

JOURNAL OF THE HOUSE**Sixty-fifth Legislative Assembly**

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Bismarck, March 28, 2017

The House convened at 1:00 p.m., with Speaker Bellew presiding.

The prayer was offered by Pastor Larry Giese, Missouri Slope Lutheran Care Center, Bismarck.

The roll was called and all members were present except Representatives Kasper and Kreidt.

A quorum was declared by the Speaker.

SIXTH ORDER OF BUSINESS

SPEAKER BELLEW DEEMED approval of the amendments to Engrossed SB 2135, Engrossed SB 2163, Engrossed SB 2261, Engrossed SB 2271, Engrossed SB 2301, Engrossed SB 2322, Engrossed SB 2327, and Engrossed SB 2335.

Engrossed SB 2135, Engrossed SB 2163, Engrossed SB 2261, Engrossed SB 2271, Engrossed SB 2301, Engrossed SB 2322, Engrossed SB 2327, and Engrossed SB 2335, as amended, were placed on the Fourteenth order of business on today's calendar.

SECOND READING OF SENATE BILL

SB 2026: A BILL for an Act to create and enact chapters 4.1-01, 4.1-15, 4.1-19, 4.1-54, 4.1-55, 11-38, 11-39, and 15-12.1, a new section to chapter 19-02.1, and chapter 54-60.3 of the North Dakota Century Code, relating to revisions of agriculture laws regarding the agriculture commissioner, the northern crops institute, eggs, miscellaneous agriculture laws, the state fair association, county extension agents, the county fair association, agricultural experiment stations, and the agricultural products utilization commission; to amend and reenact subsection 2 of section 57-15-06.7 of the North Dakota Century Code, relating to counties levying taxes to fund extension agents; to authorize the legislative council to make certain statutory redesignations; to repeal chapters 4-01, 4-02, 4-02.1, 4-05.1, 4-08, 4-11.1, 4-13.2, 4-14, 4-14.1, 4-14.2, 4-19, 4-21.1, 4-21.2, 4-22, 4-23, 4-24, 4-30, 4-32, 4-33, 4-35, 4-35.1, 4-35.2, 4-36, 4-37, 4-40, 4-41, 4-43, and 19-07 of the North Dakota Century Code, relating to the agriculture commissioner, agricultural fair associations, the state fair association, agricultural experiment stations, county agents, potato production contracts, the poultry division, unfair discrimination in the purchase of farm products, the agriculturally derived fuel tax fund, the northern crops institute, forestry and tree distribution, nurseries and nursery stock, the trees for North Dakota program, soil conservation districts, agricultural conservation and adjustment, miscellaneous agriculture laws, dairy products regulations, the interstate pest control compact, plant pests, the pesticide act, chemigation regulation, pesticide and pesticide container disposal, the agricultural development act, agriculture in the classroom, crop production products, industrial hemp, meatpacking plant assistance, and eggs; to provide a penalty; and to provide an effective date.

ROLL CALL

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

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier;

Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

ABSENT AND NOT VOTING: Kasper; Kreidt

SB 2026, as amended, passed.

SECOND READING OF SENATE BILL

SB 2028: A BILL for an Act to create and enact chapters 4.1-25, 4.1-27, 4.1-28, 4.1-30, 4.1-31, 4.1-32, 4.1-41, and 4.1-53 of the North Dakota Century Code, relating to revisions of agriculture laws regarding dairy products regulation, livestock auction markets, satellite video livestock auction markets, the purchase of livestock by packing plants, meat inspection, rendering plants, commercial feed laws, and livestock medicine; to amend and reenact sections 23-01-25, 36-21-01, 36-21-10, 36-21-11, 36-21-12, 36-21-13, 36-21-15, 36-21-18, and 36-21-19 of the North Dakota Century Code, relating to general livestock provisions; to repeal chapters 19-13.1, 19-14, 36-05, 36-05.1, 36-06, 36-07, section 36-21-05, and chapter 36-24 of the North Dakota Century Code, relating to commercial feed laws, livestock medicine, livestock auction markets, satellite video livestock auction markets, the purchase of livestock by packing plants, rendering plants, general livestock provisions, and meat inspection; and to provide a penalty.

ROLL CALL

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

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2028, as amended, passed.

SECOND READING OF SENATE BILL

SB 2166: A BILL for an Act to create and enact a new section to chapter 40-05, a new subsection to section 40-58-20, and a new subsection to section 40-63-03 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city and a prohibition on property receiving benefits from both a renaissance zone and a tax increment financing district; to amend and reenact subsection 7 of section 40-57.1-03, section 40-58-20.2, subsection 2 of section 40-63-01, and subsection 3 of section 54-35-26 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city and evaluation of economic development tax incentives; to provide for a legislative management study; and to provide an effective date.

