

JOURNAL OF THE HOUSE

Sixty-eighth Legislative Assembly

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Bismarck, April 19, 2023

The House convened at 12:30 p.m., with Speaker D. Johnson presiding.

The prayer was offered by Pastor Sylvia Bull, Faith Lutheran Church, Bismarck.

The roll was called and all members were present except Representatives Bellew, Kempenich, and Mitskog.

A quorum was declared by the Speaker.

CORRECTION AND REVISION OF THE JOURNAL

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

Page 1968, line 17, remove "SB"

Page 1968, line 18, remove "2150,"

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

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 18, 2023, I have signed the following: HB 1183 and HB 1307.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 18, 2023, I have signed the following: HB 1004, HB 1005, HB 1017, HB 1022, HB 1023, HB 1157, HB 1177, HB 1230, HB 1269, and HB 1437.

REPORT OF STANDING COMMITTEE

SB 2004, as reengrossed: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (18 YEAS, 1 NAY, 4 ABSENT AND NOT VOTING). Reengrossed SB 2004 was placed on the Sixth order on the calendar.

Page 1, line 1, after the semicolon insert "to create and enact section 54-10-31 and a new section to chapter 54-10 of the North Dakota Century Code, relating to audits of the department of financial institutions and an audit report review period;"

Page 1, line 2, after "sections" insert "11-13-02, 54-10-01, and"

Page 1, line 2, after "to" insert "the duties of the county auditor, the powers and duties of the state auditor, and"

Page 1, line 3, replace "and to declare an emergency" with "to provide for a legislative management study; and to provide for a legislative management report"

Page 1, replace lines 12 through 19 with:

"Salaries and wages	\$13,123,559	\$663,322	\$13,786,881
Operating expenses	1,371,703	397,568	1,769,271
Capital assets	0	70,550	70,550
Information technology consultants	<u>450,000</u>	<u>0</u>	<u>450,000</u>
Total all funds	\$14,945,262	\$1,131,440	\$16,076,702
Less estimated income	<u>5,826,152</u>	<u>399,500</u>	<u>6,225,652</u>

Total general fund	\$9,119,110	\$731,940	\$9,851,050
Full-time equivalent positions	61.00	3.00	64.00"

Page 2, replace lines 2 through 8 with:

"Local government audit office furniture	\$0	\$9,000
Inflationary increases for travel and professional development	0	40,500
Audit software setup and migration	0	45,550
Capital equipment replacement	0	<u>25,000</u>
Total all funds	\$0	\$120,050
Less estimated income	0	<u>18,500</u>
Total general fund	\$0	\$101,550"

Page 2, replace lines 13 through 18 with:

"SECTION 3. AMENDMENT. Section 11-13-02 of the North Dakota Century Code is amended and reenacted as follows:

11-13-02. Duties of county auditor.

The county auditor shall:

1. Act as clerk of the board of county commissioners and keep an accurate record of the official proceedings of the board.
2. Prepare a financial statement of the county annually unless otherwise ordered by the board of county commissioners.
3. Upon receipt of any document, bond, or other paper required to be filed in the auditor's office, number and index the same and make the proper entries in the reception book.
4. Carefully preserve all documents, books, records, maps, and other papers required to be deposited or kept in the auditor's office.
5. Have recorded in the office of the recorder all bonds not issued by the state bonding fund that are required to be deposited in the auditor's office.
6. Perform and transact all county business without extra compensation.
7. Keep all books required to be kept by the board of county commissioners.
8. File and preserve in the auditor's office all accounts, vouchers, and other papers pertaining to the settlement of any and all accounts to which the county is a party, and copies of such papers certified under the hand and seal of the auditor shall be admitted as evidence in all courts in this state.
9. Perform all acts required of the auditor relative to the making out and delivering of notices of general and special elections, making abstracts of and canvassing the votes cast at an election, issuing certificates of election, and forwarding the abstract of votes cast to the secretary of state.
10. On or before August first of each odd-numbered year, report to the insurance commissioner the sound depreciated value of each county building or risk, and the contents therein.
11. On going out of office, deliver to the successor in office all moneys, books, records, documents, maps, papers, vouchers, and other property in the auditor's hands belonging to the county, and in case of the death of the auditor, the auditor's personal representatives shall deliver the same to the auditor's successor.

12. Notify political subdivisions within the county on an annual basis that the state auditor may require political subdivisions to provide annual reports in lieu of an audit pursuant to section 54-10-14.
13. Do and perform all acts not enumerated in this section which the auditor is required to do by law.

SECTION 4. AMENDMENT. Section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

54-10-01. Powers and duties of state auditor - Report.

1. The state auditor shall:
 - a. Be vested with the duties, powers, and responsibilities involved in performing the postaudit of all financial transactions of state government, detecting and reporting any defaults, and determining that expenditures have been made in accordance with law and appropriation acts.
 - b. Perform or provide for the audit of the general purpose financial statements and a review of the material included in the comprehensive annual financial report of the state in accordance with government auditing standards.
 - c. ~~Perform~~Except for the audit of the department of financial institutions as outlined in section 54-10-31, perform or provide for audits of state agencies in accordance with government auditing standards and legislative audit and fiscal review committee guidelines developed under section 54-35-02.10. Except for the annual audit of the North Dakota lottery required by section 53-12.1-03, the state auditor shall audit each state agency once every two years. Audits may be conducted at more frequent intervals if requested by the governor or the legislative audit and fiscal review committee. The state auditor shall charge an amount equal to the cost of the audit and other services rendered by the state auditor to all agencies that receive and expend moneys from other than the general fund. This charge may be reduced for an agency that receives and expends both general fund and nongeneral fund moneys. State agencies shall use nongeneral fund moneys to pay for the cost of the audit. If nongeneral fund moneys are not available, the agency may, upon approval of the legislative assembly, or the budget section if the legislative assembly is not in session, use general fund moneys to pay for the audit. Any budget section action under this subdivision must comply with section 54-35-02.9.
 - d. ~~Perform~~Except for the audit of the department of financial institutions as outlined in section 54-10-31, perform or provide for performance audits of state agencies, or the agencies' blended component units or discreetly presented component units, as determined necessary by the legislative assembly, or the legislative audit and fiscal review committee if the legislative assembly is not in session. When determining the necessity of a performance audit, the legislative audit and fiscal review committee shall consider:
 - (1) The potential cost-savings or efficiencies that may be gained as a result of the performance audit;
 - (2) The staff resources of the state auditor's office and of the state agency being audited which will be required to conduct the audit;
 - (3) The potential for discovery of noncompliance with state law or legislative intent regarding the program or agency; and

- (4) The potential for the performance audit to identify opportunities for program improvements.
 - e. Report on the functions of the state auditor's office to the governor and the secretary of state in accordance with section 54-06-04 or more often as circumstances may require.
 - f. Perform work on mineral royalties for the federal government in accordance with section 1735(a) of the Mineral Lands and Mining Act [30 U.S.C. 1735 et seq.].
 - g. Provide quarterly reports to the legislative audit and fiscal review committee of all audits performed and fees charged.
 - h. Perform all other duties as prescribed by law.
2. The state auditor may:
 - a. Conduct any work required by the federal government.
 - b. Within the resources available to the state auditor, perform or provide for performance audits of state agencies as determined necessary by the state auditor.
 - c. Audit the International Peace Garden at the request of the board of directors of the International Peace Garden.
 - d. Contract with a private certified public accountant or other qualified professional to conduct or assist with an audit, review, or other work the state auditor is authorized to perform or provide for under this section. Before entering any contract, the state auditor shall present information to the legislative audit and fiscal review committee on the need for the contract and its estimated cost and duration. Except for performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection and except for audits of occupational or professional boards, the state auditor shall execute the contract and any executive branch agency, including higher education institutions, shall pay the fees of the contractor. For performance audits conducted under subdivision d of subsection 1 or subdivision b of this subsection, the state auditor may charge a state agency for the cost of a contract relating to an audit, subject to approval by the legislative assembly or the legislative audit and fiscal review committee if the legislative assembly is not in session. When considering a request, the legislative audit and fiscal review committee shall consider the effect of the audit cost on the agency being audited, the necessity of the contract, and the potential benefit to the state resulting from the contract. The state auditor shall notify the affected agency of the potential cost before requesting approval from the legislative assembly or the legislative audit and fiscal review committee.
3. Notwithstanding subdivision c of subsection 1 and subdivision d of subsection 2, the state auditor may not charge audit fees to an institution of higher education, agency, or office under the control of the state board of higher education, including passthrough grants, except for a proportional share of audit fees on federal programs or grants to the extent those audited federal programs or grants provide for allowable cost recovery. Institutions without an approved indirect cost recovery fund may not be assessed audit fees on closed federal programs."

Page 2, after line 24, insert:

"SECTION 6. Section 54-10-31 of the North Dakota Century Code is created and enacted as follows:

54-10-31. Department of financial institutions - Audit and reports.

Once every two years, the state banking board shall provide for an audit of the department of financial institutions by a certified public accountant. The state banking board may request the state auditor to conduct the audit. If the state auditor agrees to conduct the audit, the state auditor shall deposit any fees assessed for completion of the audit to the state auditor operating account.

SECTION 7. A new section to chapter 54-10 of the North Dakota Century Code is created and enacted as follows:

Audit report - Review period.

The state auditor shall provide the preliminary audit report, including all findings and recommendations, entity responses to the findings and recommendations, and any auditor responses, to the audited state entity, political subdivision, or occupational or professional board at least thirty days before the state auditor publishes the final audit report.

SECTION 8. LEGISLATIVE MANAGEMENT STUDY - LOCAL GOVERNMENT AUDIT SERVICES. During the 2023-24 interim, the legislative management shall consider studying local government audit services and the challenges of political subdivisions to obtain auditing services. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-ninth legislative assembly."

Page 2, remove line 25

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2004 - State Auditor - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$13,123,559	\$16,417,905	(\$2,631,024)	\$13,786,881
Operating expenses	1,371,703	1,894,071	(124,800)	1,769,271
Capital assets		70,550		70,550
Information technology consultants	450,000	450,000		450,000
Total all funds	\$14,945,262	\$18,832,526	(\$2,755,824)	\$16,076,702
Less estimated income	5,826,152	8,161,731	(1,936,079)	6,225,652
General fund	\$9,119,110	\$10,670,795	(\$819,745)	\$9,851,050
FTE	61.00	69.00	(5.00)	64.00

Department 117 - State Auditor - Detail of House Changes

	Adds Funding for Salary and Benefit Increases ¹	Removes Salary Funding for Funding Pool ²	Removes Local Government Division Audit Positions ³	Removes 1 FTE Communications Position ⁴	Decreases Funding for Temporary Salaries ⁵	Decreases One-Time Funding for Local Government Auditors ⁶
Salaries and wages	\$171,097	(\$1,467,289)	(\$868,074)	(\$166,758)	(\$300,000)	
Operating expenses			(72,300)			(\$12,000)
Capital assets						
Information technology consultants						
Total all funds	\$171,097	(\$1,467,289)	(\$940,374)	(\$166,758)	(\$300,000)	(\$12,000)
Less estimated income	45,835	(873,040)	(940,374)	0	(150,000)	0
General fund	\$125,262	(\$594,249)	\$0	(\$166,758)	(\$150,000)	(\$12,000)
FTE	0.00	0.00	(4.00)	(1.00)	0.00	0.00

	Decreases One-Time Funding for Operating Expense Inflation ²	Total House Changes
Salaries and wages		(\$2,631,024)
Operating expenses	(\$40,500)	(124,800)
Capital assets		
Information technology consultants		
<hr/>		
Total all funds	(\$40,500)	(\$2,755,824)
Less estimated income	(18,500)	(1,936,079)
General fund	(\$22,000)	(\$819,745)
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FTE	0.00	(5.00)

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	\$134,477	\$47,728	\$182,205
Health insurance adjustment	(9,215)	(1,893)	(11,108)
Total	\$125,262	\$45,835	\$171,097

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

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

	General Fund	Other Funds	Total
New FTE positions	(\$218,672)	(\$596,631)	(\$815,303)
Vacant FTE positions	(375,577)	(276,409)	(651,986)
Total	(\$594,249)	(\$873,040)	(\$1,467,289)

³ Funding from special funds in the agency's operating fund is removed for local government audit positions and related ongoing operating expenses as follows:

- 1 FTE local government audit manager position (\$308,364);
- 1 FTE local government auditor II position (\$207,740);
- 2 FTE local government auditor I positions (\$351,970); and
- Ongoing operating expenses of \$72,300 related to additional local government auditors.

⁴ Funding is removed for 1 FTE communications position to repurpose the position to 1 FTE education coordinator position added by the Senate.

⁵ Funding for temporary salaries for internships is reduced to provide a total of \$200,000, of which \$100,000 is from the general fund and \$100,000 is from special funds in the agency's operating fund.

⁶ One-time funding for operating expenses related to local government auditor positions is reduced to provide a total of \$9,000.

⁷ One-time funding, including funding from federal and special funds, is reduced for operating expenses related to travel and professional development inflationary increases, to provide a total of \$40,500.

In addition, this amendment:

- Removes the section related to the refund of local government audit fees;
- Adds a section to require county auditors to notify political subdivisions annually that the State Auditor may require the political subdivisions to provide annual reports in lieu of an audit;
- Adds a section to amend the powers and duties of the State Auditor to allow the Department of Financial Institutions to contract with a certified public accountant for an audit, require the State Auditor to provide quarterly reports to the Legislative Audit and Fiscal Review Committee, and exempt the institutions under the control of the

- State Board of Higher Education from certain audit fees;
- Adds a section to require the State Banking Board provide for an audit of the Department of Financial Institutions once every 2 years;
- Adds a section to require the State Auditor to provide a preliminary audit report to audit clients at least 30 days prior to publishing the report;
- Adds a section to provide for a Legislative Management study of local government audit services; and
- Removes the emergency clause related to the refund of local government audit fees.

REPORT OF STANDING COMMITTEE

SB 2304, as engrossed: Industry, Business and Labor Committee (Rep. Louser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). Engrossed SB 2304 was placed on the Sixth order on the calendar.

Page 1, line 1, after "to" insert "create and enact a new section to chapter 53-06.1 and a new subsection to section 53-06.1-15.1 of the North Dakota Century Code, relating to alcoholic beverage establishment requirements and the authority of the attorney general to impose fines for gaming violations; and to"

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

Page 1, line 1, after "53-06.1-01" insert "and 53-06.1-03, and subsections 2 and 5 of section 53-06.1-11"

Page 1, line 2, after "establishments" insert ", the maximum number of gaming sites allowed, the maximum number of pull tab devices allowed at a site, approval for a gaming site authorization and licensure, modification of allowable expense limits, and rent limits for electronic pull tab devices"

Page 1, line 11, after "establishment" insert "licensed under chapter 5-02"

Page 1, line 12, after "consumed" insert "by guests on the premises"

Page 1, line 12, replace "This" with "The term"

Page 1, line 12, replace "an off-sale" with "a"

Page 1, line 13, after "store" insert "licensed for off sale only"

Page 1, line 13, remove "An alcoholic beverage"

Page 1, remove lines 14 through 16

Page 3, line 10, after "17." insert "\"Off sale\" means the sale of alcoholic beverages that are to be consumed off the licensed premises.

18. "\"On sale\" means the sale of alcoholic beverages that are meant to be consumed on the licensed premises.

19."

Page 3, line 13, replace "18." with "20."

Page 3, line 15, replace "19." with "21."

Page 3, line 16, replace "20." with "22."

Page 3, line 19, replace "21." with "23."

Page 3, line 27, replace "22." with "24."

Page 4, line 4, replace "23." with "25."

Page 4, line 7, replace "24." with "26."

Page 4, after line 11, insert:

"SECTION 2. AMENDMENT. Section 53-06.1-03 of the North Dakota Century Code is amended and reenacted as follows:

53-06.1-03. Permits, site authorization, and licenses - Organization requirements - Site inspection.

1. Except as authorized by the attorney general, an organization that has its license suspended or revoked, or has relinquished or not renewed its license and not disbursed its net proceeds, is ineligible for a license or permit. Only one of two or more closely related organizations may have a license or permit at one time. A college or university fraternity, sorority, or club is not closely related to an educational organization. An organization shall apply for a permit as follows:
 - a. An organization recognized as a public-spirited organization by the governing body of a city or county may apply for permits. A local permit may allow the organization to conduct only raffles, bingo, or sports pools. A restricted event permit may allow the organization to conduct only raffles, bingo, sports pools, paddlewheels, twenty-one, and poker. The organization or closely related organizations as a whole may only award a primary prize that does not exceed eight thousand dollars and total prizes of all games do not exceed forty thousand dollars per year. These maximum prize amounts do not apply to raffles conducted under chapter 20.1-08. The determination of what is a "public-spirited organization" is within the sole discretion of the governing body. An organization shall disclose on the application its intended use of the net income from the gaming activity. A governing body may issue a permit for games to be held at designated times and places.
 - b. An organization shall apply to the governing body of the city or county in which the proposed site is located. Application must be made on a form prescribed by the attorney general. Approval may be granted at the discretion of the governing body. A governing body may establish a fee not to exceed twenty-five dollars for each permit. A permit must be on a fiscal year basis from July first to June thirtieth or on a calendar-year basis.
 - c. An organization that has a local permit or a restricted event permit may use the net income from the gaming activity for any purpose that does not violate this chapter or gaming rules, unless the organization is a state political party or legislative district party committee, the organization may use the net income from a raffle for a political purpose. For purposes of this subdivision, a public-spirited use includes a political purpose.
 - d. An organization that has a restricted event permit is restricted to one event per year and:
 - (1) May not pay remuneration to employees for personal services;
 - (2) Shall use chips as wagers;
 - (3) Shall redeem a player's chips for merchandise prizes or cash;
 - (4) Shall disburse net income to eligible uses referenced in subdivision c, if applicable, and in section 53-06.1-11.1; and
 - (5) Shall file a report prescribed by the attorney general with the governing body and attorney general.

