

## JOURNAL OF THE SENATE

### Fifty-eighth Legislative Assembly

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**Bismarck, April 4, 2003**

The Senate convened at 8:30 a.m., with President Dalrymple presiding.

The prayer was offered by Pastor Lisa Ahlness, Lord of Life Lutheran Church, Bismarck.

The roll was called and all members were present except Senators Tallackson and Tollefson.

A quorum was declared by the President.

#### MOTION

**SEN. CHRISTMANN MOVED** that the Senate message the House to request the return of HCR 3005 for the purpose of reconsideration, which motion prevailed on a voice vote.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The Senate respectfully requests the return of: HCR 3005.

#### MOTION

**SEN. CHRISTMANN MOVED** that HB 1190 be moved to the top of the Twelfth order, which motion prevailed.

#### APPOINTMENT OF CONFERENCE COMMITTEE

**SEN. MUTCH MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1190, which motion prevailed.

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed HB 1190: Sens. Klein, Mutch, Every.

#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. MUTCH MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2030 as printed on SJ pages 1064-1065 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

#### APPOINTMENT OF CONFERENCE COMMITTEE

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2030: Sens. Krebsbach, Nething, Every.

#### MOTION

**SEN. CHRISTMANN MOVED** that the Senate proceed to the Sixth order, which motion prevailed.

#### CONSIDERATION OF AMENDMENTS

**HB 1005, as engrossed: SEN. SCHOBINGER (Appropriations Committee) MOVED** that the amendments on SJ pages 1089-1090 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

#### SECOND READING OF HOUSE BILL

**HB 1005:** A BILL for an Act to provide an appropriation for defraying the expenses of the Indian affairs commission; to create and enact two new sections to chapter 54-36 of the North Dakota Century Code, relating to a revolving fund for publications and the authority to produce publications and charge a fee; to provide for a transfer; and to declare an emergency.

#### ROLL CALL

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

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espesgard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Robinson; Schobinger; Seymour; Stenehjelm; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**NAYS:** Polovitz

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1005, as amended, passed, the title was agreed to, and the emergency clause was declared carried.

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#### CONSIDERATION OF AMENDMENTS

**HB 1006, as engrossed: SEN. KRAUTER (Appropriations Committee) MOVED** that the amendments on SJ page 1090 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

#### SECOND READING OF HOUSE BILL

**HB 1006:** A BILL for an Act to provide an appropriation for defraying the expenses of the aeronautics commission.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1006, as amended, passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**HB 1008, as engrossed: SEN. MATHERN (Appropriations Committee) MOVED** that the amendments on SJ page 1091 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

#### SECOND READING OF HOUSE BILL

**HB 1008:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1008, as amended, passed and the title was agreed to.

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#### CONSIDERATION OF AMENDMENTS

**HB 1010, as engrossed: SEN. THANE (Appropriations Committee) MOVED** that the amendments on SJ pages 1091-1092 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

#### SECOND READING OF HOUSE BILL

**HB 1010:** A BILL for an Act to provide an appropriation for defraying the expenses of the council on the arts and an appropriation of funds from the cultural endowment fund.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1010, as amended, passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**HB 1014, as engrossed: SEN. LINDAAS (Appropriations Committee) MOVED** that the amendments on SJ pages 1092-1093 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1014:** A BILL for an Act to provide an appropriation for defraying the expenses of the children's services coordinating committee; to provide for a report to the legislative council; to amend and reenact sections 54-56-06 and 54-56-07 of the North Dakota Century Code, relating to funds of the children's services coordinating committee; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 44 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Fairfield; Tallackson; Tollefson

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

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**CONSIDERATION OF AMENDMENTS**

**HB 1018, as engrossed: SEN. ANDRIST (Appropriations Committee) MOVED** that the amendments on SJ page 1093 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1018:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of administrative hearings.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1018, as amended, passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**HB 1020, as engrossed: SEN. THANE (Appropriations Committee) MOVED** that the amendments on SJ pages 1093-1096 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1020:** A BILL for an Act to provide an appropriation for defraying the expenses of the state board for vocational and technical education; to require a report to the budget section; to provide statements of legislative intent; and to provide for a transfer from the student loan trust fund.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1020, as amended, passed and the title was agreed to.

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**CONSIDERATION OF AMENDMENTS**

**HB 1180, as engrossed: SEN. KREBSBACH (Government and Veterans Affairs Committee) MOVED** that the amendments on SJ pages 1096-1104 be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1180:** A BILL for an Act to create and enact four new sections to chapter 54-44.4 of the North Dakota Century Code, relating to procurement of services, competitive sealed bid proposals, small purchases, and protested solicitations and awards; to amend and reenact sections 44-08-05.1, 54-44.4-01, 54-44.4-02, and 54-44.4-04, subsections 1 and 2 of section 54-44.4-05, section 54-44.4-06, and subsections 1, 2, and 4 of section 54-44.4-09 of the North Dakota Century Code, relating to purchasing policy, purchasing by the office of management and budget, solicitation criteria, exempt records, limited competitive and noncompetitive purchases, multistep sealed bids, and vendor registration; to require the director of the office of management and budget to study the state procurement process; to provide an effective date; and to provide an expiration date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1180, as amended, passed and the title was agreed to.

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**MOTION**

**SEN. CHRISTMANN MOVED** that the Senate proceed to the Fourteenth order, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1471:** A BILL for an Act to create and enact a new subsection to section 57-38.4-02 of the North Dakota Century Code, relating to the tax on the water's edge filing method; to amend and reenact subsections 1 and 2 of section 57-35.3-02, subsections 1 and 3 of section 57-38-01.3, section 57-38-30, and subsection 3 of section 57-38-40 of the North

Dakota Century Code, relating to financial institutions taxes, the corporate income tax deduction for federal income taxes paid, net operating losses, and corporate income tax rates; and to provide an effective date.

**REQUEST**

**SEN. HEITKAMP REQUESTED** that the Senate divide Engrossed HB 1471, as amended, which request was granted.

**REQUEST**

**SEN. STENEHJEM REQUESTED** that the Senate postpone division of Engrossed HB 1471, as amended, pending Legislative Council's drafting of the divisions, which request was granted.

**MOTION**

**SEN. CHRISTMANN MOVED** that the Senate stand in recess until 12:30 p.m., which motion prevailed.

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

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following resolutions were delivered to the Secretary of State for filing on March 25, 2003: SCR 4014, SCR 4019, SCR 4024.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1006, HB 1008, HB 1010, HB 1018, HB 1020, HB 1180.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1005, HB 1014.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

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

**HB 1190:** Sens. Klein; Mutch; Every

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2030 and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2030:** Sens. Krebsbach; Nothing; Every

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1086, HB 1123, HB 1179, HB 1264, HB 1295, and HB 1461 and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1086:** Reps. Haas; D. Johnson; Mueller

**HB 1123:** Reps. Pollert; Devlin; Potter

**HB 1179:** Reps. Severson; Kasper; Ekstrom

**HB 1264:** Reps. Kasper; Froseth; Boe

**HB 1295:** Reps. Hawken; Nelson; Mueller

**HB 1461:** Reps. Galvin; Grande; Delmore

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has passed unchanged: SB 2253.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2001, SB 2004, SB 2005, SB 2006, SB 2007, SB 2009, SB 2010, SB 2011, SB 2014, SB 2016, SB 2017, SB 2018.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2001**

Page 1, line 6, after the second comma insert "and from special funds derived from federal funds and other income,"

Page 1, line 9, replace "2,011,604" with "2,009,850"

Page 1, line 10, replace "269,944" with "253,112"

Page 1, line 17, replace "3,117,848" with "3,099,262"

Page 1, line 19, replace "2,337,848" with "2,319,262"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### Senate Bill No. 2001 - Governor's Office - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,034,197	\$2,011,604	(\$1,754)	\$2,009,850
Operating expenses	269,944	269,944	(16,832)	253,112
Grants	760,000	760,000		760,000
Contingencies	10,000	10,000		10,000
Rough Rider Awards	10,800	10,800		10,800
Presidential electors	500	500		500
Governor's transition in	15,000	15,000		15,000
Governor's transition out	<u>40,000</u>	<u>40,000</u>		<u>40,000</u>
Total all funds	\$3,140,441	\$3,117,848	(\$18,586)	\$3,099,262
Less estimated income	<u>780,000</u>	<u>780,000</u>		<u>780,000</u>
General fund	\$2,360,441	\$2,337,848	(\$18,586)	\$2,319,262
FTE	16.30	16.30	1.70	18.00

##### Dept. 101 - Governor's Office - Detail of House Changes

	RESTORES POSITIONS <sup>1</sup>	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>2</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>3</sup>	TOTAL HOUSE CHANGES
Salaries and wages		(\$1,754)		(\$1,754)
Operating expenses			(\$16,832)	(16,832)
Grants				
Contingencies				
Rough Rider Awards				
Presidential electors				
Governor's transition in				
Governor's transition out				
Total all funds	\$0	(\$1,754)	(\$16,832)	(\$18,586)
Less estimated income				
General fund	\$0	(\$1,754)	(\$16,832)	(\$18,586)
FTE	1.70	0.00	0.00	1.70

<sup>1</sup> This amendment restores the 1.7 FTE positions removed in the executive budget, but not the funding for the positions.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

<sup>3</sup> This amendment reduces funding for information technology by \$16,832 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2004

Page 1, line 8, replace "5,620,686" with "5,981,437"

Page 1, line 9, replace "732,580" with "675,204"

Page 1, line 11, replace "6,403,266" with "6,706,641"

Page 1, line 12, replace "2,121,195" with "2,119,441"

Page 1, line 13, replace "4,282,071" with "4,587,200"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

##### Senate Bill No. 2004 - State Auditor - House Action

EXECUTIVE	SENATE	HOUSE	HOUSE
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	BUDGET	VERSION	CHANGES	VERSION
Salaries and wages	\$5,754,797	\$5,620,686	\$360,751	\$5,981,437
Operating expenses	761,380	732,580	(57,376)	675,204
Performance audits	100,000	50,000		50,000
Total all funds	\$6,616,177	\$6,403,266	\$303,375	\$6,706,641
Less estimated income	2,140,958	2,121,195	(1,754)	2,119,441
General fund	\$4,475,219	\$4,282,071	\$305,129	\$4,587,200
FTE	52.00	52.00	3.00	55.00

**Dept. 117 - State Auditor - Detail of House Changes**

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	ADDS 3 FTE AND FUNDING FOR POSITIONS DELETED IN THE EXECUTIVE BUDGET <sup>3</sup>	RESTORES FUNDING FOR SALARIES AND WAGES <sup>4</sup>	TOTAL HOUSE CHANGES
Salaries and wages	(\$5,366)		\$294,917	\$71,200	\$360,751
Operating expenses		(\$57,376)			(57,376)
Performance audits					
Total all funds	(\$5,366)	(\$57,376)	\$294,917	\$71,200	\$303,375
Less estimated income	(1,754)				(1,754)
General fund	(\$3,612)	(\$57,376)	\$294,917	\$71,200	\$305,129
FTE	0.00	0.00	3.00	0.00	3.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$57,376 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

<sup>3</sup> This amendment restores the three FTE positions and funding for the positions that were deleted in the executive budget recommendation.

<sup>4</sup> This amendment restores funding of \$71,200 for a position that the Senate removed.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2005**

Page 1, line 8, replace "594,449" with "593,830"

Page 1, line 9, replace "123,656" with "116,247"

Page 1, line 11, replace "2,628,105" with "2,620,077"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2005 - State Treasurer - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$600,929	\$594,449	(\$619)	\$593,830
Operating expenses	101,156	123,656	(7,409)	116,247
In lieu of tax payments	1,910,000	1,910,000		1,910,000
Total all funds	\$2,612,085	\$2,628,105	(\$8,028)	\$2,620,077
Less estimated income				
General fund	\$2,612,085	\$2,628,105	(\$8,028)	\$2,620,077
FTE	6.00	6.00	0.00	6.00

**Dept. 120 - State Treasurer - Detail of House Changes**

	RESTORES FUNDING FOR PROFESSIONAL DEVELOPMENT <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>3</sup>	TOTAL HOUSE CHANGES
Salaries and wages			(\$619)	(\$619)
Operating expenses	\$1,000	(\$8,409)		(7,409)
In lieu of tax payments				
Total all funds	\$1,000	(\$8,409)	(\$619)	(\$8,028)

Less estimated income				
General fund	\$1,000	(\$8,409)	(\$619)	(\$8,028)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment restores funding removed by the Senate for professional development.