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 75 YEAS, 17 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Becker, Rich S.; Becker, Rick C.; Blum; Boehning; Bosch; Brabandt; Brandenburg; Carlson; Damschen; Delzer; Devlin; Dockter; Ertelt; Grueneich; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Monson; Nathe; Nelson, J.; Nelson, M.; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Anderson, P.; Beadle; Boe; Boschee; Delmore; Dobervich; Guggisberg; Hanson; Hogan; Johnson, M.; Mitskog; Mock; O'Brien; Roers Jones; Ruby, M.; Schneider; Schobinger

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2166, as amended, passed.

SECOND READING OF SENATE BILL

SB 2186: A BILL for an Act to create and enact a new section to chapter 15.1-06 of the North Dakota Century Code, relating to the creation of an innovative education program; to amend and reenact section 15.1-06-08.1 of the North Dakota Century Code, relating to statutory waivers; and to provide for a report.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 75 YEAS, 17 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Blum; Boe; Boehning; Bosch; Boschee; Brandenburg; Carlson; Damschen; Delmore; Dobervich; Dockter; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Kading; Keiser; Kempenich; Klemin; Laning; Lefor; Longmuir; Louser; Maragos; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Ruby, D.; Ruby, M.; Sanford; Satrom; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Becker, Rick C.; Brabandt; Delzer; Devlin; Ertelt; Johnston; Karls; Kiefert; Koppelman, B.; Koppelman, K.; Magrum; Marschall; Olson; Rohr; Schatz; Simons; Skroch

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2186, as amended, passed.

SECOND READING OF SENATE BILL

SB 2027: A BILL for an Act to create and enact chapters 4.1-23, 4.1-33, 4.1-34, 4.1-35, 4.1-36, 4.1-37, 4.1-38, 4.1-39, and 4.1-40 of the North Dakota Century Code, relating to revisions of agriculture laws regarding plant pests, pesticides, chemigation regulation, pesticide container disposal, anhydrous ammonia facilities, anhydrous ammonia risk management, crop protection products, and the fertilizer and soil conditioner law; to amend and reenact subsection 19 of section 19-02.1-01 and sections 23-01-01.1 and 23-01-25 of the North Dakota Century Code, relating to the definition of a pesticide chemical and the state department of health; to repeal chapters 19-18, 19-20.1, 19-20.2, and 19-20.3 of the North Dakota Century Code,

relating to pesticides, fertilizers and soil conditioners, anhydrous ammonia facilities, and anhydrous ammonia risk management; and to provide a penalty.

ROLL CALL

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

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Bellew

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2027, as amended, passed.

SECOND READING OF SENATE BILL

SB 2245: A BILL for an Act to provide for a legislative management study to examine the desirability and feasibility of creating a state wetlands bank.

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 84 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brandenburg; Carlson; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Sukut; Trottier; Vetter; Vigasaa; Westlind; Speaker Bellew

NAYS: Brabandt; Damschen; Pollert; Porter; Streyle; Toman; Weisz; Zubke

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2245, as amended, passed.

SECOND READING OF SENATE BILL

SB 2286: A BILL for an Act to amend and reenact sections 49-22-03 and 49-22-14.1 and subsection 2 of section 49-22-16 of the North Dakota Century Code, relating to energy conversion and transmission facility siting; and to provide for a legislative management study regarding the consideration of local zoning ordinances and zoning provisions during the application and public hearing process.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has

committee recommendation of DO PASS, the roll was called and there were 92 YEAS, 0 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2286, as amended, passed.

SECOND READING OF SENATE BILL

SB 2047: A BILL for an Act to amend and reenact subsection 2 of section 61-16.1-09 of the North Dakota Century Code, relating to the authority of water resource boards to exercise the power of quick take eminent domain.

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 90 YEAS, 2 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Olson; Owens; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Johnson, M.; Paur

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2047, as amended, passed.

SECOND READING OF SENATE BILL

SB 2293: A BILL for an Act to create and enact sections 43-41-15, 43-41-16, 43-41-17, 43-41-18, 43-41-19, 43-41-20, 43-41-21, and 43-41-22 of the North Dakota Century Code, relating to the regulation of social work; to amend and reenact sections 43-41-01, 43-41-02, 43-41-03, 43-41-04, 43-41-07, 43-41-08, 43-41-09, 43-41-10, 43-41-12, and 43-14-14 of the North Dakota Century Code, relating to the regulation of social work; to repeal section 43-41-05 of the North Dakota Century Code, relating to private practice of social work; and to provide a penalty.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 2 YEAS,

90 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Nelson, J.

NAYS: Anderson, D.; Anderson, P.; Beadle; Becker, Rich S.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Maragos; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, M.; O'Brien; Oliver; Olson; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

ABSENT AND NOT VOTING: Kasper; Kreidt

SB 2293, as amended, failed.