2. An eligible organization shall apply for a license to conduct only bingo, electronic quick shot bingo, raffles, calcuttas, pull tabs, punchboards, twenty-one, paddlewheels, poker, or sports pools by:
 - a. First securing a lease for a gaming site location.
 - b. ~~After securing a lease for a gaming site location, securing approval for a site authorization from the governing body of the city or county in which the proposed site is located. Approval, which may be granted at the discretion of the governing body, The approved authorization~~ must be recorded on a site authorization form that is to accompany the license application to the attorney general for final approval. A governing body ~~may:~~
 - (1) ~~May not require an eligible organization to donate net proceeds to the city, county, or related political subdivision or for community programs or services within the city or county as a condition for receiving a site authorization from the city or county. A governing body may;~~
 - (2) ~~May limit the number of tables for the game of twenty-one per site and the number of sites upon which a licensed organization may conduct games within the city or county. A governing body may;~~
 - (3) ~~May charge a one hundred dollar fee for a site authorization; and~~
 - b- (4) May not require a site to enter a lease with a specific organization as a condition of receiving a site authorization;
 - (5) May not deny approval of a site authorization because an organization has not previously conducted gaming at that site;
 - (6) May deny approval of a site authorization if an application is incomplete or if granting approval would violate a local ordinance related to a limitation on the number of site authorizations for which an organization may be approved or whether the organization is public-spirited. An ordinance that places a condition on how charitable funds may be used may not have an effect on the approval of a site authorization; and
 - (7) May deny approval of a site authorization if the organization is not compliant with statute or rule.
 - c. Annually applying for a license from the attorney general before July first on a form prescribed by the attorney general and remitting a one hundred fifty dollar license fee for each city or county that approves a site authorization. However, the attorney general may allow an organization that only conducts a raffle or calcutta in two or more cities or counties to annually apply for a consolidated license and remit a one hundred fifty dollar license fee for each city or county in which a site is located. An organization shall document that it qualifies as an eligible organization. If an organization amends its primary purpose as stated in its articles of incorporation or materially changes its basic character, the organization shall reapply for licensure. The attorney general shall issue a license to an eligible organization that has obtained approval of site authorization under subdivision b, applied, paid the requisite fee, and demonstrated it qualifies as an eligible organization.
3. A licensed organization or organization that has a permit shall conduct games as follows:

- a. Only one licensed organization or organization that has a permit may conduct games at an authorized site on a day, except that a raffle may be conducted for a special occasion by another licensed organization or organization that has a permit when one of these conditions is met:
 - (1) When the area for the raffle is physically separated from the area where games are conducted by the regular organization.
 - (2) Upon request of the regular organization and with the approval of the alcoholic beverage establishment, the regular organization's license or permit is suspended for that specific time of day by the attorney general.
 - b. Except for a temporary site authorized for fourteen or fewer consecutive days for not more than two events per quarter or a licensed organization authorized on or before January 1, 2023, to conduct gaming at more than fifteen sites, a licensed organization may not have more than ~~twenty-five~~fifteen sites ~~unless granted a waiver by the attorney general. If the attorney general finds that there is no other licensed organization interested in conducting gaming at a site for which a waiver is being sought, the attorney general may approve the waiver for no more than five sites.~~
 - c. Games of electronic quick shot bingo, pull tabs, punchboards, twenty-one, paddlewheels, poker, and sports pools may be conducted only during the hours when alcoholic beverages may be dispensed according to applicable regulations of the state, county, or city.
 - d. An organization may not permit a person under twenty-one years of age to directly or indirectly play pull tabs, punchboards, twenty-one, calcuttas, sports pools, paddlewheels, or poker. An organization may not permit an individual under eighteen years of age to directly or indirectly play electronic quick shot bingo. An organization may not permit an individual under eighteen years of age to directly or indirectly play bingo unless the individual is accompanied by an adult, bingo is conducted by an organization that has a permit, or the game's prize structure does not exceed that allowed for a permit.
 - e. An organization may not install more than ten electronic pull tab devices at a site.
 - f. An organization with more than fifteen licensed sites under subdivision b may not increase its number of sites beyond the number of sites licensed as of January 1, 2023.
4. A permit, or site authorization and license, must be displayed at a site.
 5. The attorney general may issue a conditional license to an eligible organization whose regularly issued license has expired or been suspended, revoked, or relinquished. The attorney general shall designate the time period for which the conditional license is valid and may impose any conditions.
 6. A governing body or local law enforcement official may inspect a site's gaming equipment and examine or cause to be examined any gaming-related books and records of a licensed organization or organization that has a permit.

SECTION 3. A new section to chapter 53-06.1 of the North Dakota Century Code is created and enacted as follows:

Alcoholic beverage establishment - Requirements.

1. An alcoholic beverage establishment:
 - a. May not interfere with the organization's operation of gaming;
 - b. May not limit the gaming hours of operation, except to limit gaming to the alcoholic beverage establishment's hours of operation;
 - c. May not receive any compensation from gaming proceeds other than rent under this chapter. Compensation includes any financial benefit, direct or indirect, from gaming proceeds;
 - d. May not require an organization to donate net proceeds to any organization or for any purpose as a condition of conducting gaming on the premises;
 - e. May not directly conduct gaming as part of the alcoholic beverage establishment's business;
 - f. May donate a gift certificate, cash, or merchandise intended to be used as a prize to an organization;
 - g. May not give a free or discounted game piece, chip, or play of a game, except for discounts allowed for bingo and raffle activity;
 - h. May offer free or discounted food or beverages in the normal course of business;
 - i. At its own expense, may advertise gaming on promotional drink tickets; and
 - j. If advertising charitable gaming conducted on the premises, shall include the gaming organization's name. An abbreviation of the organization's name may be used.
2. Upon the request of the organization, an alcoholic beverage establishment:
 - a. May sell a gift certificate or merchandise to be used as a gaming prize for no more than fair market value; and
 - b. May assist in redeeming winning pull tabs, credit ticket vouchers, or paying prize board cash prizes involving a dispensing device. If the organization provides the alcoholic beverage establishment temporary loan funds for this purpose, a written agreement must:
 - (1) Be signed by the organization and the alcoholic beverage establishment;
 - (2) Provide for the immediate repayment of the loan if the organization discontinues using a device at the site; and
 - (3) Provide the alcoholic beverage establishment is liable for a loss or theft of the loaned funds.
3. An owner of the alcoholic beverage establishment or a member of the owner's household or an individual who is an officer or board member or involved in the management of the establishment may not:
 - a. Loan money or provide gaming equipment to the organization;
 - b. Interfere or attempt to influence an organization's selection of games, determination of prizes, disbursement of net proceeds,

selection of a gaming equipment distributor, or the method for which games are conducted;

- c. Require an organization's employee to assist, with or without compensation, in an alcoholic beverage establishment's business at the site. However, the organization's employee may voluntarily order beverages for customers; or
 - d. Count drop box cash.
4. An owner or employee of the alcoholic beverage establishment may not play pull tabs or prize boards, which involve a dispensing device, or electronic pull tabs while on duty or for three hours after ending duty.
 5. An employee of a licensed organization may patronize the alcoholic beverage establishment.

SECTION 4. AMENDMENT. Subsection 2 of section 53-06.1-11 of the North Dakota Century Code is amended and reenacted as follows:

2. Allowable expenses may be deducted from adjusted gross proceeds. The allowable expense limit is sixty:
 - a. Sixty percent of the adjusted gross proceeds per quarter if the total adjusted gross proceeds for the quarter are more than one hundred thousand dollars; and
 - b. Sixty-three percent of the adjusted gross proceeds per quarter if the total adjusted gross proceeds for the quarter are equal to or less than one hundred thousand dollars.

SECTION 5. AMENDMENT. Subsection 5 of section 53-06.1-11 of the North Dakota Century Code is amended and reenacted as follows:

5. For a site where bingo is not the primary game:
 - a. If twenty-one or paddlewheels is conducted, the monthly rent may not exceed two hundred dollars multiplied by the necessary number of tables based on criteria prescribed by gaming rule. For each twenty-one table with a wager greater than five dollars, an additional amount up to one hundred dollars may be added to the monthly rent. If pull tabs is also conducted involving only a jar bar, the monthly rent for pull tabs may not exceed an additional one hundred seventy-five dollars. If pull tabs is conducted involving only a dispensing device or a jar bar and dispensing device, the monthly rent for pull tabs may not exceed an additional three hundred twenty-five dollars.
 - b. If twenty-one and paddlewheels are not conducted but pull tabs is conducted involving either a jar bar or dispensing device, the monthly rent may not exceed four hundred dollars.
 - c. If pull tabs is conducted using one or more electronic pull tab devices, the monthly rent may not exceed ~~an additional one hundred~~ fifty dollars per machine for the first five machines in the same venue. For each additional machine in the same venue beyond five, the monthly rent may not exceed ~~an additional fifty~~ one hundred dollars per machine up to a maximum of one thousand ~~one~~ two hundred ~~twenty-five~~ fifty dollars per month for all electronic pull tab devices in a single venue. Notwithstanding the foregoing maximum rent amount, if a gaming employee is not onsite to administer the proceeds, the rent may include an additional fifty dollars per machine for alcoholic beverage establishment employee assistance for up to five machines, resulting in a maximum of one thousand five hundred dollars per month.

SECTION 6. A new subsection to section 53-06.1-15.1 of the North Dakota Century Code is created and enacted as follows:

Impose a monetary fine on an owner of an authorized alcoholic beverage establishment where a licensed gaming activity is conducted or has been conducted for failure to comply with section 3 of this Act or administrative rules that relate to subdivision b of subsection 2 of section 3 of this Act. The monetary fine for each violation by an authorized site owner may not exceed five thousand dollars. An authorized alcoholic beverage establishment subject to a monetary fine under this section may appeal under chapter 28-32."

Renumber accordingly

REPORT OF CONFERENCE COMMITTEE

HB 1002, as engrossed: Your conference committee (Sens. Dwyer, K. Roers, Vedaa and Reps. Nathe, Swiontek, Hanson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1601-1606 and place HB 1002 on the Seventh order.

Engrossed HB 1002 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1310, as engrossed: Your conference committee (Sens. Paulson, Rummel, Larsen and Reps. Boschee, Wagner, J. Johnson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1486-1487 and place HB 1310 on the Seventh order.

Engrossed HB 1310 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1391, as engrossed: Your conference committee (Sens. Luick, Hogan, Weston and Reps. Hagert, Conmy, J. Olson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1796, adopt amendments as follows, and place HB 1391 on the Seventh order:

That the Senate recede from its amendments as printed on page 1796 of the House Journal and pages 1477 and 1478 of the Senate Journal and that Engrossed House Bill No. 1391 be amended as follows:

Page 1, line 9, after "The" insert "unofficial"

Page 1, line 10, after "or" insert ", if applicable."

Page 1, line 10, after "website" insert "or the official county website"

Renumber accordingly

Engrossed HB 1391 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1487, as engrossed: Your conference committee (Sens. Paulson, Myrdal, Larson and Reps. Koppelman, J. Johnson, Dakane) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1681-1682, adopt amendments as follows, and place HB 1487 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1681 and 1682 of the House Journal and pages 1433 and 1434 of the Senate Journal and that Engrossed House Bill No. 1487 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 3, after "appropriation" insert "; and to provide for a legislative management study"

Page 1, line 13, after "transaction" insert ", or taking any actions related to dispute processing, fraud management, or protecting transaction integrity from concerns related to illegal activities, breach, or cyber risks"

Page 1, line 17, remove "standards"

Page 1, line 17, after "organization" insert "for standardization for firearms retailers"

Page 1, line 18, after "5." insert """Firearms retailer" means any person physically located in this state engaged in the lawful business of selling or trading firearms or ammunition to be used in firearms.

6."

Page 1, line 20, replace "6." with "7."

Page 2, line 6, remove "any merchant located in this state to use"

Page 2, remove line 7

Page 2, line 8, replace "sale of firearms or ammunition from other sporting goods or general merchandise" with "the use of a firearms code in a manner that distinguishes a firearms retailer located in this state from a general merchandise retailer or a sporting goods retailer"

Page 2, line 9, remove "use a firearms code to"

Page 2, after line 14, insert:

"4. Nothing in this section may impair the financial entity's actions related to dispute processing, fraud management, protecting transaction integrity from concerns related to illegal activities, breach, cyber risks, or to comply with state or federal law."

Page 2, line 16, after "1." insert "Any person may allege violations under this chapter to the attorney general."

Page 2, line 16, replace the first "shall" with "may"

Page 2, line 23, after "3." insert "If a court issues an injunction under this section, the court shall award the attorney general reasonable expenses, including reasonable attorney's fees and costs.

4."

Page 2, line 24, replace "five" with "ten"

Page 2, line 24, remove "for the first violation and ten"

Page 2, line 25, replace "thousand dollars for each additional violation" with "per transaction"

Page 2, line 29, replace "4." with "5."

Page 3, line 5, after "chapter" insert an underscored comma

Page 3, line 5, after "general" insert ", and administrative expenses"

Page 3, line 8, after the underscored period insert "The attorney general may use money remaining in the fund after disbursements to defray the costs of administering and enforcing this chapter.

SECTION 2. LEGISLATIVE MANAGEMENT STUDY - RETAILER ADMINISTRATION OF COLLECTING AND REMITTING SALES TAX. During the 2023-24 interim, the legislative management shall consider studying the cost to North Dakota retailers for the collection, remittance, and filing of North Dakota sales

and use tax. The study shall categorize North Dakota merchants into no less than three classes by sales volume and describe any differences in costs related to sales volume. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly."

Renumber accordingly

Engrossed HB 1487 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1501, as engrossed: Your conference committee (Sens. Weber, Lemm, Myrdal and Reps. Schreiber-Beck, Beltz, Headland) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1409-1411, adopt amendments as follows, and place HB 1501 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1409-1411 of the House Journal and pages 1159-1161 of the Senate Journal and that Engrossed House Bill No. 1501 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact subsection 1 of section 4.1-11-01, sections 4.1-11-08, 4.1-11-10, 4.1-11-11, 4.1-11-12, 4.1-11-13, 4.1-11-14, and 4.1-11-15, and subsection 1 of section 4.1-44-03 of the North Dakota Century Code, relating to the North Dakota soybean council and the North Dakota soybean fund; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 4.1-11-01 of the North Dakota Century Code is amended and reenacted as follows:

1. "Council" means the nongovernmental entity, known as the North Dakota soybean council.

SECTION 2. AMENDMENT. Section 4.1-11-08 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-08. Council members - Compensation.

Each member of the council is entitled to receive compensation in the amount established by the council ~~but not exceeding one hundred thirty-five dollars per day~~ plus reimbursement for expenses ~~as provided by law for state officers~~ if the member is attending meetings or performing duties directed by the council.

SECTION 3. AMENDMENT. Section 4.1-11-10 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-10. Council duties and reports.

1. The council shall develop policies and initiate programs to promote the development of markets for and increase the utilization of soybeans grown in this state.
2. The council shall develop and disseminate information regarding the purpose of the soybean assessment and ways in which the assessment benefits soybean producers.
3. The council shall determine the uses for which any moneys raised under this chapter may be expended. The uses may include the funding of research, education programs, and market development efforts, as well as participation in programs under the auspices of national soybean promotion organizations.
4. Annually, the council shall prepare and submit a report summarizing the activities of the council to the state auditor and commissioner. The report

must show all income, expenses, and other relevant information concerning fees collected and expended.

5. The council shall request and submit a certificate of good standing, issued by the secretary of state, as part of the report described in subsection 4.

SECTION 4. AMENDMENT. Section 4.1-11-11 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-11. Assessment.

And if a federal assessment under the Soybean Promotion, Research, and Consumer Information Act [Pub. L. 101-624; 104 Stat. 3881; 7 U.S.C. 92 et seq.] or a similar act remains in place, a state assessment under this section is prohibited. If the Soybean Promotion, Research, and Consumer Information Act [Pub. L. 101-624; 104 Stat. 3881; 7 U.S.C. 92 et seq.] or similar act eliminates a federal assessment, the council shall implement a state assessment equaling one-half of one percent of the value of the sale must be imposed upon all soybeans sold to a designated handler.

SECTION 5. AMENDMENT. Section 4.1-11-12 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-12. Collection of assessment by designated handler - Records.

And if an assessment is in place under section 4.1-11-11:

1. Each designated handler shall collect the assessment from the seller by deducting the assessment from the purchase price of all soybeans subject to the assessment;
2. Each designated handler shall keep all records regarding the quantity of soybeans received and assessed for a period of three years; and
3. All records required by this section may be examined by the council upon request.

SECTION 6. AMENDMENT. Section 4.1-11-13 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-13. Quarterly report - Submission to council.

At the time and in the manner prescribed by the council, each designated handler shall file with the council a quarterly report stating the quantity of all soybeans that the handler purchased and assessed under section 4.1-11-11.

SECTION 7. AMENDMENT. Section 4.1-11-14 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-14. Submission of assessments - Civil penalty Delinquent assessment.

Each designated handler shall forward to the council all assessments collected by the handler under section 4.1-11-11 within thirty days after the end of each calendar quarter. If a designated handler fails to submit the assessments as required by this section, the council shall increase the amount owed by two percent each month, beginning with the day following that on which the assessments came due.

SECTION 8. AMENDMENT. Section 4.1-11-15 of the North Dakota Century Code is amended and reenacted as follows:

4.1-11-15. Continuing appropriation - Use of council funds.

~~The council shall forward all~~All moneys received under this chapter ~~to the state treasurer for deposit~~must be deposited in the soybean fund~~checkoff account at the Bank of North Dakota.~~ All moneys in the soybean fund~~checkoff account~~ are appropriated on a continuing basis to the council ~~and may be used exclusively to carry out~~by the council for the payment of claims by the council based on the obligations incurred in the performance of council activities, functions, and purposes as provided in this chapter. The board shall segregate moneys in the soybean checkoff account from all other moneys of the council.

SECTION 9. AMENDMENT. Subsection 1 of section 4.1-44-03 of the North Dakota Century Code is amended and reenacted as follows:

1. Notwithstanding any other provision of law, the state treasurer shall invest in accordance with section 21-10-07 all available moneys in:
 - a. The potato fund;
 - b. The oilseed fund;
 - c. The dry bean fund;
 - d. The dry pea and lentil fund;
 - e. The barley fund;
 - f. ~~The soybean fund;~~
 - ~~g.~~ The corn fund;
 - ~~h.g.~~ The honey fund;
 - ~~i.h.~~ The turkey fund;
 - ~~j.i.~~ The milk marketing fund;
 - ~~k.j.~~ The dairy promotion commission fund;
 - ~~l.k.~~ The state wheat commission fund;
 - ~~m.l.~~ The ethanol fund; and
 - ~~n.m.~~ The North Dakota beef commission fund.

