency	0	53,004	53,004
Mill and elevator association	0	168,887	168,887
Workforce safety and insurance	0	254,365	254,365
Highway patrol	15,723	14,180	29,903
Department of corrections and rehabilitation	1,111,528	59,883	1,171,411
Adjutant general	128,680	235,829	364,509
Department of commerce	65,463	12,165	77,628
Agriculture commissioner	46,693	31,803	78,496
Upper great plains transportation institute	4,868	11,964	16,832
Branch research centers	21,139	14,106	35,245
NDSU extension service	22,744	17,085	39,829
Northern crops institute	797	671	1,468
NDSU main research center	33,694	9,151	42,845
Agronomy seed farm	0	2,958	2,958
North Dakota racing commission	2,008	105	2,113
State historical society	66,191	9,389	75,580
Council on the arts	5,650	0	5,650
Game and fish department	0	381,164	381,164

Parks and recreation department	148,484	8,375	156,859
Department of water resources	0	108,163	108,163
Department of transportation	0	1,050,871	1,050,871
Total	$5,563,709	$6,975,070	$12,538,779

SECTION 24. A new subsection to section 10-30.5-02 of the North Dakota Century Code is created and enacted as follows:

Moneys in the fund may be used to provide financing for projects that enhance production of clean sustainable energy in the state only to the extent the project has been recommended by the clean sustainable energy authority under chapter 54-63.1.

SECTION 25. AMENDMENT. Section 15.1-27-04.1 of the North Dakota Century Code as amended by section 10 of Senate Bill No. 2284, as approved by the sixty-eighth legislative assembly, 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~~For the 2023-24 school year the superintendent shall reduce the district's baseline funding per weighted student unit by ~~fifteen~~forty 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~~2023-24 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 2023-24 school year, the superintendent shall calculate state aid as the greater of:

(1) The district's weighted student units multiplied by ten thousand six hundred forty-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 six hundred forty-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 ~~forty-five~~forty percent and then the difference added to the amount determined in paragraph 1.

b. For the 2024-25 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 eleven thousand seventy-two 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 eleven thousand seventy-two dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by ~~sixty~~fifty-five percent for the 2024-25 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.

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, 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 2022 by the school district for sinking and interest relative to the total mills levied in 2022 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~~For the 2023-24 school year the superintendent shall reduce the district's baseline funding per weighted student unit by ~~fifteen~~forty 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~~2023-24 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 2023-24 school year, the superintendent shall calculate state aid as the greater of:

      (1) The district's weighted student units multiplied by ten thousand six hundred forty-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 six hundred forty-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 ~~forty-five~~forty percent and then the difference added to the amount determined in paragraph 1.

   b. For the 2024-25 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 eleven thousand seventy-two 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 eleven thousand seventy-two dollars; or

(3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by ~~sixty~~fifty-five percent for the 2024-25 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.

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, 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 2022 by the school district for sinking and interest relative to the total mills levied in 2022 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 26. AMENDMENT. Section 15.1-36-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-36-02. Coal development trust fund - Board of university and school lands - School construction projects - Unanticipated construction projects and emergency repairs - Loans.

1. Up to sixty million dollars from the coal development trust fund is available to the board of university and school lands for loans under this section.

2. To be eligible for a loan under this section, the school district must demonstrate a need based on an unanticipated construction project, an unanticipated replacement project, ~~or~~ an emergency repair, or a legislatively defined condition, and the board of a school district shall:

   a. Obtain the approval of the superintendent of public instruction for the construction project under section 15.1-36-01; and

   b. Submit to the superintendent of public instruction an application containing all information deemed necessary by the superintendent, including potential alternative sources or methods of financing the construction project.

3. The superintendent of public instruction shall consider each loan application in the order ~~it~~the application received approval under section 15.1-36-01.

4. If the superintendent of public instruction approves the loan, the board of university and school lands shall issue a loan from the coal development trust fund.

   a. For a loan made under this ~~section~~subsection:

      ~~a.~~(1) The minimum loan amount is two hundred fifty thousand dollars and the maximum loan amount for which a school district may qualify is ~~two~~five million dollars;

      ~~b.~~(2) The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and

      ~~c.~~(3) The interest rate of the loan may not exceed two percent per year.

   b. During the 2023-25 biennium, a loan including additional expenses due to unanticipated construction inflation is an allowable condition under subsection 2. For a loan made under this subsection which includes additional expenses due to unanticipated construction inflation:

      (1) The unanticipated construction inflation must have occurred for a construction project bid after January 1, 2021, and before June 30, 2024;

(2) The maximum loan amount for which a school district may qualify is five million dollars;

(3) The interest rate on the loan may not exceed two percent per year;

(4) The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and

(5) The school district may pledge revenues derived from its general fund levy authority or other sources of revenue authorized by law.

5. a. If a school district seeking a loan under this section received an allocation of the oil and gas gross production tax during the previous fiscal year in accordance with chapter 57-51, the board of the district shall provide to the board of university and school lands, and to the state treasurer, its evidence of indebtedness indicating ~~that~~ the loan originated under this section.

b. If the evidence of indebtedness is payable solely from the school district's allocation of the oil and gas gross production tax in accordance with section 57-51-15, the loan does not constitute a general obligation of the school district and may not be considered a debt of the district.

c. If a loan made to a school district is payable solely from the district's allocation of the oil and gas gross production tax in accordance with section 57-51-15, the terms of the loan must require ~~that~~ the state treasurer withhold the dollar amount or percentage specified in the loan agreement, from each of the district's oil and gas gross production tax allocations, in order to repay the principal and interest of the evidence of indebtedness. The state treasurer shall deposit the amount withheld into the fund from which the loan originated.

d. Any evidence of indebtedness executed by the board of a school district under this subsection is a negotiable instrument and not subject to taxation by the state or any political subdivision of the state.

6. For purposes of this section, a "construction project" means the purchase, lease, erection, or improvement of any structure or facility by a school board, provided the acquisition or activity is within a school board's authority.

SECTION 27. AMENDMENT. Section 15.1-36-02 of the North Dakota Century Code is amended and reenacted as follows:

15.1-36-02. Coal development trust fund - Board of university and school lands - School construction projects - Unanticipated construction projects and emergency repairs - Loans.

1. Up to sixty million dollars from the coal development trust fund is available to the board of university and school lands for loans under this section.

2. To be eligible for a loan under this section, the school district must demonstrate a need based on an unanticipated construction project, an unanticipated replacement project, an emergency repair, or a legislatively defined condition, and the board of a school district shall:

a. Obtain the approval of the superintendent of public instruction for the construction project under section 15.1-36-01; and

b. Submit to the superintendent of public instruction an application containing all information deemed necessary by the superintendent, including potential alternative sources or methods of financing the construction project.

3. The superintendent of public instruction shall consider each loan application in the order the application received approval under section 15.1-36-01.

4. If the superintendent of public instruction approves the loan, the board of university and school lands shall issue a loan from the coal development trust fund.

~~a.~~ For a loan made under this ~~subsection~~section:

~~(1)~~a. The minimum loan amount is two hundred fifty thousand dollars and the maximum loan amount for which a school district may qualify is five million dollars;

~~(2)~~b. The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and

~~(3)~~c. The interest rate of the loan may not exceed two percent per year.

~~b. During the 2023-25 biennium, a loan including additional expenses due to unanticipated construction inflation is an allowable condition under subsection 2 of this section. For a loan made under this subsection which includes additional expenses due to unanticipated construction inflation:~~

~~(1) The unanticipated construction inflation must have occurred for a construction project bid after January 1, 2021, and before June 30, 2024;~~

~~(2) The maximum loan amount for which a school district may qualify is five million dollars;~~

~~(3) The interest rate on the loan may not exceed two percent per year;~~

~~(4) The term of the loan is twenty years, unless the board of the school district requests a shorter term in the written loan application; and~~

~~(5) The school district may pledge revenues derived from its general fund levy authority or other sources of revenue authorized by law.~~

5. a. If a school district seeking a loan under this section received an allocation of the oil and gas gross production tax during the previous fiscal year in accordance with chapter 57-51, the board of the district shall provide to the board of university and school lands, and to the state treasurer, its evidence of indebtedness indicating the loan originated under this section.

b. If the evidence of indebtedness is payable solely from the school district's allocation of the oil and gas gross production tax in accordance with section 57-51-15, the loan does not constitute a general obligation of the school district and may not be considered a debt of the district.

c. If a loan made to a school district is payable solely from the district's allocation of the oil and gas gross production tax in accordance with section 57-51-15, the terms of the loan must require the state treasurer withhold the dollar amount or percentage specified in the

loan agreement, from each of the district's oil and gas gross production tax allocations, in order to repay the principal and interest of the evidence of indebtedness. The state treasurer shall deposit the amount withheld into the fund from which the loan originated.

d. Any evidence of indebtedness executed by the board of a school district under this subsection is a negotiable instrument and not subject to taxation by the state or any political subdivision of the state.

6. For purposes of this section, a "construction project" means the purchase, lease, erection, or improvement of any structure or facility by a school board, provided the acquisition or activity is within a school board's authority.

SECTION 28. AMENDMENT. Section 15.1-36-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-36-04. Evidences of indebtedness.

~~The~~Except as otherwise provided in this chapter, the board of a school district may issue and sell evidences of indebtedness under chapter 21-02 or 21-03 to finance the construction or improvement of a project approved under this chapter. The principal amount of the loan and the evidences of indebtedness to repay the loan may not exceed the loan amount for which the district is eligible under this chapter. Evidences of indebtedness issued under this chapter or chapter 21-03 constitute a general obligation of the school district.

SECTION 29. AMENDMENT. Subsection 2 of the new section to chapter 19-03.1 of the North Dakota Century Code, as created by section 1 of Senate Bill No. 2248, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

2. An individual is guilty of causing death or injury by distributing a controlled substance if the individual willfully ~~supplies another to deliver a controlled substance to an individual who consumes the controlled substance and that~~delivers a controlled substance, or supplies another to deliver or consume a controlled substance, and an individual dies or is injured from overdosing after consuming a portion of ~~the~~that controlled substance.

a. A violation of this section is a class A felony.

b. This section does not limit a conviction under chapter 12.1-16, but an individual may not be found guilty of this section and an offense under chapter 12.1-16 if the conduct arises out of the same course of conduct.

SECTION 30. AMENDMENT. Subsection 1 of section 21-10-12 of the North Dakota Century Code, as amended in section 3 of Senate Bill No. 2330, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

1. "Earnings" means an amount equal to ~~seven~~eight percent of the five-year average value of the legacy fund assets as reported by the state investment board using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even-numbered fiscal year.