MOTION

REP. VIGESAA MOVED that SB 2301 be moved to the top of the calendar, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2301: A BILL for an Act to create and enact a new section to chapter 19-02.1 of the North Dakota Century Code, relating to specialty pharmacy services; to provide a penalty; and to provide for application.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 83 YEAS, 9 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Anderson, P.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nelson, J.; Nelson, M.; O'Brien; Oliver; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Trottier; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Beadle; Becker, Rich S.; Hogan; Johnson, M.; Maragos; Marschall; Nathe; Olson; Toman

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2301, as amended, passed.

SECOND READING OF SENATE BILL

SB 2258: A BILL for an Act to create and enact a new section to chapter 19-02.1 of the North Dakota Century Code, relating to pharmacy claim fees and pharmacy rights; to provide a penalty; and to provide for application.

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 84 YEAS, 8 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Becker, Rick C.; Blum; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dobervich; Dockter; Ertelt; Grueneich; Guggisberg; Hanson; Hatlestad; Headland; Heinert; Hogan; Holman; Howe; Johnson, C.; Johnson, D.; Johnston; Jones; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Koppelman, B.; Koppelman, K.; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; O'Brien; Oliver; Owens; Paur; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schatz; Schmidt; Schneider; Schobinger; Schreiber-Beck; Seibel; Simons; Skroch; Steiner; Streyle; Sukut; Trotter; Vetter; Vigessaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Anderson, P.; Beadle; Becker, Rich S.; Johnson, M.; Maragos; Olson; Ruby, D.; Toman

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2258 passed.

MOTION

REP. VIGESSAA MOVED that SB 2327 be moved to the top of the calendar, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2327: A BILL for an Act to create and enact a new subdivision to subsection 2 of section 12-60-24, title 23.1, and subdivision v of subsection 1 of section 54-06-04 of the North Dakota Century Code, relating to the creation of the department of environmental quality, the transfer of duties and responsibilities of the state department of health relating to environmental quality to the department of environmental quality, and biennial reports of the department of environmental quality; to amend and reenact section 4-35.2-01, subdivision b of subsection 5 of section 6-09.4-03, sections 11-33-01, 11-33-02.1, and 11-33-22, subdivision d of subsection 2 of section 12.1-06.1-01, section 15-05-16, sections 20.1-13-05, 20.1-17-01, and 23-01-02, subsection 8 of section 23-01.3-01, sections 23-20.2-02, 23-20.2-03, and 24-03-23, subsection 5 of section 28-32-50, sections 38-08-04.5, 38-11.1-03.1, 38-11.1-04.1, and 38-11.2-02, subsection 12 of section 38-14.1-03, subsection 2 of section 38-14.1-21, sections 38-22-07, 38-22-12, 40-47-01, 43-18-02, 43-18-09, 43-35-03, 43-35-19, 43-35-19.1, 43-35-19.2, 43-35-20, and 43-35-23, subsection 11 of section 43-48-03, sections 43-62-01 and 43-62-03, subsection 1 of section 43-62-15, subsection 3 of section 44-04-18.4, section 44-04-32, subsection 1 of section 54-07-01.2, subsection 3 of section 54-12-08, section 54-44.3-30, subsection 33 of section 57-43.2-01, sections 58-03-11, 58-03-11.1, and 58-03-17, subsection 13 of section 58-06-01, section 61-04.1-04, subsections 1 and 2 of section 61-28-02, subsection 2 of section 61-28.1-02, subsection 15 of section 61-28.1-03, subsection 2 of section 61-28.2-01, and sections 61-29-04, 61-33-09, and 61-35-24 of the North Dakota Century Code, relating to the transfer of duties and responsibilities of the state department of health to the department of environmental quality and the regulation of x-ray operators; to repeal chapters 19-10 and 19-16.1, sections 23-01-01.2, 23-01-04.1, 23-01-23, 23-01-30, and 23-01-36, chapters 23-20, 23-20.1, 23-20.3, 23-20.5, 23-25, 23-26, 23-29, 23-29.1, 23-31, 23-32, 23-33, 23-37, and 39-26, and sections 61-28-03 and 61-28-05 of the North Dakota Century Code, relating to the transfer of duties and responsibilities of the state department of health to the department of environmental quality; to provide a penalty; to provide a continuing appropriation; to provide for transition; and to provide an effective date.