SECTION 10. EFFECTIVE DATE. This Act becomes effective on July 1, 2024."

Renumber accordingly

Engrossed HB 1501 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1515, as engrossed: Your conference committee (Sens. Lemm, Weston, Luick and Reps. Fisher, Henderson, Finley-DeVille) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ page 1563, adopt further amendments as follows, and place HB 1515 on the Seventh order:

That the House accede to the Senate amendments as printed on page 1563 of the House Journal and page 1295 of the Senate Journal and that Engrossed House Bill No. 1515 be further amended as follows:

Page 1, line 11, after "to" insert "any other provision of this chapter."

Page 1, line 12, after the fourth underscored comma, insert "or"

Renumber accordingly

Engrossed HB 1515 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2026, as engrossed: Your conference committee (Sens. Hogan, Cleary, Weston and Reps. Beltz, Fegley, Brandenburg) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1211, adopt further amendments as follows, and place SB 2026 on the Seventh order:

That the Senate accede to the House amendments as printed on page 1211 of the Senate Journal and pages 1355 and 1356 of the House Journal and that Engrossed Senate Bill No. 2026 be further amended as follows:

Page 1, line 9, replace "milk barn" with "water tower"

Engrossed SB 2026 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2063, as reengrossed: Your conference committee (Sens. Paulson, Clemens, Larsen and Reps. Koppelman, Grueneich, Christensen) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1070-1071, adopt amendments as follows, and place SB 2063 on the Seventh order:

That the House recede from its amendments as printed on pages 1070 and 1071 of the Senate Journal and pages 1265 and 1266 of the House Journal and that Reengrossed Senate Bill No. 2063 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact section 24-02-45.4 of the North Dakota Century Code, relating to reimbursable federal electric vehicle infrastructure grants; and to provide for a legislative management report.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. Section 24-02-45.4 of the North Dakota Century Code is created and enacted as follows:

24-02-45.4. Reimbursable federal electric vehicle infrastructure grants - Agreements with public or private entities for the administration of federal aid programs - Report.

1. Notwithstanding any other provision of law but subject to legislative appropriation, the director may enter agreements and may accept any federal or nonstate funds for the administration of reimbursable electric vehicle charging grant programs.
 - a. The director may enter an agreement with any person for the administration, approval, and inspection of a project to be constructed by a public or private entity, or a political subdivision.
 - b. The cost-share for any project may consist only of federal, public, political subdivision, or private funding.
 - c. A political subdivision may not have an ownership interest in an electric vehicle charging station.
 - d. Any federal formula funding for reimbursement grants must be at least ten percent of the cost-share for a project, but may not exceed eighty percent.
 - e. The director may establish criteria for the grants and determine a reasonable grant reimbursement cost-share or limit for the project in accordance with federal aid provisions.

2. In accordance with the federal formula program, the director shall establish criteria for the consideration of operation and maintenance costs of the electric charging stations in the grant award.
3. Before July 1, 2024, the department of transportation shall present a report to the legislative management regarding an update on the deployment and administration of electric vehicle charging stations."

Renumber accordingly

Reengrossed SB 2063 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2092: Your conference committee (Sens. Barta, Larsen, Klein and Reps. Ostlie, Warrey, Wagner) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 967-968, adopt amendments as follows, and place SB 2092 on the Seventh order:

That the House recede from its amendments as printed on pages 967 and 968 of the Senate Journal and pages 1149 and 1150 of the House Journal and that Senate Bill No. 2092 be amended as follows:

Page 6, line 31, remove ".if"

Page 7, line 1, replace "any due members who failed" with ".The board of directors of the credit union or the liquidating agent if appointed shall report money in the account of a member who failed"

Page 7, line 1, remove "in"

Page 7, remove lines 2 and 3

Page 7, line 4, replace "creditors who failed to cash" with an underscored comma

Page 7, line 4, after "checks" insert "not cashed"

Page 7, line 4, after "days" insert ". and any unpaid claims to the unclaimed property division of the board of university and school lands pursuant to chapter 47-30.2"

Page 7, remove lines 5 through 10

Renumber accordingly

SB 2092 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2094, as engrossed: Your conference committee (Sens. Weber, Lemm, Hogan and Reps. Jonas, Heilman, Conmy) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1049, adopt amendments as follows, and place SB 2094 on the Seventh order:

That the House recede from its amendments as printed on page 1049 of the Senate Journal and pages 1227 and 1228 of the House Journal and that Engrossed Senate Bill No. 2094 be amended as follows:

Page 1, line 3, after "institutions" insert "; and to provide for a legislative management report"

Page 1, line 8, after "**Terms**" insert "**- Report**"

Page 1, after line 24, insert:

5. Before June 1, 2024, the national guard shall provide a report to the legislative management regarding tuition grant usage, including the number of grants awarded for the use at out-of-state institutions and grants awarded for online or remote coursework."

Renumber accordingly

Engrossed SB 2094 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2126: Your conference committee (Sens. Weber, Patten, Piepkorn and Reps. Motschenbacher, Warrey, Ostlie) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1328-1329 and place SB 2126 on the Seventh order.

SB 2126 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2139, as engrossed: Your conference committee (Sens. Lee, Cleary, Hogan and Reps. Frellich, M. Ruby, Holle) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1390-1391 and place SB 2139 on the Seventh order.

Engrossed SB 2139 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2161, as engrossed: Your conference committee (Sens. Patten, Boehm, Beard and Reps. Bosch, D. Anderson, B. Anderson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1332, adopt amendments as follows, and place SB 2161 on the Seventh order:

That the House recede from its amendments as printed on page 1332 of the Senate Journal and pages 1413 and 1414 of the House Journal and that Senate Bill No. 2161 be amended as follows:

Page 2, line 12, remove the overstrike over "~~Effective~~ "

Page 2, line 13, remove the overstrike over "~~through~~ "

Page 2, line 13, after "~~2027~~" and insert "June 30, 2029"

Page 2, line 13, remove the overstrike over the overstruck parenthesis

Page 2, line 17, replace "~~ten~~" with "seven"

Page 2, line 17, after "million" insert "five hundred thousand"

Renumber accordingly

Engrossed SB 2161 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2187: Your conference committee (Sens. Axtman, Sickler, Piepkorn and Reps. Rohr, McLeod, K. Anderson) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 942-943, adopt further amendments as follows, and place SB 2187 on the Seventh order:

That the Senate accede to the House amendments as printed on pages 942 and 943 of the Senate Journal and pages 1133 and 1134 of the House Journal and that Senate Bill No. 2187 be further amended as follows:

Page 19, line 28, replace "committee" with "commission"

Page 24, line 5, replace "must" with "may not"

Renumber accordingly

SB 2187 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2241, as engrossed: Your conference committee (Sens. Kessel, Klein, Boehm and Reps. Kasper, Marschall, Ista) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1034-1035, adopt amendments as follows, and place SB 2241 on the Seventh order:

That the House recede from its amendments as printed on pages 1034 and 1035 of the Senate Journal and pages 1196 and 1197 of the House Journal and that Engrossed Senate Bill No. 2241 be amended as follows:

Page 1, line 8, after "is" insert "up to"

Renumber accordingly

Engrossed SB 2241 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2344, as reengrossed: Your conference committee (Sens. K. Roers, Cleary, Weston and Reps. Motschenbacher, Fisher, Finley-DeVilje) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1049 and place SB 2344 on the Seventh order.

Reengrossed SB 2344 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2391, as reengrossed: Your conference committee (Sens. Rummel, Kannianen, Magrum and Reps. Dockter, D. Anderson, Steiner) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1072, adopt amendments as follows, and place SB 2391 on the Seventh order:

That the House recede from its amendments as printed on page 1072 of the Senate Journal and pages 1231 and 1232 of the House Journal and that Engrossed Senate Bill No. 2391 be amended as follows:

Page 1, line 10, after "exceeds" insert ":

- a. For an income tax or property tax exemption under this chapter which exceeds five taxable years.

Page 1, line 10, after "for" insert "residential property, excluding owner-occupied single-family residential property, or"

Page 1, line 11, replace "buildings." with "property for a business investment purpose."

- b. For an income tax or property tax exemption under this chapter of five taxable years or less.

Page 1, line 11, remove the overstrike over "~~of the current true and full value~~"

Page 1, line 11, after "for" insert "residential property, excluding owner-occupied single-family residential property, or"

Page 1, line 11, remove the overstrike over "~~commercial~~"

Page 1, line 11, after "or" insert "property, for a business or investment purpose."

Page 1, after line 11, insert:

- c. Fifty percent of the current true and full value for

Page 1, line 12, remove the underscored comma

Page 1, line 12, overstrike "and twenty" and insert immediately thereafter ":

- d. Twenty

Page 1, line 12, after "percent" insert "of the current true and full value"

Page 1, line 12, after "for" insert "owner-occupied"

Page 1, line 12, overstrike "homes" and insert immediately thereafter "residential property"

Renumber accordingly

Reengrossed SB 2391 was placed on the Seventh order of business on the calendar.

MOTION

REP. BOSCH MOVED that Rep. Brandenburg replace Rep. Bellew on the Conference Committee on HB 1013, which motion prevailed on a voice vote.

MOTION

REP. BOSCH MOVED that Rep. B. Anderson replace Rep. Nelson on the Conference Committee on HB 1415, which motion prevailed on a voice vote.

APPOINTMENT OF CONFERENCE COMMITTEE

REP. BOSCH MOVED that the Speaker appoint a new committee of three to act with a like committee from the Senate as a Conference Committee on Engrossed SB 2238, which motion prevailed.

THE SPEAKER APPOINTED as a new Conference Committee on:

Engrossed SB 2238: Reps. Kreidt, Strinden, B. Anderson

MOTION

REP. BOSCH MOVED that HB 1024, which is on the Seventh order, be laid over one legislative day, which motion prevailed.

APPOINTMENT OF CONFERENCE COMMITTEE

REP. BOSCH MOVED that the Speaker appoint a committee of three to act with a like committee from the Senate as a Conference Committee on Engrossed SB 2016, SB 2168, Engrossed SB 2169, Engrossed SB 2219, and SB 2330, which motion prevailed.

THE SPEAKER APPOINTED as a Conference Committee on:

Engrossed SB 2016: Reps. Brandenburg, Pyle, Monson

SB 2168: Reps. Koppelman, Timmons, Weisz

Engrossed SB 2169: Reps. Christensen, Koppelman, Dakane

Engrossed SB 2219: Reps. Koppelman, Grueneich, Dobervich

SB 2330: Reps. Bosch, Headland, Dockter

SIXTH ORDER OF BUSINESS

SPEAKER D. JOHNSON DEEMED approval of the amendments to Reengrossed SB 2004, SB 2085, and Engrossed SB 2304.

Reengrossed SB 2004, SB 2085, and Engrossed SB 2304, as amended, were placed on the Fourteenth order of business on the calendar.

SECOND READING OF SENATE BILL

SB 2085: A BILL for an Act to amend and reenact sections 23-47-02 and 39-21-41.4 of the North Dakota Century Code, relating to system registries for a comprehensive emergency cardiovascular medical system and safety belt usage by emergency medical services personnel; and to provide for a legislative management study.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, K.; Bahl; Beltz; Bosch; Boschee; Brandenburg; Christensen; Christy; Conmy; Cory; Dakane; Davis; Dobervich; Dockter; Dyk; Fegley; Finley-DeVillie; Fisher; Frelich; Grueneich; Hager; Hager;

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

ABSENT AND NOT VOTING: Bellew; Kempenich

SB 2085, as amended, passed.

SECOND READING OF SENATE BILL

SB 2004: A BILL for an Act to provide an appropriation for defraying the expenses of the state auditor; to create and enact section 54-10-31 and a new section to chapter 54-10 of the North Dakota Century Code, relating to audits of the department of financial institutions and an audit report review period; to amend and reenact sections 11-13-02, 54-10-01, and 54-10-10 of the North Dakota Century Code, relating to the duties of the county auditor, the powers and duties of the state auditor, and the salary of the state auditor; to provide for a legislative management study; and to provide for a legislative management report.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 83 YEAS, 10 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

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

NAYS: Fegley; Grueneich; Heilman; Motschenbacher; Prichard; Rios; Ruby, M.; Schatz; Toman; Vetter

ABSENT AND NOT VOTING: Bellew

Reengrossed SB 2004, as amended, passed.

SECOND READING OF SENATE BILL

SB 2304: A BILL for an Act to create and enact a new section to chapter 53-06.1 and a new subsection to section 53-06.1-15.1 of the North Dakota Century Code, relating to alcoholic beverage establishment requirements and the authority of the attorney general to impose fines for gaming violations; and to amend and reenact sections 53-06.1-01 and 53-06.1-03, and subsections 2 and 5 of section 53-06.1-11 of the North Dakota Century Code, relating to gaming licenses for alcoholic beverage establishments, the maximum number of gaming sites allowed, the maximum number of pull tab devices allowed at a site, approval for a gaming site authorization and licensure, modification of allowable expense limits, and rent limits for electronic pull tab devices.

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 53 YEAS, 40

NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Bahl; Boschee; Brandenburg; Christensen; Christy; Cory; Dobervich; Fisher; Frelich; Grueneich; Hagert; Hatlestad; Hauck; Headland; Heilman; Holle; Ista; Johnson, J.; Jonas; Kasper; Klemin; Koppelman; Kreidt; Lefor; Louser; Marschall; Martinson; McLeod; Meier; Motschenbacher; Olson, J.; Olson, S.; Ostlie; Porter; Prichard; Pyle; Rios; Rohr; Ruby, D.; Sanford; Schatz; Schauer; Schobinger; Steiner; Stemen; Thomas; Timmons; Toman; VanWinkle; Vetter; Wagner; Warrey; Weisz

NAYS: Anderson, B.; Anderson, D.; Anderson, K.; Beltz; Bosch; Conmy; Dakane; Davis; Dockter; Dyk; Fegley; Finley-DeVile; Hager; Hanson; Heinert; Henderson; Hoverson; Karls; Kempenich; Kiefert; Longmuir; Mitskog; Mock; Monson; Murphy; Nathe; Nelson; Novak; O'Brien; Richter; Roers Jones; Ruby, M.; Satrom; Schneider; Schreiber-Beck; Strinden; Swiontek; Tveit; Vigesaa; Speaker Johnson, D.

ABSENT AND NOT VOTING: Bellew

Engrossed SB 2304, as amended, passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. FISHER MOVED that the conference committee report on Engrossed HB 1515 as printed on HJ page 1563 be adopted, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

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

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 83 YEAS, 10 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

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

NAYS: Hagert; Hanson; Ista; Karls; Klemin; Monson; Murphy; Satrom; Schreiber-Beck; Speaker Johnson, D.

ABSENT AND NOT VOTING: Bellew

Reengrossed HB 1515 passed.

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

MADAM PRESIDENT: The House has amended and subsequently passed: SB 2004, SB 2085, SB 2304.

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

MADAM PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2150.

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

MR. SPEAKER: The Senate has appointed as a conference committee to act with a like committee from the House on:

HB 1018: Sens. Bekkedahl; Wanzek; Hogue
HB 1168: Sens. Rummel; Kannianen; Magrum
HB 1522: Sens. Weston; Lee; Cleary

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

MR. SPEAKER: The Senate has concurred in the House amendments and subsequently passed: SB 2150 and SB 2247.

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

MR. SPEAKER: The Senate does not concur in the House amendments to SB 2129, SB 2170, SB 2181, SB 2198, SB 2328, SB 2345, and SB 2371, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2129: Sens. Cleary; Weston; Davison
SB 2170: Sens. Wobbema; Sickler; Piepkorn
SB 2181: Sens. K. Roers; Cleary; Dever
SB 2198: Sens. Axtman; Larson; Piepkorn
SB 2328: Sens. Axtman; Conley; Lemm
SB 2345: Sens. Lee; Dever; Hogan
SB 2371: Sens. Sickler; Paulson; Estenson

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

MADAM PRESIDENT: The House has appointed as a conference committee to act with a like committee from the Senate on:

SB 2016: Reps. Brandenburg; Pyle; Monson
SB 2168: Reps. Koppelman; Timmons; Weisz
SB 2169: Reps. Christensen; Koppelman; Dakane
SB 2219: Reps. Koppelman; Grueneich; Dobervich
SB 2330: Reps. Bosch; Headland; Dockter

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

MADAM PRESIDENT: The Speaker has appointed Rep. Brandenburg to replace Rep. Bellew on the Conference Committee on HB 1013.

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

MADAM PRESIDENT: The Speaker has appointed Rep. B. Anderson to replace Rep. Nelson on the Conference Committee on HB 1415.

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

MADAM PRESIDENT: The House has appointed as a new conference committee to act with a like committee from the Senate on:

SB 2238: Reps. Kreidt; Strinden; B. Anderson

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

MADAM PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1515.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1465.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2201, SB 2227.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1288.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently failed to pass: SB 2279.

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

MADAM PRESIDENT: Your signature is respectfully requested on: HB 1528.

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

MADAM PRESIDENT: Your signature is respectfully requested on: HB 1061, HB 1102, HB 1170, HB 1176, HB 1207, HB 1210, HB 1324, HB 1333, HB 1383, HB 1418, HB 1439.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2380.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2002, SB 2006, SB 2008, SB 2022, SB 2096, SB 2142.

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

MR. SPEAKER: The President has signed: HB 1528.

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

MR. SPEAKER: The President has signed: HB 1061, HB 1102, HB 1170, HB 1176, HB 1207, HB 1210, HB 1324, HB 1333, HB 1383, HB 1418, HB 1439.

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

MADAM PRESIDENT: The Speaker has signed: HB 1061, HB 1102, HB 1170, HB 1176, HB 1207, HB 1210, HB 1324, HB 1333, HB 1383, HB 1418, HB 1439, HB 1528.

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

MADAM PRESIDENT: The Speaker has signed: SB 2380.