<sup>2</sup> This amendment reduces funding for information technology by \$8,409 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

<sup>3</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2006

Page 1, line 12, replace "12,820,250" with "12,806,112"

Page 1, line 13, replace "4,465,113" with "3,933,588"

Page 1, line 16, replace "21,310,363" with "20,764,700"

Page 1, line 18, replace "21,195,319" with "20,649,656"

ReNUMBER accordingly

### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2006 - State Tax Commissioner - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$13,073,578	\$12,820,250	(\$14,138)	\$12,806,112
Operating expenses	4,595,113	4,465,113	(531,525)	3,933,588
Capital assets	75,000	25,000		25,000
Homestead tax credit	<u>4,000,000</u>	<u>4,000,000</u>		<u>4,000,000</u>
Total all funds	\$21,743,691	\$21,310,363	(\$545,663)	\$20,764,700
Less estimated income	<u>115,044</u>	<u>115,044</u>		<u>115,044</u>
General fund	\$21,628,647	\$21,195,319	(\$545,663)	\$20,649,656
FTE	137.00	137.00	0.00	137.00

#### Dept. 127 - State Tax Commissioner - Detail of House Changes

	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>1</sup>	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>2</sup>	TOTAL HOUSES CHANGES
Salaries and wages		(\$14,138)	(\$14,138)
Operating expenses	(\$531,525)		(531,525)
Capital assets			
Homestead tax credit			
Total all funds	(\$531,525)	(\$14,138)	(\$545,663)
Less estimated income			
General fund	(\$531,525)	(\$14,138)	(\$545,663)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for information technology by \$531,525 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2007

Page 1, line 9, replace "945,564" with "944,532"

Page 1, line 10, replace "159,213" with "158,313"

Page 1, line 11, replace "1,104,777" with "1,102,845"

Page 1, line 12, replace "229,948" with "229,698"

Page 1, line 13, replace "874,829" with "873,147"

ReNUMBER accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

## Senate Bill No. 2007 - Labor Commissioner - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$955,888	\$945,564	(\$1,032)	\$944,532
Operating expenses	<u>160,713</u>	<u>159,213</u>	<u>(900)</u>	<u>158,313</u>
Total all funds	\$1,116,601	\$1,104,777	(\$1,932)	\$1,102,845
Less estimated income	<u>232,460</u>	<u>229,948</u>	<u>(250)</u>	<u>229,698</u>
General fund	\$884,141	\$874,829	(\$1,682)	\$873,147
FTE	10.00	10.00	0.00	10.00

## Dept. 406 - Labor Commissioner - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	RESTORES FUNDING FOR OPERATING EXPENSES <sup>2</sup>	INCREASES FUNDING FOR OPERATING EXPENSES <sup>3</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>4</sup>	TOTAL HOUSE CHANGES
Salaries and wages	(\$1,032)				(\$1,032)
Operating expenses		<u>\$1,500</u>	<u>\$4,000</u>	<u>(\$6,400)</u>	<u>(900)</u>
Total all funds	(\$1,032)	\$1,500	\$4,000	(\$6,400)	(\$1,932)
Less estimated income	<u>(250)</u>				<u>(250)</u>
General fund	(\$782)	\$1,500	\$4,000	(\$6,400)	(\$1,682)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment restores funding of \$1,500 from the general fund that was removed by the Senate. The funding is to be used for Labor Department booth rental space.

<sup>3</sup> This amendment increases funding for operating expenses by \$4,000 from the general fund for travel expenses associated with the commissioner's participation in the National Association of Government Labor Officials.

<sup>4</sup> This amendment reduces funding for information technology by \$6,400 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

## HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2009

Page 1, line 2, replace the first "and" with "to provide for the continuation of an agricultural pesticide and pesticide container disposal program;"

Page 1, line 4, after "fees" insert "; to provide for a transfer of funds; and to provide an expiration date"

Page 1, line 12, replace "4,495,813" with "4,504,970"

Page 1, line 13, replace "3,358,672" with "3,328,600"

Page 1, line 16, replace "876,517" with "869,464"

Page 1, line 17, replace "770,554" with "763,461"

Page 1, line 20, replace "619,525" with "308,870"

Page 1, line 21, replace "1,346,836" with "1,346,836"

Page 1, after line 21, insert:

"Crop protection product  
harmonization and registration board

25,000"

Page 1, line 22, replace "12,556,865" with "12,236,149"

Page 1, line 23, replace "8,607,851" with "7,870,178"

Page 1, line 24, replace "3,949,014" with "4,365,971"

Page 2, line 3, replace "\$2,499,215" with "\$2,214,453"

Page 2, line 12, replace "\$950,000" with "\$400,000"

Page 2, line 15, after "commissioner" insert ", including the board of animal health,"

Page 2, after line 17, insert:

**"SECTION 5. PESTICIDE AND PESTICIDE CONTAINER DISPOSAL PROGRAM - PESTICIDE CONTAINER MANAGEMENT - COMPENSATION.**

1. The definitions contained in section 4-35-05 apply to this section.
2. In consultation with an advisory board consisting of the state health officer, director of the North Dakota state university extension service, two individuals representing agribusiness organizations, two individuals representing farm organizations, all of whom must be selected by the agriculture commissioner, the commissioner shall continue to implement the project authorized by section 1 of chapter 77 of the 2001 Session Laws, which is known as project safe send. The purpose of the project is to:
  - a. Collect and either recycle or dispose of unusable pesticides and unusable pesticide containers. The commissioner shall provide for the establishment and operation of temporary collection sites for the pesticides and pesticide containers. The commissioner may limit the type and quantity of pesticides and pesticide containers acceptable for collection.
  - b. Promote proper pesticide container management. In consultation with the director of the North Dakota state university extension service, the commissioner shall evaluate and promote proper methods of pesticide container management, including information on the variety of pesticide containers available.
3. Any entity collecting pesticide containers or unusable pesticides shall manage and dispose of the containers and pesticides in compliance with applicable federal and state requirements. When called upon, any state agency shall assist the commissioner in implementing the project.
4. For services rendered in connection with the design and implementation of this project, the members selected by the commissioner are entitled to reimbursement for mileage and travel expenses in the same manner and for the same amounts provided for state employees and officials. Compensation and expense reimbursement must be paid from the environment and rangeland protection fund.

**SECTION 6. PROJECT SCOPE AND EVALUATION.** The project described in section 5 of this Act must occur in areas to be determined by the agriculture commissioner in consultation with the advisory board under subsection 2 of section 5 of this Act and may only be conducted in the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the fiscal year beginning July 1, 2005, and ending June 30, 2006.

**SECTION 7. PROJECT SAFE SEND PESTICIDE AND PESTICIDE CONTAINER COLLECTION - USER FEES.** The agriculture commissioner, in consultation with the advisory board for the project safe send pesticide and pesticide container disposal program, may charge a fee for collection of rinsate. The fees must be established at a level that will generate enough revenue to cover the cost of disposal associated with the rinsate that is collected. Collections from this fee must be deposited in the environment and rangeland protection fund."

Page 3, after line 5, insert:

**"SECTION 10. TRANSFER.** The state treasurer shall transfer \$200,000, or so much of the sum as may be necessary, from the environment and rangeland protection fund to the minor use pesticide fund, during the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 11. EXPIRATION DATE.** Sections 5, 6, and 7 of this Act are effective through July 31, 2007, and after that date are ineffective."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2009 - Department of Agriculture - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,555,365	\$4,495,813	\$9,157	\$4,504,970
Operating expenses	3,358,672	3,358,672	(30,072)	3,328,600
Capital assets	8,000	8,000		8,000
Grants	100,000	100,000		100,000
Board of Animal Health	876,517	876,517	(7,053)	869,464
State meat inspection	770,554	770,554	(7,093)	763,461
Pride of Dakota	180,948	180,948		180,948
Wildlife services	788,209	800,000		800,000
Safe Send	619,525	619,525	(310,655)	308,870
Noxious weeds	1,346,836	1,346,836		1,346,836
Crop Protection Product Harmonization			25,000	25,000
<b>Total all funds</b>	<b>\$12,604,626</b>	<b>\$12,556,865</b>	<b>(\$320,716)</b>	<b>\$12,236,149</b>
Less estimated income	<u>8,336,778</u>	<u>8,607,851</u>	<u>(737,673)</u>	<u>7,870,178</u>
General fund	\$4,267,848	\$3,949,014	\$416,957	\$4,365,971
FTE	57.00	57.00	0.00	57.00

**Dept. 602 - Department of Agriculture - Detail of House Changes**

	REDUCES FUNDING FOR PROJECT SAFE SEND <sup>1</sup>	CHANGES FUNDING SOURCE FOR WILDLIFE SERVICES <sup>2</sup>	ADDS FUNDING FOR CROP PROTECTION PRODUCT HARMONIZATION AND REGISTRATION BOARD <sup>3</sup>	ADJUSTS SPECIAL LINE ITEM SALARY REDUCTION <sup>4</sup>	CHANGES FUNDING SOURCE FOR BOARD OF ANIMAL HEALTH <sup>5</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>6</sup>
Salaries and wages				\$13,724		
Operating expenses						(\$30,072)
Capital assets						
Grants						
Board of Animal Health				(6,537)		
State meat inspection				(6,371)		
Pride of Dakota						
Wildlife services						
Safe Send	(\$309,762)			(816)		
Noxious weeds						
Crop Protection Product Harmonization			\$25,000			
<b>Total all funds</b>	<b>(\$309,762)</b>	<b>\$0</b>	<b>\$25,000</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$30,072)</b>
Less estimated income	<u>(309,762)</u>	<u>(400,000)</u>	<u>25,000</u>		<u>(50,000)</u>	
General fund	\$0	\$400,000	\$0	\$0	\$50,000	(\$30,072)
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>7</sup>	TOTAL HOUSE CHANGES				
Salaries and wages	(\$4,567)	\$9,157				
Operating expenses		(30,072)				
Capital assets						
Grants						
Board of Animal Health	(516)	(7,053)				
State meat inspection	(722)	(7,093)				
Pride of Dakota						
Wildlife services						
Safe Send	(77)	(310,655)				
Noxious weeds						
Crop Protection Product Harmonization		25,000				
<b>Total all funds</b>	<b>(\$5,882)</b>	<b>(\$320,716)</b>				
Less estimated income	<u>(2,911)</u>	<u>(737,673)</u>				
General fund	(\$2,971)	\$416,957				
FTE	0.00	0.00				

<sup>1</sup> This amendment reduces funding for Project Safe Send by \$309,762, from \$619,525 to \$309,763. This amendment also provides for the project to be conducted only in the fiscal year beginning July 1, 2003, and ending June 30, 2004, and the fiscal year beginning July 1, 2005, and ending June 30, 2006, and for the project to be effective through July 31, 2007.

<sup>2</sup> This amendment changes \$400,000 of funding for wildlife services from the game and fish fund to the general fund. The total funding for wildlife services is \$400,000 from the general fund and \$400,000 from the game and fish fund.

<sup>3</sup> This amendment provides \$25,000 from the environment and rangeland protection fund for expenses of the Crop Protection Product Harmonization and Registration Board.

<sup>4</sup> This amendment adjusts the removal of the executive recommendation for salary increases to reflect the salaries within the Board of Animal Health, state meat inspection, and Safe Send line items. The Senate amendment removed all of the funding from the salaries and wages line item.

<sup>5</sup> This amendment changes \$50,000 of funding for the Board of Animal Health from the game and fish fund to the general fund. The total funding for the Board of Animal Health from the game and fish fund is \$100,000, which is to be reimbursed to the Department of Agriculture on a fee-for-service basis.

<sup>6</sup> This amendment reduces funding for information technology by \$30,072 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

<sup>7</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

The House amendment incorporates the provisions of Senate Bill No. 2398, which transfers \$200,000 from the environment and rangeland protection fund to the minor use pesticide fund, available to the Crop Protection Product Harmonization and Registration Board as a continuing appropriation pursuant to North Dakota Century Code Section 4-35-06.3.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2010

Page 1, line 10, replace "4,703,228" with "4,698,378"

Page 1, line 11, replace "1,631,501" with "1,781,501"

Page 1, line 13, replace "6,341,629" with "6,486,779"

Page 1, line 15, replace "FIREMEN'S" with "FIREFIGHTER'S"

Page 1, line 20, replace "firemen's" with "firefighter's"

Page 2, line 14, replace "\$75,000" with "\$175,000"

ReNUMBER accordingly

### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2010 - Summary of House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Insurance tax to fire departments				
Total all funds	\$5,304,000	\$5,304,000	\$0	\$5,304,000
Less estimated income	<u>5,304,000</u>	<u>5,304,000</u>		<u>5,304,000</u>
General fund	\$0	\$0	\$0	\$0
Insurance Department				
Total all funds	\$6,338,337	\$6,341,629	\$145,150	\$6,486,779
Less estimated income	<u>6,338,337</u>	<u>6,341,629</u>	<u>145,150</u>	<u>6,486,779</u>
General fund	\$0	\$0	\$0	\$0
Bill Total				
Total all funds	\$11,642,337	\$11,645,629	\$145,150	\$11,790,779
Less estimated income	<u>11,642,337</u>	<u>11,645,629</u>	<u>145,150</u>	<u>11,790,779</u>
General fund	\$0	\$0	\$0	\$0

#### Senate Bill No. 2010 - Insurance Tax to Fire Departments - House Action

This amendment amends Section 2 of the bill to refer to the North Dakota Firefighter's Association instead of the North Dakota Firemen's Association.