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 69 YEAS, 23 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Anderson, B.; Anderson, D.; Beadle; Becker, Rich S.; Boe; Boehning; Bosch; Boschee; Brabandt; Brandenburg; Carlson; Damschen; Delmore; Delzer; Devlin; Dockter; Grueneich; Hatlestad; Headland; Heinert; Howe; Johnson, C.; Johnson, D.;

Johnson, M.; Kading; Karls; Keiser; Kempenich; Kiefert; Klemin; Laning; Lefor; Louser; Maragos; Marschall; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; O'Brien; Olson; Owens; Pollert; Porter; Pyle; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schmidt; Schobinger; Schreiber-Beck; Seibel; Skroch; Steiner; Streyle; Sukut; Toman; Trottier; Vigesaa; Weisz; Westlind; Zubke; Speaker Bellew

NAYS: Anderson, P.; Becker, Rick C.; Blum; Dobervich; Ertelt; Guggisberg; Hanson; Hogan; Holman; Johnston; Jones; Koppelman, B.; Koppelman, K.; Longmuir; Magrum; McWilliams; Nelson, M.; Oliver; Paur; Ruby, M.; Schneider; Simons; Vetter

ABSENT AND NOT VOTING: Kasper; Kreidt

Engrossed SB 2327, as amended, passed.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has passed, unchanged: SB 2307.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently passed: SB 2210.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently passed: SB 2033, SB 2039, SB 2041, SB 2090, SB 2151, SB 2195, SB 2201, SB 2202, SB 2248, SB 2342, SCR 4003.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended, subsequently passed, and the emergency clause carried: SB 2311.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has amended and subsequently failed to pass: SB 2034.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has failed to pass, unchanged: SB 2291.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has passed, unchanged: HB 1128.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has amended and subsequently passed: HB 1011, HB 1017, HB 1021, HB 1022, HB 1045, HB 1151, HB 1166, HB 1189, HB 1202, HB 1320, HB 1389, HB 1419.

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1011

Page 1, replace line 11 with:

"Salaries and wages	\$1,801,279	\$47,388	\$1,848,667"
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Page 1, replace line 13 with:

"Total all funds	\$2,260,781	\$93,933	\$2,354,714"
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Page 1, replace line 15 with:

"Total general fund	\$2,090,781	\$93,933	\$2,184,714"
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Page 1, line 18, replace "\$25,578" with "\$23,892"

Page 1, line 19, replace "\$1,249" with "\$1,241"

Renumber accordingly

	Budget	Version	Changes	Version
Salaries and wages	\$29,670,242	\$29,885,205	(\$30,331)	\$29,854,874
Operating expenses	13,668,944	15,338,130		15,338,130
Capital assets	5,497,996	6,330,956		6,330,956
Grants - Game and fish	7,334,412	9,650,184		9,650,184
Land habitat and deer depredation	16,922,681	17,825,808	(1,631)	17,824,177
Noxious weed control	700,000	725,000		725,000
Missouri River enforcement	282,540	283,932	(75)	283,857
Grants - Gifts - Donations	827,519	802,201		802,201
Nongame wildlife conservation	120,000	120,000		120,000
Lonetree Reservoir	1,823,005	1,798,948	(829)	1,798,119
Wildlife services	384,400	500,000		500,000
Total all funds	\$77,231,739	\$83,260,364	(\$32,866)	\$83,227,498
Less estimated income	77,231,739	83,260,364	(32,866)	83,227,498
General fund	\$0	\$0	\$0	\$0
FTE	163.00	163.00	0.00	163.00

Department No. 720 - Game and Fish Department - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
Salaries and wages	(\$30,331)	(\$30,331)
Operating expenses		
Capital assets		
Grants - Game and fish		
Land habitat and deer depredation	(1,631)	(1,631)
Noxious weed control		
Missouri River enforcement	(75)	(75)
Grants - Gifts - Donations		
Nongame wildlife conservation		
Lonetree Reservoir	(829)	(829)
Wildlife services		
Total all funds	(\$32,866)	(\$32,866)
Less estimated income	(32,866)	(32,866)
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also changed to reflect the revised premium rate.

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1021

Page 1, replace lines 10 through 12 with:

"Workforce safety and insurance operations	<u>\$61,865,170</u>	<u>\$10,541,489</u>	<u>\$72,406,659</u>
Total special funds	\$61,865,170	\$10,541,489	\$72,406,659"

Page 1, line 14, after the boldfaced period insert "**HEALTH INSURANCE INCREASE.**"

Page 1, line 14, replace "\$775,925" with "\$719,707"

Page 1, line 15, replace "\$1,249" with "\$1,241"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1021 - Workforce Safety and Insurance - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
WSI operations	\$61,865,170	\$72,462,877	(\$56,218)	\$72,406,659
Total all funds	\$61,865,170	\$72,462,877	(\$56,218)	\$72,406,659
Less estimated income	61,865,170	72,462,877	(56,218)	72,406,659
General fund	\$0	\$0	\$0	\$0
FTE	260.14	260.14	0.00	260.14

Department No. 485 - Workforce Safety and Insurance - Detail of Senate Changes

	Adjusts Funding for Health Insurance Increases ¹	Total Senate Changes
WSI operations	(\$56,218)	(\$56,218)
Total all funds	(\$56,218)	(\$56,218)
Less estimated income	(56,218)	(56,218)
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also adjusted to reflect the revised premium rate.