SECTION 31. AMENDMENT. Section 24-02-37.3 of the North Dakota Century Code, as amended by section 10 of House Bill No. 1012, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

SECTION 10. AMENDMENT. Section 24-02-37.3 of the North Dakota Century Code as created by section 1 of Senate Bill No. 2113, as

approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

24-02-37.3. Flexible transportation fund - Budget section approval - Report.

There is created in the state treasury the flexible transportation fund. The fund consists of eligible federal or state funding and any contributed private funds.

1. The flexible transportation fund must be administered and expended by the director and may be used for the following:

   a. Providing a match for federal funding obtained by the department of transportation.

   b. State-funded road and bridge construction and maintenance, and transportation support costs including staffing, facilities, and operational expenditures on the state highway system.

   c. State-funded road and bridge construction and maintenance activities within the state but off of the state highway system. The director shall establish the terms and provisions of the program.

2. All money derived from the investment of the flexible transportation fund or any portion of the fund, must be credited to the flexible transportation fund. The director shall monthly transmit all moneys collected and received under this chapter to the state treasurer to be transferred and credited to the flexible transportation fund.

3. The director must receive budget section approval for any project that utilizes more than ~~fifteen~~ten million dollars from the fund except for projects that match federal or private funds and the amount utilized from the fund is fifty percent or less of total project costs. Any request considered by the budget section must comply with section 54-35-02.9.

4. The director shall allocate at least twenty-five percent of motor vehicle excise tax collections deposited in the flexible transportation fund pursuant to section 57-40.3-10 for non-oil-producing county and township road and bridge projects as follows:

   a. The funds must be allocated by the department to counties for projects or grants for the benefit of counties and organized and unorganized townships;

   b. The department shall establish criteria to distribute the funds;

   c. The funds must be used for the maintenance and improvement of county and township paved and unpaved roads and bridges;

   d. Priority must be given to projects that match federal funds and to projects that improve roadways that serve as local corridors;

   e. An organized township is not eligible to receive funding if the township does not maintain any roadways or does not levy at least eighteen mills for general purposes; and

f. For purposes of this subsection, "non-oil-producing county" means a county that received no allocation of funding or a total allocation of less than five million dollars under subsection 2 of section 57-51-15 in the most recently completed even-numbered fiscal year before the start of each biennium.

5. The director shall provide periodic reports to the budget section regarding the status of the fund and projects receiving allocations from the fund."

Page 6, line 28, after "planning" insert "related to remodeling expenses"

Page 6, line 29, remove the overstrike over "~~two~~"

Page 6, line 29, remove "seven"

Page 7, after line 2, insert:

"**SECTION 33. AMENDMENT.** Section 54-06-14.7 of the North Dakota Century Code is amended and reenacted as follows:

54-06-14.7. State leave sharing program - Rulemaking.

1. The human resource management services division of the office of management and budget shall establish a state leave sharing program for permanent employees of the state. The program must provide for a mechanism for state employees to donate accrued annual and sick leave to an employee who does not have available leave who is suffering from a severe, extreme, or life-threatening condition or who is caring for an immediate relative or household member who is suffering from a severe, extreme, or life-threatening condition.

2. A ~~probationary,~~ temporary~~,~~ employee or contracted employee with a limited-term appointment is not eligible to participate in the leave sharing program. An employee may not use more than four months donated leave in any twelve-month period and an employee may not retain leave beyond the occurrence necessitating the leave.

3. The human resource management services division shall:

   a. Require medical certification from a physician, physician assistant, psychologist, or advanced practice nurse practitioner verifying the severe, extreme, or life-threatening nature of the medical condition and the expected duration of the condition;

   b. Track the amount of leave taken by permanent state employees under the program; and

   c. Adopt rules in accordance with chapter 28-32 to implement this section."

Page 7, replace lines 24 through 30 with:"

SECTION 36. AMENDMENT. Section 54-52-02.5 of the North Dakota Century Code, as amended in section 3 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

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

1. After December 31, 1999, but before January 1, ~~2025~~2024, an individual elected or appointed to a state office for the first time must, from and after the date that individual qualifies and takes office, be a participating member of the public employees retirement system unless that person makes an election at any time during the first six months after the date

the person takes office to participate in the defined contribution retirement plan established under chapter 54-52.6.

2. After December 31, ~~2024~~2023, an individual elected or appointed to a state office for the first time, from and after the date that individual qualifies and takes office, must be a participating member of the defined contribution retirement plan established under chapter 54-52.6, unless at the time of election or appointment the individual is a participating or deferred member under this chapter, in which case the official remains a participating member under this chapter.

3. As used in this section, the phrase "for the first time" means an individual appointed, who, after December 31, 1999, does not hold office as an appointed official at the time of that individual's appointment.

SECTION 37. AMENDMENT. Section 54-52-02.9 of the North Dakota Century Code, as amended in section 4 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52-02.9. Participation by temporary employees.

1. Before January 1, ~~2025~~2024, within one hundred eighty days of beginning employment, a temporary employee may elect to participate in the public employees retirement system under this chapter and receive credit for service after enrollment. Monthly, the temporary employee shall pay to the fund an amount equal to fourteen and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by one percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January ~~2025~~2024.

2. If the temporary employee first enrolled:

   a. Before January 1, 2020, in addition the temporary employee shall pay the required monthly contribution to the retiree health benefit fund established under section 54-52.1-03.2. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2.

   b. After December 31, 2019, the temporary employee shall pay to the fund an additional amount equal to one and fourteen hundredths percent times the temporary employee's present monthly salary.

3. A temporary employee who is a participating member under this chapter due to employment before January 1, ~~2025~~2024, who becomes a permanent employee after December 31, ~~2024~~2023, qualifies to participate in the defined benefit retirement plan under this chapter and receive credit for service after enrollment.

4. After December 31, ~~2024~~2023, and within one hundred eighty days of beginning employment, a temporary employee may elect to participate in the defined contribution retirement plan under chapter 54-52.6.

5. An employer may not pay the temporary employee's contributions. A temporary employee may continue to participate as a temporary employee in the public employees retirement system until termination of employment or reclassification of the temporary employee as a permanent employee. A temporary employee may not purchase any additional credit, including additional credit under section 54-52-17.4 or past service under section 54-52-02.6.

SECTION 38. AMENDMENT. Section 54-52-02.11 of the North Dakota Century Code, as amended in section 5 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52-02.11. Participation requirements for nonstate elected officials.

1. Before January 1, ~~2025~~2024, eligible elected officials of participating counties, at their individual option, may enroll in the defined benefit plan within the first six months of their term.

2. After December 31, ~~2024~~2023, eligible elected officials of participating counties, at their individual option, may enroll in the defined contribution retirement plan under chapter 54-52.6 within the first six months of their term.

SECTION 39. AMENDMENT. Section 54-52-02.12 of the North Dakota Century Code, as amended in section 6 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52-02.12. Participation requirements for nonstate appointed officials.

1. Nonstate appointed officials of participating employers appointed on or after August 1, 1999, but before January 1, ~~2025~~2024, who meet the participation requirements of this chapter must be enrolled in the defined benefit plan effective within the first month of taking office.

2. After December 31, ~~2024~~2023, nonstate appointed officials of participating employers who meet the participation requirements must be enrolled in the defined contribution retirement plan under chapter 54-52.6 effective within the first month of taking office.

SECTION 40. AMENDMENT. Section 54-52-02.15 of the North Dakota Century Code, as created in section 7 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52-02.15. Public employees retirement system main plan - Closure to new hires - Multiple plan membership.

1. Under this section "eligible employee" means a permanent employee who:

   a. Meets all the eligibility requirements set by this chapter;

   b. Is at least eighteen years of age;

   c. Becomes a participating member after December 31, ~~2024~~2023; and

   d. Is not eligible to participate in the law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.

2. Effective January 1, ~~2025~~2024, the public employees retirement system defined benefit main plan maintained for employees is closed to new eligible employees. However, an employee who becomes a participating or deferred member under this chapter before January 1, ~~2025~~2024, remains in the defined benefit retirement plan under this chapter, regardless of being rehired after December 31, ~~2024~~2023.

3. Except as otherwise provided under this section, effective January 1, ~~2025~~2024, an eligible employee who begins employment with an employer shall participate in the defined contribution retirement plan under chapter 54-52.6 as provided under section 54-52.6-02.1.

4. This section does not impact an employee to the extent the employee is a participating member in one or more of the following enumerated plans: law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or alternative retirement program established under section 15-10-17 for university system employees.

a. A participating or deferred member in the defined contribution retirement plan under chapter 54-52.6 who becomes eligible to participate in a plan enumerated under this subsection is eligible to participate in the retirement plan enumerated under this subsection.

b. A participating member of a retirement plan enumerated under this subsection who becomes an eligible employee is not eligible to participate in the defined benefit retirement plan under this chapter but instead participates in the defined contribution retirement plan under chapter 54-52.6. However, this subdivision does not apply to an individual who before January 1, ~~2025~~2024, is a participating or a deferred member under this chapter, as that individual continues to participate in the defined benefit retirement plan under this chapter.

5. The board shall adopt rules to implement this section.

SECTION 41. AMENDMENT. Section 54-52-03 of the North Dakota Century Code is amended and reenacted as follows:

54-52-03. Governing authority.

1. A state agency is hereby created to constitute the governing authority of the system to consist of a board of ~~nine~~eleven individuals known as the retirement board. No more than one elected member of the board may be in the employ of a single department, institution, or agency of the state or in the employ of a political subdivision. An employee of the public employees retirement system or the state retirement and investment office may not serve on the board.

~~1. Two~~

2. Four members of the legislative assembly must be appointed ~~by the chairman of the legislative management~~ to serve on the board.

~~a. If the same political party has the greatest number of members in both the house and senate, one member must be from that majority party and one member from the political party with the next greatest number of members in the house and senate.~~

~~b. If the same political party does not have the greatest number of members in both the house and senate, one member must be from the majority party in the house and one member must be from the majority party in the senate.~~

~~2. One member~~ The majority leader of the house of representatives shall appoint two members of the house of representatives and the majority leader of the senate shall appoint two members of the senate. The members appointed under this subsection shall serve a term of two years.

3. Four members of the board must be appointed by the governor to serve a term of five years. ~~The~~Each appointee under this subsection must be a North Dakota citizen who is not a state or political subdivision employee and who ~~by experience~~ is familiar with ~~money management~~retirement and employee benefit plans. The governor shall appoint one citizen member ~~is~~to serve as chairman of the board.

~~3. One member of the board must be appointed by the attorney general from the attorney general's legal staff and shall serve a term of five years.~~

~~4. The state health officer appointed under section 23-01-05 or the state health officer's designee is a member of the board.~~

~~5.~~4. Three board members must be elected by and from among the active participating members, members of the retirement plan established under

chapter 54-52.6, members of the retirement plan established under chapter 39-03.1, and members of the job service North Dakota retirement plan. Employees who have terminated their employment for whatever reason are not eligible to serve as elected members of the board under this subsection. Board members must be elected to a five-year term pursuant to an election called by the board. Notice of board elections must be given to all active participating members. The time spent in performing duties as a board member may not be charged against any employee's accumulated annual or any other type of leave.