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

MADAM PRESIDENT: The Speaker has signed: SB 2002, SB 2006, SB 2008, SB 2022, SB 2096, SB 2142.

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

MR. SPEAKER: The President has signed: SB 2002, SB 2006, SB 2008, SB 2022, SB 2096, SB 2142.

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

MR. SPEAKER: The President has signed: SB 2380.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 18, 2023: HB 1061, HB 1102, HB 1170, HB 1176, HB 1207, HB 1210, HB 1324, HB 1333, HB 1383, HB 1418, HB 1439, HB 1528.

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

MADAM PRESIDENT: The House has overridden the Governor's veto on HB 1416. The vote was 90 YEAS, 0 NAYS, 4 ABSENT AND NOT VOTING, and your favorable consideration is requested.

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

MR. SPEAKER: The Senate has overridden the Governor's veto on HB 1416. The vote was 36 YEAS, 11 NAYS, 0 ABSENT AND NOT VOTING.

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

MR. SPEAKER: The Senate has sustained the Governor's veto on HB 1273. The vote was 28 YEAS, 19 NAYS, 0 ABSENT AND NOT VOTING.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following resolutions were delivered to the Secretary of State for filing on April 18, 2023: HCR 3014, HCR 3017, HCR 3018, HCR 3022, HCR 3023, HCR 3025, HCR 3026, HCR 3034, HCR 3036.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bill was delivered to the Secretary of State for filing on April 18, 2023: HB 1463.

MOTION

REP. BOSCH MOVED that the absent members be excused, which motion prevailed.

MOTION

REP. BOSCH MOVED that the House be on the Fourth, Fifth, and Sixteenth orders of business and at the conclusion of those orders, the House stand adjourned until 12:30 p.m., Thursday, April 20, 2023, which motion prevailed.

REPORT OF STANDING COMMITTEE

HB 1540: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (16 YEAS, 5 NAYS, 2 ABSENT AND NOT VOTING). HB 1540 was placed on the Sixth order on the calendar.

Page 3, line 14, replace "The funds provided in this section" with "There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$62,600,000"

Page 3, line 15, replace "funds" with "sum"

Page 3, line 15, remove "are appropriated out of any moneys in the general fund in the state"

Page 3, remove line 16

Page 3, line 17, remove "income,"

Page 3, line 19, remove "appropriated from the general fund"

Page 3, line 21, remove "appropriated from the general fund"

Page 3, line 23, remove "appropriated from the general fund"

Page 3, line 25, remove "appropriated from the general fund"

Page 3, line 28, remove "appropriated from the general fund"

Page 3, line 30, remove "appropriated from special funds"

Page 4, line 1, remove "appropriated from special funds"

Page 4, line 3, remove "appropriated from special funds"

Page 4, line 5, remove "appropriated from special funds"

Page 4, line 7, remove "appropriated from the general fund"

Page 4, line 9, remove "appropriated from the general fund"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2012, as engrossed: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed SB 2012 was placed on the Sixth order on the calendar.

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, relating to a North Dakota legislative health care task force, and Medicaid claims"

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 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 "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	94,904,000	246,065,924
Capital assets	<u>75,000</u>	<u>0</u>	<u>75,000</u>
Total all funds	\$172,600,480	\$530,290,937	\$702,891,417
Less estimated income	<u>92,905,426</u>	<u>293,046,361</u>	<u>385,951,787</u>
Total general fund	\$79,695,054	\$237,244,576	\$316,939,630

Subdivision 2.

PROGRAM AND POLICY

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Salaries and wages	\$122,081,310	(\$122,081,310)	\$0
Operating expenses	176,078,719	52,389,611	228,468,330
Capital assets	10,000	0	10,000
Grants	467,144,387	166,930,099	634,074,486
Grants - medical assistance	3,028,666,463	207,208,461	3,235,874,924
Opioid prevention	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total all funds	\$3,793,980,879	\$306,446,861	\$4,100,427,740
Less estimated income	<u>2,499,452,627</u>	<u>114,043,110</u>	<u>2,613,495,737</u>
Total general fund	\$1,294,528,252	\$192,403,751	\$1,486,932,003

Subdivision 3.

FIELD SERVICES

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Human service centers	\$163,213,829	(\$116,168,572)	\$47,045,257
Institutions	<u>130,383,428</u>	<u>(69,570,994)</u>	<u>60,812,434</u>
Total all funds	\$293,597,257	(\$185,739,566)	\$107,857,691
Less estimated income	<u>114,273,300</u>	<u>(84,296,246)</u>	<u>29,977,054</u>
Total general fund	\$179,323,957	(\$101,443,320)	\$77,880,637

Subdivision 4.

COUNTY SOCIAL SERVICE FINANCING

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
County social services	\$189,917,386	\$3,996,275	\$193,913,661
Total all funds	\$189,917,386	\$3,996,275	\$193,913,661
Less estimated income	<u>188,676,995</u>	<u>5,219,793</u>	<u>193,896,788</u>
Total general fund	\$1,240,391	(\$1,223,518)	\$16,873

Subdivision 5.

TOTAL - SECTION 1

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Grand total general fund	\$1,554,787,654	\$326,981,489	\$1,881,769,143
Grant total special funds	<u>2,895,308,348</u>	<u>328,013,018</u>	<u>3,223,321,366</u>
Grant total all funds	\$4,450,096,002	\$654,994,507	\$5,105,090,509
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"
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Page 3, replace line 18 with:

"State hospital design	0	12,500,000
Service grants	0	585,000
Cross-disability advisory council	0	700,000
Behavioral health facility grants	0	1,950,000"

Page 3, remove lines 20 and 21

Page 3, replace lines 23 through 26 with:

"Law enforcement telehealth	<u>0</u>	<u>2,650,000</u>
Total all funds	\$216,080,305	\$111,684,498
Less estimated income	<u>191,847,089</u>	<u>99,452,326</u>
Total general fund	\$24,233,216	\$12,232,172

**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 clinical 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 clinical 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 clinical 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 clinical 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 \$4,000, 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 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 "\$23,200,000"

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 "\$223,200,000"

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 "\$22,967,500"

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

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."

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 14. 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 period beginning with the effective date of this Act 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 into 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."

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, line 23, replace "\$5,000,000" with "\$12,500,000"

Page 6, line 24, after "fund" insert "as identified in section 13 of this Act"

Page 7, line 3, replace "\$942,550,279" with "\$660,648,280"

Page 7, line 4, replace "\$94,225,028" with "\$66,064,828"

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"

Page 8, after line 2, insert:

- "6. Except for the provisions in subsection 4, provider reimbursement rates under the medical assistance expansion program may not exceed one hundred twenty-five percent of traditional Medicaid reimbursement. Payment rate adjustments shall include alternative payment arrangements aimed at cost-effective, quality improvement strategies. This subsection applies to any medical assistance expansion program provider fee schedule which becomes effective on or after January 1, 2024.

SECTION 21. 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."

Page 9, after line 11, insert:

"SECTION 23. 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.

SECTION 24. 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 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 as selected by the task force. 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 as 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; and
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.

SECTION 25. 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 26. 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 27. 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 28. 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 29. 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 31. 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 32. 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 two percent for inflation. For the rate year beginning July 1, 2024, the department shall increase rates and limits two 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.
5. Within the limits of legislative appropriations, the department shall establish an uncompensated care expense of ~~one hundred eightythree~~hundred sixty-five days."

Page 10, line 19, remove "- **CONTINGENT FULL-TIME EQUIVALENT POSITIONS - REPORT**"

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

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

Page 10, replace lines 24 through 27 with "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."

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 "; and"

10. 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 "two"

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

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, remove "and basic care"

Page 12, line 20, after "facilities" insert "or prospective payment system hospitals"

Page 13, after line 2, insert:

"SECTION 46. 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 47. 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."

Page 13, line 7, replace "19" with "34"

Page 13, after line 8, insert:

"SECTION 50. 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 House Action

	Base Budget	Senate Version	House Changes	House Version
UND Medical Center				
Total all funds	\$0	\$0	\$3,500,000	\$3,500,000
Less estimated income	0	0	3,500,000	3,500,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
DHHS - Management				
Total all funds	\$172,600,480	\$265,550,380	\$437,341,037	\$702,891,417
Less estimated income	92,905,426	186,160,843	199,790,944	385,951,787
General fund	\$79,695,054	\$79,389,537	\$237,550,093	\$316,939,630
FTE	97.85	113.90	2,151.43	2,265.33
DHHS - Program/Policy				
Total all funds	\$3,793,980,879	\$4,617,924,174	(\$517,496,434)	\$4,100,427,740
Less estimated income	2,499,452,627	2,988,736,618	(375,240,881)	2,613,495,737
General fund	\$1,294,528,252	\$1,629,187,556	(\$142,255,553)	\$1,486,932,003
FTE	666.17	687.32	(687.32)	0.00
DHHS - County Social Services Financing				
Total all funds	\$189,917,386	\$225,361,586	(\$31,447,925)	\$193,913,661
Less estimated income	188,676,995	224,010,514	(30,113,726)	193,896,788
General fund	\$1,240,391	\$1,351,072	(\$1,334,199)	\$16,873
FTE	159.00	164.00	(164.00)	0.00
DHHS - Field Services				
Total all funds	\$293,597,257	\$352,897,223	(\$245,039,532)	\$107,857,691
Less estimated income	114,273,300	95,698,581	(65,721,527)	29,977,054
General fund	\$179,323,957	\$257,198,642	(\$179,318,005)	\$77,880,637

FTE	1,342.31	1,394.11	(1,394.11)	0.00
Bill total				
Total all funds	\$4,450,096,002	\$5,461,733,363	(\$353,142,854)	\$5,108,590,509
Less estimated income	2,895,308,348	3,494,606,556	(267,785,190)	3,226,821,366
General fund	\$1,554,787,654	\$1,967,126,807	(\$85,357,664)	\$1,881,769,143
FTE	2,265.33	2,359.33	(94.00)	2,265.33

Senate Bill No. 2012 - UND Medical Center - House Action

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

Department 232 - UND Medical Center - Detail of House Changes

	Adds Funding for Clinical Integrated Network Grant ¹	Total House 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.

Senate Bill No. 2012 - DHHS - Management - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$21,363,556	\$24,409,456	(\$24,409,456)	
Operating expenses	151,161,924	241,065,924	5,000,000	\$246,065,924
Capital assets	75,000	75,000		75,000
Salary block grant program			456,750,493	456,750,493
Total all funds	\$172,600,480	\$265,550,380	\$437,341,037	\$702,891,417
Less estimated income	92,905,426	186,160,843	199,790,944	385,951,787
General fund	\$79,695,054	\$79,389,537	\$237,550,093	\$316,939,630
FTE	97.85	113.90	2,151.43	2,265.33

Department 326 - DHHS - Management - Detail of House Changes

	Adjusts Funding for Management ¹	Total House Changes
Salaries and wages	(\$24,409,456)	(\$24,409,456)
Operating expenses	5,000,000	5,000,000
Capital assets		
Salary block grant program	456,750,493	456,750,493
Total all funds	\$437,341,037	\$437,341,037
Less estimated income	199,790,944	199,790,944
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.		(\$862,063)	(\$283,496)	(\$1,145,559)
Transfers health insurance funding to a new FTE position block grant program.		(436,667)	(139,099)	(575,766)
Transfers funding for salaries and wages to a new salary block grant program.	(112.40)	(16,918,521)	(5,622,318)	(22,540,839)
Creates a new departmentwide FTE block grant program.	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.		16,629,803	10,869,007	27,498,810
Provides funding for increases in health insurance premiums from \$1,429 to \$1,648 per month.		5,861,794	4,052,396	9,914,190
Underfunds salaries and wages in anticipation of vacant positions.		(19,500,000)		(19,500,000)
Removes new criminal background check positions added by the Senate.	(1.50)	(120,780)	(26,512)	(147,292)
Reduces operating reductions made by the Senate from \$19.9 million to \$13.9 million.		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.		(\$1,000,000)		(\$1,000,000)
Total one-time funding changes	0.00	(\$1,000,000)	0	(\$1,000,000)
Total changes to base level funding	2,151.43	\$237,550,093	\$199,790,944	\$437,341,037

Senate Bill No. 2012 - DHHS - Program/Policy - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$122,081,310	\$141,618,507	(\$141,618,507)	
Operating expenses	176,078,719	231,801,268	(3,332,938)	\$228,468,330
Capital assets	10,000	10,000		10,000
Grants	467,144,387	657,651,069	(23,576,583)	634,074,486
Grants - Medical assistance	3,028,666,463	3,584,843,330	(348,968,406)	3,235,874,924
Opioid prevention		2,000,000		2,000,000
Total all funds	\$3,793,980,879	\$4,617,924,174	(\$517,496,434)	\$4,100,427,740
Less estimated income	2,499,452,627	2,988,736,618	(375,240,881)	2,613,495,737
General fund	\$1,294,528,252	\$1,629,187,556	(\$142,255,553)	\$1,486,932,003
FTE	666.17	687.32	(687.32)	0.00

Department 328 - DHHS - Program/Policy - Detail of House Changes

	Adjusts Funding for Program and Policy¹	Total House Changes
Salaries and wages	(\$141,618,507)	(\$141,618,507)
Operating expenses	(3,332,938)	(3,332,938)
Capital assets		
Grants	(23,576,583)	(23,576,583)
Grants - Medical assistance	(348,968,406)	(348,968,406)
Opioid prevention		
Total all funds	(\$517,496,434)	(\$517,496,434)
Less estimated income	(375,240,881)	(375,240,881)
General fund	(\$142,255,553)	(\$142,255,553)
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.		(\$2,661,463)	(\$3,528,496)	(\$6,189,959)
Transfers health insurance funding to a new FTE position block grant program.		(1,338,470)	(1,865,110)	(3,203,580)
Transfers salaries and wages funding to a new FTE block grant program.	(675.32)	(52,606,648)	(77,965,332)	(130,571,980)
Reduces funding for provider inflation from 4 percent per year to 2 percent per year except as noted in medical services and developmental disabilities.		(22,687,172)	(24,677,641)	(47,364,813)

Economic Assistance

Removes funding added by the Senate to increase the utilization of the child care assistance program for children ages 0 to 3.		(22,000,000)		(22,000,000)
Removes funding added by the Senate to improve the ability of low-income parents to obtain child care.		(12,900,000)		(12,900,000)

Medical Services

Removes new Medicaid provider strike team positions added by the Senate.	(2.00)	(48,642)	(266,995)	(315,637)
Removes provider inflation for prospective payment system hospitals.		(4,063,720)	(4,148,691)	(8,212,411)
Reduces estimated utilization rates for Medicaid Expansion (\$110,753,873) and provides for a realigned rate structure to pay 125 percent of traditional Medicaid costs (\$171,148,131).		(28,190,200)	(253,711,804)	(281,902,004)

Long-Term Care

Reduces funding added by the Senate for enhancements to home- and community-based services.		(1,288,319)		(1,288,319)
Adds funding for a long-term care value based payment program.		6,000,000	6,000,000	12,000,000
Reduces estimated long-term care utilization rates.		(9,949,900)	(11,220,100)	(21,170,000)
Adds funding to rebase basic care rates.		3,229,408	1,847,152	5,076,560
Adds funding from the health care trust fund for basic care facility bad debt expense.			500,000	500,000

Aging Services

Removes new home- and community-based services positions added by the Senate.	(3.00)	(143,912)	(143,912)	(287,824)
Removes a new aging services compliance position added by the Senate.	(1.00)	(103,868)	(103,868)	(207,736)
Removes a new aging services lawsuit coordinator position added by the Senate.	(1.00)			0

Children and Family Services

Adds funding for kinship childcare.		460,000		460,000
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Behavioral Health

Removes new community behavioral health positions added by the Senate.	(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.		15,500,000	(15,500,000)	0
Increases school behavioral health grants to provide a total of \$9.5 million.		3,000,000		3,000,000
Adds funding from the community health trust fund for the 988 crisis hotline program.			1,867,500	1,867,500

Developmental Disabilities

Removes a new quality assurance position added by the Senate.	(1.00)	(103,868)	(103,868)	(207,736)
Removes a new early intervention position added by the Senate.	(1.00)	(86,602)	(86,602)	(173,204)
Reduces enhanced payment rates for developmental disabilities providers to provide for annual inflation rate adjustments of 3 percent.		(5,102,578)	(5,682,141)	(10,784,719)
Removes funding added by the Senate to increase the number of corporate guardianship slots and increase funding rates.		(808,748)		(808,748)

Early Childhood

Combines the best in class program and the kindergarten readiness program into the research-based 0-4 program.		2,400,000		2,400,000
Removes funding added by the Senate for early childhood career grants.		(2,000,000)		(2,000,000)
Removes a new program administrator position added by the Senate.	(1.00)	(236,905)		(236,905)
Adds federal funds spending authority for the child care development fund and the preschool development grant.			21,514,027	21,514,027
Total ongoing funding changes	(687.32)	(\$135,955,553)	(\$367,275,881)	(\$503,231,434)

One-time Funding Items

Removes one-time funding added by the Senate for program integrity audits.		(\$2,250,000)	(\$2,250,000)	(\$4,500,000)
Adds funding for a behavioral health facility grant in the Northwest human service region.		1,950,000		1,950,000
Adds funding from the federal state fiscal recovery fund for grants to organizations that			300,000	300,000

provide youth crisis services.				
Adds funding from the federal State Fiscal Recovery Fund for grants to volunteer-based ecumenical ministry organizations.		285,000		285,000
Adds one-time funding from the community health trust fund for consultant and other costs to implement the cross-disability advisory council.		700,000		700,000
Workforce Initiative One-time Funding				
Removes funding added by the Senate for early childhood rating infrastructure.		(3,000,000)		(3,000,000)
Removes funding added by the Senate for quality tiers in the child care reimbursement program.		(3,000,000)		(3,000,000)
Removes funding added from legacy fund earnings to expand public-private child care benefits.		(1,000,000)		(1,000,000)
Removes funding added from legacy fund earnings for child care business operating grants.		(5,000,000)		(5,000,000)
Removes funding added from legacy fund earnings for a pilot program for child care during nontraditional hours.		(1,000,000)		(1,000,000)
Total one-time funding changes	0.00	(\$6,300,000)	(\$7,965,000)	(\$14,265,000)
Total changes to base level funding	(687.32)	(\$142,255,553)	(\$375,240,881)	(\$517,496,434)