#### Senate Bill No. 2010 - Insurance Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,754,936	\$4,703,228	(\$4,850)	\$4,698,378
Operating expenses	1,576,501	1,631,501	150,000	1,781,501
Capital assets	<u>6,900</u>	<u>6,900</u>		<u>6,900</u>
Total all funds	\$6,338,337	\$6,341,629	\$145,150	\$6,486,779
Less estimated income	<u>6,338,337</u>	<u>6,341,629</u>	<u>145,150</u>	<u>6,486,779</u>
General fund	\$0	\$0	\$0	\$0
FTE	45.50	45.50	0.00	45.50

#### Dept. 401 - Insurance Department - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	INCREASES FUNDING FOR OPERATING EXPENSES 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$4,850)		(\$4,850)
Operating expenses		\$150,000	150,000
Capital assets			
<b>Total all funds</b>	<b>(\$4,850)</b>	<b>\$150,000</b>	<b>\$145,150</b>
Less estimated income	<u>(4,850)</u>	<u>150,000</u>	<u>145,150</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment increases funding for operating expenses by \$150,000 of special funds, from \$1,631,501 to \$1,781,501, for marketing efforts associated with the Insurance Commissioner's fraud unit established in 2003 House Bill No. 1231.

This amendment also changes the amount of administrative costs allocated to the anhydrous ammonia storage facility inspection fund from \$75,000 to \$175,000 to provide necessary funding for costs associated with the Insurance Commissioner's activities.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2011**

Page 1, line 10, replace "926,349" with "925,523"

Page 1, line 11, replace "468,142" with "460,462"

Page 1, line 12, replace "1,394,491" with "1,385,985"

Page 1, line 14, replace "1,082,911" with "1,074,405"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2011 - Securities Commissioner - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$936,741	\$926,349	(\$826)	\$925,523
Operating expenses	<u>468,142</u>	<u>468,142</u>	<u>(7,680)</u>	<u>460,462</u>
<b>Total all funds</b>	<b>\$1,404,883</b>	<b>\$1,394,491</b>	<b>(\$8,506)</b>	<b>\$1,385,985</b>
Less estimated income	<u>311,580</u>	<u>311,580</u>		<u>311,580</u>
General fund	\$1,093,303	\$1,082,911	(\$8,506)	\$1,074,405
FTE	8.00	8.00	0.00	8.00

**Dept. 414 - Securities Commissioner - Detail of House Changes**

	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 1	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 2	TOTAL HOUSE CHANGES
Salaries and wages		(\$826)	(\$826)
Operating expenses	<u>(\$7,680)</u>		<u>(7,680)</u>
<b>Total all funds</b>	<b>(\$7,680)</b>	<b>(\$826)</b>	<b>(\$8,506)</b>
Less estimated income			
General fund	(\$7,680)	(\$826)	(\$8,506)
FTE	0.00	0.00	0.00

1 This amendment reduces funding for information technology by \$7,680 from the general fund, which represents a reduction in information technology funding of approximately 20 percent.

2 Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2014**

Page 1, line 10, replace "3,234,714" with "3,208,929"

Page 1, line 11, replace "2,445,011" with "2,443,532"

Page 1, line 12, replace "789,703" with "765,397"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2014 - Protection and Advocacy Project - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Protection and Advocacy Services	\$3,259,812	\$3,234,714	(\$25,785)	\$3,208,929
Total all funds	\$3,259,812	\$3,234,714	(\$25,785)	\$3,208,929
Less estimated income	<u>2,459,138</u>	<u>2,445,011</u>	<u>(1,479)</u>	<u>2,443,532</u>
General fund	\$800,674	\$789,703	(\$24,306)	\$765,397
FTE	24.50	24.50	0.00	24.50

**Dept. 360 - Protection and Advocacy Project - Detail of House Changes**

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	TOTAL HOUSE CHANGES
Protection and Advocacy Services	(\$2,683)	(\$23,102)	(\$25,785)
Total all funds	(\$2,683)	(\$23,102)	(\$25,785)
Less estimated income	<u>(1,479)</u>		<u>(1,479)</u>
General fund	(\$1,204)	(\$23,102)	(\$24,306)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$23,102 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2016**

Page 1, line 10, replace "3,039,623" with "3,037,559"

Page 1, line 11, replace "10,101,889" with "1,629,062"

Page 1, line 14, replace "47,053,097" with "38,578,206"

Page 1, line 15, replace "37,218,405" with "37,217,141"

Page 1, line 16, replace "9,834,692" with "1,361,065"

Page 1, after line 22, insert:

**"SECTION 3. DISASTER RELIEF FUNDING.** Notwithstanding section 37-17.1-23, the division of emergency management may continue its line of credit with the Bank of North Dakota relating to the state's share of federal disaster relief funding incurred during the 2001-03 biennium to July 1, 2005. The division of emergency management may repay the line of credit to the extent possible with funding received from settlements, and the division of emergency management may request a deficiency appropriation from the 2005 legislative assembly for the remaining state's share of any federal disaster relief funding from the 2001-03 biennium."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Division of Emergency Management - House Action**

EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
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Salaries and wages	\$3,059,418	\$3,039,623	(\$2,064)	\$3,037,559
Operating expenses	10,101,889	10,101,889	(8,472,827)	1,629,062
Capital assets	12,000	12,000		12,000
Grants	<u>33,899,585</u>	<u>33,899,585</u>		<u>33,899,585</u>
Total all funds	\$47,072,892	\$47,053,097	(\$8,474,891)	\$38,578,206
Less estimated income	<u>46,130,383</u>	<u>37,218,405</u>	<u>(1,264)</u>	<u>37,217,141</u>
General fund	\$942,509	\$9,834,692	(\$8,473,627)	\$1,361,065
FTE	20.00	20.00	0.00	20.00

### Dept. 512 - Division of Emergency Management - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	REMOVES FUNDING FOR REPAYMENT OF DISASTER RELIEF FUNDING 3	PROVIDES FUNDING FOR INTEREST PAYMENTS RELATING TO DISASTER RELIEF FUNDING 4	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,064)				(\$2,064)
Operating expenses		(\$10,627)	(\$8,900,000)	\$437,800	(8,472,827)
Capital assets					
Grants					
Total all funds	(\$2,064)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,474,891)
Less estimated income	<u>(1,264)</u>				<u>(1,264)</u>
General fund	(\$800)	(\$10,627)	(\$8,900,000)	\$437,800	(\$8,473,627)
FTE	0.00	0.00	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$10,627 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment removes funding of \$8.9 million from the general fund for the agency's repayment of 2001-03 biennium Bank of North Dakota loans obtained to pay the state's share of federal disaster relief funding. The executive budget recommended funding the repayment from the water development trust fund, and the Senate provided funding for repayment from the general fund. In addition, the amendment adds a section to the bill to provide that notwithstanding North Dakota Century Code Section 37-17.1-23, the agency may extend its 2001-03 biennium line of credit with the Bank of North Dakota, the agency may repay the loan to the extent possible with funding received from settlements, and the agency may request a deficiency appropriation from the 2005 Legislative Assembly for the state's share of remaining federal disaster relief funding from both the 2001-03 and 2003-05 bienniums.

4 This amendment provides \$437,800 from the general fund to pay for interest costs incurred relating to the agency's Bank of North Dakota line of credit to pay the state's share of federal disaster relief funding.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2017

Page 1, line 10, replace "3,572,028" with "3,568,516"

Page 1, line 11, replace "2,685,827" with "2,669,188"

Page 1, line 14, replace "193,120" with "193,020"

Page 1, line 16, replace "6,323,730" with "6,318,364"

Page 1, line 17, replace "15,376,042" with "15,370,985"

Page 1, line 18, replace "275,456" with "275,146"

Page 1, line 19, replace "29,908,204" with "29,877,220"

Page 1, line 20, replace "20,728,749" with "20,718,716"

Page 1, line 21, replace "9,179,455" with "9,158,504"

Page 1, line 23, replace "\$70,843" with "\$70,770"

ReNUMBER accordingly

### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2017 - Adjutant General - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,607,007	\$3,572,028	(\$3,512)	\$3,568,516

Operating expenses	2,685,827	2,685,827	(16,639)	2,669,188
Capital assets	144,987	144,987		144,987
Grants	329,514	329,514		329,514
Civil Air Patrol	193,918	193,120	(100)	193,020
Tuition and enlistment compensation	1,007,500	1,007,500		1,007,500
Air Guard contract	6,376,811	6,323,730	(5,366)	6,318,364
Army Guard contract	15,422,702	15,376,042	(5,057)	15,370,985
Veterans' Cemetery	<u>278,094</u>	<u>275,456</u>	<u>(310)</u>	<u>275,146</u>
Total all funds	\$30,046,360	\$29,908,204	(\$30,984)	\$29,877,220
Less estimated income	<u>20,824,132</u>	<u>20,728,749</u>	<u>(10,033)</u>	<u>20,718,716</u>
General fund	\$9,222,228	\$9,179,455	(\$20,951)	\$9,158,504
FTE	139.00	139.00	0.00	139.00

**Dept. 540 - Adjutant General - Detail of House Changes**

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$3,512)		(\$3,512)
Operating expenses		(\$16,639)	(16,639)
Capital assets			
Grants			
Civil Air Patrol	(100)		(100)
Tuition and enlistment compensation			
Air Guard contract	(5,366)		(5,366)
Army Guard contract	(5,057)		(5,057)
Veterans' Cemetery	<u>(310)</u>		<u>(310)</u>
Total all funds	(\$14,345)	(\$16,639)	(\$30,984)
Less estimated income	<u>(10,033)</u>		<u>(10,033)</u>
General fund	(\$4,312)	(\$16,639)	(\$20,951)
FTE	0.00	0.00	0.00

1 This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$16,639 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2018**

Page 1, line 8, replace "3,408,898" with "3,405,750"

Page 1, line 13, replace "5,643,148" with "5,640,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:****Senate Bill No. 2018 - Seed Department - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$3,437,065	\$3,408,898	(\$3,148)	\$3,405,750
Operating expenses	1,664,250	1,664,250		1,664,250
Capital assets	70,000	70,000		70,000
Grants	200,000	200,000		200,000
Contingencies	<u>300,000</u>	<u>300,000</u>		<u>300,000</u>
Total all funds	\$5,671,315	\$5,643,148	(\$3,148)	\$5,640,000
Less estimated income	<u>5,671,315</u>	<u>5,643,148</u>	<u>(3,148)</u>	<u>5,640,000</u>
General fund	\$0	\$0	\$0	\$0
FTE	32.00	32.00	0.00	32.00

**Dept. 616 - Seed Department - Detail of House Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	TOTAL HOUSE CHANGES
Salaries and wages	(\$3,148)	(\$3,148)
Operating expenses		
Capital assets		
Grants		

Contingencies		
Total all funds	(\$3,148)	(\$3,148)
Less estimated income	(3,148)	(3,148)
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2002, SB 2003.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2002**

Page 1, line 2, after "printing" insert "; to provide an exemption; and to declare an emergency"

Page 1, line 6, after the second comma insert "and from special funds derived from federal funds and other income,"

Page 1, line 11, replace "2,156,301" with "2,153,618"

Page 1, line 12, replace "2,112,497" with "1,843,067"

Page 1, line 14, replace "5,000,000" with "9,500,000"

Page 1, line 15, replace "9,276,798" with "13,504,685"

Page 1, line 16, replace "5,399,913" with "9,899,913"

Page 1, line 17, replace "3,876,885" with "3,604,772"

Page 1, line 22, replace "4,212,885" with "3,940,772"

Page 1, line 23, replace "5,399,913" with "9,899,913"

Page 1, line 24, replace "9,612,798" with "13,840,685"

Page 1, after line 24, insert:

**"SECTION 2. EXEMPTION.** The appropriation contained in subdivision 1 of section 1 of chapter 2 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 for an amount of up to \$105,000, and this amount may be used as state matching funds for federal election reform funding available to the state for the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 3. EMERGENCY.** The election reform line item in subdivision 1 of section 1 and section 2 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2002 - Summary of House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Secretary of State				
Total all funds	\$9,302,779	\$9,276,798	\$4,227,887	\$13,504,685
Less estimated income	5,399,913	5,399,913	4,500,000	9,899,913
General fund	\$3,902,866	\$3,876,885	(\$272,113)	\$3,604,772
Public Printing				
Total all funds	\$336,000	\$336,000	\$0	\$336,000
Less estimated income				
General fund	\$336,000	\$336,000	\$0	\$336,000
Bill Total				
Total all funds	\$9,638,779	\$9,612,798	\$4,227,887	\$13,840,685
Less estimated income	5,399,913	5,399,913	4,500,000	9,899,913
General fund	\$4,238,866	\$4,212,885	(\$272,113)	\$3,940,772

**Senate Bill No. 2002 - Secretary of State - House Action**

EXECUTIVE	SENATE	HOUSE	HOUSE
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	BUDGET	VERSION	CHANGES	VERSION
Salaries and wages	\$2,178,282	\$2,156,301	(\$2,683)	\$2,153,618
Operating expenses	2,112,497	2,112,497	(269,430)	1,843,067
Petition review	12,000	8,000		8,000
Election reform	<u>5,000,000</u>	<u>5,000,000</u>	<u>4,500,000</u>	<u>9,500,000</u>
Total all funds	\$9,302,779	\$9,276,798	\$4,227,887	\$13,504,685
Less estimated income	<u>5,399,913</u>	<u>5,399,913</u>	<u>4,500,000</u>	<u>9,899,913</u>
General fund	\$3,902,866	\$3,876,885	(\$272,113)	\$3,604,772
FTE	26.00	26.00	1.00	27.00

### Dept. 108 - Secretary of State - Detail of House Changes

	INCREASES ELECTION REFORM FUNDING <sup>1</sup>	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>2</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>3</sup>	TOTAL HOUSE CHANGES
Salaries and wages		(\$2,683)		(\$2,683)
Operating expenses			(\$269,430)	(269,430)
Petition review				
Election reform	<u>\$4,500,000</u>			<u>4,500,000</u>
Total all funds	\$4,500,000	(\$2,683)	(\$269,430)	\$4,227,887
Less estimated income	<u>4,500,000</u>			<u>4,500,000</u>
General fund	\$0	(\$2,683)	(\$269,430)	(\$272,113)
FTE	1.00	0.00	0.00	1.00

<sup>1</sup> The election reform line item is increased by \$4.5 million of federal funds for election reform activities. An additional FTE position (office assistant III) is authorized only for the period of time that federal funds are available to provide for the cost of the position.