~~6. One board member must be elected by and from among those individuals who are receiving retirement benefits under this chapter. The board shall call the election and must give prior notice of the election to the individuals eligible to participate in the election pursuant to this subsection. The board member shall serve a term of five years.~~

~~7.~~5. The members of the board are entitled to receive one hundred forty-eight dollars per day compensation and necessary mileage and travel expenses as provided in sections 44-08-04 and 54-06-09. This is in addition to any other pay or allowance due the chairman or a member, plus an allowance for expenses they may incur through service on the board.

~~8.~~6. A board member shall serve ~~a five-year term and~~ until the board member's successor qualifies. Each board member is entitled to one vote, and ~~five~~six of the ~~nine~~eleven board members constitute a quorum. ~~Five~~Six votes are necessary for resolution or action by the board at any meeting.

SECTION 42. AMENDMENT. Subsection 2 of section 54-52-06.4 of the North Dakota Century Code, as amended in section 1 of House Bill No. 1309, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

2. The employer of a peace officer employed by the ~~bureau of criminal investigation~~state or national guard security officer shall contribute an amount determined by the board to be actuarially required to support the level of benefits specified in section 54-52-17. The employer's contribution must be paid from funds appropriated for salary or from any other funds available for such purposes. If the peace officer's or security officer's assessment is paid by the employer under subsection 3 of section 54-52-05, the employer shall contribute, in addition, an amount equal to the required peace officer's or security officer's assessment.

SECTION 43. AMENDMENT. Subsection 4 of section 54-52-17 of the North Dakota Century Code, as amended in section 4 of House Bill No. 1183, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

4. The board shall calculate retirement benefits as follows:

   a. Normal retirement benefits for all retirees, except supreme and district court judges, peace officers employed by the bureau of criminal investigation, and other peace officers employed by the state, reaching normal retirement date equal an annual amount, payable monthly, comprised of a service benefit and a prior service benefit, as defined in this chapter, which is determined as follows:

      (1) For members first enrolled:

         (a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

b. Normal retirement benefits for all supreme and district court judges under the public employees retirement system reaching normal retirement date equal an annual amount, payable monthly, comprised of a benefit as defined in this chapter, determined as follows:

(1) Benefits must be calculated from the time of appointment or election to the bench and must equal three and one-half percent of final average salary multiplied by the first ten years of judicial service, two and eighty hundredths percent of final average salary multiplied by the second ten years of judicial service, and one and one-fourth percent of final average salary multiplied by the number of years of judicial service exceeding twenty years.

(2) Service benefits must include, in addition, an amount equal to the percent specified in subdivision a of final average salary multiplied by the number of years of nonjudicial employee service and employment.

c. Normal retirement benefits for a peace officer employed by the bureau of criminal investigation reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:

(1) ~~For members first enrolled:~~

~~(a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.~~

~~(b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment~~The first twenty years of credited service multiplied by three percent of final average salary.

(2) ~~Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment~~For years in excess of twenty years of credited service multiplied by one and seventy-five hundredths percent of final average salary.

d. Normal retirement benefits for a peace officer employed by the state, other than by the bureau of criminal investigation, reaching the normal retirement date equals an annual amount, payable monthly, comprised of a service benefit and a prior service benefit determined as follows:

(1) For members first enrolled:

(a) Before January 1, 2020, service benefit equals two percent of final average salary multiplied by the number of years of service employment.

(b) After December 31, 2019, service benefit equals one and seventy-five hundredths percent of final average salary multiplied by the number of years of service employment.

(2) Prior service benefit equals two percent of final average salary multiplied by the number of years of prior service employment.

e. Postponed retirement benefits are calculated as for single life benefits for those members who retired on or after July 1, 1977.

f. Early retirement benefits are calculated as for single life benefits accrued to the date of termination of employment, but must be actuarially reduced to account for benefit payments beginning before the normal retirement date, as determined under subsection 3. Except for a national guard security officer or firefighter, a firefighter, peace officer, or correctional officer employed by a political subdivision, a peace officer employed by the state, or a supreme court or district court judge, early retirement benefits for members first enrolled after December 31, 2015, are calculated for single life benefits accrued to the date of termination of employment, but must be reduced by fixed rate of eight percent per year to account for benefit payments beginning before the normal retirement date. A retiree, other than a supreme or district court judge, is eligible for early retirement benefits only after having completed three years of eligible employment. A supreme or district court judge retiree is eligible for early retirement benefits only after having completed five years of eligible employment.

g. Except for supreme and district court judges, disability retirement benefits are twenty-five percent of the member's final average salary. Disability retirement benefits for supreme and district court judges are seventy percent of final average salary reduced by the member's primary social security benefits and by any workforce safety and insurance benefits paid. The minimum monthly disability retirement benefit under this section is one hundred dollars.

SECTION 44. AMENDMENT. Section 54-52.2-09 of the North Dakota Century Code, as created in section 13 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52.2-09. Employer match for members of defined contribution retirement plan.

An employee who first participated in the defined contribution retirement plan under chapter 54-52.6 after December 31, ~~2024~~2023, who elects to contribute less than the optional three percent of wages or salary under subdivision b of subsection 1 of section 54-52.6-09, who participates in the deferred compensation program under this chapter, qualifies for employer matching of contributions made under this section. The employee may elect to contribute an amount of wages or salary which does not exceed any remaining balance of the optional three percent contribution and the employer shall match this contribution. This section does not limit the ability of an employee to contribute unmatched wages or salary under this chapter, subject to federal contribution limitations.

SECTION 45. AMENDMENT. Subsection 3 of section 54-52.6-01 of the North Dakota Century Code, as amended in section 14 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

3. "Eligible employee", for employees who become participating members after December 31, ~~2024~~2023, has the same meaning as provided under section 54-52-02.15. For employees who elected to join the defined contribution retirement plan under this chapter before January 1, ~~2025~~2024, the term includes a permanent state employee, except an employee of the judicial branch or an employee of the board of higher education and state institutions under the jurisdiction of the board of higher education, who is at least eighteen years of age and who is in a position not classified by the North Dakota human resource management services.

SECTION 46. AMENDMENT. Section 54-52.6-02 of the North Dakota Century Code, as amended in section 15 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52.6-02. Election through December 31, ~~2024~~2023.

1. The board shall provide an opportunity for each eligible employee who is a member of the public employees retirement system on September 30, 2001, and who has not made a written election under this section to transfer to the defined contribution retirement plan before October 1, 2001, to elect in writing to terminate membership in the public employees retirement system and elect to become a participating member under this chapter. Except as provided in section 54-52.6-03, an election made by an eligible employee under this section is irrevocable. The board shall accept written elections under this section from eligible employees during the period beginning on July 1, 1999, and ending 12:01 a.m. December 14, 2001. An eligible employee who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. An eligible employee who makes and files a written election under this section ceases to be a member of the public employees retirement system effective twelve midnight December 31, 2001; becomes a participating member in the defined contribution retirement plan under this chapter effective 12:01 a.m. January 1, 2002; and waives all of that person's rights to a pension, annuity, retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective December 31, 2001. This section does not affect an individual's right to health benefits or retiree health benefits under chapter 54-52.1. An eligible employee who is first employed and entered upon the payroll of that person's employer after September 30, 2001, and before January 1, ~~2025~~2024, may make an election to participate in the defined contribution retirement plan established under this chapter at any time during the first six months after the date of employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend beyond the original six-month decision window.

2. If an individual who is a deferred member of the public employees retirement system on September 30, 2001, is re-employed before January 1, ~~2025~~2024, and by virtue of that employment is again eligible for membership in the public employees retirement system under chapter 54-52, the individual may elect in writing to remain a member of the public employees retirement system or if eligible to participate in the defined contribution retirement plan established under this chapter to terminate membership in the public employees retirement system and become a participating member in the defined contribution retirement plan established under this chapter. An election made by a deferred member under this section is irrevocable. The board shall accept written elections under this section from a deferred member during the period beginning on the date of the individual's re-employment and ending upon the expiration of six months after the date of that re-employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend beyond the original six-month decision window. A deferred member who makes and files a written election to remain a member of the public employees retirement system retains all rights and is subject to all conditions as a member of that retirement system. A deferred member who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. A deferred member who makes

and files a written election to terminate membership in the public employees retirement system ceases to be a member of the public employees retirement system effective on the last day of the payroll period that includes the date of the election; becomes a participating member in the defined contribution retirement plan under this chapter effective the first day of the payroll immediately following the date of the election; and waives all of that person's rights to a pension, an annuity, a retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective the last day of the payroll that includes the date of the election. This section does not affect any right to health benefits or retiree health benefits to which the deferred member may otherwise be entitled.

3. An eligible employee who elects under this section to participate in the retirement plan established under this chapter must remain a participant even if that employee returns to the classified service or becomes employed by a political subdivision that participates in the public employees retirement system. The contribution amount must be as provided in this chapter, regardless of the position in which the employee is employed. Notwithstanding the irrevocability provisions of this chapter, if a member who elects to participate in the retirement plan established under this chapter becomes a supreme or district court judge, becomes a member of the highway patrol, becomes employed in a position subject to teachers' fund for retirement membership, or becomes an employee of the board of higher education or state institution under the jurisdiction of the board of higher education who is eligible to participate in an alternative retirement program established under subsection 6 of section 15-10-17, the member's status as a member of the defined contribution retirement plan is suspended, and the member becomes a new member of the retirement plan for which that member's new position is eligible. The member's account balance remains in the defined contribution retirement plan, but no new contributions may be made to that account. The member's service credit and salary history that were forfeited as a result of the member's transfer to the defined contribution retirement plan remain forfeited, and service credit accumulation in the new retirement plan begins from the first day of employment in the new position. If the member later returns to employment that is eligible for the defined contribution retirement plan, the member's suspension must be terminated, the member again becomes a member of the defined contribution retirement plan, and the member's account resumes accepting contributions. At the member's option, and pursuant to rules adopted by the board, the member may transfer any available balance as determined by the provisions of the alternate retirement plan into the member's account under this chapter.

4. After consultation with its actuary, the board shall determine the method by which a participating member or deferred member may make a written election under this section. If the participating member or deferred member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the board may waive this requirement if the spouse's signature cannot be obtained because of extenuating circumstances.

5. If the board receives notification from the internal revenue service that this section or any portion of this section will cause the public employees retirement system or the retirement plan established under this chapter to be disqualified for tax purposes under the Internal Revenue Code, then the portion that will cause the disqualification does not apply.