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1022

Page 1, replace lines 10 through 13 with:

"Salaries and wages	\$4,340,551	\$85,019	\$4,425,570
Operating expenses	990,874	(200,847)	790,027
Contingencies	<u>82,000</u>	<u>(30,000)</u>	<u>52,000</u>
Total special funds	\$5,413,425	(\$145,828)	\$5,267,597"

Page 1, line 16, replace "\$54,376" with "\$50,436"

Page 1, line 17, replace "\$1,249" with "\$1,241"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1022 - Retirement and Investment Office - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$4,340,551	\$4,429,510	(\$3,940)	\$4,425,570
Operating expenses	990,874	790,027		790,027
Contingencies	<u>82,000</u>	<u>52,000</u>		<u>52,000</u>
Total all funds	\$5,413,425	\$5,271,537	(\$3,940)	\$5,267,597
Less estimated income	5,413,425	5,271,537	(3,940)	5,267,597
General fund	\$0	\$0	\$0	\$0
FTE	19.00	19.00	0.00	19.00

Department No. 190 - Retirement and Investment Office - Detail of Senate Changes

Adjusts Funding for	Total Senate Changes
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	Health Insurance Increases ¹	
Salaries and wages	(\$3,940)	(\$3,940)
Operating expenses		
Contingencies		
<hr/>		
Total all funds	(\$3,940)	(\$3,940)
Less estimated income	(3,940)	(3,940)
<hr/>		
General fund	\$0	\$0
FTE	0.00	0.00

¹ Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is also changed to reflect the revised premium rate.

SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1045

Page 1, line 1, replace the comma with "and"

Page 1, line 2, remove ", subsection 5 of section 57-38.5-01, and sections 57-38.5-02, 57-38.5-03,"

Page 1, line 3, remove "57-38.5-04, 57-38.5-05, and 57-38.5-06"

Page 1, line 4, remove "and the seed capital investment tax credit; to repeal section"

Page 1, remove line 5

Page 1, line 6, remove "investment tax credit and the seed capital investment tax credit"

Page 1, line 6, after the first semicolon insert "to provide a penalty;"

Page 1, line 11, after the first boldfaced period insert "**(Effective for investments made before July 1, 2017)**"

Page 1, line 13, replace "April" with "July"

Page 1, line 14, overstrike "created" and insert immediately thereafter "organized before July 1, 2017."

Page 6, after line 6, insert:

"SECTION 2. AMENDMENT. Section 57-38-01.26 of the North Dakota Century Code is amended and reenacted as follows:

57-38-01.26. (Effective for investments made after June 30, 2017) Angel fund investment investor tax credit.

1. ~~A taxpayer is entitled to a credit against state income tax liability under section 57-38-30 or 57-38-30.3 for an investment made in an angel fund that is a domestic organization created under the laws of this state. The amount of the credit to which a taxpayer is entitled is forty five percent of the amount remitted by the taxpayer to an angel fund during the taxable year. The aggregate annual credit for which a taxpayer may obtain a tax credit is not more than forty five thousand dollars. The aggregate lifetime credits under this section that may be obtained by an individual, married couple, passthrough entity and its affiliates, or other taxpayer is five hundred thousand dollars. The investment used to calculate the credit under this section may not be used to calculate any other income tax deduction or credit allowed by law.~~
2. ~~To be eligible for the credit, the investment must be at risk in the angel fund for at least three years. An investment made in a qualified business~~

from the assets of a retirement plan is deemed to be the retirement plan participant's investment for the purpose of this section if a separate account is maintained for the plan participant and the participant directly controls where the account assets are invested. Investments placed in escrow do not qualify for the credit. The credit must be claimed in the taxable year in which the investment in the angel fund was received by the angel fund. The credit allowed may not exceed the liability for tax under this chapter. If the amount of credit determined under this section exceeds the liability for tax under this chapter, the excess may be carried forward to each of the seven succeeding taxable years. A taxpayer claiming a credit under this section may not claim any credit available to the taxpayer as a result of an investment made by the angel fund in a qualified business under chapter 57-38.5 or 57-38.6.