<sup>2</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.

<sup>3</sup> This amendment reduces funding for information technology by \$269,430 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

An emergency clause section is added allowing the funding appropriated in the election reform line item to be spent prior to July 1, 2003.

A section is added allowing the Secretary of State to continue up to \$105,000 of the Secretary of State's 2001-03 biennium general fund appropriation for the purpose of providing state matching funds for federal election reform funding during the 2003-05 biennium. The Secretary of State's 2001-03 biennium unspent general fund appropriation authority is anticipated to total \$55,000 after this adjustment and excluding unspent appropriation authority relating to public printing.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2003

Page 1, line 2, after the semicolon insert "to create and enact a new section to chapter 12-63 of the North Dakota Century Code, relating to peace officer license fees;"

Page 1, line 3, replace "and" with "to provide a contingent appropriation; to provide an exemption;"

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

Page 1, line 11, replace "18,246,035" with "18,461,301"

Page 1, line 12, replace "8,025,869" with "7,738,043"

Page 1, line 18, replace "34,058,823" with "33,986,263"

Page 1, line 19, replace "17,444,577" with "17,537,418"

Page 1, line 20, replace "16,614,246" with "16,448,845"

Page 1, after line 20, insert:

**"SECTION 2. CONTINGENT APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$240,000, or so much of the sum as may be necessary, to the attorney general for the purpose of defraying the expenses of defending the state's school finance system for the biennium beginning July 1, 2003, and ending June 30, 2005. These funds may be spent only if the attorney general is required to defend the state in a lawsuit involving the state's school finance system during the 2003-05 biennium.

**SECTION 3. EXEMPTION.** The appropriation contained in section 1 of chapter 3 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 for an amount of up to \$66,000, and this amount may be used by the attorney general for defraying the expenses associated with conducting criminal background checks during the biennium beginning July 1, 2003, and ending June 30, 2005.

**SECTION 4. ATTORNEY GENERAL REFUND FUND - EXCEPTION.** Notwithstanding section 54-12-18, the attorney general may retain the balance in the attorney general refund fund that would otherwise be transferred to the general fund on June 30, 2003."

Page 2, after line 18, insert:

**"SECTION 9.** A new section to chapter 12-63 of the North Dakota Century Code is created and enacted as follows:

Peace officer training fee. In addition to any fee authorized under section 12-63-05, the board shall assess a peace officer training fee of fifty-five dollars on each application for a license, an initial license, a renewal of a license, and a late renewal of a license. All collections under this section must be transferred to the attorney general for deposit in the attorney general operating fund for the purpose of defraying the expenses of peace officer training programs."

Page 2, after line 26, insert:

**"SECTION 11. EMERGENCY.** Sections 3 and 4 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2003 - Attorney General - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$18,294,636	\$18,246,035	\$215,266	\$18,461,301
Operating expenses	7,831,087	8,025,869	(287,826)	7,738,043
Capital assets	1,784,250	1,830,250		1,830,250
Grants	5,841,560	5,891,560		5,891,560
Litigation fees	50,000	50,000		50,000
Arrest and return of fugitives	10,000	10,000		10,000
Gaming Commission	5,109	5,109		5,109
Contingent appropriation			<u>240,000</u>	<u>240,000</u>
Total all funds	\$33,816,642	\$34,058,823	\$167,440	\$34,226,263
Less estimated income	<u>17,349,237</u>	<u>17,444,577</u>	<u>92,841</u>	<u>17,537,418</u>
General fund	\$16,467,405	\$16,614,246	\$74,599	\$16,688,845
FTE	171.00	171.00	5.00	176.00

**Dept. 125 - Attorney General - Detail of House Changes**

	ADDS FUNDING FOR RACING COMMISSION 1	ADDS CONTINGENT APPROPRIATION 2	ADDS FUNDING FOR BACKGROUND CHECKS 3	RESTORES FUNDING FOR TRAINING POSITION 4	ADDS NEW POSITIONS 5	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 6
Salaries and wages			\$130,600	\$102,416		(\$17,750)
Operating expenses	\$25,000		49,400	31,584		
Capital assets						
Grants						
Litigation fees						
Arrest and return of fugitives						
Gaming Commission						
Contingent appropriation		<u>\$240,000</u>				
Total all funds	\$25,000	\$240,000	\$180,000	\$134,000	\$0	(\$17,750)
Less estimated income	<u>25,000</u>			<u>70,015</u>		<u>(2,174)</u>
General fund	\$0	\$240,000	\$180,000	\$63,985	\$0	(\$15,576)
FTE	0.00	0.00	2.00	1.00	2.00	0.00
	REDUCES FUNDING FOR					

	INFORMATION TECHNOLOGY COSTS <sup>7</sup>	TOTAL HOUSE CHANGES
Salaries and wages		\$215,266
Operating expenses	(\$393,810)	(287,826)
Capital assets		
Grants		
Litigation fees		
Arrest and return of fugitives		
Gaming Commission		
Contingent appropriation	_____	<u>240,000</u>
Total all funds	(\$393,810)	\$167,440
Less estimated income	_____	<u>92,841</u>
General fund	(\$393,810)	\$74,599
FTE	0.00	5.00

<sup>1</sup> The operating expenses line item is increased by \$25,000 from Racing Commission collections for Racing Commission operating costs. The additional income is available as a result of provisions of Senate Bill No. 2028.

<sup>2</sup> A section is added providing a \$240,000 contingent general fund appropriation for defending the state's school finance system if a lawsuit is filed during the 2003-05 biennium.

<sup>3</sup> Funding is added for two FTE identification technicians for conducting additional criminal background checks during the 2003-05 biennium.

<sup>4</sup> The executive budget removed two FTE law enforcement training positions. The Senate restored one of the two positions. This amendment restores the other position. Approximately 50 percent of the funding for the position will be provided from an increase in peace officer license fees. Section 9 of the bill is added which requires the Peace Officer Standards and Training Board to collect an additional \$55 fee on each application or license and remit the funds collected to the Attorney General for deposit in the Attorney General operating fund for providing funding for peace officer training programs. The fee is estimated to generate \$70,015 for the 2003-05 biennium.

<sup>5</sup> Section 4 is added allowing the Attorney General to retain the June 30, 2003, balance in the Attorney General refund fund estimated at \$394,984 rather than transferring the balance to the general fund. The Attorney General will use the funding to hire two additional FTE positions and for other costs associated with enforcing provisions of Senate Bill No. 2255 relating to telephone solicitations. The Attorney General's 2003-05 biennium appropriation is not changed because the funds in the refund fund may be spent by the Attorney General pursuant to a continuing appropriation.

<sup>6</sup> Funding for state employee health insurance premiums is reduced from \$493 to \$488.70 per month.

<sup>7</sup> This amendment reduces funding for information technology by \$393,810 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

Section 3 is added allowing the Attorney General to continue up to \$66,000 of the Attorney General's 2001-03 biennium general fund appropriation for the purpose of defraying the expenses associated with conducting additional criminal background checks during the 2003-05 biennium.

An emergency clause section is added relating to Sections 3 and 4 which were added to the bill by this amendment.

#### **MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2008, SB 2020.

#### **HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2008**

Page 1, line 2, after "funding" insert "; to provide for a legislative council study"

Page 1, line 10, replace "4,775,728" with "4,771,497"

Page 1, line 11, replace "1,212,261" with "1,137,006"

Page 1, line 16, replace "10,003,492" with "9,924,006"

Page 1, line 17, replace "6,074,179" with "6,072,767"

Page 1, line 18, replace "3,929,313" with "3,851,239"

Page 1, line 20, replace "\$250,000" with "\$200,000"

Page 1, line 22, after the comma insert "and \$50,000 from other sources,"

Page 1, line 23, after the period insert "The commission shall collect the \$50,000 before proceeding with the initial stage of the rail rate complaint case."

Page 2, after line 3, insert:

**"SECTION 4. LEGISLATIVE COUNCIL STUDY - PUBLIC SERVICE COMMISSION DUTIES AND FUNDING.** The legislative council shall consider studying, during the 2003-04 interim, the feasibility and desirability of transferring

inspection and standards functions conducted by various state agencies to the public service commission, including the potential cost-savings and efficiencies that may be realized by training and certifying employees to conduct multiple inspection duties. In addition, the study, if conducted, must include an examination of the feasibility and desirability of funding the public service commission entirely from special fund revenue sources. The legislative council shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the fifty-ninth legislative assembly."

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2008 - Public Service Commission - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$4,830,580	\$4,775,728	(\$4,231)	\$4,771,497
Operating expenses	1,232,261	1,212,261	(75,255)	1,137,006
Capital assets	45,011	35,011		35,011
Grants	62,000	62,000		62,000
Abandoned mined lands contractual services	3,668,492	3,668,492		3,668,492
Rail rate complaint case	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$10,088,344	\$10,003,492	(\$79,486)	\$9,924,006
Less estimated income	<u>6,084,744</u>	<u>6,074,179</u>	<u>(1,412)</u>	<u>6,072,767</u>
General fund	\$4,003,600	\$3,929,313	(\$78,074)	\$3,851,239
FTE	41.00	41.00	0.00	41.00

#### Dept. 408 - Public Service Commission - Detail of House Changes

	DECREASES FUNDING FOR INFORMATION TECHNOLOGY TRAINING TRAVEL <sup>1</sup>	DECREASES FUNDING FOR COPIER-RELATED PRINTING COSTS <sup>2</sup>	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>3</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>4</sup>	TOTAL HOUSE CHANGES
Salaries and wages			(\$4,231)		(\$4,231)
Operating expenses	(\$6,000)	(\$9,000)		(\$60,255)	(75,255)
Capital assets					
Grants					
Abandoned mined lands contractual services					
Rail rate complaint case					
Total all funds	(\$6,000)	(\$9,000)	(\$4,231)	(\$60,255)	(\$79,486)
Less estimated income			<u>(1,412)</u>		<u>(1,412)</u>
General fund	(\$6,000)	(\$9,000)	(\$2,819)	(\$60,255)	(\$78,074)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment decreases the funding for information technology training and related travel.

<sup>2</sup> This amendment decreases the funding for copier-related printing costs.

<sup>3</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>4</sup> This amendment reduces funding for information technology by an additional \$60,255 from the general fund, for a total reduction of \$75,255 in information technology funding from the general fund, which represents a total reduction of approximately 20 percent.

The House amendment provides for a Legislative Council study to examine the possibility of consolidating various inspection duties within one agency, the Public Service Commission, and to determine the feasibility and desirability of making the Public Service Commission a special funded agency.

The House amendment provides for \$250,000 for the initial stage of a rail rate complaint case, \$200,000 of which is from the state rail fund and \$50,000 from other interest parties and other sources. The Public Service Commission is not to proceed with the initial stage of the rail rate complaint case until the \$50,000 is collected. The Senate amendment provided that the entire \$250,000 was from the state rail fund.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2020

Page 1, line 2, after the semicolon insert "to provide an exemption; to provide for a transfer of funds;"

Page 1, line 10, replace "5,083,969" with "5,078,190"

Page 1, line 11, replace "1,234,141" with "1,177,595"

Page 1, line 12, replace "827,044" with "849,544"

Page 1, line 13, replace "1,000,000" with "1,300,000"

Page 1, after line 13, insert:

"Veterans' oral history project	150,000
Cultural heritage grants	75,000"

Page 1, line 15, replace "923,953" with "923,746"

Page 1, line 16, replace "9,073,599" with "9,558,567"

Page 1, line 17, replace "1,918,542" with "2,391,042"

Page 1, line 18, replace "7,155,057" with "7,167,525"

Page 2, after line 7, insert:

**"SECTION 5. EXEMPTION.** The state historical society's appropriation contained in section 1 of chapter 20 of the 2001 Session Laws is not subject to the provisions of section 54-44.1-11 in an amount of up to \$540,000, of which \$440,000 is from the general fund and \$100,000 is from special funds. Of the \$540,000, \$25,000 is for cultural heritage grants and \$515,000 is for the completion of the confluence center exhibits and the era of change exhibits.