6. A participating member under this section who becomes a temporary employee may still participate in the defined contribution retirement plan upon filing an election with the board within one hundred eighty days of transferring to temporary employee status. The participating member may not become a member of the defined benefit plan as a temporary employee.

a. The temporary employee electing to participate in the defined contribution retirement plan shall pay into the plan as provided under section 54-52.6-09.6.

b. An employer may not pay the temporary employee's contributions.

c. A temporary employee may continue to participate as a temporary employee until termination of employment or reclassification of the temporary employee as a permanent employee.

7. A former participating member under this section who has accepted a retirement distribution pursuant to section 54-52.6-13 and who subsequently becomes employed by an entity different from the employer with which the member was employed at the time the member retired but which does participate in any state-sponsored retirement plan may, before re-enrolling in the defined contribution retirement plan, elect to permanently waive future participation in the defined contribution retirement plan, whatever plan in which the new employing entity participates, and the retiree health program and maintain that member's retirement status. Neither the member nor the employer are required to make any future retirement contributions on behalf of that employee.

8. After December 31, ~~2024~~2023, an eligible employee is no longer allowed to elect participation under this section.

SECTION 47. AMENDMENT. Subsection 1 of Section 54-52.6-02.1 of the North Dakota Century Code, as created by section 16 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

1. Except as otherwise provided under section 54-52-02.5 or 54-52-02.15 or this chapter, effective January 1, ~~2025~~2024, an eligible employee who is first enrolled shall participate in the defined contribution retirement plan under this chapter.

SECTION 48. AMENDMENT. Section 54-52.6-02.2 of the North Dakota Century Code, as created by section 17 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52.6-02.2. Election after December 31, ~~2024~~2023 - Additional employer contribution.

1. As used in this section, "eligible employee" means a permanent state employee who on December 31, ~~2024~~2023, is a participating member of the public employees retirement system main system plan under chapter 54-42, who has been a participating member under chapter 54-52 for no more than five years, and who is at least eighteen years of age.

2. The board shall provide a three-month election period, from January 1, ~~2025~~2024, through March 31, ~~2025~~2024, for an eligible employee to transfer to the defined contribution plan under this chapter pursuant to the rules and policies adopted by the board.

a. An election under this section made by a member of the public employees retirement system under chapter 54-52 to transfer to the defined contribution retirement plan under this chapter is irrevocable.

b. For an eligible employee who elects to transfer from the public employees retirement system under chapter 54-52 to the defined contribution retirement plan under this chapter, the board shall transfer a lump sum amount from the public employees retirement system fund to the member's account in the defined contribution retirement plan under this chapter. However, if the eligible employee terminates employment before receiving the lump sum transfer under this section, the election made is ineffective and the eligible

employee remains a member of the public employees retirement system under chapter 54-52 and retains all the rights and privileges under that chapter.

c. The board shall calculate the lump sum amount to be transferred based on the actuarial present value of the eligible employee's accumulated benefit obligation under the public employees retirement system based on the assumption the eligible employee will retire under the earlier applicable normal retirement age, plus interest from January 1, ~~2025~~2024, to the date of transfer, at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election.

d. This section does not affect an eligible individual's right to health benefits under chapter 54-52.1.

3. The state employer of an eligible employee who elects under this section to participate in the defined contribution retirement plan under this chapter shall pay an additional annual contribution of three thousand three hundred and thirty-three dollars for up to three years. Under this subsection, the employer shall pay the additional contribution each year the eligible employee continues permanent employment with the state, beginning January ~~2026~~2025, and extending no further than January ~~2028~~2027.

4. If the board receives notification from the internal revenue service that this section or any portion of this section will cause the public employees retirement system or the retirement plan established under this chapter to be disqualified for tax purposes under the Internal Revenue Code, that portion that will cause the disqualification does not apply.

SECTION 49. AMENDMENT. Subsection 2 of section 54-52.6-03 of the North Dakota Century Code, as amended by section 18 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

2. The board shall calculate the amount to be transferred for persons employed after September 30, 2001, and before January 1, ~~2025~~2024, using only the formula contained in subdivision b of subsection 1.

SECTION 50. AMENDMENT. Section 54-52.6-09 of the North Dakota Century Code, as amended in section 22 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

54-52.6-09. Contributions - Penalty.

1. a. A participating member who first joined the defined contribution retirement plan before January 1, ~~2025~~2024, and an employee who elects to participate in the defined contribution plan under section 54-52.6-02.2, shall contribute monthly seven percent of the monthly salary or wage paid to the participant.

b. A participating member who first joined the defined contribution retirement plan after December 31, ~~2024~~2023, except for an employee who elects to participate in the defined contribution plan under section 54-52.6-02.2, shall contribute monthly four percent of the monthly salary or wage paid to the participant. In addition, the participating member may elect to contribute monthly up to an additional three percent of the monthly salary or wage paid to the participant.

c. This assessment must be deducted from the participant's salary in equal monthly installments commencing with the first month of participation in the defined contribution retirement plan established under this chapter.

2. a. For a participating member who first joined the defined contribution retirement plan before January 1, ~~2025~~2024, and for an employee who elects to participate in the defined contribution plan under section 54-52.6-02.2, the employer shall contribute an amount equal to seven and twelve-hundredths percent of the monthly salary or wage of the participating member.

b. For a participating member who first joined the defined contribution retirement plan after December 31, ~~2024~~2023, except for an employee who elects to participate in the defined contribution plan under section 54-52.6-02.2, the employer shall contribute an amount equal to four and twelve-hundredths percent of the monthly salary or wage of a participating member, plus up to an additional three percent as an employer matching contribution calculated based on the participating member's election under subdivision b of subsection 1.

c. For a participating member first enrolled after December 31, 2019, the employer contribution includes an additional increase of one and fourteen-hundredths percent.

d. If the employee's contribution is paid by the employer under subsection 3, the employer shall contribute, in addition, an amount equal to the required employee's contribution. Monthly, the employer shall pay such contribution into the participating member's account from the employer's funds appropriated for payroll and salary or any other funds available for such purposes.

e. If the employer fails to pay the contributions monthly, or fails to otherwise comply with the board's established wage reporting or payroll reporting process requirements, the employer is subject to a civil penalty of fifty dollars and, as interest, one percent of the amount due for each month of delay or fraction of a month after the payment became due. In lieu of assessing a civil penalty or one percent per month, or both, interest at the actuarial rate of return may be assessed for each month the contributions are delinquent. If contributions are paid within ninety days of the date the contributions became due, penalty and interest to be paid on delinquent contributions may be waived.

3. Each employer, at its option, may pay the employee contributions required by this section for all compensation earned after December 31, 1999. The amount paid must be paid by the employer in lieu of contributions by the employee. If the employer decides not to pay the contributions, the amount that would have been paid will continue to be deducted from the employee's compensation. If contributions are paid by the employer, they must be treated as employer contributions in determining tax treatment under this code and the federal Internal Revenue Code. Contributions paid by the employer may not be included as gross income of the employee in determining tax treatment under this code and the federal Internal Revenue Code until they are distributed or made available. The employer shall pay these employee contributions from the same source of funds used in paying compensation to the employee. The employer shall pay these contributions by effecting an equal cash reduction in the gross salary of the employee or by an offset against future salary increases or by a combination of a reduction in gross salary and offset against future salary increases. Employee contributions paid by the employer must be treated for the purposes of this chapter in the same manner and to the same extent as employee contributions made before the date on which employee contributions were assumed by the employer. An employer shall exercise its option under this subsection by reporting its choice to the board in writing.

SECTION 51. AMENDMENT. Section 54-63.1-04 of the North Dakota Century Code is amended and reenacted as follows:

54-63.1-04. Clean sustainable energy authority - Duties - Report.

1. The authority shall make recommendations to the commission for program guidelines, including eligibility criteria for entities to receive funding under this chapter.

2. The nonvoting technical advisors shall develop a process to review and evaluate projects to determine the technical merits and feasibility of any application, including potential benefits of the development of low-emission technology, the expansion of the development of the state's natural resources or energy production, and the contribution to the economic diversity in the state.

3. The authority may develop a loan program or a loan guarantee program under the clean sustainable energy fund. The Bank of North Dakota shall administer the loan program or loan guarantee program. The interest rate of a loan under this program may not exceed two percent per year. The maximum term of a loan under this section must be approved by the commission based on a recommendation from the authority. The Bank shall review applications for loans or loan guarantees and shall consider the business plan, financial statements, and other information necessary to evaluate the application. To be eligible for a loan or loan guarantee, an entity shall agree to provide the Bank of North Dakota with information as requested. The Bank of North Dakota may develop policies for loan participation with local financial institutions.

4. The authority shall make recommendations to the commission for grant awards, loan approvals, or other financial assistance to provide funding to support research, development, and technological advancements for the large scale development and commercialization of projects, processes, activities, and technologies that reduce environmental impacts and increase sustainability of energy production and delivery in accordance with this chapter. Any projects, processes, activities, and technologies selected by the commission for funding must have been recommended by the authority, must demonstrate feasibility based on a technical review conducted by the nonvoting technical advisors of the authority, must have other sources of financial support, and must achieve the priorities and purposes of the program. At the request of the authority, the Bank of North Dakota shall provide a recommendation regarding the economic feasibility of a project, process, activity, or technology under consideration by the authority. The Bank shall review the business plan, financial statements, and other information necessary to provide a recommendation.

5. The authority shall develop a fertilizer development incentive program, including guidelines to provide loan forgiveness. Funding for the fertilizer development incentive program under this subsection is limited to one hundred twenty-five million dollars.

   a. To be eligible for the fertilizer development incentive program:

      (1) The fertilizer production facility must be located within the state;

      (2) The owner of the fertilizer production facility must be an entity domiciled in the United States or Canada;

      (3) The owner must borrow money under a program administered by the Bank of North Dakota; and

      (4) The fertilizer production facility must use hydrogen produced by the electrolysis of water.

   b. Upon completion of the construction of the fertilizer production facility, the authority shall forgive the loan and shall use fertilizer development incentive funding to repay any outstanding amount

borrowed, as certified by the Bank. The authority shall request an appropriation from the strategic investment and improvements fund or other funding sources to provide fertilizer development incentive funding to repay any outstanding amount borrowed.

6. The authority may consult with any other state agency necessary to carry out the purposes under this chapter.

~~6.~~7. Each biennium, the authority shall provide a written report to the legislative management regarding its activities and the program's financial impact on state revenues and the state's economy.

SECTION 52. AMENDMENT. The new subsection to section 61-16.1-11 of the North Dakota Century Code, as created by section 1 of Senate Bill No. 2372, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

All districts within the Red River, James River, Mouse River, Missouri River, and Devils Lake drainage basins shall, by agreement, form and remain a member of a joint water resource board relative to the district's respective drainage basin. All agreements and subsequent amendments must be filed with the department of water resources. Notwithstanding other provisions of law, the board of county commissioners of the member districts in the Red River, James River, Mouse River, Missouri River, and Devils Lake drainage basins ~~shall~~may approve a levy of tax not to exceed two mills upon the taxable valuation of the real property within each joint board's respective drainage basin.