3. An angel fund must:
 - a. Be a partnership, limited partnership, corporation, limited liability company, limited liability partnership, limited liability limited partnership, trust, or estate organized on a for-profit basis which is headquartered in this state.
 - b. Be organized for the purpose of investing in a portfolio of at least three primary sector companies that are early stage and mid stage private, nonpublicly traded enterprises with strong growth potential. For purposes of this section, an early stage entity means an entity with annual revenues of up to two million dollars and a mid stage entity means an entity with annual revenues over two million dollars not to exceed ten million dollars. Investments in real estate or real estate holding companies are not eligible investments by certified angel funds. Any angel fund certified before January 1, 2013, which has invested in real estate or a real estate holding company is not eligible for recertification.
 - c. Consist of at least six accredited investors as defined by securities and exchange commission regulation D, rule 501.
 - d. Not have more than twenty-five percent of its capitalized investment assets owned by an individual investor.
 - e. Have at least five hundred thousand dollars in commitments from accredited investors and that capital must be subject to call to be invested over an unspecified number of years to build a portfolio of investments in enterprises.
 - f. Be member managed or a manager managed limited liability company and the investor members or a designated board that includes investor members must make decisions as a group on which enterprises are worthy of investments.
 - g. Be certified as an angel fund that meets the requirements of this section by the department of commerce.
 - h. Be in compliance with the securities laws of this state.
 - i. Within thirty days after the date on which an investment in an angel fund is made, the angel fund shall file with the tax commissioner and provide to the investor completed forms prescribed by the tax commissioner which show as to each investment in the angel fund the following:
 - (1) The name, address, and social security number or federal employer identification number of the taxpayer or passthrough entity that made the investment;

- (2) The dollar amount remitted by the taxpayer or passthrough entity; and
 - (3) The date the payment was received by the angel fund for the investment.
- j. Within thirty days after the end of a calendar year, the angel fund shall file with the tax commissioner a report showing the name and principal place of business of each enterprise in which the angel fund has an investment.
4. The tax commissioner may disclose to the legislative management the reported information described under paragraphs 2 and 3 of subdivision i of subsection 3 and the reported information described under subdivision j of subsection 3.
5. Angel fund investors may be actively involved in the enterprises in which the angel fund invests but the angel fund may not invest in any enterprise if any one angel fund investor owns directly or indirectly more than forty nine percent of the ownership interests in the enterprise. The angel fund may not invest in an enterprise if any one partner, shareholder, or member of a passthrough entity that directly or indirectly owns more than forty nine percent of the ownership interests in the enterprise.
6. Investors in one angel fund may not receive more than five million dollars in aggregate credits under this section during the life of the angel fund but this provision may not be interpreted to limit additional investments in that angel fund.
7. a. A passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of this section, and the amount of the credit allowed must be determined at the passthrough entity level.
- b. For the first two taxable years beginning after December 31, 2010, if a passthrough entity does not elect to sell, transfer, or assign the credit as provided under this subsection and subsection 8, the amount of the total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity.
- c. For the first two taxable years beginning after December 31, 2010, if a passthrough entity elects to sell, transfer, or assign a credit as provided under this subsection and subsection 8, the passthrough entity shall make an irrevocable election to sell, transfer, or assign the credit on the return filed by the entity for the taxable year in which the credit was earned. A passthrough entity that makes a valid election to sell, transfer, or assign a credit shall sell one hundred percent of the credit earned, may sell the credit to only one purchaser, and shall comply with the requirements of this subsection and subsection 8.
8. For the first two taxable years beginning after December 31, 2010, a taxpayer may elect to sell, transfer, or assign all of the earned or excess tax credit earned under this section for investment in an angel fund established after July 31, 2011, subject to the following:
- a. A taxpayer's total credit sale, transfer, or assignment under this section may not exceed one hundred thousand dollars over any combination of taxable years. The cumulative credits transferred by all investors in an angel fund may not exceed fifty percent of the aggregate credits under this section during the life of the angel fund under subsection 6.

- b. ~~If the taxpayer elects to sell, assign, or transfer a credit under this subsection, the tax credit transferor and the tax credit purchaser jointly shall file with the tax commissioner a copy of the purchase agreement and a statement containing the names, addresses, and taxpayer identification numbers of the parties to the transfer, the amount of the credit being transferred, the gross proceeds received by the transferor, and the taxable year or years for which the credit may be claimed. The taxpayer and the purchaser also shall file a document allowing the tax commissioner to disclose tax information to either party for the purpose of verifying the correctness of the transferred tax credit. The purchase agreement, supporting statement, and waiver must be filed within thirty days after the date the purchase agreement is fully executed.~~
 - e. ~~The purchaser of the tax credit shall claim the credit beginning with the taxable year in which the credit purchase agreement was fully executed by the parties. A purchaser of a tax credit under this section has only such rights to claim and use the credit under the terms that would have applied to the tax credit transferor. This subsection does not limit the ability of the tax credit purchaser to reduce the tax liability of the purchaser, regardless of the actual tax liability of the tax credit transferor.~~
 - d. ~~A sale, assignment, or transfer of a tax credit under this section is irrevocable and the purchaser of the tax credit may not sell, assign, or otherwise transfer the credit.~~
 - e. ~~If the amount of the credit available under this section is changed as a result of an amended return filed by the transferor, or as the result of an audit conducted by the internal revenue service or the tax commissioner, the transferor shall report to the purchaser the adjusted credit amount within thirty days of the amended return or within thirty days of the final determination made by the internal revenue service or the tax commissioner. The tax credit purchaser shall file amended returns reporting the additional tax due or claiming a refund as provided in section 57-38-38 or 57-38-40, and the tax commissioner may audit these returns and assess or issue refunds, even though other time periods prescribed in these sections may have expired for the purchaser.~~
 - f. ~~Gross proceeds received by the tax credit transferor must be assigned to North Dakota. The amount assigned under this subsection cannot be reduced by the taxpayer's income apportioned to North Dakota or any North Dakota net operating loss of the taxpayer.~~
 - g. ~~The tax commissioner has four years after the date of the credit assignment to audit the returns of the credit transferor and the purchaser to verify the correctness of the amount of the transferred credit and if necessary assess the credit purchaser if additional tax is found due. This subdivision does not limit or restrict any other time period prescribed in this chapter for the assessment of tax.~~
 - h. ~~The tax commissioner may adopt rules to establish necessary administrative provisions for the credit under this section, including provisions to permit verification of the validity and timeliness of the transferred tax credit.~~
1. For investments made after June 30, 2017, an angel investor is entitled to a credit against the income tax liability under section 57-38-30.3 for investments made by a certified angel fund into a qualified business. The credit is equal to thirty-five percent of the amount invested by the angel fund on behalf of the angel investor in a qualified business during the taxable year.