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

	Base Budget	Senate Version	House Changes	House Version
County social services	\$189,917,386	\$225,361,586	(\$31,447,925)	\$193,913,661
Total all funds	\$189,917,386	\$225,361,586	(\$31,447,925)	\$193,913,661
Less estimated income	188,676,995	224,010,514	(30,113,726)	193,896,788
General fund	\$1,240,391	\$1,351,072	(\$1,334,199)	\$16,873
FTE	159.00	164.00	(164.00)	0.00

Department 333 - DHHS - County Social Services Financing - Detail of House Changes

	Adjusts Funding for County Social Services ¹	Total House Changes
County social services	(\$31,447,925)	(\$31,447,925)
Total all funds	(\$31,447,925)	(\$31,447,925)
Less estimated income	(30,113,726)	(30,113,726)
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.		(\$61,440)	(\$1,486,858)	(\$1,548,298)
Transfers health insurance funding to a new FTE position block grant program.		(30,807)	(721,687)	(752,494)
Transfers salaries and wages to a new FTE position block grant program.	(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 Senate provided salary adjustments of 4 percent on July 1, 2023, and July 1, 2024.			2,097,313	2,097,313
Removes funding added by the Senate for human service zone employee salary equity adjustments.			(1,000,000)	(1,000,000)
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)	(\$30,113,726)	(\$31,447,925)

Senate Bill No. 2012 - DHHS - Field Services - House Action

	Base Budget	Senate Version	House Changes	House Version
Human service centers	\$163,213,829	\$189,374,455	(\$142,329,198)	\$47,045,257
Institutions	130,383,428	163,522,768	(102,710,334)	60,812,434
Total all funds	\$293,597,257	\$352,897,223	(\$245,039,532)	\$107,857,691
Less estimated income	114,273,300	95,698,581	(65,721,527)	29,977,054
General fund	\$179,323,957	\$257,198,642	(\$179,318,005)	\$77,880,637
FTE	1,342.31	1,394.11	(1,394.11)	0.00

Department 349 - DHHS - Field Services - Detail of House Changes

	Adjust Funding for Field Services ¹	Total House Changes
Human service centers	(\$142,329,198)	(\$142,329,198)
Institutions	(102,710,334)	(102,710,334)
Total all funds	(\$245,039,532)	(\$245,039,532)
Less estimated income	(65,721,527)	(65,721,527)
General fund	(\$179,318,005)	(\$179,318,005)
FTE	(1,394.11)	(1,394.11)

¹ Funding for field services is adjusted as follows:

	FTE Positions	General Fund	Other Funds	Total
2023-25 Ongoing Funding Changes				
Transfers salary increase funding to a new FTE position block grant program.		(\$8,926,423)	(\$2,830,652)	(\$11,757,075)
Transfers health insurance increase funding to a new FTE position block grant program.		(4,161,185)	(1,449,231)	(5,610,416)
Transfers salaries and wages to an FTE block grant funding pool.	(1,320.61)	(172,296,141)	(77,619,785)	(249,915,926)
Removes FTE positions added by the Senate for community-based behavioral health.	(28.50)	(950,906)		(950,906)
Removes FTE positions added by the Senate for crisis support services.	(21.00)	(2,813,836)		(2,813,836)
Adjusts provider inflation to provide 2 percent annual adjustments. The Senate provided 4 percent annual adjustments.		(715,695)		(715,695)
Reduces the number of certified community behavioral health clinics from 3 to 1 and removes new FTE positions added for the clinics.	(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).		20,786,281		20,786,281
Adds funding to provide telehealth psychiatric services in correctional facilities.		1,500,000		1,500,000
Adds ongoing general fund support to replace funding at facilities due to a revenue shortfall.		30,000,000	(30,000,000)	0
Total ongoing funding changes	(1,394.11)	(\$143,289,864)	(\$111,899,668)	(\$255,189,532)
One-time Funding Items				
Increases funding from the strategic investment and improvements fund for State Hospital design and early construction costs from \$5 to \$12.5 million.			7,500,000	7,500,000
Removes one-time general fund support to replace funding at facilities due to a revenue shortfall.		(36,028,141)	36,028,141	0
Adds funding from the state fiscal recovery fund for a rural law enforcement telehealth program.			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)	(\$179,318,005)	(\$65,721,527)	(\$245,039,532)

Senate Bill No. 2012 - Other Changes - House Action

This amendment also:

- Provides a 2021-23 biennium appropriation from the DHHS operating fund for the repayment of funds withheld from unemployment benefits.
- Authorizes DHHS to adjust the number of authorized full-time equivalent positions subject to the availability of funds.
- Adjusts the amount of the transfer from the strategic investment and improvements fund to the human service finance fund from \$21.6 million to \$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.
- Creates a North Dakota legislative health care task force.
- Removes the sunset clause on the best in class program.
- Adjusts Medicaid language relating to probate proceedings and reimbursement rate information.
- Provides for the rebasement of basic care payment rates.
- Adjusts guidelines for the development of certified community behavioral health clinics.
- 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.
- Provides for a Legislative Management study of Medicaid provider reimbursement arrangements.

REPORT OF STANDING COMMITTEE

SB 2013, as engrossed: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Engrossed SB 2013 was placed on the Sixth order on the calendar.

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

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

Page 1, line 5, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, line 5, remove "and"

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

Page 1, remove lines 19 through 24

Page 2, replace lines 1 through 9 with:

"Salaries and wages	\$17,854,747	\$702,569	\$18,557,316
Operating expenses	33,098,149	(304,829)	32,793,320
Integrated formula payments	2,131,825,000	339,743,255	2,471,568,255
Grants - special education	27,000,000	0	27,000,000
Grants - transportation	58,100,000	0	58,100,000
Grants - other grants	312,738,893	70,000,000	382,738,893
Grants - program grants	0	15,550,000	15,550,000
Grants - passthrough grants	0	16,989,000	16,989,000
Grants - program and passthrough	10,387,064	(10,387,064)	0
PowerSchool	5,250,000	525,000	5,775,000
National board certification	<u>176,290</u>	<u>0</u>	<u>176,290</u>
Total all funds	\$2,596,430,143	\$432,817,931	\$3,029,248,074

Less estimated income	<u>938,233,270</u>	<u>180,436,476</u>	<u>1,118,669,746</u>
Total general fund	\$1,658,196,873	\$252,381,455	\$1,910,578,328
Full-time equivalent positions	86.25	0.00	86.25

Subdivision 2.

CENTER FOR DISTANCE EDUCATION

	<u>Base Level</u>	<u>Adjustments or Enhancements</u>	<u>Appropriation</u>
Center for distance education	\$0	\$11,183,325	\$11,183,325
Total all funds	\$0	\$11,183,325	\$11,183,325
Less estimated income	<u>0</u>	<u>4,550,000</u>	<u>4,550,000</u>
Total general fund	\$0	\$6,633,325	\$6,633,325
Full-time equivalent positions	0.00	30.80	30.80"

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

Page 2, replace lines 14 through 19 with:

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

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

Page 2, replace lines 25 through 30 with:

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

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

Page 3, replace lines 5 through 10 with:

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

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

Page 3, replace lines 16 through 18 with:

"Grand total general fund	\$1,676,197,029	\$260,996,146	\$1,937,193,175
Grand total special funds	<u>944,450,393</u>	<u>186,567,798</u>	<u>1,131,018,191</u>
Grand total all funds	\$2,620,647,422	\$447,563,944	\$3,068,211,366"

Page 3, remove lines 24 through 31

Page 4, replace lines 1 through 14 with:

"Department of public instruction			
Science experiments grants		\$13,500,000	\$9,900,000
Regional education association grants		250,000	70,000

State automated reporting system maintenance	200,000	0
Children's science center	5,900,000	0
Children's theatre and art park	0	2,500,000
State automated reporting system and statewide longitudinal data system upgrades	10,100,000	0
Elementary and secondary school emergency education relief	305,266,879	0
Emergency education relief homeless children and youth program	1,999,661	0
Assistance to nonpublic schools	4,151,371	0
Individuals with Disabilities Education Act grant	8,632,569	0
Grow-your-own teacher program	0	0
School board training grants	0	1,500,000
Cybersecurity training for teachers	0	0
Statewide reading tool	0	1,600,000
Statewide teacher retention program	0	<u>4,300,000</u>
Total department of public instruction - all funds	\$350,000,480	\$19,870,000
Total department of public instruction - estimated income	<u>349,800,480</u>	<u>16,300,000</u>
Total department of public instruction - general fund"	\$200,000	\$3,570,000

Page 5, replace lines 18 through 20 with:

"Grand total - all funds	\$353,300,706	\$21,631,671
Grand total - estimated income	<u>353,100,706</u>	<u>17,638,586</u>
Grand total - general fund	\$200,000	\$3,993,085"

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

Page 6, after line 3, insert:

"SECTION 5. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND. The estimated income line item in subdivision 1 of section 1 of this Act includes the sum of \$8,900,000 from the strategic investment and improvements fund for certain passthrough grants."

Page 6, after line 30, insert:

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

Page 7, line 2, replace "\$700,000" with "\$500,000"

Page 7, line 5, replace "\$50,000" with "\$35,714"

Page 7, remove lines 8 through 20

Page 7, line 26, after the period insert "Additional funding made available to school districts by reducing the local property tax contribution to the integrated formula is not considered new money."

Page 8, line 12, replace "\$16,009,764" with "\$20,069,000"

Page 8, after line 26, insert:

"SECTION 15. EXEMPTION - UNEXPENDED STATE AUTOMATED REPORTING SYSTEM AND STATEWIDE LONGITUDINAL DATA SYSTEM UPGRADE APPROPRIATION. The sum of \$10,000,000 of special funds from the

public instruction fund in the state treasury, derived from reimbursements withheld from school districts' integrated formula payments for the purpose of information technology project upgrades to the state automated reporting system and the statewide longitudinal data system, appropriated to the department of public instruction in section 17 of chapter 549 of the 2021 Special Session Laws, is not subject to the provisions of section 54-44.1-11 and any unexpended funds from this one-time appropriation may be continued and are available for information technology project upgrades to the state automated reporting system and the statewide longitudinal data system during the biennium beginning July 1, 2023, and ending June 30, 2025. The department of public instruction shall transfer any funds continued in excess of \$5,000,000 to the information technology department for statewide longitudinal data system upgrades."

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

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

Page 9, line 4, remove "forty thousand"

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

Page 9, after line 5, insert:

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

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

1. To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:
 - a. All state aid received by the district in accordance with chapter 15.1-27 during the 2018-19 school year;
 - b. An amount equal to the property tax deducted by the superintendent of public instruction to determine the 2018-19 state aid payment;
 - c. An amount equal to seventy-five percent of the revenue received by the school district during the 2017-18 school year for the following revenue types:
 - (1) Revenue reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
 - (2) Mineral revenue received by the school district through direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
 - (3) Tuition reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception of revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition received for the provision of an adult farm management program, and beginning in the 2021-22 school year, seventeen percent of tuition received under an agreement to educate

- students from a school district on an air force base with funding received through federal impact aid, and an additional seventeen percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid each school year thereafter, until the 2024-25 school year when sixty-eight percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid must be excluded from the tuition calculation under this paragraph;
- (4) Revenue from payments in lieu of taxes on the distribution and transmission of electric power;
 - (5) Revenue from payments in lieu of taxes on electricity generated from sources other than coal; and
 - (6) Revenue from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3);
- d. An amount equal to the total revenue received by the school district during the 2017-18 school year for the following revenue types:
- (1) Mobile home tax revenue;
 - (2) Telecommunications tax revenue; and
 - (3) Revenue from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit; and
- e. Beginning with the 2020-21 school year, the superintendent shall reduce the baseline funding for any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must be proportional to the number of weighted student units in the grades that are offered through another school district relative to the total number of weighted student units the school district offered in the year before the school district became an elementary district. The reduced baseline funding applies to the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter. For districts that become an elementary district prior to the 2020-21 school year, the superintendent shall use the reduced baseline funding to calculate state aid for the 2020-21 school year and for each year thereafter.
2. a. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's 2017-18 weighted student units to determine the district's baseline funding per weighted student unit.
- b. For any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the district's baseline funding per weighted student unit used to calculate state aid. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's weighted student units after the school district becomes an elementary district to determine the district's adjusted baseline funding per weighted student unit. The superintendent shall use the district's adjusted baseline funding per weighted student unit in the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter.

- c. Beginning with the 2021-22 school year and for each school year thereafter, the superintendent shall reduce the district's baseline funding per weighted student unit. Each year the superintendent shall calculate the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit provided in subsection 3. The superintendent shall reduce the district's baseline funding per weighted student unit by fifteen percent of the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit for the 2021-22 school year. For each year thereafter, the reduction percentage is increased by an additional fifteen percent. However, the district's baseline funding per weighted student unit, after the reduction, may not be less than the payment per weighted student unit provided in subsection 3.
3.
 - a. For the 2021-22 school year, the superintendent shall calculate state aid as the greater of:
 - (1) The district's weighted student units multiplied by ten thousand one hundred thirty-six dollars;
 - (2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand one hundred thirty-six dollars; or
 - (3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by fifteen percent and then the difference added to the amount determined in paragraph 1.
 - b. For the 2022-23 school year and each school year thereafter, the superintendent shall calculate state aid as the greater of:
 - (1) The district's weighted student units multiplied by ten thousand two hundred thirty-seven dollars;
 - (2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand two hundred thirty-seven dollars; or
 - (3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by thirty percent for the 2022-23 school year and the reduction percentage increasing by fifteen percent each school year thereafter until the difference is reduced to zero, and then the difference added to the amount determined in paragraph 1.
 - c. The superintendent also shall adjust state aid determined in this subsection to ensure the amount does not exceed the transition maximum as follows:
 - (1) For the 2021-22 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.

- (2) For the 2022-23 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.
 - (3) For the 2023-24 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus twenty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
 - (4) For the 2024-25 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus forty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
 - (5) For the 2025-26 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus sixty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
 - (6) For the 2026-27 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus eighty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
4. After determining the product in accordance with subsection 3, the superintendent of public instruction shall:
 - a. Subtract an amount equal to sixty mills multiplied by the taxable valuation of the school district, except the amount in dollars subtracted for purposes of this subdivision may not exceed the previous year's amount in dollars subtracted for purposes of this subdivision by more than twelve percent, adjusted pursuant to section 15.1-27-04.3; and
 - b. Subtract an amount equal to seventy-five percent of all revenue types listed in subdivisions c and d of subsection 1. Before determining the deduction for seventy-five percent of all revenue

types, the superintendent of public instruction shall adjust revenues as follows:

- (1) Tuition revenue shall be adjusted as follows:
 - (a) In addition to deducting tuition revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition revenue received for the provision of an adult farm management program, tuition received for the education of high-cost and special education students, and tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid as directed each school year in paragraph 3 of subdivision c of subsection 1, the superintendent of public instruction also shall reduce the total tuition reported by the school district by the amount of tuition revenue received for the education of students not residing in the state and for which the state has not entered a cross-border education contract; and
 - (b) The superintendent of public instruction also shall reduce the total tuition reported by admitting school districts meeting the requirements of subdivision e of subsection 2 of section 15.1-29-12 by the amount of tuition revenue received for the education of students residing in an adjacent school district.
- (2) After adjusting tuition revenue as provided in paragraph 1, the superintendent shall reduce all remaining revenues from all revenue types by the percentage of mills levied in 2020 by the school district for sinking and interest relative to the total mills levied in 2020 by the school district for all purposes.
5. The amount remaining after the computation required under subsection 4 is the amount of state aid to which a school district is entitled, subject to any other statutory requirements or limitations.
6. On or before June thirtieth of each year, the school board shall certify to the superintendent of public instruction the final average daily membership for the current school year.
7. For purposes of the calculation in subsection 4, each county auditor, in collaboration with the school districts, shall report the following to the superintendent of public instruction on an annual basis:
 - a. The amount of revenue received by each school district in the county during the previous school year for each type of revenue identified in subdivisions c and d of subsection 1;
 - b. The total number of mills levied in the previous calendar year by each school district for all purposes; and
 - c. The number of mills levied in the previous calendar year by each school district for sinking and interest fund purposes.

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

1. To determine the amount of state aid payable to each district, the superintendent of public instruction shall establish each district's baseline funding. A district's baseline funding consists of:
 - a. All state aid received by the district in accordance with chapter 15.1-27 during the 2018-19 school year;

- b. An amount equal to the property tax deducted by the superintendent of public instruction to determine the 2018-19 state aid payment;
- c. An amount equal to seventy-five percent of the revenue received by the school district during the 2017-18 school year for the following revenue types:
 - (1) Revenue reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
 - (2) Mineral revenue received by the school district through direct allocation from the state treasurer and not reported under code 2000 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08;
 - (3) Tuition reported under code 1300 of the North Dakota school district financial accounting and reporting manual, as developed by the superintendent of public instruction in accordance with section 15.1-02-08, with the exception of revenue received specifically for the operation of an educational program provided at a residential treatment facility, tuition received for the provision of an adult farm management program, and beginning in the 2025-26 school year, eighty-five percent of tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid, until the 2026-27 school year, and each school year thereafter, when all tuition received under an agreement to educate students from a school district on an air force base with funding received through federal impact aid must be excluded from the tuition calculation under this paragraph;
 - (4) Revenue from payments in lieu of taxes on the distribution and transmission of electric power;
 - (5) Revenue from payments in lieu of taxes on electricity generated from sources other than coal; and
 - (6) Revenue from the leasing of land acquired by the United States for which compensation is allocated to the state under 33 U.S.C. 701(c)(3); and
- d. An amount equal to the total revenue received by the school district during the 2017-18 school year for the following revenue types:
 - (1) Mobile home tax revenue;
 - (2) Telecommunications tax revenue; and
 - (3) Revenue from payments in lieu of taxes and state reimbursement of the homestead credit and disabled veterans credit.
- e. Beginning with the 2020-21 school year, the superintendent shall reduce the baseline funding for any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2012-13 school year. The reduction must be proportional to the number of weighted student units in the grades that are offered through another school district relative to the total number of weighted student units the school district offered in the year before the school district became an elementary district. The reduced baseline funding applies to the calculation of state aid for the first school year in which the

school district becomes an elementary district and for each year thereafter. For districts that become an elementary district prior to the 2020-21 school year, the superintendent shall use the reduced baseline funding to calculate state aid for the 2020-21 school year and for each year thereafter.