SECTION 53. AMENDMENT. Section 2 of House Bill No. 1438, as approved by the sixty-eighth legislative assembly, is amended and reenacted as follows:

SECTION 2. RETROACTIVE EFFECTIVE DATE - APPLICATION. This Act is retroactively effective and applies for taxable years beginning after December 31, ~~2022~~2021. The limitation on time for filing an abatement claim under section 57-23-04 does not apply to refunds of taxes paid or cancellation of taxes levied for taxable year 2022 on property exempt from taxation under this Act. The board of county commissioners shall direct refund of taxes paid or cancellation of taxes levied on property exempt from taxation under this Act.

SECTION 54. REPEAL. Section 5 of Senate Bill No. 2020, as approved by the sixty-eighth legislative assembly, is repealed.

SECTION 55. BANK OF NORTH DAKOTA LINE OF CREDIT - WATER INFRASTRUCTURE REVOLVING LOAN FUND - TRANSFER. The Bank of North Dakota shall extend a line of credit not to exceed $100,000,000 to the department of water resources to be transferred to the water infrastructure revolving loan fund as requested by the director of the department of water resources to provide local cost-share loans for projects approved by the state water commission pursuant to section 6-09-49.2. The interest rate associated with the line of credit must be the prevailing interest rate charged to North Dakota government entities. The department of water resources shall request a deficiency appropriation from the sixty-ninth legislative assembly to repay the line of credit.

SECTION 56. PUBLIC EMPLOYEES RETIREMENT SYSTEM - MAIN SYSTEM DEFINED BENEFIT PLAN INVESTMENTS. During the 2023-25 biennium, the retirement board may not reduce the actuarial rate of return assumption for the public employees retirement system main system defined benefit plan below six and one-half percent.

SECTION 57. PUBLIC EMPLOYEES RETIREMENT SYSTEM - RETIREMENT PLAN TRANSITION EDUCATION. During the 2023-25 biennium, the public employees retirement system shall conduct an informational campaign to educate current and prospective state employees of the transition from the defined benefit retirement plan to the defined contribution retirement plan.

SECTION 58. EXEMPTION - INFRASTRUCTURE REVOLVING LOAN FUND. Notwithstanding any other provision of law, a park district may apply for a loan from the infrastructure revolving loan fund under section 6-09-49, during the biennium beginning July 1, 2023, and ending June 30, 2025, to refinance an outstanding loan for a project completed after March 31, 2022, and to pay the outstanding balance of any special assessments associated with the project.

SECTION 59. EXEMPTION - EMPLOYEE BENEFITS PROGRAMS COMMITTEE. Sections 36 through 50 and sections 56 and 57 of this Act are exempt from the requirements of section 54-35-02.4."

Page 8, after line 16, insert:

"**SECTION 62. LEGACY FUND EARNINGS - REPORT TO LEGISLATIVE MANAGEMENT.** Each biennium, the state retirement and investment office shall provide a report including the amount of legacy fund earnings above the percent of market value that would have been transferred to the legacy earnings fund had Senate Bill No. 2330 not been passed by the sixty-eighth legislative assembly to the legislative management.

SECTION 63. LEGISLATIVE MANAGEMENT STUDY - STATE FIRE AND TORNADO FUND AND STATE BONDING FUND ADMINISTRATION. During the 2023-24 interim, the legislative management shall consider studying, in collaboration with the insurance commissioner and the director of the office of management and budget, the feasibility and desirability of changing administration of the state fire and tornado fund and state bonding fund from the insurance commissioner to the director of the office of management and budget. The study must include an analysis of the statutory changes necessary to accomplish the change in administration and other statutory changes necessary to facilitate the office of management and budget's administration of these funds. 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 64. LEGISLATIVE MANAGEMENT STUDY - MANAGEMENT AND MAINTENANCE OF STATE FACILITIES.

1. During the 2023-24 interim, the legislative management shall consider studying the policies and procedures of state agencies, excluding institutions under the control of the state board of higher education, for managing, maintaining, and leasing state facilities.

2. The study must include consideration of:

   a. The most efficient and cost-effective organizational structure for managing, maintaining, and leasing state facilities, including a comparison of allocating funding and full-time equivalent positions to various agencies and centralizing funding and full-time equivalent positions under one agency.

   b. The costs and benefits of leasing or owning state facilities.

   c. The appropriate use of contracts for service and full-time equivalent positions for custodial services, mechanical services, snow removal, lawn care, and maintenance.

3. 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 65. LEGISLATIVE MANAGEMENT STUDY - GUARDIANSHIP PROGRAMS. During the 2023-24 interim, the legislative management shall study the state's guardianship programs. The study must include consideration of the existing structure for the programs under the office of management and budget, judicial branch, and department of health and human services; the feasibility of consolidating the programs under one agency; and an appropriate level of funding

for the programs. 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 66. CONTINGENT EFFECTIVE DATE. Sections 36 through 40 and sections 44 through 50 of this Act become effective on January 1, 2024, if before that date the retirement board certifies to the legislative council that the public employees retirement system is prepared to close the main system defined benefit retirement plan on December 31, 2023, and to open the new defined contribution retirement plan on January 1, 2024."

Page 8, line 17, replace "14" with "41"

Page 8, line 17, remove "is effective for motor vehicle excise"

Page 8, line 18 replace "tax collections transmitted to the state treasurer after July 31, 2023" with "becomes effective on June 1, 2023. Section 27 of this Act becomes effective on July 1, 2024"

Page 8, line 19, remove "targeted market equity pool line item in section 1 of this"

Page 8, line 20, replace "Act and section 9 of this Act" with "following"

Page 8, line 20, after "measure" insert ":

1. The targeted market equity pool line item in section 1 of this Act and section 20 of this Act;

2. The deferred maintenance funding pool line item in section 1 of this Act and section 15 of this Act;

3. Sections 4, 5, 30, and 41 of this Act;

4. Section 4 of Senate Bill No. 2012, as approved by the sixty-eighth legislative assembly; and

5. Senate Bill No. 2024, as approved by the sixty-eighth legislative assembly"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2015 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Office of Management and Budget						
Total all funds	$42,754,708	$168,855,507	$111,469,055	$280,324,562	$290,735,783	($10,411,221)
Less estimated income	8,828,309	76,911,173	69,092,851	146,004,024	147,378,954	(1,374,930)
General fund	$33,926,399	$91,944,334	$42,376,204	$134,320,538	$143,356,829	($9,036,291)
FTE	108.00	111.00	(1.00)	110.00	108.00	2.00
Legislative Council						
Total all funds	$0	$0	$558,283	$558,283	$500,000	$58,283
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$558,283	$558,283	$500,000	$58,283
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Judicial Branch						
Total all funds	$0	$0	$347,518	$347,518	$0	$347,518
Less estimated income	0	0	4,273	4,273	0	4,273
General fund	$0	$0	$343,245	$343,245	$0	$343,245
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Department of Public Instruction						

Total all funds	$0	$0	$3,000,000	$3,000,000	$0	$3,000,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$3,000,000	$3,000,000	$0	$3,000,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Dept. of Career and Technical Education						
Total all funds	$0	$0	$26,500,000	$26,500,000	$0	$26,500,000
Less estimated income	0	0	26,500,000	26,500,000	0	26,500,000
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Department of Environmental Quality						
Total all funds	$0	$0	$40,000	$40,000	$0	$40,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$40,000	$40,000	$0	$40,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00
DHHS - Other						
Total all funds	$0	$0	$8,250,000	$8,250,000	$0	$8,250,000
Less estimated income	0	0	8,250,000	8,250,000	0	8,250,000
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Labor Commissioner						
Total all funds	$0	$0	$50,000	$50,000	$0	$50,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$50,000	$50,000	$0	$50,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Department of Commerce						
Total all funds	$0	$0	$2,500,000	$2,500,000	$0	$2,500,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$2,500,000	$2,500,000	$0	$2,500,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Bill total						
Total all funds	$42,754,708	$168,855,507	$152,714,856	$321,570,363	$291,235,783	$30,334,580
Less estimated income	8,828,309	76,911,173	103,847,124	180,758,297	147,378,954	33,379,343
General fund	$33,926,399	$91,944,334	$48,867,732	$140,812,066	$143,856,829	($3,044,763)
FTE	108.00	111.00	(1.00)	110.00	108.00	2.00

Senate Bill No. 2015 - Office of Management and Budget - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	$21,926,979	$24,859,054	($1,700,224)	$23,158,830	$23,158,830	
Operating expenses	15,663,214	19,261,293	131,500	19,392,793	19,392,793	
Capital assets	764,515	15,533,155	(6,201,000)	9,332,155	9,182,155	$150,000
Emergency commission contingency fund	400,000	400,000		400,000	400,000	
Guardianship grants	2,450,000	6,100,000	1,000,000	7,100,000	6,100,000	1,000,000
Targeted market equity pool		75,000,000	7,500,000	82,500,000	75,000,000	7,500,000
Prairie Public Broadcasting	1,200,000	2,992,450		2,992,450	2,992,450	
Community service supervision grants	350,000	350,000		350,000	350,000	
State student internship		700,000	(200,000)	500,000	500,000	
Governor's emergency education relief		3,659,555		3,659,555	3,659,555	
Deferred maintenance funding pool		20,000,000		20,000,000	20,000,000	
New and vacant FTE funding pool			98,200,000	98,200,000	130,000,000	(31,800,000)
Employer retirement contribution pool			12,538,779	12,538,779		12,538,779
Infrastructure grant			200,000	200,000		200,000
Total all funds	$42,754,708	$168,855,507	$111,469,055	$280,324,562	$290,735,783	($10,411,221)
Less estimated income	8,828,309	76,911,173	69,092,851	146,004,024	147,378,954	(1,374,930)
General fund	$33,926,399	$91,944,334	$42,376,204	$134,320,538	$143,356,829	($9,036,291)
FTE	108.00	111.00	(1.00)	110.00	108.00	2.00

Department 110 - Office of Management and Budget - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases[1]	Removes an FTE position[2]	Removes Salary Funding for a Funding Pool[3]	Increases Funding for Targeted Equity Pool[4]	Adds Funding for Funding Pool[5]	Adds Funding for Employer Retirement Contribution Pool[6]
Salaries and wages	$226,001	($218,472)	($1,707,753)			
Operating expenses						
Capital assets						
Emergency commission contingency fund						
Guardianship grants						
Targeted market equity pool				$7,500,000		
Prairie Public Broadcasting						
Community service supervision grants						
State student internship						
Governor's emergency education relief						
Deferred maintenance funding pool						
New and vacant FTE funding pool					$98,200,000	
Employer retirement contribution pool						$12,538,779
Infrastructure grant						
Total all funds	$226,001	($218,472)	($1,707,753)	$7,500,000	$98,200,000	$12,538,779
Less estimated income	52,451	0	(184,670)	3,400,000	58,100,000	6,975,070
General fund	$173,550	($218,472)	($1,523,083)	$4,100,000	$40,100,000	$5,563,709
FTE	0.00	(1.00)	0.00	0.00	0.00	0.00