- a. The aggregate amount of credits allowed to an angel investor in a taxable year is limited to forty-five thousand dollars. The aggregate amount of credits allowed to an angel investor for investments made in all taxable years is five hundred thousand dollars. The limitation under this subdivision does not apply to the angel fund but applies to each angel investor.
 - b. The credit must be claimed in the taxable year in which the investment is made in the qualified business. The credit allowed may not exceed the liability for tax under this chapter. If the amount of the credit determined under this section exceeds the liability for tax under this chapter, the excess may be carried forward to each of the five succeeding taxable years.
 - c. The investment used to calculate the credit under this section may not be used to calculate any other income tax deduction or credit allowed by law.
 - d. Angel investors may not receive more than five million dollars in aggregate credits under this section during the life of an angel fund but this provision may not be interpreted to limit additional investments in that angel fund.
 - e. Investments placed in escrow do not qualify for the credit.
 - f. A passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of calculating the credit. The amount of the allowable credit must be determined at the passthrough entity level. The total credit determined at the entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity. An individual taxpayer may take the credit passed through under this section against the individual's state income tax liability under section 57-38-30.3.
2. For purposes of this section:
- a. "Early-stage entity" means an entity with annual revenues of up to two million dollars.
 - b. "Investment" means a cash investment in a qualified business that is made in exchange for common stock, a partnership or membership interest, preferred stock, debt with a mandatory conversion to equity, or an equivalent ownership interest as determined by the tax commissioner.
 - c. "Mid-stage entity" means an entity with annual revenues over two million dollars not to exceed ten million dollars.
 - d. "North Dakota qualified business" means an early-stage or mid-stage private, nonpublicly traded enterprise that:
 - (1) Is created, or its satellite operation is created, as a for-profit entity under the laws of this state.
 - (2) Has its principal office in this state and has the majority of its business activity performed in this state, except sales activity, or has a significant operation in this state that has or is projected to have more than ten employees in this state.
 - (3) Relies on research or the development of new products and processes in its plans for growth and profitability.
 - (4) Is in compliance with state and federal securities laws.

- (5) Is not an entity or enterprise which is engaged in real estate development, is a real estate holding company, derives income from the selling or leasing of residential or commercial real estate, or carries on operations in the hotel, restaurant, convention, or hospitality industries, or makes any other similar use of real estate.
 - (6) Is certified as a North Dakota qualified business that meets the requirements of this section by the department of commerce.
- e. "Qualified business" means an early-stage or mid-stage private, nonpublicly traded enterprise that:
- (1) Is created as a for-profit entity.
 - (2) Relies on research or the development of new products and processes in its plans for growth and profitability.
 - (3) Is in compliance with state and federal securities laws.
 - (4) Is not an entity or enterprise engaged in real estate development, is a real estate holding company, derives income from the selling or leasing of residential or commercial real estate, or carries on operations in the hotel, restaurant, convention, or hospitality industries, or makes any other similar use of real estate.
 - (5) Is certified as a qualified business that meets the requirements of this section by the department of commerce.

Except as used in this subdivision, the term "qualified business" also includes a North Dakota qualified business.