2. a. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's 2017-18 weighted student units to determine the district's baseline funding per weighted student unit.
 - b. For any school district that becomes an elementary district pursuant to section 15.1-07-27 after the 2017-18 school year, the superintendent shall adjust the district's baseline funding per weighted student unit used to calculate state aid. The superintendent shall divide the district's baseline funding determined in subsection 1 by the district's weighted student units after the school district becomes an elementary district to determine the district's adjusted baseline funding per weighted student unit. The superintendent shall use the district's adjusted baseline funding per weighted student unit in the calculation of state aid for the first school year in which the school district becomes an elementary district and for each year thereafter.
 - c. Beginning with the 2021-22 school year and for each school year thereafter, the superintendent shall reduce the district's baseline funding per weighted student unit. Each year the superintendent shall calculate the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit provided in subsection 3. The superintendent shall reduce the district's baseline funding per weighted student unit by fifteen percent of the amount by which the district's baseline funding per weighted student unit exceeds the payment per weighted student unit for the 2021-22 school year. For each year thereafter, the reduction percentage is increased by an additional fifteen percent. However, the district's baseline funding per weighted student unit, after the reduction, may not be less than the payment per weighted student unit provided in subsection 3.
3. a. For the 2021-22 school year, the superintendent shall calculate state aid as the greater of:
 - (1) The district's weighted student units multiplied by ten thousand one hundred thirty-six dollars;
 - (2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand one hundred thirty-six dollars; or
 - (3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by fifteen percent and then the difference added to the amount determined in paragraph 1.
 - b. For the 2022-23 school year and each school year thereafter, the superintendent shall calculate state aid as the greater of:
 - (1) The district's weighted student units multiplied by ten thousand two hundred thirty-seven dollars;

- (2) One hundred two percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units, not to exceed the district's 2017-18 baseline weighted student units, plus any weighted student units in excess of the 2017-18 baseline weighted student units multiplied by ten thousand two hundred thirty-seven dollars; or
 - (3) The district's baseline funding as established in subsection 1 less the amount in paragraph 1, with the difference reduced by thirty percent for the 2022-23 school year and the reduction percentage increasing by fifteen percent each school year thereafter until the difference is reduced to zero, and then the difference added to the amount determined in paragraph 1.
- c. The superintendent also shall adjust state aid determined in this subsection to ensure the amount does not exceed the transition maximum as follows:
- (1) For the 2021-22 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.
 - (2) For the 2022-23 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, multiplied by the district's weighted student units from the previous school year.
 - (3) For the 2023-24 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus twenty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
 - (4) For the 2024-25 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus forty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.
 - (5) For the 2025-26 school year, the transition maximum rate is one hundred ten percent of the district's baseline funding per weighted student unit, as established in subsection 2, plus sixty percent of the difference between the rate under paragraph 1 of subdivision b of this subsection and one hundred ten percent of the district's baseline funding per weighted student unit. The transition maximum is determined by multiplying the transition maximum rate, which may not exceed the rate under paragraph 1 of subdivision b of this subsection, by the district's weighted student units from the previous school year.

7. For purposes of the calculation in subsection 4, each county auditor, in collaboration with the school districts, shall report the following to the superintendent of public instruction on an annual basis:
 - a. The amount of revenue received by each school district in the county during the previous school year for each type of revenue identified in subdivisions c and d of subsection 1;
 - b. The total number of mills levied in the previous calendar year by each school district for all purposes; and
 - c. The number of mills levied in the previous calendar year by each school district for sinking and interest fund purposes.

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

15.1-32-01. Definitions.

As used in this chapter:

1. "Major life activities" include learning, walking, talking, breathing, and caring for oneself.
2. "Related services" means transportation and developmental and corrective or supportive services required to assist a student with disabilities to benefit from special education.
- ~~2-3.~~ "Special education" means instruction designed to meet the needs of a student with disabilities, transportation, and corrective and supporting services required to assist a student with disabilities in taking advantage of, or responding to, educational programs and opportunities.
- ~~3-4.~~ "Student who is gifted" means an individual who is identified by qualified professionals as being capable of high performance and who needs educational programs and services beyond those normally provided in a regular education program.
- 4-5. a. "Student with a disability" means an individual who is at least three years of age but who has not reached the age of twenty-one before August first of the year in which the individual turns twenty-one and who requires special education and related services because of:
 - (1) An intellectual disability;
 - (2) A hearing impairment, including deafness;
 - (3) Deaf-blindness;
 - (4) A speech or language impairment;
 - (5) A visual impairment, including blindness;
 - (6) An emotional disturbance;
 - (7) An orthopedic impairment;
 - (8) Autism;
 - (9) A traumatic brain injury;
 - (10) Other health impairment; or
 - (11) A specific learning disability.

- b. "Student with a disability" includes a student age eighteen through twenty-one who is incarcerated in an adult correctional facility and who, in the last educational placement prior to incarceration, was identified as being a student with a disability and did not have an individualized education program or was identified as being a student with a disability and had an individualized education program.
6. "Student with a significant medical condition" means a student with a physical or mental impairment, whether permanent or temporary, which substantially limits one or more major life activities and who is not entitled to special education and related services.

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

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

1. If in the opinion of an individualized education program team or a services plan team a student with a disability or a student with a significant medical condition is unable to attend a public school in ~~the special education unit to which~~ the student's school district of residence belongs, the student's school district of residence shall ~~contract~~release the student at the time deemed necessary to begin attendance with another public school that:
 - a. ~~Does not belong to the same special education unit;~~
 - ~~b.~~ Is located in this state;
 - ~~e.b.~~ Is willing to admit the student; and
 - ~~d.c.~~ Is able to provide appropriate services to the student.
2. ~~The superintendent of public instruction shall approve in advance the terms of the contract and the services to be provided by the admitting school.~~
3. ~~The contract must provide that the student's school district of residence is liable for the cost of educating the student.~~
- 4.3. Upon being notified by the district in which the student receives services that the student's school district of residence has not paid for services that were provided to the student, the superintendent of public instruction, after verification, shall withhold all state aid payments to which the student's school district of residence is entitled, until the required payments have been made.

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

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

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

2. The excess costs of providing ~~special education and related~~ services to these students are the responsibility of the state and the superintendent of public instruction shall reimburse the school districts for any excess costs incurred in the provision of ~~special education and related~~the services to the identified students.
3. "Excess costs" are those that exceed four times the state average cost of education per student and which are incurred by the ~~special education~~-students identified in subsection 1.
4. All costs of providing ~~special education and related~~ services to those students identified in subsection 1, other than excess costs reimbursed by the state, are the responsibility of the student's school district of residence.
5. In addition to any other reimbursements provided under this section, if a school district expends more than two percent of its annual budget for the provision of ~~special education and related~~ services to one student with a disability or significant medical condition, the district shall notify the superintendent of public instruction. Upon verification, the superintendent shall reimburse the district for the difference between:
 - a. Two percent of the district's annual budget; and
 - b. The lesser of:
 - (1) The amount actually expended by the district for the provision of special education and related services to that student; or
 - (2) The amount representing four times the state average cost of education per student."

Page 10, after line 3, insert:

"SECTION 23. LEGISLATIVE INTENT - AMENDMENTS TO THE STATE SCHOOL AID INTEGRATED FUNDING FORMULA. It is the intent of the sixty-eighth legislative assembly that the sixty-ninth legislative assembly consider amendments to the state school aid integrated funding formula only in the appropriation bill for the department of public instruction.

SECTION 24. EFFECTIVE DATE. Senate Bill No. 2269, as approved by the sixty-eighth legislative assembly, becomes effective July 1, 2023. Sections 3, 4, and 7 of Senate Bill No. 2050, as approved by the sixty-eighth legislative assembly, become effective May 15, 2023.

SECTION 25. EMERGENCY. Sections 3, 4, and 7, of Senate Bill No. 2050 and Senate Bill No. 2269, as approved by the sixty-eighth legislative assembly, are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Department of Public Instruction				
Total all funds	\$2,596,430,143	\$2,991,058,326	\$38,189,748	\$3,029,248,074
Less estimated income	938,233,270	1,092,638,081	26,031,665	1,118,669,746
General fund	\$1,658,196,873	\$1,898,420,245	\$12,158,083	\$1,910,578,328
FTE	86.25	86.25	0.00	86.25
Center for Distance Education				
Total all funds	\$0	\$0	\$11,183,325	\$11,183,325
Less estimated income	0	0	4,550,000	4,550,000
General fund	\$0	\$0	\$6,633,325	\$6,633,325

	Increases Funding for Adult Education ⁷	Removes Funding for Free Breakfast Program ⁸	Increases Funding for Teacher Mentoring ⁹	Adds Funding for Passthrough Grants ¹⁰	Decreases One-Time Funding for School Board Training ¹¹	Removes One-Time Funding for Cybersecurity Training ¹²
Salaries and wages						
Operating expenses						
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants						
Grants - Program and passthrough						
Grants - Program grants	\$500,000	(\$200,000)			(\$500,000)	(\$1,000,000)
Grants - Passthrough grants			\$1,874,236	\$485,000		
PowerSchool						
National board certification						
Total all funds	\$500,000	(\$200,000)	\$1,874,236	\$485,000	(\$500,000)	(\$1,000,000)
Less estimated income	500,000	(200,000)	1,874,236	485,000	(500,000)	(1,000,000)
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Removes One-Time Funding for a Grow-Your-Own Teacher Program ¹³	Adds One-Time Funding for Regional Education Association Merger Incentive Grants ¹⁴	Adds One-Time Funding for a Statewide Reading Tool ¹⁵	Adds One-Time Funding for a Teacher Retention Program ¹⁶	Adds One-Time Funding for Passthrough Grants ¹⁷	Total House Changes
Salaries and wages						(\$756,543)
Operating expenses						(500,000)
Integrated formula payments						22,917,055
Grants - Special education contracts						
Grants - Transportation						
Grants - Other grants						
Grants - Program and passthrough						
Grants - Program grants	(\$3,000,000)	\$70,000	\$1,600,000	\$4,300,000		1,770,000
Grants - Passthrough grants					\$12,400,000	14,759,236
PowerSchool						
National board certification						
Total all funds	(\$3,000,000)	\$70,000	\$1,600,000	\$4,300,000	\$12,400,000	\$38,189,748
Less estimated income	(3,000,000)	0	1,600,000	4,300,000	8,900,000	26,031,665
General fund	\$0	\$70,000	\$0	\$0	\$3,500,000	\$12,158,083
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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

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

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

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

	General Fund	Other Funds	Total
New FTE positions	(\$0)	(\$0)	(\$0)
Vacant FTE positions	(394,426)	(658,659)	(1,053,085)
Total	(\$394,426)	(\$658,659)	(\$1,053,085)

³ Funding for information technology charges based on total agency appropriation is decreased. Charges assessed by the Information Technology Department based on agency funding must not include funding provided to the Department of Public Instruction for

integrated formula payments, transportation grants, and special education contract grants.

⁴ Funding for integrated formula payments is adjusted as follows:

	General Fund
Adjusts savings related to cost to continue integrated formula payments for a total of \$46,367,895 in savings Senate Bill No. 2284:	(\$11,038,751)
Adjusts funding to increase the integrated payment rate by 3.5 percent in the 1st year and 3 percent in the 2nd year of the biennium	
The Senate provided 3 percent increases each year of the biennium	13,375,834
Adjusts the funding to remove transition maximum payment adjustments	12,020
Adjusts the funding to implement on-time funding based on fall enrollment	(5,334)
Adds funding to increase the special education weighting factor from .082 to .088	15,660,200
Adjusts funding to increase the school size weighting factor for school districts operating two plants at least 14 miles apart	93,086
Senate Bill No. 2013	
Adds funding to exempt tuition for high-cost students from deduction in the state aid formula	<u>5,020,000</u>
Increase in integrated formula payments	\$23,117,055

⁵ Funding in the integrated formula payments line item is decreased to reduce grants to regional education associations to provide a total of \$500,000, the same as the 2021-23 biennium.

⁶ The funding source for integrated formula payments is adjusted to increase funding from the foundation aid stabilization fund to provide a total of \$157 million.

⁷ Funding from special funds derived from carryover funds deposited in the department's operating fund is increased for adult education matching grants to provide a total of \$5.5 million.

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

⁹ Funding from special funds derived from carryover funds deposited in the department's operating fund is increased for the teacher mentoring passthrough grant to provide a total of \$4 million from carryover funds.

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

- \$20,000 for TeenPact;
- \$40,000 for national writing projects; and
- \$425,000 for rural art outreach.

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

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

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

¹⁴ One-time funding is added for regional education association merger incentive grants.

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

¹⁶ One-time funding is added from special funds derived from carryover funds deposited in

the department's operating fund to make a teacher retention program available statewide.

¹⁷ One-time funding is added from the general fund and from the strategic investment and improvements fund for passthrough grants as follows:

	General Fund	Strategic Investment and Improvements Fund	Total
North Dakota's Gateway to Science	\$3,500,000	\$0	\$3,500,000
Grand Forks Science Center	0	5,900,000	5,900,000
Sleepy Hollow Children's Theatre and Art Park (renovation and construction only)	0	2,500,000	2,500,000
Fargo Science Center	0	500,000	500,000
Total	\$3,500,000	\$8,900,000	\$12,400,000

In addition this amendment:

- Amends the section related to funding from the foundation aid stabilization fund to provide a total of \$157 million;
- Adds a section identifying funding from the strategic investment and improvements fund;
- Adds a section related to the distribution of regional education association merger incentive grants;
- Amends the section related to regional education association grants to provide \$500,000 for annual grants, the same as the 2021-23 biennium;
- Removes the section related to the application, distribution, and reporting for passthrough grants;
- Amends the section related to new money to provide additional funding made available to school districts by reducing the local property tax contribution to the state school aid formula is not considered new money;
- Amends the section related to general fund carryover to be deposited in the department's operating fund to provide a total of \$20,069,000;
- Adds a section to allow carryover for the state automated reporting system and statewide longitudinal data system upgrades and provides the amount continued over \$5 million will be transferred to the Information Technology Department;
- Amends the section related to the salary of the Superintendent of Public Instruction to provide salary increases of 6 percent in the 1st year of the biennium and 4 percent in the 2nd year of the biennium;
- Adds a section to amend the state school aid funding formula to exempt tuition received for the education of high-cost and special education students from deduction in the formula;
- Adds three sections to provide for various definitions relating to high-cost students, services to high-cost students, and school district liability related to special education and other high-cost services; and
- Adds a section of legislative intent to provide it is the intent of the 68th Legislative Assembly that the 69th Legislative Assembly consider amendments to the state school aid integrated funding formula only in the appropriation bill for the Department of Public Instruction.
- Adds a section to provide effective dates for Sections 3, 4, and 7 of Senate Bill No. 2050 and for Senate Bill No. 2069.
- Adds a section to provide Sections 3, 4, and 7 of Senate Bill No. 2050 and Senate Bill No. 2069 are an emergency measure.

Senate Bill No. 2013 - Center for Distance Education - House Action

	Base Budget	Senate Version	House Changes	House Version
Center for Distance Education			\$11,183,325	\$11,183,325
Total all funds	\$0	\$0	\$11,183,325	\$11,183,325
Less estimated income	0	0	4,550,000	4,550,000
General fund	\$0	\$0	\$6,633,325	\$6,633,325
FTE	0.00	0.00	30.80	30.80

Department 204 - Center for Distance Education - Detail of House Changes

	Adds Funding to Transfer the Center for Distance Education ¹	Adds Funding for Salary and Benefit Increases ²	Removes Salary Funding for Funding Pool ³	Adds 1 FTE Elementary Teacher Position ⁴	Adds 1 FTE Information Technology Position ⁵	Increases Funding for Center for Distance Education ⁶
Center for Distance Education	\$9,474,354	\$538,281	(\$650,310)	\$165,000	\$156,000	\$1,500,000
Total all funds	\$9,474,354	\$538,281	(\$650,310)	\$165,000	\$156,000	\$1,500,000
Less estimated income	3,050,000	0	0	0	0	1,500,000
General fund	\$6,424,354	\$538,281	(\$650,310)	\$165,000	\$156,000	\$0
FTE	28.80	0.00	0.00	1.00	1.00	0.00

	Total House Changes
Center for Distance Education	\$11,183,325
Total all funds	\$11,183,325
Less estimated income	4,550,000
General fund	\$6,633,325
FTE	30.80

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

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

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

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

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

	General Fund	Other Funds	Total
New FTE positions	(\$321,000)	\$0	(\$321,000)
Vacant FTE positions	(329,310)	0	(329,310)
Total	(\$650,310)	\$0	(\$650,310)

⁴ One FTE elementary teacher position and related funding for salaries and wages is added for the Center for Distance Education.

⁵ One FTE information technology position and related funding for salaries and wages is added for the Center for Distance Education.

⁶ Funding from special funds derived from tuition is added for Center for Distance Education teacher salaries and wages and operating expenses.

Senate Bill No. 2013 - State Library - House Action

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

Department 250 - State Library - Detail of House Changes

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

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

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

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

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

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

³ Funding for operating expenses is added for anticipated increases in federal funds. The Senate did not include this increase.

This amendment also adds a section to provide an effective date for Sections 3, 4, and 7 of Senate Bill No. 2050 and to declare an emergency measure.

Senate Bill No. 2013 - School for the Deaf - House Action

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

Department 252 - School for the Deaf - Detail of House Changes

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

¹ Salaries and wages funding is adjusted to provide for 2023-25 biennium salary increases of

6 percent on July 1, 2023, and 4 percent on July 1, 2024, and for adjustments to health insurance premium rates as follows:

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

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

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. 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.