	Adjusts Funding for Operating Expenses[7]	Adjusts Funding for Capital Assets[8]	Decreases Funding for Internships[9]	Adds Funding for Rural Senior Center Grant[10]	Increases Funding for Guardianship Grants[11]	Total Conference Committee Changes
Salaries and wages						($1,700,224)
Operating expenses	$131,500					131,500
Capital assets		($6,201,000)				(6,201,000)
Emergency commission contingency fund						
Guardianship grants					$1,000,000	1,000,000
Targeted market equity pool						7,500,000
Prairie Public Broadcasting						
Community service supervision grants						
State student internship			($200,000)			(200,000)
Governor's emergency education relief						
Deferred maintenance funding pool						
New and vacant FTE funding pool						98,200,000
Employer retirement contribution pool						12,538,779
Infrastructure grant				$200,000		200,000
Total all funds	$131,500	($6,201,000)	($200,000)	$200,000	$1,000,000	$111,469,055
Less estimated income	0	750,000	0	0	0	69,092,851
General fund	$131,500	($6,951,000)	($200,000)	$200,000	$1,000,000	$42,376,204
FTE	0.00	0.00	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 House, as follows:

	General Fund	Other Funds	Total
Salary increase	$183,634	$54,250	$237,884
Health insurance adjustment	(10,084)	(1,799)	(11,883)
Total	$173,550	$52,451	$226,001

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

[2] Funding of $218,472 for 1 FTE total rewards specialist position is removed, which was

added by the Senate.

The Senate added 3 FTE positions and $664,786 from the general fund, but the House removed the positions and 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	($446,314)	$0	($446,314)
Vacant FTE positions	(1,076,769)	(184,670)	(1,261,439)
Total	($1,523,083)	($184,670)	($1,707,753)

The House also removed funding for a new and vacant FTE funding pool, but the Senate did not remove funding for the pool.

[4] Funding for a targeted market equity pool is adjusted to increase the pool by $7.5 million to provide total funding of $82.5 million. Both the House and the Senate provided $75 million for the funding pool.

[5] Funding of $98.2 million is added for a new and vacant FTE funding pool, including $40.1 million from the general fund and $58.1 million from other funds. A section is added providing guidelines for use of funding in the pool. The House provided funding of $130 million, of which $60 million was from the general fund, for the pool. The Senate did not include a new and vacant FTE funding pool.

[6] Ongoing funding of $12,538,779, including $5,563,709 from the general fund and $6,975,070 from other funds, is added for a statewide increased employer contribution retirement pool for the cost of the 1 percent employer retirement contribution increase included in House Bill No. 1040, the cost of changes to the retirement plan for peace officers in House Bill No.1183, and the cost of changes to the retirement plan for Bureau of Criminal Investigation agents in House Bill No. 1309.

[7] Funding for operating expenses is adjusted as follows:

- Removes $18,500 of one-time funding from the general fund, which was added by the Senate, for inflationary increases. The House also removed this funding.
- Decreases one-time funding from the general fund by $50,000 for an Americans with Disabilities Act compliance study to provide total funding of $50,000. The House also decreased the funding. The Senate provided $100,000 for the study.
- Removes $150,000 of one-time funding from the general fund, which was added by the Senate, for automatic doors in legislative areas of the Capitol and adds similar funding for accessibility improvements to the capital assets line item. The House also removed this funding.
- Removes $100,000 of one-time funding from the general fund for Capitol tour digital enhancements, the same as the House. The Senate added this funding.
- Adds $450,000 of one-time funding from the general fund for a cash management study with the criteria for the study identified in a new section of the bill, the same as the House. The Senate did not include funding for a cash management study.

[8] Funding for capital assets is adjusted as follows:

- Removes $500,000 of ongoing funding from the general fund for electrical and mechanical repairs, which was added by the Senate. The House also removed this funding.
- Adds $150,000 of one-time funding from the Capitol building fund for accessibility improvements in legislative areas of the Capitol. The Senate provided $150,000 of one-time funding from the general fund for automatic doors under the operating expenses line item. The House also added this funding.
- Decreases one-time funding from the general fund by $2.1 million for new procurement software to provide $400,000, the same as the House. The Senate provided $2.5 million of one-time funding for new procurement software.
- Changes $800,000 of one-time funding from the general fund, which was added by

the Senate, to $800,000 of one-time funding from the Capitol building fund for automation upgrades at the Capitol. The House also included this change.

- Changes $100,000 of one-time funding from the general fund, which was added by the Senate, to $250,000 of one-time funding from the Capitol building fund for electrical and mechanical repairs. The House provided $100,000 from the Capitol building fund.
- Removes $451,000 of one-time funding from the general fund added by the Senate to demolish the State Office Building. The House also removed this funding.
- Decreases one-time funding from the general fund by $3 million for Capitol space utilization improvements to provide total funding of $2.5 million, the same as the House. The Senate provided $5.5 million of one-time funding for the improvements.
- Decreases one-time funding from the Capitol building fund by $200,000 for improvements at the Governor's residence to provide total funding of $100,000 for security improvements, the same as the House. The Senate provided $300,000 for exterior repairs.
- Decreases one-time funding from the Capitol building fund by $250,000 for a remodeling project in the Brynhild Haugland Room in the Capitol to provide total funding of $250,000, the same as the House. The Senate provided $500,000 for the remodeling project.

[9] One-time funding from the general fund for the state student internship program is decreased by $200,000 to provide total funding of $500,000, the same as the House. The Senate provided $700,000 for the program.

[10] One-time funding of $200,000 from the general fund is added for a rural senior center infrastructure grant.

[11] Ongoing funding of $1 million is added to provide a total of $7.1 million for guardianship grants. The House and Senate both included $6.1 million for guardianship grants.

This amendment also includes the following changes:

- Provides a deficiency appropriation of $6,500 from other funds to the Office of the Governor for the salaries and wages line item and includes an emergency clause for the funding, the same as provided by the House. The Senate did not provide a deficiency appropriation for the Office of the Governor.
- Clarifies the deferred maintenance funding pool includes $700,000 for water mitigation at the Liberty Memorial Building and adds an emergency clause for the deferred maintenance funding pool. The House also approved these changes. The Senate did not identify funding for the Liberty Memorial Building and did not include an emergency clause for the funding pool.
- Adjusts the amount designated from the Capitol building fund to reflect $5.55 million for various capital projects. The House identified $5.4 million from the fund for the projects. The Senate identified $4.8 million.
- Adds a section to provide guidelines for a new and vacant FTE funding pool. The House also added a section for the funding pool. The Senate did not include this funding pool.
- Clarifies the continuing appropriation authority of $250,000 from the Capitol building fund may be used only for remodeling projects, the same as the House. The Senate increased the continuing appropriation authority by $500,000, from $250,000 to $750,000.
- Removes a section, which was added by the Senate, related to the allocation of motor vehicle excise tax collections to the state highway fund. The House also removed this section. House Bill No. 1012 changes the allocation of motor vehicle excise tax collections.
- Adds a section to increase the size of the Retirement Board from 9 to 11 members and adds an application clause for the new members. The House included an effective date and emergency clause related to the membership change, but the Senate did not include these changes.
- Adds a section directing the State Investment Board and Retirement Board to continue to invest the main system retirement plan based on an actuarial rate of

return of at least 6.5 percent. The House added a similar section. The Senate did not include this section.

- Adds an exemption allowing a park district to refinance a loan through the infrastructure revolving loan fund if the project was completed after March 31, 2022, and to pay the outstanding balance of any special assessments associated with the project. The Senate did not provide this exemption.
- Adds Legislative Management studies related to the state fire and tornado fund and state bonding fund administration, the management and maintenance of state facilities, and the state's guardianship programs. The House also added these studies.

Senate Bill No. 2015 - Legislative Council - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			$500,000	$500,000	$500,000	
Employer retirement contribution			58,283	58,283		$58,283
Total all funds	$0	$0	$558,283	$558,283	$500,000	$58,283
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$558,283	$558,283	$500,000	$58,283
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 160 - Legislative Council - Detail of Conference Committee Changes

	Adds Funding for an Audit[1]	Adds Funding for Employer Retirement Contribution[2]	Total Conference Committee Changes
Operating expenses	$500,000		$500,000
Employer retirement contribution		$58,283	58,283
Total all funds	$500,000	$58,283	$558,283
Less estimated income	0	0	0
General fund	$500,000	$58,283	$558,283
FTE	0.00	0.00	0.00

[1] One-time funding of $500,000 is added from the general fund for the Legislative Council to contract for a performance audit of the State Auditor and other consulting services. The House also added this funding for a forensic audit of the State Auditor. The Senate did not include this funding.

[2] Ongoing funding of $58,283 from the general fund is added for the cost of a 1 percent employer retirement contribution increase included in House Bill No. 1040.

This amendment also provides a 2021-23 biennium appropriation of $5,000 from the general fund for International Legislators' Forum dues.

Senate Bill No. 2015 - Judicial Branch - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Employer retirement contribution			$347,518	$347,518		$347,518
Total all funds	$0	$0	$347,518	$347,518	$0	$347,518
Less estimated income	0	0	4,273	4,273	0	4,273
General fund	$0	$0	$343,245	$343,245	$0	$343,245
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 180 - Judicial Branch - Detail of Conference Committee Changes

	Adds Funding for Employer Retirement Contribution[1]	Total Conference Committee Changes
Employer retirement contribution	$347,518	$347,518
Total all funds	$347,518	$347,518
Less estimated income	4,273	4,273
General fund	$343,245	$343,245
FTE	0.00	0.00

[1] Adds ongoing funding of $347,518, including $343,245 from the general fund and $4,273 from other funds for the cost of a 1 percent employer retirement contribution increase included in House Bill No. 1040.

Senate Bill No. 2015 - Department of Public Instruction - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Integrated formula payments			$3,000,000	$3,000,000		$3,000,000
Total all funds	$0	$0	$3,000,000	$3,000,000	$0	$3,000,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$3,000,000	$3,000,000	$0	$3,000,000
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 Integrated Formula Payments[1]	Total Conference Committee Changes
Integrated formula payments	$3,000,000	$3,000,000
Total all funds	$3,000,000	$3,000,000
Less estimated income	0	0
General fund	$3,000,000	$3,000,000
FTE	0.00	0.00

[1] Ongoing funding of $3 million is added for an increase in integrated formula payments to school districts relating to transition minimum adjustments.