**SECTION 6. LEWIS AND CLARK BICENTENNIAL LINE ITEM AND CAPITAL ASSETS LINE ITEM TRANSFERS.** Notwithstanding any other provision of law, the state historical society may transfer funds between the Lewis and Clark bicentennial line item and the capital assets line item during the period beginning July 1, 2003, and ending June 30, 2005."

Page 2, line 8, after "item" insert ", \$300,000 of the grants line item relating to the federal historic preservation program, and the veterans' oral history project line item"

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2020 - State Historical Society - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,135,558	\$5,083,969	(\$5,779)	\$5,078,190
Operating expenses	1,234,141	1,234,141	(56,546)	1,177,595
Capital assets	889,544	827,044	22,500	849,544
Grants	1,000,000	1,000,000	300,000	1,300,000
Veterans' Oral History Project			150,000	150,000
Cultural heritage grants			75,000	75,000
Yellowstone-Missouri-Fort Union Commission	4,492	4,492		4,492
Lewis and Clark Bicentennial	<u>1,025,295</u>	<u>923,953</u>	<u>(207)</u>	<u>923,746</u>
Total all funds	\$9,289,030	\$9,073,599	\$484,968	\$9,558,567
Less estimated income	<u>1,918,542</u>	<u>1,918,542</u>	<u>472,500</u>	<u>2,391,042</u>
General fund	\$7,370,488	\$7,155,057	\$12,468	\$7,167,525
FTE	57.00	57.00	0.00	57.00

#### Dept. 701 - State Historical Society - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	INCREASES FUNDING FOR CONFLUENCE CENTER EXHIBITS <sup>3</sup>	ADDS FUNDING FOR FEDERAL HISTORIC PRESERVATION PROGRAM <sup>4</sup>	ADDS FUNDING FOR VETERANS' ORAL HISTORY PROJECT <sup>5</sup>	ADDS NEW LINE ITEM FOR CULTURAL HERITAGE GRANTS
Salaries and wages	(\$5,779)					
Operating expenses		(\$56,546)				
Capital assets			\$22,500			
Grants				\$300,000		

Veterans' Oral History Project					\$150,000	\$75,000
Cultural heritage grants						
Yellowstone-Missouri-Fort Union Commission						
Lewis and Clark Bicentennial	(207)					
Total all funds	(\$5,986)	(\$56,546)	\$22,500	\$300,000	\$150,000	\$75,000
Less estimated income			22,500	300,000	150,000	
General fund	(\$5,986)	(\$56,546)	\$0	\$0	\$0	\$75,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

TOTAL  
HOUSE  
CHANGES

Salaries and wages	(\$5,779)
Operating expenses	(56,546)
Capital assets	22,500
Grants	300,000
Veterans' Oral History Project	150,000
Cultural heritage grants	75,000
Yellowstone-Missouri-Fort Union Commission	
Lewis and Clark Bicentennial	(207)
Total all funds	\$484,968
Less estimated income	472,500
General fund	\$12,468
FTE	0.00

1 This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$56,546 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment increases funding for the Confluence Center exhibits due to the receipt of new federal money.

4 This amendment adds funding to the grants line for new federal money received for the historic preservation program.

5 This amendment adds a new line item due to the receipt of new federal money for the Veterans' Oral History Project.

This amendment also adds a new section to allow for the carryover of \$540,000 for the completion of the confluence exhibits, era of change exhibits, and for cultural heritage grants; adds a new section to allow the State Historical Society the flexibility to transfer funds between the Lewis and Clark Bicentennial line item and the capital assets line item; and adds the Veterans' Oral History Project line item and \$300,000 of the grants line item relating to the federal historic preservation program to the emergency clause.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has amended and subsequently failed to pass: SB 2119.

**MOTION**

**SEN. CHRISTMANN MOVED** that HB 1103 be moved to the top of the Fourteenth order, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1103:** A BILL for an Act to create and enact a new section to chapter 15-03, a new section to chapter 15-04, and an new section to chapter 15-07 of the North Dakota Century Code, relating to authority for payment of expenses by the board of university and school lands; to amend and reenact sections 15-03-01.2, 15-03-16, 15-04-23, 15-06-22, 15-08-04, and 47-30.1-23 of the North Dakota Century Code, relating to authority for the payment of expenses by the board of university and school lands; to repeal section 15-03-01.3 of the North Dakota Century Code; relating to apportionment of board of university and school lands maintenance fund balances; and to provide a continuing appropriation.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjerm; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

HB 1103 passed and the title was agreed to.

\*\*\*\*\*

#### MOTION

**SEN. CHRISTMANN MOVED** that SB 2337, which is on the Twelfth order, be laid over one legislative day, which motion prevailed.

#### REQUEST

**SEN. CHRISTMANN REQUESTED** that the Senate proceed with the Twelfth order, which request was granted.

#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. HOLMBERG MOVED** that the Senate do concur in the House amendments to Engrossed SB 2339 as printed on SJ page 959, which motion prevailed on a voice vote.

Engrossed SB 2339, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2339:** A BILL for an Act to provide for the interstate transfer or travel of probationers; and to provide an appropriation.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2339 passed and the title was agreed to.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. TRAYNOR MOVED** that the Senate do concur in the House amendments to SB 2340 as printed on SJ page 833, which motion prevailed on a voice vote.

SB 2340, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2340:** A BILL for an Act to amend and reenact section 46-03-10 of the North Dakota Century Code, relating to correction of errors in statutory provisions.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed SB 2340 passed and the title was agreed to.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. COOK MOVED** that the Senate do concur in the House amendments to Engrossed SB 2346 as printed on SJ page 857, which motion prevailed on a voice vote.

Engrossed SB 2346, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2346:** A BILL for an Act to create and enact three new sections to chapter 12-63 of the North Dakota Century Code, relating to membership on the peace officers standards and training board, temporary suspensions, and cost of prosecution; to amend and reenact sections 12-62-01, 12-62-01.1, 12-62-02, 12-62-07, 12-62-10, 12-63-01, 12-63-02, 12-63-03, 12-63-04, 12-63-05, 12-63-09, 12-63-10, and 12-63-12 of the North Dakota Century Code, relating to training responsibilities, statistics collection, and the peace officers standards and training board; to repeal sections 12-62-03, 12-62-05, 12-62-06, and 12-62-09 of the North Dakota Century Code, relating to law enforcement training; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nothing; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2346 passed, the title was agreed to, and the emergency clause was declared carried.

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**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House accedes to the Senate request for the return of: HCR 3005.

**MOTION**

**SEN. COOK MOVED** that the Senate reconsider its action whereby HCR 3005 failed to pass, which motion prevailed on a verification vote.

HCR 3005 was placed on the Fourteenth order for immediate second reading.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3005:** A concurrent resolution for the amendment of section 17 of article XI of the Constitution of North Dakota, relating to the organization of the state's military forces; to repeal sections 16, 18, 19, 20, and 21 of article XI of the Constitution of North Dakota, relating to the organization, membership requirements, and appointment of officers of the state's militia and privilege from arrest during periods of military service; and to provide an effective date.

**MOTION**

**SEN. COOK MOVED** that HCR 3005 be amended as follows, which motion prevailed on a voice vote.

Page 1, line 1, after "resolution" replace the remainder of the resolution with "for the amendment of section 16 of article XI of the Constitution of North Dakota, relating to the qualifications for membership in the state's militia; and to provide an effective date.

**STATEMENT OF INTENT**

This measure provides an exception to the age, gender, and residency requirements for the militia by allowing volunteers.

**BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF NORTH DAKOTA, THE SENATE CONCURRING THEREIN:**

That the following proposed amendment to section 16 of article XI of the Constitution of North Dakota is agreed to and must be submitted to the qualified electors of North Dakota at the primary election to be held in 2004, in accordance with section 16 of article IV of the Constitution of North Dakota.

**SECTION 1. AMENDMENT.** Section 16 of article XI of the Constitution of North Dakota is amended and reenacted as follows:

**Section 16.** The militia of this state shall consist of all able-bodied male ~~persons~~ individuals residing in the state, between the ages of eighteen and forty-five years, ~~except such as may be~~ individuals exempted by the laws of the United States or of this state, and consists of individuals who volunteer and are accepted for service in the militia of this state. ~~Persons~~ Individuals whose religious tenets or conscientious scruples forbid them to bear arms ~~shall~~may not be compelled to do so in times of peace, but shall pay an equivalent for a personal service.

**SECTION 2. EFFECTIVE DATE.** If approved by the voters, this measure becomes effective on August 1, 2004."

Renumber accordingly

**HCR 3005:** A concurrent resolution for the amendment of section 16 of article XI of the Constitution of North Dakota, relating to the qualifications for membership in the state's militia; and to provide an effective date.

#### ROLL CALL

The question being on the final adoption of the amended resolution, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nothing; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

HCR 3005, as amended, was declared adopted, and the title was agreed to on a roll call vote.

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#### MOTION

**SEN. CHRISTMANN MOVED** that the Senate proceed to the Fourteenth order, which motion prevailed.

#### SECOND READING OF HOUSE BILL

**HB 1471:** A BILL for an Act to create and enact a new subsection to section 57-38.4-02 of the North Dakota Century Code, relating to the tax on the water's edge filing method; to amend and reenact subsections 1 and 2 of section 57-35.3-02, subsections 1 and 3 of section 57-38-01.3, section 57-38-30, and subsection 3 of section 57-38-40 of the North Dakota Century Code, relating to financial institutions taxes, the corporate income tax deduction for federal income taxes paid, net operating losses, and corporate income tax rates; and to provide an effective date.

#### MOTION

**SEN. HEITKAMP MOVED** that Engrossed HB 1471, as amended, be further amended as follows:

In lieu of the amendments adopted by the Senate as printed on pages 939 and 940 of the Senate Journal, Engrossed House Bill No. 1471 is amended as follows:

Page 1, line 1, after "to" insert "create and enact a new subsection to section 57-38.4-02 of the North Dakota Century Code, relating to the tax on the water's edge filing method; to"

Page 1, line 4, remove "to repeal chapter 57-38.4 of the North Dakota"

Page 1, line 5, remove "Century Code, relating to the corporate income tax water's edge filing election;"

Page 6, line 14, replace "two-tenths" with "six-tenths"

Page 6, line 16, remove the overstrike over "~~four and~~" and replace "three and two-tenths" with "one-tenth"

Page 6, line 19, replace "four and three-tenths" with "five and six-tenths"

Page 6, line 21, replace "five" with "six"

Page 6, line 23, overstrike "and not in excess of fifty"

Page 6, line 24, overstrike "thousand dollars," and replace "six and five-tenths" with "seven"

Page 6, line 25, overstrike "f. On all taxable income above fifty thousand dollars, at the rate of" and remove "seven"

Page 6, line 26, overstrike "and", remove "five-tenths", and overstrike "percent."

Page 7, replace lines 1 and 2 with:

**"SECTION 4.** A new subsection to section 57-38.4-02 of the North Dakota Century Code is created and enacted as follows:

In addition to the tax imposed under subsection 1 of section 57-38-30, there is imposed an additional tax of three and one-half percent of taxable income which must be levied, collected, and paid annually in the same manner as provided in chapter 57-38."

Page 7, line 4, replace "2002" with "2003"

ReNUMBER accordingly

#### REQUEST

**SEN. HEITKAMP REQUESTED** a recorded roll call vote on the motion to adopt the proposed amendments to Engrossed HB 1471, as amended, which request was granted.

#### ROLL CALL

The question being on the motion to adopt the proposed amendments to Engrossed HB 1471, as amended, the roll was called and there were 16 YEAS, 29 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Bercier; Bowman; Christenson; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Mutch; Nelson; O'Connell; Polovitz; Robinson; Schobinger; Thane

**NAYS:** Andrist; Brown; Christmann; Cook; Dever; Erbele; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Nething; Nichols; Seymour; Stenehjem; Syverson; Taylor; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

The proposed amendments to Engrossed HB 1471, as amended, failed.

#### 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 34 YEAS, 11 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espgaard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mathern; Nelson; Nething; Nichols; Robinson; Seymour; Stenehjem; Syverson; Taylor; Traynor; Trenbeath; Urlacher; Wardner

**NAYS:** Bercier; Christenson; Every; Fairfield; Heitkamp; Lindaas; Mutch; O'Connell; Polovitz; Schobinger; Thane

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Engrossed HB 1471, as amended, passed and the title was agreed to.

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#### MOTION

**SEN. CHRISTMANN MOVED** that SB 2405 be moved to the top of the Twelfth order, which motion prevailed.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. KREBSBACH MOVED** that the Senate do concur in the House amendments to Engrossed SB 2405 as printed on SJ page 1044, which motion prevailed on a voice vote.