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

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

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

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

	<u>Adds Funding for Salary and Benefit Increases¹</u>	<u>Removes Salary Funding for Funding Pool²</u>	<u>Total House Changes</u>
Salaries and wages	\$40,640	(\$132,087)	(\$91,447)
Operating expenses			
Capital assets			
Total all funds	\$40,640	(\$132,087)	(\$91,447)
Less estimated income	4,053	(7,765)	(3,712)
General fund	\$36,587	(\$124,322)	(\$87,735)
FTE	0.00	0.00	0.00

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

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

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

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. 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.

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

REPORT OF STANDING COMMITTEE

SB 2020, as engrossed: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed SB 2020 was placed on the Sixth order on the calendar.

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

Page 1, line 2, replace "section" with "sections 61-02-01.3,"

Page 1, line 2, after "61-02-79" insert ", and 61-03-21.4"

Page 1, line 4, after "credit" insert ", water project economic analyses requirements,"

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

Page 1, replace lines 14 through 24 with:

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

Page 2, replace lines 7 and 8 with:

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

Page 2, replace line 23 with:

"Total special funds	\$206,600,000	\$163,500,383"
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Page 2, line 31, remove "defraying the expenses of that agency, excluding operating"

Page 3, line 1, replace "expenses and salaries and wages" with "providing water supply grants and rural water supply grants"

Page 3, line 2 after the period insert: "Any additional amounts must be allocated equally between water supply grants and rural water supply grants."

Page 3, replace lines 3 through 9 with:

"SECTION 4. TRANSFER - WATER PROJECT STABILIZATION FUND TO WATER INFRASTRUCTURE REVOLVING LOAN FUND. The office of management and budget shall transfer \$30,000,000 from the water project stabilization fund to the water infrastructure revolving loan fund established under section 6-09-49.2, during the period beginning with the effective date of this Act, and ending June 30, 2025.

SECTION 5. TRANSFER - BANK OF NORTH DAKOTA PROFITS - WATER INFRASTRUCTURE REVOLVING LOAN FUND. The Bank of North Dakota shall transfer \$100,000,000, or so much of the sum as may be necessary, from its current earnings and accumulated profits to the water infrastructure revolving loan fund during the biennium beginning July 1, 2023, and ending June 30, 2025. The moneys must be transferred as requested by the director of the department of water resources, after consultation with the Bank of North Dakota, to provide local cost-share loans for projects approved by the state water commission pursuant to section 6-09-49.2.

SECTION 6. APPROPRIATION - PARKS AND RECREATION DEPARTMENT - SOVEREIGN LANDS RECREATION USE GRANTS - ONE-TIME FUNDING. There is appropriated from special funds derived from a grant from the state water commission, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the parks and recreation department for the purpose of providing grants for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2025. An eligible grant recipient must identify \$1 of matching funds for each \$1 awarded pursuant to this section. This funding is considered to be a one-time funding item.

SECTION 7. SOVEREIGN LANDS RECREATION USE GRANT. The water supply - grants line item in section 1 of this Act includes \$3,000,000 from the resources trust fund which the state water commission shall provide as a grant to the parks and recreation department for developing recreation opportunities on sovereign lands in the state, for the period beginning with the effective date of this Act, and ending June 30, 2025."

Page 3, remove lines 14 through 30

Page 4, remove lines 1 and 2

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

Page 4, after line 6, insert:

"SECTION 10. AMENDMENT. Section 61-02-01.3 of the North Dakota Century Code is amended and reenacted as follows:

61-02-01.3. Comprehensive water development plan.

1. Biennially, the commission shall develop and maintain a comprehensive water development plan organized on a river basin perspective, including an inventory of future water projects for budgeting and planning purposes.
2. As part of the commission's planning process, to facilitate local project sponsor participation and project prioritization and to assist in education regarding life cycle analyses for municipal water supply projects, and economic analyses for flood control and water conveyance projects only for those expected to cost more than one million five hundred thousand dollars, the commission shall develop a policy that outlines policies and procedures for commissioner-hosted meetings within the upper Missouri River, lower Missouri River, James River, upper Red River, lower Red River, Mouse River, Devils Lake, Little Missouri River, upper Heart River, and upper Cannonball River drainage basins."

Page 4, after line 19, insert:

"SECTION 12. AMENDMENT. Section 61-03-21.4 of the North Dakota Century Code is amended and reenacted as follows:

61-03-21.4. Economic analysis process required for certain projects.

The department of water resources shall develop an economic analysis process for water conveyance projects and flood-related projects expected to cost more than one million five hundred thousand dollars, and a life cycle analysis process for municipal water supply projects. When the state water commission is considering whether to fund a water conveyance project, flood-related project, or water supply project, the department of water resources shall review the economic analysis or life cycle analysis, and inform the state water commission of the findings from the analysis and review."

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

Page 5, after line 16, insert:

"SECTION 17. LEGISLATIVE INTENT - STATE WATER COMMISSION - CITY OF BISMARCK WATER TREATMENT PLANT. Excluding the funding provided for the city of Bismarck water treatment plant prior to the 2023-25 biennium, it is the intent of the sixty-eighth legislative assembly that up to \$50,000,000 of funding appropriated in the water supply - grants line item in section 1 of this Act be made available during the 2023-25 biennium for the city of Bismarck water treatment plant.

SECTION 18. LEGISLATIVE INTENT - CITY OF MEDORA WATER SUPPLY PROJECT. It is the intent of the sixty-eighth legislative assembly that the city of Medora request funding from the state water commission for water storage, water main replacement, and water supply expansion projects after all agreements for the construction of the Theodore Roosevelt presidential library have been finalized between the library, the library foundation, the city of Medora, and Billings County.

SECTION 19. MISSOURI RIVER EDUCATE, ADVOCATE, AND ENGAGE PROGRAM - LEGISLATIVE INTENT. It is the intent of the sixty-eighth legislative assembly that:

1. Support be provided for the Missouri River educate, advocate, and engage effort conducted by the Missouri River joint water resource board;
2. The effort is needed to secure the state's rights to Missouri River water; and
3. The state water commission and the department of water resources work in cooperation with the Missouri River joint water resource board to provide financial and technical assistance as the commission deems appropriate.

SECTION 20. DEPARTMENT OF WATER RESOURCES - GARRISON DIVERSION CONSERVANCY DISTRICT - LEGISLATIVE INTENT - REPORT. It is the intent of the sixty-eighth legislative assembly that the department of water resources, in coordination with the Garrison Diversion Conservancy District, research and identify options for the use of the Missouri River intake constructed near Washburn. The department of water resources shall report its findings and recommendations to the legislative management by October 1, 2024."

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

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

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2020 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Parks and Recreation Department				
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00
State Water Commission				
Total all funds	\$409,199,129	\$864,928,344	(\$2,571,077)	\$862,357,267
Less estimated income	409,199,129	864,928,344	(2,571,077)	862,357,267
General fund	\$0	\$0	\$0	\$0
FTE	90.00	93.00	0.00	93.00
Bill total				
Total all funds	\$409,199,129	\$864,928,344	\$428,923	\$865,357,267
Less estimated income	409,199,129	864,928,344	428,923	865,357,267

General fund	\$0	\$0	\$0	\$0
FTE	90.00	93.00	0.00	93.00

Senate Bill No. 2020 - Parks and Recreation Department - House Action

	Base Budget	Senate Version	House Changes	House Version
Sovereign lands recreation use grants			\$3,000,000	\$3,000,000
Total all funds	\$0	\$0	\$3,000,000	\$3,000,000
Less estimated income	0	0	3,000,000	3,000,000
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

Department 750 - Parks and Recreation Department - Detail of House Changes

	Adds Funding for Recreation Use Grants ¹	Total House Changes
Sovereign lands recreation use grants	\$3,000,000	\$3,000,000
Total all funds	\$3,000,000	\$3,000,000
Less estimated income	3,000,000	3,000,000
General fund	\$0	\$0
FTE	0.00	0.00

¹ One-time funding of \$3 million from a grant received from the State Water Commission is added for the Parks and Recreation Department to provide grants for developing recreation opportunities on sovereign lands in the state. The appropriated amount includes \$800,000 for the Mandan parks and recreation department and \$750,000 for the Northern Plains Heritage Foundation for the port of Bismarck. Grant recipients must provide \$1 of matching funds for each \$1 of grant funds received under this program.

Senate Bill No. 2020 - State Water Commission - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$20,537,867	\$23,465,326	(\$1,271,077)	\$22,194,249
Operating expenses	43,366,550	59,479,068		59,479,068
Capital assets	98,467,437	300,383,950	(24,600,000)	275,783,950
Water supply - Grants	125,000,000	283,000,000	33,200,000	316,200,000
Rural water supply - Grants	59,600,000	40,000,000	12,000,000	52,000,000
Flood control projects	48,000,000	114,600,000	1,100,000	115,700,000
General water - Grants	14,227,275	12,000,000		12,000,000
Basinwide plan implementation		1,000,000	(1,000,000)	
Discretionary funding		1,000,000	8,000,000	9,000,000
Loan repayment		30,000,000	(30,000,000)	
Total all funds	\$409,199,129	\$864,928,344	(\$2,571,077)	\$862,357,267
Less estimated income	409,199,129	864,928,344	(2,571,077)	862,357,267
General fund	\$0	\$0	\$0	\$0
FTE	90.00	93.00	0.00	93.00

Department 770 - State Water Commission - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Removes Salary Funding for Funding Pool ²	Adjusts Funding for Water Projects ³	Total House Changes
Salaries and wages	\$344,552	(\$1,615,629)		(\$1,271,077)
Operating expenses				
Capital assets			(\$24,600,000)	(24,600,000)
Water supply - Grants			33,200,000	33,200,000
Rural water supply - Grants			12,000,000	12,000,000
Flood control projects			1,100,000	1,100,000
General water - Grants				
Basinwide plan implementation			(1,000,000)	(1,000,000)
Discretionary funding			8,000,000	8,000,000
Loan repayment			(30,000,000)	(30,000,000)
Total all funds	\$344,552	(\$1,615,629)	(\$1,300,000)	(\$2,571,077)
Less estimated income	344,552	(1,615,629)	(1,300,000)	(2,571,077)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

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

	<u>Other Funds</u>
Salary increase	\$354,895
Health insurance adjustment	(10,343)
Total	\$344,552

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

² Funding for new FTE positions and estimated savings from vacant FTE positions is removed as shown below. 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.

	<u>Other Funds</u>
New FTE positions	(\$703,398)
Vacant FTE positions	(912,231)
Total	(\$1,615,629)

³ Funding for water projects is adjusted as follows:

	<u>Total Funds</u>
Reduce funding for capital assets	(\$24,600,000)
Increase funding for water supply grants	33,200,000
Increase funding for rural water supply grants	12,000,000
Increase funding for flood control projects	1,100,000
Remove one-time funding for basinwide plan implementation	(1,000,000)
Remove one-time funding for Western Area Water Supply Authority loan repayment	(30,000,000)
Increase one-time funding for discretionary water projects	8,000,000
Total	(\$1,300,000)

This amendment also:

- Removes a section added by the Senate identifying \$30 million from the water projects stabilization fund to repay loans issued to the Western Area Water Supply Authority.
- Transfers \$30 million from the water projects stabilization fund to the water infrastructure revolving loan fund.
- Transfers \$100 million from Bank of North Dakota profits to the water infrastructure revolving loan fund.
- Designates \$3 million for a grant to the Parks and Recreation Department for developing recreation opportunities on sovereign lands in the state.
- Removes a section providing for a basinwide plan implementation pilot project.
- Increases funding appropriated for water supply grants from the water projects stabilization fund from \$120 million to \$123.4 million.
- Amends North Dakota Century Code Sections 61-02-01.3 and 61-03-21.4 to require economic analyses for water projects in excess of \$500,000.
- Provides legislative intent for \$50 million to be granted for a City of Bismarck water treatment plant project.
- Provides legislative intent for the City of Medora to request funding from the State Water Commission after all agreements for the construction of the Theodore Roosevelt Presidential Library have been finalized between the library, library foundation, City of Medora, and Billings County.
- Provides legislative intent expressing support for the Missouri River educate, advocate, and engage program.
- Provides legislative intent for the Department of Water Resources to research and identify options for the use of the Missouri River intake constructed near Washburn.
- Reduces the amount of appropriation authority the Department of Water Resources may continue into the next biennium by \$38 million, to provide total carryover authority of \$367 million.

- Designates the use of excess revenue in the resources trust fund.

REPORT OF STANDING COMMITTEE

SB 2206: Industry, Business and Labor Committee (Rep. Louser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). SB 2206 was placed on the Sixth order on the calendar.

That the amendments to Senate Bill No. 2206 as printed on pages 1923 -1925 of the House Journal be amended as follows:

Page 1924, replace lines 7 and 8 with:

Page 2, line 1, remove the overstrike over "~~The debtor's aggregate interest, not to exceed in value~~"

Page 2, line 1, after "eight" insert "one hundred"

Page 2, line 1, remove the overstrike over "~~thousand dollars less any~~"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2284, as reengrossed and amended: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (20 YEAS, 1 NAY, 2 ABSENT AND NOT VOTING). Reengrossed SB 2284, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the House as printed on pages 1447-1455 of the House Journal, Reengrossed Senate Bill No. 2284 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 15.1-06 and a new section to chapter 15.1-21 of the North Dakota Century Code, relating to school purchases of gifts or gratuities and permitting private tutors on public school premises; to"

Page 1, line 1, replace "section 15.1-01-01" with "sections 15.1-01-03, 15.1-07-25.4, and 15.1-07-26"

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

Page 1, line 4, replace "the state board of public school education members" with "a policy to revert a reorganized school district back to separate districts, virtual learning, school district enrollment"

Page 1, line 5, after the second quotation mark insert ", a school district's policy governing possession of a weapon"

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

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

Page 1, line 6, remove the comma

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

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

Page 1, line 7, after "report" insert "; to provide for a teacher shortage and military families task force"

Page 1, remove lines 10 through 23

Page 2, remove lines 1 through 31

Page 3, replace lines 1 through 5 with:

"SECTION 1. AMENDMENT. Section 15.1-01-03 of the North Dakota Century Code is amended and reenacted as follows:

15.1-01-03. State board of public school education - Powers and duties.

1. The state board of public school education shall:
 - a. Assist county committees in carrying out their duties.
 - b. Provide county committees with clerical assistance, plans of procedure, standards, data, maps, forms, and other materials, information, and services.
 - c. Appoint members to the county committee, if the county superintendent does not fulfill this duty, as provided for in section 15.1-10-01.
 - d. Provide oversight for regional education associations as required by chapter 15.1-09.1.
 - e. Establish and certify a North Dakota learning continuum to allow a district-approved, mastery framework policy to award units required under sections 15.1-21-01 and 15.1-21-02 and to waive unit instructional time requirements under section 15.1-21-03, upon the recommendation of the kindergarten through grade twelve education coordination council.
 - f. Develop a policy and procedures for a school district formed by the reorganization process under chapter 15.1-12 to revert to individual school districts. For a reorganized school district to be eligible for the reversion process, the reorganized school district must have been formed by school districts located in two or more communities, including a rural community, and may not have been formed by school districts that were located in the same city. The board shall develop the policy and procedures on or before January 1, 2024.
2. The state board of public school education may adopt rules in accordance with chapter 28-32.

SECTION 2. A new section to chapter 15.1-06 of the North Dakota Century Code is created and enacted as follows:

Purchase of gifts or gratuities - Gift fund.

1. A public school or school district may create a gift fund. The gift fund may not include state funds.
2. A public school or school district may use funds from the gift fund to purchase an item as a gift or gratuity for an individual, including a school district employee, an individual who speaks or performs at a school function, or a guest on the school premises.
3. For purposes of this section, "gift" includes:
 - a. A beverage, food item, or refreshment;
 - b. For parent-teacher conferences, beverages, food items, or refreshments, costing no more than twenty-five dollars per teacher;
 - c. A catered meal costing no more than fifty dollars per meal;
 - d. Pens, notepads, or other promotional materials;

- e. An item of cultural significance, including a quilt, basket, beadwork, sage, or quillwork;
- f. An award or incentive, as approved by the superintendent of public instruction or the superintendent's designee; and
- g. Any other item of de minimis value.

SECTION 3. AMENDMENT. Section 15.1-07-25.4 of the North Dakota Century Code is amended and reenacted as follows:

15.1-07-25.4. Virtual learning - School district policy - Report to legislative management and legislative assembly.

The board of a school district or governing board of a nonpublic school that operates a physical school plant may adopt a policy to allow students to engage in virtual instruction and in the case of a school district, qualify for average daily membership in the district. The superintendent of public instruction shall adopt rules governing policies under this section. A policy adopted by a school district under this section must comply with the rules adopted by the superintendent of public instruction. The superintendent of public instruction shall provide ~~biennial reports~~ an annual report to the legislative management ~~regarding in even-numbered years and the legislative assembly in odd-numbered years comparing the academic performance metrics of students participating in virtual instruction with students not participating in virtual instruction under this section using state assessment data. If the superintendent of public instruction does not have access to academic performance reports of a school district's virtual instruction subgroup because of low group size, information must be reported in the aggregate.~~

SECTION 4. AMENDMENT. Section 15.1-07-26 of the North Dakota Century Code is amended and reenacted as follows:

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

1. Between January first and June thirtieth of every even-numbered year, the board of each school district shall invite the public to participate in a ~~planning process review~~ addressing the effects that demographics might decreasing or increasing enrollment will have on the district in the ensuing three-year and five-year periods, and specifically addressing potential effects on:
 - a. Academic and extracurricular programs achievement, as it relates to the local strategic plan, including progress toward state academic goals adopted by the statewide prekindergarten through grade twelve education strategic vision steering committee;
 - b. Instructional and administrative, and ancillary staffing;
 - c. Co-curricular or extracurricular programs;
 - d. Facility needs and utilization; and
 - e. District property tax levies.
2. At the conclusion of the ~~planning process review~~, the board shall prepare a report, ~~publish a notice in the official newspaper of the district indicating that the report is available~~ make the report available on the district website, and make the report available upon request."