Senate Bill No. 2015 - Dept. of Career and Technical Education - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Career center initiative			$26,500,000	$26,500,000		$26,500,000
Total all funds	$0	$0	$26,500,000	$26,500,000	$0	$26,500,000
Less estimated income	0	0	26,500,000	26,500,000	0	26,500,000
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 270 - Dept. of Career and Technical Education - Detail of Conference Committee Changes

	Adds Funding for Career Center Initiative Grant Inflation[1]	Total Conference Committee Changes
Career center initiative	$26,500,000	$26,500,000
Total all funds	$26,500,000	$26,500,000
Less estimated income	26,500,000	26,500,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding of $26.5 million from the strategic investment and improvements fund is added for

defraying inflationary costs of existing projects approved under the statewide career center initiative grant program.

Senate Bill No. 2015 - Department of Environmental Quality - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Onsite wastewater recycling			$40,000	$40,000		$40,000
Total all funds	$0	$0	$40,000	$40,000	$0	$40,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$40,000	$40,000	$0	$40,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 303 - Department of Environmental Quality - Detail of Conference Committee Changes

	Adds Funding for Onsite Wastewater Recycling Committee[1]	Total Conference Committee Changes
Onsite wastewater recycling	$40,000	$40,000
Total all funds	$40,000	$40,000
Less estimated income	0	0
General fund	$40,000	$40,000
FTE	0.00	0.00

[1] Ongoing funding of $40,000 from the general fund is appropriated to the Department of Environmental Quality for the purpose of providing meeting expense reimbursement to members of the Onsite Wastewater Recycling Technical Committee.

Senate Bill No. 2015 - DHHS - Other - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Behavioral health facility grant			$8,250,000	$8,250,000		$8,250,000
Total all funds	$0	$0	$8,250,000	$8,250,000	$0	$8,250,000
Less estimated income	0	0	8,250,000	8,250,000	0	8,250,000
General fund	$0	$0	$0	$0	$0	$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 325 - DHHS - Other - Detail of Conference Committee Changes

	Adds Funding for Behavioral Health Facility Grant[1]	Total Conference Committee Changes
Behavioral health facility grant	$8,250,000	$8,250,000
Total all funds	$8,250,000	$8,250,000
Less estimated income	8,250,000	8,250,000
General fund	$0	$0
FTE	0.00	0.00

[1] Funding of $8.25 million from the strategic investment and improvements fund is added for a grant to establish a behavioral health facility in the badlands human service center service region.

Senate Bill No. 2015 - Labor Commissioner - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Board administration analyses			$50,000	$50,000		$50,000
Total all funds	$0	$0	$50,000	$50,000	$0	$50,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$50,000	$50,000	$0	$50,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department 406 - Labor Commissioner - Detail of Conference Committee Changes

	Adds Funding for Board Analyses[1]	Total Conference Committee Changes
Board administration analyses	$50,000	$50,000
Total all funds	$50,000	$50,000
Less estimated income	0	0
General fund	$50,000	$50,000
FTE	0.00	0.00

[1] One-time funding of $50,000 from the general fund is added for analyzing the administration of occupational and professional boards.

Senate Bill No. 2015 - Department of Commerce - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Tribal college grants			$500,000	$500,000		$500,000
Office of legal immigration			2,000,000	2,000,000		2,000,000
Total all funds	$0	$0	$2,500,000	$2,500,000	$0	$2,500,000
Less estimated income	0	0	0	0	0	0
General fund	$0	$0	$2,500,000	$2,500,000	$0	$2,500,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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

	Adds Funding for Tribal College Grants[1]	Adds Funding for Office of Legal Immigration[2]	Total Conference Committee Changes
Tribal college grants	$500,000		$500,000
Office of legal immigration		$2,000,000	2,000,000
Total all funds	$500,000	$2,000,000	$2,500,000
Less estimated income	0	0	0
General fund	$500,000	$2,000,000	$2,500,000
FTE	0.00	0.00	0.00

[1] One-time funding of $500,000 from the general fund is added for workforce development grants to tribally controlled community colleges.

[2] One-time funding of $2 million from the general fund is added for the Office of Legal Immigration.

Senate Bill No. 2015 - Other Changes - Conference Committee Action

This amendment also makes the following changes that were not included in the House or Senate versions:

- Adds a $5 million 2021-23 biennium appropriation from the state disaster relief fund to the Adjutant General for emergency snow removal grants.
- Provides for unspent funds and accumulated interest earnings in the federal State Fiscal Recovery Fund to be transferred to the Department of Corrections and Rehabilitation in December 2024 to replace funding from the general fund for salaries and wages.

- Transfers $50 million from the strategic investment and improvements fund to the general fund.
- Transfers $30 million from the strategic investment and improvements fund to the North Dakota Development Fund.
- Adjusts the percent of market value calculation for legacy fund earnings to transfer 8 percent of the 5-year average value of legacy fund assets as an emergency clause. This results in a general fund revenue increase of $34,754,902 and a strategic investment and improvements fund revenue increase of $34,754,903.
- Directs the Public Employees Retirement System to not reduce the actuarial rate of return assumption for the defined benefit plan below 6.5 percent.
- Allows probationary employees to participate in the state leave sharing program.
- Allows the coal development trust fund to be used for inflationary school construction loans.
- Provides for a $125 million fertilizer development incentive program under the clean sustainable energy authority.
- Provides for a line of credit from the Bank of North Dakota to provide $100 million to the water infrastructure revolving loan fund. Section 5 of Senate Bill No. 2020, which provided for a transfer of $100 million of Bank of North Dakota profits to the water infrastructure revolving loan fund, is repealed.
- Provides for the transition from the defined benefit plan to the new defined contribution retirement plan established in House Bill No. 1040 to be implemented on January 1, 2024, contingent upon the Public Employees Retirement System certifying the plans are prepared.
- Provides for the the clean sustainable energy authority to approve financing for clean sustainable energy projects from the North Dakota Development Fund.
- Amends provisions relating to controlled substances established in Senate Bill No. 2248.
- Amends provisions relating to the flexible transportation fund in House Bill No. 1012 to require Budget Section approval for projects in excess of $10 million.
- Clarifies changes to the peace officers' retirement plan in House Bill Nos. 1183 and 1309.
- Provides a retroactive effective date for changes to hospital property tax exemptions in House Bill No. 1438.
- Amends language relating to tax levies for water resource boards adopted in Senate Bill No. 2372.
- Provides that changes to the state employee retirement plans made in Senate Bill No. 2015 are exempt from requirements for review by the Employee Benefits Programs Committee.
- Declares Senate Bill No. 2024 and funding for child support payments in Senate Bill No. 2012 to be an emergency measure.

Engrossed SB 2015 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BEKKEDAHL MOVED that the conference committee report on Engrossed SB 2015 as printed on SJ pages 2252-2298 be adopted.

REQUEST

SEN. LARSEN REQUESTED a verification vote, which request was granted.

REQUEST

SEN. HOGUE REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed SB 2015, the roll was called and there were 41 YEAS, 6 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Axtman; Barta; Beard; Bekkedahl; Braunberger; Burckhard; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Estenson; Hogan; Hogue; Kannianen; Kessel; Klein; Krebsbach; Kreun; Larson; Lee; Lemm; Luick; Mathern; Meyer; Myrdal; Patten;

Piepkorn; Roers, J.; Roers, K.; Rummel; Rust; Schaible; Sickler; Sorvaag; Vedaa; Wanzek; Weber; Weston; Wobbema

NAYS: Boehm; Cleary; Clemens; Larsen; Magrum; Paulson

The conference committee report on Engrossed SB 2015 was adopted on a recorded roll call vote.

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

SECOND READING OF SENATE BILL

SB 2015: A BILL for an Act to provide an appropriation for defraying the expenses of the various divisions under the supervision of the director of the office of management and budget; to provide an appropriation to the office of the governor, legislative assembly, adjutant general, legislative council, department of environmental quality, department of labor and human rights, department of public instruction, department of commerce, department of health and human services, department of career and technical education, and judicial branch; to create and enact a new subsection to section 10-30.5-02 and a new subsection to section 54-44-11 of the North Dakota Century Code, relating to the purpose and use of the North Dakota development fund and a facility management operating fund; to amend and reenact section 15.1-27-04.1 as amended by section 10 of Senate Bill No. 2284, as approved by the sixty-eighth legislative assembly, sections 15.1-36-02 and 15.1-36-04, subsection 2 of the new section to chapter 19-03.1, as created by section 1 of Senate Bill No. 2248, as approved by the sixty-eighth legislative assembly, subsection 1 of section 21-10-12, as amended in section 3 of Senate Bill No. 2330, as approved by the sixty-eighth legislative assembly, section 24-02-37.3, as amended by section 10 of House Bill No. 1012, as approved by the sixty-eighth legislative assembly, sections 48-10-02, 54-06-14.7, and 54-21-19, sections 54-52-02.5, 54-52-02.9, 54-52-02.11, and 54-52-02.12, as amended in sections 3, 4, 5, and 6 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52-02.15 as created by section 7 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52-03, subsection 2 of section 54-52-06.4, as amended in section 1 of House Bill No. 1309, as approved by the sixty-eighth legislative assembly, subsection 4 of section 54-52-17, as amended in section 4 of House Bill No. 1183, as approved by the sixty-eighth legislative assembly, section 54-52.2-09 as created by section 13 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 3 of section 54-52.6-01 and section 54-52.6-02 as amended in sections 14 and 15 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 1 of section 54-52.6-02.1 and section 54-52.6-02.2 as created by sections 16 and 17 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, subsection 2 of section 54-52.6-03 as amended by section 18 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-52.6-09 as amended in section 22 of House Bill No. 1040, as approved by the sixty-eighth legislative assembly, section 54-63.1-04, and the new subsection to section 61-16.1-11, as created in section 1 of Senate Bill No. 2372, as approved by the sixty-eighth legislative assembly, of the North Dakota Century Code and section 2 of House Bill No. 1438, as approved by the sixty-eighth legislative assembly, relating to baseline funding and the determination of state school aid, loans from the coal development trust fund, evidence of indebtedness, distribution of illegal drugs, legacy fund earnings, the flexible transportation fund, the capitol grounds planning commission spending limit, the state leave sharing program, capitol grounds rent collections, the retirement board, the public employees retirement system retirement plan, the public employees retirement system plan for state peace officers, the clean sustainable energy authority duties, and joint water resource boards; to repeal section 5 of Senate Bill No. 2020, as approved by the sixty-eighth legislative assembly, relating to a transfer of Bank of North Dakota profits to a water infrastructure revolving loan fund; to provide for a transfer; to provide an exemption; to provide for a legislative management study; to provide a report; to provide a penalty; to provide for application; to provide a retroactive effective date; to provide a contingent effective date; 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, and has

committee recommendation of DO PASS, the roll was called and there were 38 YEAS, 9 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

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

NAYS: Beard; Boehm; Cleary; Clemens; Larsen; Magrum; Myrdal; Paulson; Wobbema

Reengrossed SB 2015 passed and the emergency clause was declared carried.