Engrossed SB 2405, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2405:** A BILL for an Act to amend and reenact sections 16.1-11-18 and 16.1-13-10 of the North Dakota Century Code, relating to filling vacancies occurring in nominations for party office and filling legislative vacancies.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 32 YEAS, 13 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bowman; Brown; Christmann; Cook; Dever; Erbele; Espegard; Fischer; Flakoll; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lyson; Mutch; Nething; Polovitz; Schobinger; Seymour; Stenehjem; Syverson; Thane; Traynor; Trenbeath; Urlacher; Wardner

**NAYS:** Bercier; Christenson; Every; Fairfield; Heitkamp; Krauter; Lindaas; Mathern; Nelson; Nichols; O'Connell; Robinson; Taylor

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2405 passed and the title was agreed to.

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**MOTION**

**SEN. CHRISTMANN MOVED** that SB 2394, SB 2409, SB 2045 and SCR 4029, which are on the Twelfth order, be laid over one legislative day, which motion prevailed.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2348 as printed on SJ page 850, which motion prevailed on a voice vote.

Engrossed SB 2348, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2348:** A BILL for an Act to create and enact sections 10-33-148 and 10-33-149 and a new subsection to section 50-24.4-15 of the North Dakota Century Code, relating to transactions by nonprofit corporations that operate or control hospitals and nursing homes and property-related costs for nursing homes; to amend and reenact sections 10-33-144, 10-33-145, 10-33-146, and 10-33-147 of the North Dakota Century Code, relating to transactions by nonprofit corporations that operate or control hospitals or nursing homes; and to provide a continuing appropriation.

**ROLL CALL**

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

**YEAS:** Andrist; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**NAYS:** Bercier

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2348 passed and the title was agreed to.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. URLACHER MOVED** that the Senate do concur in the House amendments to Engrossed SB 2350 as printed on SJ page 722, which motion prevailed on a voice vote.

Engrossed SB 2350, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2350:** A BILL for an Act to amend and reenact section 57-02-26 of the North Dakota Century Code, relating to assessment of property taxes on certain state property held under a lease; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 37 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fischer; Freborg; Grindberg; Holmberg; Kilzer; Klein; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nething; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Thane; Traynor; Trenbeath; Urlacher; Wardner

**NAYS:** Fairfield; Flakoll; Heitkamp; Krauter; Nelson; Nichols; O'Connell; Taylor

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2350 passed and the title was agreed to.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. MUTCH MOVED** that the Senate do concur in the House amendments to Engrossed SB 2360 as printed on SJ page 1044, which motion prevailed on a voice vote.

Engrossed SB 2360, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2360:** A BILL for an Act to create and enact a new section to chapter 6-09 of the North Dakota Century Code, relating to a loan program to assist students in truckdriver training programs; and to provide an expiration date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 45 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Espegard; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Tallackson; Tollefson

Reengrossed SB 2360 passed and the title was agreed to.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. FLAKOLL MOVED** that the Senate do concur in the House amendments to SB 2385 as printed on SJ page 1044, which motion prevailed on a voice vote.

SB 2385, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2385:** A BILL for an Act to create and enact two new sections to chapter 4-38 of the North Dakota Century Code, relating to organic food standards; to amend and reenact section 4-38-02 of the North Dakota Century Code, relating to certifying agents; to repeal sections 4-38-01, 4-38-03, 4-38-04, 4-38-05, and 4-38-06 of the North Dakota Century Code, relating to organic food standards; and to provide a penalty.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 44 YEAS, 0 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Bercier; Bowman; Brown; Christenson; Christmann; Cook; Dever; Erbele; Every; Fairfield; Fischer; Flakoll; Freborg; Grindberg; Heitkamp; Holmberg; Kilzer; Klein; Krauter; Krebsbach; Kringstad; Lee, G.; Lee, J.; Lindaas; Lyson; Mathern; Mutch; Nelson; Nething; Nichols; O'Connell; Polovitz; Robinson; Schobinger; Seymour; Stenehjem; Syverson; Taylor; Thane; Traynor; Trenbeath; Urlacher; Wardner

**ABSENT AND NOT VOTING:** Espegard; Tallackson; Tollefson

Engrossed SB 2385 passed and the title was agreed to.

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**COMMUNICATION FROM GOVERNOR JOHN HOEVEN**

This is to inform you that on April 4, 2003, I have signed the following: SB 2052, SB 2058, SB 2064, SB 2089, SB 2151, SB 2153, SB 2196, SB 2198, SB 2199, SB 2201, SB 2211, SB 2228, SB 2288, SB 2310, and SB 2324.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has passed unchanged: SB 2420.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has failed to pass unchanged: SB 2028.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2022, SB 2023, SB 2024.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2022**

Page 1, line 4, after "projects" insert "; to create and enact a new section to chapter 61-02 of the North Dakota Century Code, relating to construction of the Devils Lake outlet", replace "section" with "sections", and after "54-27-25" insert "and 61-02.1-02.1"

Page 1, line 5, after "fund" insert "and funding statewide water development projects; to transfer funds from the water development trust fund to the general fund" and replace "repeal chapter 61-38 of" with "provide a continuing appropriation."

Page 1, remove line 6

Page 1, line 14, replace "2,077,370" with "2,058,795"

Page 1, line 15, replace "147,367,303" with "157,825,983"

Page 1, line 16, replace "149,444,673" with "159,884,778"

Page 1, line 17, replace "140,004,556" with "150,473,458"

Page 1, line 18, replace "9,440,117" with "9,411,320"

Page 3, line 24, after "facility" insert "on new or the existing water commission property"

Page 4, line 3, after "building" insert "on new or the existing water commission property"

Page 4, line 6, after "building" insert "on new or the existing water commission property"

Page 4, line 8, after the comma insert "on new or the existing water commission property,"

Page 4, line 12, after "building" insert "on new or the existing water commission property"

Page 4, line 16, after "appurtenances" insert "on new or existing water commission property"

Page 5, line 3, replace "\$49,523,771" with "\$60,000,000"

Page 6, replace line 16 with:

**"SECTION 12.** A new section to chapter 61-02 of the North Dakota Century Code is created and enacted as follows:

Construction of the Devils Lake outlet - Authorization - Agreement. The state water commission may do all things reasonably necessary to construct an outlet from Devils Lake, including executing an agreement with the federal government wherein the

state water commission agrees to hold the United States harmless and free from damages, except for damages due to the fault or negligence of the United States or its contractors.

**SECTION 13. AMENDMENT.** Section 61-02.1-02.1 of the North Dakota Century Code is amended and reenacted as follows:

**61-02.1-02.1. Funding - Statewide water development projects - Bond issuance amount.**

1. The priorities for the statewide water development program for the 2001-03 biennium include municipal, rural, and industrial projects; irrigation projects; general water management projects, including rural flood control, snagging and clearing, channel improvement, recreation, and planning studies; flood control projects; and weather modification projects. The state water commission may provide the funds necessary to construct these projects from money appropriated to the state water commission from the resources trust fund, the water development trust fund, or by issuing bonds in an amount not to exceed twenty million dollars plus the costs of issuance of the bonds, capitalized interest, and reasonably required reserves. ~~The commission may utilize up to five million five hundred thousand dollars from the water development trust fund, the resources trust fund, or from bond proceeds to provide cost share for a flood control channel and levy project designed to provide protection from overland flooding to a city with a population in excess of eighty thousand as of the 2000 federal decennial census. The amount provided may not exceed fifty percent of the city's share of the cost to construct the project. Bonds may be issued utilizing the procedures set forth in chapter 61-02. The proceeds of any bonds issued under the authority provided in this section are appropriated to the state water commission for the purposes set forth in this section.~~
2. If the state water commission determines it is appropriate to do so, it may, in lieu of issuing or in combination with the issuance of bonds pursuant to sections 61-02.1-01 and 61-02.1-02, for all or part of the state's cost share for the projects set forth in those provisions, use funds appropriated to it from the resources trust fund or the water development trust fund. ~~Regardless of the source, the amount of funds used may not exceed the limits set forth in section 61-02.1-02.~~

**SECTION 14. CONTINUING APPROPRIATION - DEVILS LAKE OUTLET.**

There is appropriated to the state water commission on a continuing basis from the water development trust fund or the resources trust fund in the state treasury, or from bond proceeds from bonds issued by the state water commission, as determined by the state water commission, the amount of funds required by the agreement between the state and the federal government to construct an outlet from Devils Lake to meet its cost-share obligations under the agreement and from any legally available funds to meet its indemnification obligations under the agreement.

**SECTION 15. TRANSFER.** Notwithstanding section 54-27-25, during the biennium beginning July 1, 2003, and ending June 30, 2005, the director of the office of management and budget shall transfer \$10,070,373 from the water development trust fund to the general fund."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2022 - Water Commission - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Administrative and support services	\$2,639,225	\$2,077,370	(\$18,575)	\$2,058,795
Water and atmospheric resources	<u>147,746,765</u>	<u>147,367,303</u>	<u>10,458,680</u>	<u>157,825,983</u>
Total all funds	\$150,385,990	\$149,444,673	\$10,440,105	\$159,884,778
Less estimated income	<u>150,385,990</u>	<u>140,004,556</u>	<u>10,468,902</u>	<u>150,473,458</u>
General fund	\$0	\$9,440,117	(\$28,797)	\$9,411,320
FTE	85.00	82.00	0.00	82.00

**Dept. 770 - Water Commission - Detail of House Changes**

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	INCREASES BONDING AUTHORITY <sup>3</sup>	TOTAL HOUSE CHANGES
Administrative and support services	(\$1,135)	(\$17,440)		(\$18,575)
Water and atmospheric resources	<u>(7,637)</u>	<u>(9,912)</u>	<u>\$10,476,229</u>	<u>10,458,680</u>
Total all funds	(\$8,772)	(\$27,352)	\$10,476,229	\$10,440,105
Less estimated income	<u>(7,327)</u>		<u>10,476,229</u>	<u>10,468,902</u>
General fund	(\$1,445)	(\$27,352)	\$0	(\$28,797)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$448.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$27,352 from the general fund, which represents a reduction in information technology from the general fund of approximately 20 percent.

<sup>3</sup> This amendment increases the bonding authority for water projects from \$49,523,771 to \$60 million.

The house amendment provides that the State Water Commission may either sell all of its land and the existing shop building located at 2603 East Broadway in Bismarck and use the proceeds to purchase replacement land and build a new shop building or sell a portion of the land adjacent to the existing shop and use the proceeds to build a new shop on the remaining property.

The House amendment removed the section which would have repealed North Dakota Century Code (NDCC) Chapter 61-38 relating to assumption of the Section 404 program of the Clean Water Act by the State Water Commission.

The House added a section providing for the State Water Commission to do all things reasonably necessary to construct an outlet from Devils Lake and provides the necessary funding to complete the project from a continuing appropriation from the water development trust fund, or the resources trust fund, or from bond proceeds.

The House added a section which removes from NDCC Section 61-02.1-02.1 the reference of funding to be provided to Fargo for flood control projects.

The House added a section providing for a transfer of funds in the amount of State Water Commission's administrative expenses included in the executive budget recommendation of \$10,070,373 from the water development trust fund to the general fund.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2023**

Page 1, line 9, replace "32,421,470" with "32,397,631"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2023 - Workers Compensation Bureau - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Workers Compensation Bureau	\$32,673,205	\$32,421,470	(\$23,839)	\$32,397,631
Total all funds	\$32,673,205	\$32,421,470	(\$23,839)	\$32,397,631
Less estimated income	<u>32,673,205</u>	<u>32,421,470</u>	<u>(23,839)</u>	<u>32,397,631</u>
General fund	\$0	\$0	\$0	\$0
FTE	228.00	228.00	0.00	228.00

**Dept. 485 - Workers Compensation Bureau - Detail of House Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	TOTAL HOUSE CHANGES
Workers Compensation Bureau	(\$23,839)	(\$23,839)
Total all funds	(\$23,839)	(\$23,839)
Less estimated income	<u>(23,839)</u>	<u>(23,839)</u>
General fund	\$0	\$0

FTE 0.00 0.00

<sup>1</sup> This amendment reduces funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2024**

Page 1, line 11, replace "1,776,639" with "1,774,885"

Page 1, line 15, replace "4,845,083" with "4,843,329"

Page 1, line 18, replace "2,638,823" with "2,653,654"

Page 1, line 21, replace "4,373,327" with "4,388,158"

Page 1, line 22, replace "9,218,410" with "9,231,487"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Summary of House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
<b>Retirement and Investment Office</b>				
Total all funds	\$4,864,373	\$4,845,083	(\$1,754)	\$4,843,329
Less estimated income	<u>4,864,373</u>	<u>4,845,083</u>	<u>(1,754)</u>	<u>4,843,329</u>
General fund	\$0	\$0	\$0	\$0
<b>Public Employees Retirement System</b>				
Total all funds	\$4,400,690	\$4,373,327	\$14,831	\$4,388,158
Less estimated income	<u>4,400,690</u>	<u>4,373,327</u>	<u>14,831</u>	<u>4,388,158</u>
General fund	\$0	\$0	\$0	\$0
<b>Bill Total</b>				
Total all funds	\$9,265,063	\$9,218,410	\$13,077	\$9,231,487
Less estimated income	<u>9,265,063</u>	<u>9,218,410</u>	<u>13,077</u>	<u>9,231,487</u>
General fund	\$0	\$0	\$0	\$0