Page 3, after line 9, insert:

"SECTION 6. AMENDMENT. Subsection 2 of section 15.1-19-10 of the North Dakota Century Code is amended and reenacted as follows:

2. The policy must ~~prohibit~~:
 - a. ~~Prohibit~~ the possession of a dangerous weapon or a firearm by a student on school property and at school functions and provide for the punishment of any student found to be in violation. ~~Punishment must include immediate suspension from school and expulsion. A~~
 - b. ~~Require~~ a student who possesses a firearm in violation of this section ~~must~~to be expelled for at least one year. ~~The school district firearms policy must authorize~~
 - c. Authorize the school district superintendent or the school principal, if the school district does not have a superintendent, to modify an expulsion for firearms possession under this section on a case-by-case basis in accordance with criteria established by the board. Before expelling a student, a school board or its designated hearing officer, within ten days of the student's suspension, shall provide the student with a hearing at which time the school board or its designated hearing officer shall take testimony and consider evidence, including the existence of mitigating circumstances. If a designated hearing officer orders that a student be expelled, the student may seek a review of the decision by the school board, based on the record of the expulsion hearing.
 - d. Include a referral mechanism to the criminal justice or juvenile delinquency system for a student who possesses a firearm in violation of this subsection."

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

b."

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

Page 3, remove lines 18 through 31

Page 4, replace lines 1 through 3 with:

"SECTION 8. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Private tutors.

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

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

Page 5, line 27, after "report" insert ", adjusted for students that will generate average daily membership."

Page 5, line 31, after "enrollment" insert ", adjusted for students that will generate average daily membership."

Page 6, line 12, after "enrollment" insert ", adjusted for students that will generate average daily membership."

Page 6, line 21, remove the overstrike over "F~~or~~"

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

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

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

Page 6, line 22, remove the overstrike over "miles-{"

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

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

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

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

Page 6, line 23, remove the overstrike over "miles-{"

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

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

Page 6, remove the overstrike over line 24

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

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

Page 6, remove the overstrike over lines 26 through 30

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

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

Page 10, line 11, replace "eight hundred sixty" with "nine hundred thirteen"

Page 10, line 17, replace "eight hundred sixty" with "nine hundred thirteen"

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

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

Page 16, line 31, replace "eight hundred sixty" with "nine hundred thirteen"

Page 17, line 6, replace "eight hundred sixty" with "nine hundred thirteen"

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

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

Page 20, line 26, replace "fifty" with "twenty-five"

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

Page 21, after line 3, insert:

- "e. A district with a school construction loan secured on the open bond market may apply to refinance the loan when callable with the school construction assistance revolving loan fund under this subsection.
- f. A district that qualifies for a loan under subdivision a, which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between fifteen million dollars and the amount of the approved loan.

- g. A district that qualifies for a loan under subdivision b, which was approved for a loan of up to ten million dollars for a construction project bid after January 1, 2021, and before June 30, 2024, may apply for a loan in an amount equal to the difference between twenty-five million dollars and the amount of the approved loan."

Page 21, replace lines 4 through 10 with:

"SECTION 14. LEGISLATIVE MANAGEMENT STUDY - COMPOSITION OF THE STATE BOARD OF PUBLIC SCHOOL EDUCATION.

1. During the 2023-24 interim, the legislative management shall consider studying the composition of the state board of public school education. The study must include:
 - a. An analysis of the state board of public school education boundaries, including a comparison of methodologies for creating the boundaries;
 - b. An analysis of the inclusion of representatives from small, large, urban, and rural schools on the board;
 - c. An evaluation of term limits for board members, including staggering terms to ensure continuity of knowledge;
 - d. An evaluation of the benefits and consequences of requiring the composition of the board to include two school district superintendents, two members of a board of a school district, and two citizens at large;
 - e. An evaluation of the benefits and consequences of requiring a minimum or maximum number of candidates to be submitted to the governor and permitting the governor to request a new list of potential candidates once; and
 - f. An analysis of the role and practices of the county superintendent of schools.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - SCHOOL CHOICE MODELS.

1. During the 2023-24 interim, the legislative management shall study school choice models implemented nationally for kindergarten through grade twelve schools, including charter schools, magnet schools, private schools, voucher systems, and home schools. The study must include input from stakeholders, including public and nonpublic teachers and administrators, parents of students, representatives from the department of public instruction, a representative from the governor's office, and representatives from regional education associations. The study also must include the following, supported by quantitative data:
 - a. A review of regulations and methods for accountability by state regulatory agencies for various school choice models;
 - b. A comparison of nontraditional school choice models implemented by rural states;
 - c. An analysis of the impact of enrollment fluctuation, including the impact on state aid;

- d. A review of the state's student population, enrollment capacity and tuition costs of nonpublic schools, and the capacity of nonpublic schools to provide services to students with special needs; and
 - e. A comparison of achievement data between public schools and nontraditional schools in other states.
2. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-ninth legislative assembly.

SECTION 16. TEACHER SHORTAGE AND MILITARY FAMILIES TASK FORCE - REPORT TO LEGISLATIVE MANAGEMENT. During the 2023-24 interim, the superintendent of public instruction shall establish a teacher shortage and military families task force to examine employer recruitment needs, applicable state regulations, and benefit options for kindergarten through grade twelve educators within the state, including potential barriers to military personnel and spouses teaching in the classroom. The task force shall identify immediate and long-term public policy strategies to address teacher shortages and support for military families and spouses. The task force shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-ninth legislative assembly.

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

Page 21, after line 23, insert:

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

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

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

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

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

Page 22, line 5, replace "\$75,000,000" with "\$40,000,000"

Page 22, line 8, replace "5" with "10"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2284 - Department of Public Instruction - House Action

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

Department 201 - Department of Public Instruction - Detail of House Changes

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

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

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

This amendment also:

- Decreases the transfer from the foundation aid stabilization fund to the school construction assistance revolving loan fund by \$35 million, from \$75 million to \$40 million.
- Adjusts the K-12 education funding formula.

REPORT OF STANDING COMMITTEE

SB 2360, as engrossed and amended: Appropriations Committee (Rep. Vigesaa, Chairman) recommends **DO NOT PASS** (16 YEAS, 3 NAYS, 4 ABSENT AND NOT VOTING). Engrossed SB 2360, as amended, was placed on the Fourteenth order on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1028, as engrossed: Your conference committee (Sens. Weston, Hogan, K. Roers and Reps. Rohr, Beltz, Dobervich) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1694-1698, adopt amendments as follows, and place HB 1028 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1694-1698 of the House Journal and pages 1199-1202 of the Senate Journal and that Engrossed House Bill No. 1028 be amended as follows:

Page 1, line 2, after the semicolon insert "to amend and reenact section 23-17.3-01 and subdivision h of subsection 1 of section 23-17.3-05 of the North Dakota Century Code, relating to the regulation of home health agencies;"

Page 1, line 3, remove "to provide a statement of legislative intent; to provide for a report to the"

Page 1, line 4, remove "legislative assembly; and"

Page 1, line 4, after "appropriation" insert "; and to declare an emergency"

Page 1, after line 5, insert:

"SECTION 1. AMENDMENT. Section 23-17.3-01 of the North Dakota Century Code is amended and reenacted as follows:

23-17.3-01. Definitions.

In this chapter, unless the context and subject matter otherwise require:

1. "Allowed practitioner" means a physician assistant or advanced practice registered nurse.
2. "Clinical record" means a written account which covers the services the agency provides directly and those provided through arrangements with another agency which account contains pertinent past and current medical, nursing, social, and other therapeutic information, including the plan of treatment.
- ~~2-3.~~ "Department" means the department of health and human services.
- ~~3-4.~~ "Home health agency" means a public or private agency, organization, facility, or subdivision thereof which is engaged in providing home health services to individuals and families where they are presently residing for the purpose of preventing disease and promoting, maintaining, or restoring health or minimizing the effects of illness or disability.
- ~~4-5.~~ "Home health aide" means an individual who renders personal related service under the supervision of a registered professional nurse.
- ~~5-6.~~ "Home health services" means a broad range of health and social services furnished to individuals and families by a home health agency or by others under arrangements with the agency, in the places where the recipients are presently residing. Services must include the services of a currently licensed registered professional nurse and at least one other therapeutic service and may include additional support services. These services may only be provided with the approval of a licensed physician or an allowed practitioner.
- ~~6-7.~~ "Licensed practical nurse" means one who has met all legal requirements for licensure and holds a current license to practice in North Dakota pursuant to chapter 43-12.1.
- ~~7-8.~~ "Nursing services" means those services pertaining to the preventive, curative, and restorative aspects of nursing care that are performed by or under the supervision of a registered professional nurse.
- ~~8-9.~~ "Person" means an individual, firm, partnership, association, corporation, limited liability company, or any other entity, whether organized for profit or not.
- ~~9-10.~~ "Physician" means any person currently licensed pursuant to chapter 43-17.
- ~~10-11.~~ "Registered professional nurse" means a registered nurse as defined under chapter 43-12.1.
- ~~11-12.~~ "Skilled nursing" means professional nursing services rendered by nurses licensed under chapter 43-12.1.
- ~~12-13.~~ "Supportive services" includes the use of medical appliances; medical supplies, other than drugs and biologicals prescribed by a physician; the collection of blood and other samples for laboratory analysis; and nutritional guidance, homemaker, or companion services.

~~13-14.~~ "Therapeutic services" means services which include:

- a. Skilled nursing care.
- b. Medical social services.
- c. Home health aide services.
- d. Physical, occupational, or speech therapy.
- e. Respiratory therapy.

SECTION 2. AMENDMENT. Subdivision h of subsection 1 of section 23-17.3-05 of the North Dakota Century Code is amended and reenacted as follows:

- h. The agency shall maintain clinical records on all patients to serve as documentation of the medical, nursing, and therapeutic care rendered to the patient and for communication between the physician or allowed practitioner and the agency."

Page 1, line 10, after "1." insert "Community health representative" means an individual trained through the Indian health service to provide community-based and medically guided health care, which may include traditional native concepts.

2."

Page 1, line 10, after "chapter" insert "to provide preventative services"

Page 1, line 11, replace "2." with "3."

Page 1, after line 11, insert:

4. "Preventative services" means services to prevent a disease, disability, or other health condition or the progression of a disease, disability, or other health condition which are provided to an individual:
 - a. With a chronic condition;
 - b. At risk for a chronic condition who is unable to self-manage the chronic condition; or
 - c. With a documented barrier that affects the individual's health."

Page 1, line 16, remove "certification standards for an applicant seeking"

Page 1, line 17, replace "certification as a community health worker" with "and implement a method for certifying community health workers, including:

- a. Community health representatives; and
- b. Other qualified individuals"

Page 1, line 23, remove "- **REPORT TO**"

Page 1, line 24, remove "**LEGISLATIVE MANAGEMENT**"

Page 2, line 4, remove "appointed by the"

Page 2, line 5, replace "department of health and human services must include representatives of the" with "is comprised of"

Page 2, line 6, remove "Department of health and human services, including the division of health equity"

Page 2, line 7, replace "and division of aging services" with "One representative of the medical services division of the department of health and human services, appointed by the department of health and human services"

Page 2, line 8, replace "Department of career and technical education" with "One representative of the public health division of the department of health and human services, appointed by the department of health and human services"

Page 2, line 9, replace "State board of higher education" with "One representative of the tribal nations in the state, appointed by the Indian affairs commissioner in consultation with the health director of each tribal nation placed in North Dakota"

Page 2, line 10, replace "Insurance department" with "One representative of the North Dakota state university school of public health appointed by the college of health professions"

Page 2, line 11, remove "University of North Dakota school of medicine and health sciences center for"

Page 2, line 12, replace "rural health" with "One representative of the university of North Dakota school of medicine and health sciences center for rural health, appointed by the dean of the school of medicine and health sciences"

Page 2, line 13, remove "University of North Dakota and North Dakota state university schools of public"

Page 2, line 14, replace "health" with "One representative of the hospitals in this state, appointed by the North Dakota hospital association"

Page 2, line 15, replace "Private health insurers operating in the state" with "One representative of the federally qualified health centers, appointed by the community healthcare association of the Dakotas"

Page 2, line 15, after the semicolon insert "and"

Page 2, line 16, remove "Health care sector, including qualified service providers, community health"

Page 2, removes lines 17 through 21

Page 2, line 22, replace "m. North Dakota emergency medical services association" with "One representative of the emergency medical services profession, appointed by the North Dakota emergency medical services association"

Page 2, line 27, after "reimbursement" insert ", including reimbursement to a federally qualified health center"

Page 2, line 28, remove "Develop a plan for a North Dakota community health worker collaborative."

Page 2, line 29, remove "c."

Page 3, line 1, replace "d." with "c."

Page 3, line 4, after "collaborative" insert a period

Page 3, line 5, replace "e." with "d."

Page 3, after line 6, insert:

**"SECTION 5. DEPARTMENT OF HEALTH AND HUMAN SERVICES -
COMMUNITY HEALTH WORKERS - MEDICAID STATE PLAN AMENDMENT.**

During the 2023-25 biennium, the department of health and human services shall seek a Medicaid state plan amendment to authorize the reimbursement of certified community health workers. Upon amendment of the Medicaid state plan, the

commissioner of the department of health and human services shall certify this fact to the legislative management."

Page 3, line 9, replace "\$50,000" with "\$75,000"

Page 3, line 12, replace "biennium" with "period"

Page 3, line 12, remove "July 1,"

Page 3, line 13, replace "2023," with "with the effective date of this section"

Page 3, after line 13, insert:

"SECTION 7. EMERGENCY. Sections 4 and 6 of this Act are declared to be an emergency measure."

Renumber accordingly

Engrossed HB 1028 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1508, as engrossed: Your conference committee (Sens. K. Roers, Barta, Estenson and Reps. Fegley, Hatlestad, Warrey) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1796-1797, adopt amendments as follows, and place HB 1508 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1796 and 1797 of the House Journal and page 1478 of the Senate Journal and that Engrossed House Bill No. 1508 be amended as follows:

Page 2, line 21, after "e." insert: "Report quarterly to the legislative audit and fiscal review committee regarding:

- (1) Communication processes with audited entities and any changes to the processes;
- (2) Billing practices and procedures, including the use of cost estimates for audits, an itemized invoicing methodology, and a defined change order process for audits that exceed the original estimate;
- (3) Information on audits completed, including:
 - (a) Name of the audited organization;
 - (b) Organization type;
 - (c) Audit type;
 - (d) Audit period;
 - (e) Estimated and actual hours and costs; and
 - (f) Total audit cost and the total cost as a percentage of the audited organization's operating budget; and
- (4) Audit schedules, including audits performed by private firms and audits performed by the auditor's office.

f."

Page 2, line 24, overstrike "f." and insert immediately thereafter "g."

Page 2, line 26, overstrike "g." and insert immediately thereafter "h."

Page 3, remove lines 22 and 23

Renumber accordingly

Engrossed HB 1508 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1538, as engrossed: Your conference committee (Sens. Kessel, Boehm, Patten and Reps. M. Ruby, J. Olson, Novak) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1620-1621, adopt amendments as follows, and place HB 1538 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1620 and 1621 of the House Journal and page 1370 of the Senate Journal and that Engrossed House Bill No. 1538 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 20.1-02 and a new section to chapter 20.1-03 of the North Dakota Century Code, relating to fishing contests, surcharge fees, and the fishing conservation fund; to"

Page 1, line 3, remove "create and enact a new section to chapter 20.1-02 of the North Dakota Century Code,"

Page 1, line 4, replace "relating to fishing contests" with "provide a continuing appropriation"

Page 1, line 22, after "event" insert "with fewer than fifty participants or fewer than fifteen boats"

Page 1, line 24, remove "A fishing event with fewer than fifty participants and fewer than fifteen boats."

Page 2, line 1, remove "c."

Page 2, line 3, replace "d." with "c."

Page 2, line 5, replace "e." with "d."

Page 2, line 6, replace ". A" with "if the fishing contest is held by a"

Page 2, line 8, replace the second "and" with "or"

Page 2, line 9, remove ". may retain one hundred"

Page 2, line 10, remove "percent of the proceeds of a fishing contest"

Page 2, line 13, remove "A permit application fee may"

Page 2, remove lines 14 and 15

Page 2, line 16, replace "organization listed in subsection 2 or a youth event held on a single body of water" with "The application must list the recipient of the conservation fee and include a seventy-five dollar application fee. A conservation fee must be negotiated between the organization desiring to hold the fishing contest and a representative of the fishing league or fishing tournament"

Page 2, line 26, remove "the gross and net proceeds for the"

Page 2, remove line 27

Page 2, line 28, replace "prizes" with "and the total amount and recipient of the conservation fee"

Page 2, after line 30, insert:

"**SECTION 3.** A new section to chapter 20.1-03 of the North Dakota Century Code is created and enacted as follows:

Nonresident license surcharge - Fishing conservation fund - Continuing appropriation.

1. Notwithstanding any other provision of law, the director shall establish a surcharge of five dollars on each nonresident fishing license issued under section 20.1-03-12. The collected surcharge fees must be deposited with the state treasurer and credited to the fishing conservation fund.
2. There is created in the state treasury a special fund known as the fishing conservation fund. The fund consists of all money deposited in the fund pursuant to this section. All money deposited in the fund is appropriated as a continuing appropriation to the game and fish department for the purpose of fishery conservation, public access projects, and grant programs relating to fish and wildlife conservation. The game and fish department may adopt rules in accordance with chapter 28-32 for the purpose of administering the fishing conservation fund.

Renumber accordingly

Engrossed HB 1538 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2201, as engrossed: Your conference committee (Sens. K. Roers, Lee, Clemens and Reps. Beltz, M. Ruby, Dobervich) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1151, adopt amendments as follows, and place SB 2201 on the Seventh order:

That the House recede from its amendments as printed on page 1151 of the Senate Journal and page 1307 of the House Journal and that Engrossed Senate Bill No. 2201 be amended as follows:

Page 1, line 2, remove ", subdivision a of subsection 1 of section 19-24.1-14,"

Page 1, line 3, remove "sections 19-24.1-15 and 19-24.1-16"

Page 1, line 6, remove "regarding the administrative costs of medical marijuana"

Page 1, line 7, remove "compassion center certification and the impact of those costs on patients"

Page 1, remove lines 20 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 22

Page 4, line 19, overstrike "of"

Page 4, line 19, after "~~thousand~~" and insert "not to exceed"

Page 4, line 24, replace "study" with "consider studying"

Renumber accordingly

Engrossed SB 2201 was placed on the Seventh order of business on the calendar.

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

Buell J. Reich, Chief Clerk