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MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2015.

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 2015.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2015.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MADAM PRESIDENT: The Speaker has signed: SB 2015.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2015.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS
The following bill was delivered to the Governor for approval on April 30, 2023: SB 2015.

COMMUNICATION FROM GOVERNOR DOUG BURGUM
This is to inform you that on April 29, 2023, I have signed the following: SB 2089, SB 2170, SB 2196, SB 2248, SB 2304, SB 2330, SB 2334, SB 2345, and SB 2371.

INTERIM COMMITTEES

LEGISLATIVE MANAGEMENT

Sen. David Hogue
Sen. Brad Bekkedahl
Sen. Kyle Davison
Sen. Jerry Klein
Sen. Janne Myrdal
Sen. Don Schaible

CAPITOL GROUNDS PLANNING COMMISSION

Sen. Jay Elkin
Sen. Jim Roers

COMPREHENSIVE HEALTH ASSOCIATION OF NORTH DAKOTA BOARD

Sen. Judy Lee

BRAIN INJURY ADVISORY COUNCIL

Sen. Sean Cleary

HIGHER EDUCATION GRANT REVIEW COMMITTEE

Sen. Karen Krebsbach

Sen. Ron Sorvaag

HIGH-LEVEL RADIOACTIVE WASTE ADVISORY COUNCIL

Sen. Dale Patten
Sen. Jim Roers

TASK FORCE ON THE PREVENTION OF SEXUAL ABUSE OF CHILDREN

Sen. David Clemens

LEGACY & BUDGET STABILIZATION FUND ADVISORY BOARD

Sen. Jerry Klein
Sen. Scott Meyer
Sen. Kathy Hogan

STREAMLINED SALES TAX GOVERNING BOARD

Sen. Brad Bekkedahl

REINSURANCE ASSN OF ND

Sen. Shawn Vedaa

COMMISSION ON JUVENILE JUSTICE

Sen. Jay Elkin
Sen. Diane Larson

KINDERGARTEN - 12TH EDUCATION COORDINATION COUNCIL

Sen. Kyle Davison

REMARKS OF MINORITY LEADER HOGAN

Madam President and members of the Senate:

The 68th legislative assembly has had many challenging and rewarding moments.

Let's begin--thanks to the amazing staff and team of the Senate.

Madam President, welcome to the Senate Family – you have quickly learned to manage this motley crew with grace and respect.

Madam Secretary, all the front desk staff, and clerks. You make this very complex process look easy by your knowledge, and calm presences. We especially appreciate your little looks; a pause or smile when you know we are about to go over the edge. We depend on and appreciate you all every day.

To the Sergeants of Arms, pages, committee clerks, legislative interns, and the amazing technology team that always are in the right place at the right time. Thank you. We need you all and even though we were short staff at times, everything got done because you all stepped up.

Thanks to our majority and minority staff under the leadership of Renae and Kathy – your warmth and humor and reminders of the little and big details help each of us do a better job.

There are not nearly enough words of appreciation for the work and commitment for all the staff of the legislative council. Since Covid, the process of legislation has not paused. Many of us feel like there hasn't been a break in almost four years. But the staff that have stayed with us and those new staff who have joined us have earned a break and hopefully will get one. Your quick response and continual support are the backbone of the entire process. Not only do we appreciate you – we need and love you because your commitment to public service and good law making is essential for the people of ND.

A few comments for colleagues:
First to the fearless foursome - Having 4 minority members is a challenge. Everyone must do two or three extra jobs, monitor uncovered committees, work with many legislative partners. The good news is that is easy to have lunch together every day in our small conference room and we really like each other.

Secondly, to the veteran Senators, committee chairs and committee members. Your collegiality and cooperation and wisdom on very complex issues allows us to get this done in 75 days.

To Leadership, thank you for your daily communication, willingness to listen and friendship.

To the freshman legislators, welcome to the family. This chamber welcomed you in January and now we will send you forth to learn about the good and the damage that we may have done this session. Listen to the people back home, talk to your school boards, road engineers, public health, states attorneys to understand how the Legislative process and decisions impact them. Thank you for stepping up to serve, take the next 18 months to recover and learn about impacts we make on people's lives by our laws and decision. Come back in two years to continue your public service.

The ND Legislature is a community of people committed to making ND a better place. Because of our deep commitment to respectful behavior and the time-honored decorum of the Senate, we can seriously disagree and still be friends and a place where all people are welcomed.

Thank you for your friendships and great fellowship. Go home and recover. Remember everyone here will always be a part of the history of the 68th session of ND Senate.

REMARKS OF MAJORITY LEADER HOGUE

Good evening, Madam President, it would appear that we've come to the end of this extraordinary process. It's a privilege to be a part of this process and to serve the people of North Dakota. I've always felt that this is an experience that all North Dakotans should have the pleasure to experience. Yet we know Madam President that only 1 out of about 16,000 North Dakotans get to sit in this chamber for a four-year period of time. Madam President, one has a better chance of winning Etabs than getting the honor to serve in the North Dakota Senate. Madam President, the Senator from District 18 has a better chance of winning a wager on the Minnesota Vikings winning the Super Bowl than serving in the North Dakota Senate.

The privileged position we each hold here represents the classic definition of a vocation. A vocation is work you are naturally drawn to, work that you love, and for which you are willing to give all of your time and energy. That's us. We do this because we're passionate about public policy. We care about our families, our communities, and our state. We want to make them better. That's why we serve. That's why we chose this vocation called senator.

We came and organized in December 2022 and outlined our priorities, and they were ambitious. When we saw the budget surplus swell to over 2.5 billion, we knew we should give some back, and we did. We gave back $515 million in a way that honors the Senate's core principles that a strong majority of North Dakotans should share in the bounty. We provided additional income tax relief to military members.

We continued to be the strong guardian for the rights of the unborn. We thought Dobbs decision issued last summer settled the matter, but all Dobbs said is that the decisions about life belong right here in this chamber and the other one across Memorial Hall.

We identified workforce development as a priority issue and focused like a laser on trying to solve that problem. Yesterday Governor Burgum signed into law the childcare bill that will provide resources and support to enable workforce. Among other things, the bill includes:

$22 million to expand the Child Care Assistance Program (CCAP), increasing the number of families with children ages 0 to 3 who receive help paying for childcare from 4,660 to 6,460 by the end of the 2023-2025 biennium.

$15 million to incentivize more providers to deliver childcare for infants and toddlers by increasing the CCAP rates for childcare centers and group/family childcare settings, plus $3

million to increase monthly payments to providers who are quality rated;

$5 million for an additional 500 families to participate in a pilot project where private employers contribute money to help cover their employees' childcare expenses;

$2 million in stipends for childcare workers pursuing additional training.

$3 million to increase support to providers who want to become quality-rated or increase their current quality rating.

We created an immigration office and funded it to develop a culture of expertise and cooperation for attracting and nesting legal immigrants who want to move to North Dakota and make a life here.

We implemented a tuition freeze at a cost of $47 million to keep us competitive at attracting our own students and students from out of state to come here. We know that if we can get students to attend one of our universities, there is more than a 50% chance their first employment will be here as well.

We stepped up for our state employees in a big way with a 6 and 4 percent wage increase, and 82.5 million equity pool and with additional FTEs who reduce overtime for those agencies with workload issues.

After several sessions of trying, we did get to call a time out on the aforementioned etab machines. That is an area that warrants study and deliberation before proceeding further.

We passed animal agriculture reform. I knew we were on right track when the Senator from District 12 and I were drafting a bill on promoting animal agriculture and several house members were on the same path. Our dairy cow population has went from over a million diary cows to less than 20,000 cows today. Why is that? It's not because the demand for Dairy products has gone down in the upper Midwest. No, it's because the industry has become capital intensive due to the economies of scale needed to maintain a profitable operation and our corporate farming laws restrict the flow of capital by restricting the ownership of farmland.

We've been and continue to be good stewards of the Legacy Fund and that's an important achievement. If properly managed, the Legacy Fund is the single largest tool that we can use to reduce our overdependence on a single industry for our state revenues.

We cannot go home Madam without me publicly thanking several people. Every successful organization has one or two people that are highly organized. These are the folks that make the trains run on time. For the North Dakota Senate, that person is Mrs. Renae Doan. She's the best. She keeps the trains running on time. Can we please thank her for all that she does.

Senator Dever earlier thanked the front desk and I also wanted to offer my gratitude to Madam Secretary and her staff. Madam Secretary grew up on a cattle ranch where you have to keep track of your cattle at all times. You have to count them and keep them in the right place. The Secretary and her team hardly lost any bills. Yes, one or two jumped over the fence or were temporarily mislaid but that's what bills do. The good news is she and her team were able to corral them.

I would like to thank Minority Leader Hogan and her outstanding leadership. I so appreciate her positive outlook and ability to work together even when we don't agree. I enjoyed serving with you Leader Hogan.

We also need to acknowledge the hard work and professionalism of John Bjornson and his Legislative Council team. They are always so professional. They work the same long hours as we do and without complaint. I so appreciate their sense of urgency. They work with the full knowledge that everything they are asked to do is on a short timeline. That's high stress. We do appreciate all that they do. Let's give them a round of applause to show their appreciation.

Madam President we all so appreciate your leadership as well. You've done the folks of Brocket proud. We appreciate your discretion in keeping in strict confidence all of the things

we say about the executive branch.

And with that Madam President, I do have a motion to make.

MOTION

SEN. KLEIN MOVED that the President appoint a committee of four to notify the House the Senate has completed its business and is about to adjourn sine die, which motion prevailed.

THE PRESIDENT APPOINTED Sens. Axtman, Cleary, Sickler and Rummel.

MOTION

SEN. KLEIN MOVED that the President appoint a committee of three to notify the Governor the Senate has completed its business and is about to adjourn sine die, which motion prevailed.

THE PRESIDENT APPOINTED Sens. Krebsbach, Lee and Mathern.

REQUEST

SEN. AXTMAN REQUESTED that your committee appointed to notify the House the Senate has completed its business and is about to adjourn has completed its task and requests to be discharged, which request was granted.

REQUEST

SEN. KREBSBACH REQUESTED that your committee appointed to notify the Governor the Senate has completed its business and is about to adjourn has completed its task and requests to be discharged, which request was granted.

MOTION

SEN. HOGUE MOVED that the Senate be on the Fourth, Fifteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned sine die.

Pursuant to Senator Hogue's motion, the Senate stood adjourned sine die.

Shanda Morgan, Secretary