**Senate Bill No. 2024 - Retirement and Investment Office - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$1,795,929	\$1,776,639	(\$1,754)	\$1,774,885
Operating expenses	986,444	986,444		986,444
Contingencies	82,000	82,000		82,000
Contracted services	<u>2,000,000</u>	<u>2,000,000</u>		<u>2,000,000</u>
Total all funds	\$4,864,373	\$4,845,083	(\$1,754)	\$4,843,329
Less estimated income	<u>4,864,373</u>	<u>4,845,083</u>	<u>(1,754)</u>	<u>4,843,329</u>
General fund	\$0	\$0	\$0	\$0
FTE	17.00	17.00	0.00	17.00

**Dept. 190 - Retirement and Investment Office - Detail of House Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	TOTAL HOUSE CHANGES
Salaries and wages	(\$1,754)	(\$1,754)
Operating expenses		
Contingencies		
Contracted services		
Total all funds	(\$1,754)	(\$1,754)
Less estimated income	<u>(1,754)</u>	<u>(1,754)</u>
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

**Senate Bill No. 2024 - Public Employees Retirement System - House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$2,666,186	\$2,638,823	\$14,831	\$2,653,654
Operating expenses	1,484,504	1,484,504		1,484,504
Contingencies	<u>250,000</u>	<u>250,000</u>		<u>250,000</u>
Total all funds	\$4,400,690	\$4,373,327	\$14,831	\$4,388,158
Less estimated income	<u>4,400,690</u>	<u>4,373,327</u>	<u>14,831</u>	<u>4,388,158</u>
General fund	\$0	\$0	\$0	\$0
FTE	29.00	29.00	0.00	29.00

### Dept. 192 - Public Employees Retirement System - Detail of House Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	ADDS FUNDING OMITTED IN EXECUTIVE BUDGET FOR NEW EMPLOYEE 2	TOTAL HOUSE CHANGES
Salaries and wages	(\$2,993)	\$17,824	\$14,831
Operating expenses			
Contingencies			
Total all funds	(\$2,993)	\$17,824	\$14,831
Less estimated income	<u>(2,993)</u>	<u>17,824</u>	<u>14,831</u>
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment adds funding of \$11,832 for health benefits and \$5,992 for a classification change for a new FTE position added to the Public Employees Retirement System, which were omitted in the executive budget recommendation.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2021.

### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2021

Page 1, line 15, replace "5,254,210" with "5,254,566"

Page 1, line 16, replace "4,412,157" with "4,560,675"

Page 1, line 17, replace "1,932,794" with "2,517,794"

Page 1, line 18, replace "4,836,000" with "4,336,000"

Page 1, line 19, replace "710,721" with "760,618"

Page 1, line 20, replace "17,145,882" with "17,429,653"

Page 1, line 21, replace "10,652,416" with "10,727,355"

Page 1, line 22, replace "6,493,466" with "6,702,298"

Page 2, line 3, replace "6,839,820" with "7,048,652"

Page 2, line 4, replace "10,652,416" with "10,727,355"

Page 2, line 5, replace "17,492,236" with "17,776,007"

Page 3, line 6, replace "\$550,000" with "\$902,888"

Page 3, line 11, replace "\$80,000" with "\$50,000"

Page 3, line 16, replace "\$100,000" with "\$100,456"

Re-number accordingly

### STATEMENT OF PURPOSE OF AMENDMENT:

**Senate Bill No. 2021 - Summary of House Action**

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
<b>Parks and Recreation Department</b>				
Total all funds	\$18,038,433	\$17,145,882	\$283,771	\$17,429,653
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$6,759,264	\$6,493,466	\$208,832	\$6,702,298
<b>International Peace Garden</b>				
Total all funds	\$346,354	\$346,354	\$0	\$346,354
Less estimated income				
General fund	\$346,354	\$346,354	\$0	\$346,354
<b>Bill Total</b>				
Total all funds	\$18,384,787	\$17,492,236	\$283,771	\$17,776,007
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$7,105,618	\$6,839,820	\$208,832	\$7,048,652

### Senate Bill No. 2021 - Parks and Recreation Department - House Action

	EXECUTIVE BUDGET	SENATE VERSION	HOUSE CHANGES	HOUSE VERSION
Salaries and wages	\$5,295,996	\$5,254,210	\$356	\$5,254,566
Operating expenses	4,412,157	4,412,157	148,518	4,560,675
Capital assets	3,567,794	1,932,794	585,000	2,517,794
Grants	3,791,000	4,836,000	(500,000)	4,336,000
Lewis and Clark Bicentennial	971,486	710,721	49,897	760,618
<b>Total all funds</b>	<b>\$18,038,433</b>	<b>\$17,145,882</b>	<b>\$283,771</b>	<b>\$17,429,653</b>
Less estimated income	11,279,169	10,652,416	74,939	10,727,355
General fund	\$6,759,264	\$6,493,466	\$208,832	\$6,702,298
FTE	44.25	44.25	0.00	44.25

### Dept. 750 - Parks and Recreation Department - Detail of House Changes

	REDUCES THE RECOMMENDED FUNDING FOR HEALTH INSURANCE 1	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 2	INCREASES FUNDING FOR INCREASED SNOWMOBILE REGISTRATION FEES 3	CHANGES FUNDING SOURCE 4	ADDS FUNDING TO LEWIS AND CLARK BICENTENNIAL LINE 5	TRANSFERS FEMA DOLLARS BACK TO CAPITAL ASSETS LINE FROM GRANTS LINE 6
Salaries and wages	(\$4,644)		\$5,000			
Operating expenses		(\$61,482)	210,000			
Capital assets			85,000			\$500,000
Grants						(500,000)
Lewis and Clark Bicentennial	(103)				\$50,000	
<b>Total all funds</b>	<b>(\$4,747)</b>	<b>(\$61,482)</b>	<b>\$300,000</b>	<b>\$0</b>	<b>\$50,000</b>	<b>\$0</b>
Less estimated income	(310)		300,000	(224,751)		
General fund	(\$4,437)	(\$61,482)	\$0	\$224,751	\$50,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL HOUSE CHANGES					
Salaries and wages	\$356					
Operating expenses	148,518					
Capital assets	585,000					
Grants	(500,000)					
Lewis and Clark Bicentennial	49,897					
<b>Total all funds</b>	<b>\$283,771</b>					
Less estimated income	74,939					
General fund	\$208,832					
FTE	0.00					

1 This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

2 This amendment reduces funding for information technology by \$61,482 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 20 percent.

3 This amendment increases funding to the Parks and Recreation Department for increased snowmobile registration fees in Senate Bill No. 2162.

4 This amendment changes funding sources from special funds to the general fund to offset the funding source change done by the Senate.

5 This amendment adds funding to the Lewis and Clark Bicentennial line item for a grant to the Three Affiliated Tribes Lewis and Clark Bicentennial Celebration Foundation for the national signature event.

6 This amendment transfers \$500,000 of federal funds for FEMA construction projects back to the capital projects line from the grants line. The Senate transferred the \$500,000 as part of the amendment that removed bonding capital projects and transferred the federal funds from those bonding projects removed from the capital assets line to the grants line. The \$500,000 of federal funds for the FEMA construction projects was included in the amount of the federal funds transferred from the capital assets line to the grants line.

This amendment also corrects the amounts in Sections 4, 5, and 6 of the bill for the snowmobile fund, the trail tax transfer fund, and the state parks gift fund.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2099.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2339, SB 2340, SB 2346, SB 2348, SB 2350, SB 2360, SB 2385, and SB 2405.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has passed unchanged: HB 1103.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1471.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The Senate has amended and subsequently passed: HCR 3005.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The President has signed and your signature is respectfully requested on: SB 2032, SB 2118, SB 2242, SB 2245, SB 2246, SB 2251, SB 2254, SB 2262, SB 2275, SB 2296, SB 2297, SB 2322.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**

**MR. SPEAKER:** The President has signed: HB 1066, HB 1087, HB 1271, HB 1325, HB 1358, HB 1399, HB 1478, HCR 3004, HCR 3011, HCR 3034, HCR 3059.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The Speaker has signed and your signature is respectfully requested on: HB 1058, HB 1138, HB 1204, HB 1207, HB 1221, HB 1231, HB 1256, HB 1275, HB 1278, HB 1320, HB 1321, HB 1351, HB 1388, HB 1394, HB 1415, HB 1416, HB 1426.

**MESSAGE TO THE SENATE FROM THE HOUSE (BRADLEY C. FAY, CHIEF CLERK)**

**MR. PRESIDENT:** The Speaker has signed: SB 2036, SB 2044, SB 2060, SB 2061, SB 2072, SB 2085, SB 2095, SB 2096, SB 2111, SB 2173, SB 2192, SB 2193, SB 2210, SB 2215, SB 2217, SB 2223, SB 2240, SB 2299, SB 2331, SB 2368, SB 2404.

**MOTION**

**SEN. CHRISTMANN MOVED** that the absent members be excused, which motion prevailed.

**MOTION**

**SEN. CHRISTMANN MOVED** that the Senate be on the Fourth, Fifth, and Seventh orders of business and at the conclusion of those orders, the Senate stand adjourned until 9:00 a.m., Monday, April 7, 2003, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**HB 1002, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 0 NAYS, 3 ABSENT AND NOT VOTING). Engrossed HB 1002 was placed on the Sixth order on the calendar.

Page 1, line 10, replace "5,852,238" with "5,847,592"

Page 1, line 11, replace "1,681,580" with "1,658,562"

Page 1, line 13, replace "7,666,106" with "7,638,442"

Page 1, line 16, replace "33,943,108" with "33,913,180"

Page 1, line 17, replace "10,992,308" with "14,026,258"

Page 1, line 22, replace "45,936,860" with "48,940,882"

Page 1, line 24, replace "44,174,125" with "47,178,147"

Page 2, line 3, replace "539,445" with "538,722"

Page 2, line 4, replace "539,445" with "538,722"

Page 2, line 5, replace "281,014" with "280,801"

Page 2, line 6, replace "258,431" with "257,921"

Page 2, line 7, replace "52,098,662" with "55,074,510"

Page 2, line 8, replace "2,043,749" with "2,043,536"

Page 2, line 9, replace "54,142,411" with "57,118,046"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1002 - Summary of Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Supreme Court				
Total all funds	\$7,794,858	\$7,666,106	(\$27,664)	\$7,638,442
Less estimated income				
General fund	\$7,794,858	\$7,666,106	(\$27,664)	\$7,638,442
District courts				
Total all funds	\$50,034,808	\$45,936,860	\$3,004,022	\$48,940,882
Less estimated income	1,762,735	1,762,735		1,762,735
General fund	\$48,272,073	\$44,174,125	\$3,004,022	\$47,178,147
Judicial Conduct Commission				
Total all funds	\$544,227	\$539,445	(\$723)	\$538,722
Less estimated income	283,500	281,014	(213)	280,801
General fund	\$260,727	\$258,431	(\$510)	\$257,921
Bill Total				
Total all funds	\$58,373,893	\$54,142,411	\$2,975,635	\$57,118,046
Less estimated income	2,046,235	2,043,749	(213)	2,043,536
General fund	\$56,327,658	\$52,098,662	\$2,975,848	\$55,074,510

**House Bill No. 1002 - Supreme Court - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$5,955,990	\$5,852,238	(\$4,646)	\$5,847,592
Operating expenses	1,706,580	1,681,580	(23,018)	1,658,562
Judges' retirement	<u>132,288</u>	<u>132,288</u>		<u>132,288</u>
Total all funds	\$7,794,858	\$7,666,106	(\$27,664)	\$7,638,442
Less estimated income				
General fund	\$7,794,858	\$7,666,106	(\$27,664)	\$7,638,442
FTE	44.50	44.50	0.00	44.50

**Dept. 181 - Supreme Court - Detail of Senate Changes**

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$4,646)		(\$4,646)
Operating expenses		(\$23,018)	(23,018)
Judges' retirement			
Total all funds	(\$4,646)	(\$23,018)	(\$27,664)
Less estimated income			
General fund	(\$4,646)	(\$23,018)	(\$27,664)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$23,018 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

**House Bill No. 1002 - District Courts - Senate Action**

EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
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Salaries and wages	\$34,662,877	\$33,943,108	(\$29,928)	\$33,913,180
Operating expenses	14,223,487	10,992,308	3,033,950	14,026,258
Capital assets	109,500	74,500		74,500
Judges' retirement	918,944	826,944		826,944
UND-Central legal research	80,000	80,000		80,000
Alternative dispute resolution	<u>40,000</u>	<u>20,000</u>		<u>20,000</u>
Total all funds	\$50,034,808	\$45,936,860	\$3,004,022	\$48,940,882
Less estimated income	<u>1,762,735</u>	<u>1,762,735</u>		<u>1,762,735</u>
General fund	\$48,272,073	\$44,174,125	\$3,004,022	\$47,178,147
FTE	287.50	287.50	0.00	287.50

### Dept. 182 - District Courts - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	RESTORES FUNDING FOR OPERATING EXPENSES <sup>3</sup>	RESTORES FUNDING FOR INDIGENT DEFENSE FEES <sup>4</sup>	TOTAL SENATE CHANGES
Salaries and wages	(\$29,928)				(\$29,928)
Operating expenses		(\$109,229)	\$152,632	\$2,990,547	3,033,950
Capital assets					
Judges' retirement					
UND-Central legal research					
Alternative dispute resolution					
Total all funds	(\$29,928)	(\$109,229)	\$152,632	\$2,990,547	\$3,004,022
Less estimated income					
General fund	(\$29,928)	(\$109,229)	\$152,632	\$2,990,547	\$3,004,022
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$109,229 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

<sup>3</sup> This amendment restores \$152,632 in the operating expenses line for the administration of indigent defense services that the House removed as part of the transfer of indigent defense services to the Office of Administrative Hearings in House Bill No. 1044.

<sup>4</sup> This amendment restores funding of \$2,990,547 to the operating expenses line for indigent defense fees that the House had removed as part of the transfer of indigent defense services to the Office of Administrative Hearings in House Bill No. 1044.

### House Bill No. 1002 - Judicial Conduct Commission - Senate Action

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Operating expenses				
Judicial Conduct Commission and Disciplinary Board	\$544,227	\$539,445	(\$723)	\$538,722
Total all funds	\$544,227	\$539,445	(\$723)	\$538,722
Less estimated income	<u>283,500</u>	<u>281,014</u>	<u>(213)</u>	<u>280,801</u>
General fund	\$260,727	\$258,431	(\$510)	\$257,921
FTE	4.00	4.00	0.00	4.00

### Dept. 183 - Judicial Conduct Commission - Detail of Senate Changes

	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE <sup>1</sup>	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS <sup>2</sup>	TOTAL SENATE CHANGES
Operating expenses			
Judicial Conduct Commission and Disciplinary Board	(\$411)	(\$312)	(\$723)
Total all funds	(\$411)	(\$312)	(\$723)
Less estimated income	<u>(213)</u>		<u>(213)</u>
General fund	(\$198)	(\$312)	(\$510)
FTE	0.00	0.00	0.00

<sup>1</sup> This amendment reduces the funding for state employee health insurance premiums from \$493 per month to \$488.70 per month.

<sup>2</sup> This amendment reduces funding for information technology by \$312 from the general fund which represents a reduction in information technology funding from the general fund of approximately 4 percent.

## REPORT OF STANDING COMMITTEE

HB 1004, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1004 was placed on the Sixth order on the calendar.

Page 1, line 2, after "23-01" insert "and a new section to chapter 23-09.3"

Page 1, line 4, after "units" insert "and to basic care facility license fees; to amend and reenact section 23-16-03 of the North Dakota Century Code, relating to health facilities licensing fees" and remove "a statement"

Page 1, line 5, remove "of"

Page 1, line 13, replace "29,787,430" with "29,972,929"

Page 1, line 14, replace "24,199,459" with "24,113,564"

Page 1, line 16, replace "36,156,628" with "36,190,628"

Page 1, line 17, replace "7,452,097" with "7,782,097"

Page 1, line 19, replace "116,905,586" with "117,369,190"

Page 1, line 20, replace "103,758,195" with "104,261,058"

Page 1, line 21, replace "13,147,391" with "13,108,132"

Page 2, line 22, replace "\$5,830,000" with "\$5,760,000"

Page 3, underscore lines 6 through 11

Page 3, after line 11, insert:

**"SECTION 11.** A new section to chapter 23-09.3 of the North Dakota Century Code is created and enacted as follows:

**Application for license - License fee.** Applicants for a license shall file applications under oath with the state department of health upon forms prescribed. An application for a license for facilities not owned by the state or its political subdivisions must be accompanied by a fee of twelve dollars per bed. License fees collected pursuant to this section must be deposited in the state department of health services operating fund in the state treasury and any expenditure from the fund is subject to appropriation by the legislative assembly.

**SECTION 12. AMENDMENT.** Section 23-16-03 of the North Dakota Century Code is amended and reenacted as follows:

**23-16-03. Application for license - License fee.** Applicants for license shall file applications under oath with the state department of health upon forms prescribed. Applications must be signed by the owner, or in the case of a corporation by two of its officers, or in the case of a county or municipal unit by the head of the governmental department having jurisdiction over it. Applications must set forth the full name and address of the owner of the institution for which license is sought, the names of the persons in control thereof, and such additional information as the state department of health may require, including affirmative evidence of ability to comply with such minimum standards, rules, and regulations as may be lawfully prescribed pursuant to this section. An application for a license for facilities not owned by the state or its political subdivisions must be accompanied by the following fees:

1. For each licensed acute care bed, ~~ten~~ fifteen dollars.
2. For each licensed skill care bed, ~~seven~~ fifteen dollars.
3. ~~For each licensed intermediate care bed, five dollars.~~

License fees collected pursuant to this section must be deposited in the state department of health services operating fund in the state treasury and any expenditure from the fund is subject to appropriation by the legislative assembly."

Page 3, line 18, after "procedures" insert "of the departments of health and human services and federal agencies"

Page 3, line 19, replace "and the potential for waivers from" with ". The study must also explore the potential for mitigating the impact of new mandated federal rules through additional collaboration between the departments of health and human services and the submission of waiver requests"

Page 3, line 20, remove "these procedures" and after the comma insert "including the potential for federal waivers and collaboration between agencies that may result in efficiencies,"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1004 - State Department of Health - Senate Action**

	EXECUTIVE BUDGET	HOUSE VERSION	SENATE CHANGES	SENATE VERSION
Salaries and wages	\$30,219,050	\$29,787,430	\$185,499	\$29,972,929
Operating expenses	25,295,911	24,199,459	(85,895)	24,113,564
Capital assets	1,629,972	1,629,972		1,629,972
Grants	36,176,628	36,156,628	34,000	36,190,628
Tobacco program	7,478,097	7,452,097	330,000	7,782,097
WIC food payments	<u>17,680,000</u>	<u>17,680,000</u>		<u>17,680,000</u>
Total all funds	\$118,479,658	\$116,905,586	\$463,604	\$117,369,190
Less estimated income	<u>104,818,294</u>	<u>103,758,195</u>	<u>502,863</u>	<u>104,261,058</u>
General fund	\$13,661,364	\$13,147,391	(\$39,259)	\$13,108,132
FTE	312.00	311.00	2.00	313.00

**Dept. 301 - State Department of Health - Detail of Senate Changes**

	INCREASES FUNDING FOR TOBACCO QUIT LINE 1	PROVIDES FUNDING FOR DONATED DENTAL SERVICES PROGRAM 2	PROVIDES FUNDING FOR HEALTHY NORTH DAKOTA 3	PROVIDES FUNDING FOR SCHOOL HEALTH PROGRAM 4	REMOVES FUNDING FOR COMMUNITY HEALTH GRANT PROGRAMS 5	INCREASES FUNDING FOR BASIC CARE LICENSING ACTIVITIES 6
Salaries and wages			\$104,801	\$113,000		
Operating expenses	\$280,000		77,215	87,000		\$178,050
Capital assets						
Grants		\$14,000	20,000			
Tobacco program					(\$350,000)	
WIC food payments						
Total all funds	\$280,000	\$14,000	\$202,016	\$200,000	(\$350,000)	\$178,050
Less estimated income	<u>280,000</u>	<u>14,000</u>	<u>202,016</u>	<u>200,000</u>	<u>(350,000)</u>	<u>178,050</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	1.00	1.00	0.00	0.00

	MOVES FUNDING FOR QUIT LINE TO TOBACCO LINE ITEM 7	REDUCES RECOMMENDED FUNDING FOR HEALTH INSURANCE 8	REDUCES FUNDING FOR INFORMATION TECHNOLOGY COSTS 9	TOTAL SENATE CHANGES
Salaries and wages		(\$32,302)		\$185,499
Operating expenses	(\$680,000)		(\$28,160)	(85,895)
Capital assets				
Grants				34,000
Tobacco program	680,000			330,000
WIC food payments				
Total all funds	\$0	(\$32,302)	(\$28,160)	\$463,604
Less estimated income		<u>(21,203)</u>		<u>502,863</u>
General fund	\$0	(\$11,099)	(\$28,160)	(\$39,259)
FTE	0.00	0.00	0.00	2.00

1 This amendment increases funding from \$400,000 to \$680,000 from the community health trust fund for the tobacco quit line. The House had reduced the tobacco quit line funding from \$800,000 to \$400,000.

2 This amendment provides an additional \$14,000 of federal funds authority, for a total of \$35,000 of federal funds authority for the donated dental services program.

3 This amendment provides federal or special funds spending authority for the Healthy North Dakota program and one associated FTE human service program administrator position. The House removed general fund authority and one FTE position for the Healthy North Dakota program.

4 This amendment provides federal funds to be transferred from the Department of Public Instruction to coordinate school health programs and improve the health, education, and well-being of young people and adds one FTE human service program administrator position.

- <sup>5</sup> This amendment removes funding from the community health trust fund for the Community Health Grant Program Advisory Committee (\$100,000) and for city and county employee tobacco cessation programs (\$250,000). Funding for these programs are to be included in Senate Bill No. 2297.
- <sup>6</sup> This amendment provides additional funding for basic care licensing activities from increases in hospital and nursing facility licensing fees and from the establishment of basic care facility licensing fees.
- <sup>7</sup> This amendment moves the funding for the tobacco quit line from the operating line item to the tobacco program line item.
- <sup>8</sup> Funding for state employee health insurance premiums is reduced from \$493 per month to \$488.70 per month.
- <sup>9</sup> This amendment reduces funding for information technology by \$28,160 from the general fund, which represents a reduction in information technology funding from the general fund of approximately 4 percent.

The Senate increased the per bed licensing fees as follows:

	CURRENT RATE	AMENDED RATE
Hospitals	\$10	\$15
Nursing facilities	\$7	\$15
Basic care facilities	\$0	\$12

The Senate amended the section for the Legislative Council study of the nursing home survey process to include studying ways the State Department of Health and the Department of Human Services can collaborate to realize efficiencies.

#### REPORT OF STANDING COMMITTEE

**HB 1009, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1009 was placed on the Sixth order on the calendar.

Page 1, line 2, after "association" insert "; and to amend and reenact section 4-02.1-05 of the North Dakota Century Code, relating to the compensation of state fair board members"

Page 1, after line 13, insert:

**"SECTION 2. AMENDMENT.** Section 4-02.1-05 of the North Dakota Century Code is amended and reenacted as follows:

**4-02.1-05. Compensation of members.** ~~Members may not receive any fixed salary for their services, but, by resolution~~ Each member of the board of directors, per diem payments not exceeding ten dollars per day, or expense money not to exceed in amount the mileage and travel expenses allowed employees and officials of the state by law, may be allowed for attendance at each regular or special meeting is entitled to receive compensation in the amount of seventy-five dollars per day plus reimbursement of expenses as provided by law for state officers while attending meetings or performing duties directed by the board. The board of directors has the power, in its discretion, to ~~contract for and~~ may pay to members rendering unusual or special services to the association, special compensation appropriate to the value of ~~such~~ the services."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1421, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1421 was placed on the Sixth order on the calendar.

Page 1, line 3, after "sections" insert "54-16-01,"

Page 1, line 5, after "to" insert "emergency commission members," and after "commission" insert a comma

Page 1, after line 13, insert:

**"SECTION 2. AMENDMENT.** Section 54-16-01 of the North Dakota Century Code is amended and reenacted as follows:

**54-16-01. Emergency commission - Members - Organization - Quorum - Meetings.** The emergency commission consists of the governor, the ~~chairman of the legislative council~~ majority leaders of the senate and house of representatives, the secretary of state, and the chairmen of the senate and house of representatives

appropriations committees. If the chairman of an appropriations committee ceases to be a member of the legislative assembly, the vice chairman of that committee succeeds to that position on the commission. An appropriations committee vice chairman may serve in the place of the appropriations committee chairman as a member of the commission at the request of the appropriate appropriations committee chairman, if the appropriations committee chairman is unable to attend a commission meeting. ~~The vice chairman of the legislative council~~ An assistant majority leader may serve as a member of the commission in the place of ~~the chairman of the legislative council~~ a majority leader at the request of the ~~chairman of the legislative council~~ majority leader if that individual is ~~serving on the commission in another capacity or~~ is unable to attend a commission meeting. Four members of the commission constitute a quorum. The governor is the chairman and the secretary of state is the secretary of the commission. The commission shall meet at the call of the chairman."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment changes the membership of the Emergency Commission to include the Senate majority leader and the House majority leader instead of the chairman of the Legislative Council.

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

**WILLIAM R. HORTON, Secretary**