3. An angel fund must:
- a. Be a passthrough entity organized after June 30, 2017, as a domestic for-profit entity under the laws of this state, and have its headquarters in this state.
 - b. Not have invested, or intend on investing during its certification period, in real estate or real estate activities as described under subdivision e of subsection 2.
 - c. Consist of at least six accredited investors as defined in regulation D, rule 501 of the federal Securities Act of 1933.
 - d. Not have more than twenty-five percent of its capitalized investment assets owned by any one investor.
 - e. Have at least five hundred thousand dollars in commitments from accredited investors which are subject to call to be invested over an unspecified number of years to build a portfolio of investments in enterprises.
 - f. Be member-managed or a manager-managed limited liability company and the investor members or a designated board that includes investor members must make decisions as a group on which enterprises are worthy of investments.
 - g. Be certified as an angel fund that meets the requirements of this subsection by the department of commerce.
 - h. Be in, and remain in, compliance with state and federal securities laws, and invest only in qualified businesses that are issuing securities in compliance with state and federal securities laws.

4. On or before December 31, 2019, and every two calendar years thereafter, a minimum of seventy-five percent of an angel fund's investments, as defined under subdivision b of subsection 2, must be invested into a North Dakota qualified business.
5. An angel fund shall hold the investment in a qualified business for at least three years from the date of investment. The three-year period does not apply if, before the end of the three-year period:
 - a. The investment becomes worthless;
 - b. Eighty percent or more of the assets of the qualified business are sold;
 - c. The qualified business is sold;
 - d. The common stock of the qualified business begins trading on a public exchange; or
 - e. A partner, shareholder, or member of the angel fund dies, in which case the exception to the three-year holding period only applies to the deceased individual's portion of the investment and related credit.
6. Within thirty days after the date on which an angel fund makes an investment in a qualified business, the angel fund shall report the investment to the tax commissioner on forms and in the manner prescribed by the tax commissioner. The report must contain:
 - a. The name, address, and federal employer identification number of the angel fund;
 - b. The total amount of the investment from all angel investors investing in the qualified business;
 - c. The name, address, and social security or federal identification number of each angel investor investing in the qualified business;
 - d. The amount invested by each angel investor in the qualified business;
 - e. The type of security received by the angel fund in exchange for the investment;
 - f. The name, address, and federal employer identification number of the qualified business;
 - g. The type of industry in which the qualified business is engaged; and
 - h. Any other information the tax commissioner determines is necessary for administration of this section.
7. An angel fund is subject to a penalty of one thousand dollars per month for each month, or fraction thereof, the report under subsection 6 is not filed. The tax commissioner, for good cause shown, may waive all or part of the penalty imposed under this subsection.
8. By January thirty-first of each year, the angel fund shall file with the tax commissioner a report showing:
 - a. The name and address of each qualified business in which the angel fund has made an investment;
 - b. The principal place of business for each qualified business reported under subdivision a;

- c. The total amount invested in each qualified business; and
 - d. Any other information the tax commissioner determines is necessary for administration of this section.
9. For an angel fund certified before July 1, 2017, within thirty days after the end of each calendar year, the angel fund shall file with the tax commissioner a report showing the name and principal place of business of each enterprise in which the angel fund has an investment and the amount of the investment.
10. Upon receipt of a written request from the chairman of the legislative management or the chairman of a standing committee of the legislative assembly, the tax commissioner shall disclose any information described under subsections 6, 8, and 9. This subsection does not authorize disclosure of the angel investor's name, social security number or federal employer identification number, address, or any other information prohibited from disclosure under this chapter.
11. Angel investors may be actively involved in the qualified businesses in which the angel fund invests but the angel fund may not invest in any qualified business if any one angel investor owns directly or indirectly more than forty-nine percent of the ownership interests in the qualified business. The angel fund may not invest in a qualified business if any one angel investor is a partner, shareholder, or member of another passthrough entity that directly or indirectly owns more than forty-nine percent of the ownership interests in the qualified business.
12. Failure to comply with any provision of this section is cause to revoke the certification of an angel fund or qualified business, or disallow the credit attributable to the noncompliance.
- a. Notice of the revocation of the angel fund or qualified business's certification must be provided to the angel fund or qualified business by the tax commissioner, department of commerce, or securities commissioner. Within thirty days of receipt of the notice, the angel fund shall provide a copy of the notice to each of its angel investors.
 - b. The angel fund's investors shall file an amended return for each taxable year in which the disallowed credit reduced the investor's income tax liability and pay the amount due. The amended return, if required, must be filed within ninety days after the date of the written notice given to the angel fund.
 - c. If the amended return is not timely filed, the tax commissioner shall disallow the credit and assess any tax due. An assessment of tax made under this subsection is final and irrevocably fixed.
 - d. If an amended return is filed as required under subdivision b, the tax commissioner has two years after the amended return is filed in which to audit and assess any tax due attributable to the revocation of the credit, even though other time periods for assessment under this chapter have expired. This subdivision does not limit or restrict any other time period for assessment under this chapter that has not expired.
13. An angel fund or a representative of the fund that knowingly makes, or causes to be made, any material false statement or representation in any application, report, or other document required to be filed under any provision of this section, or omits to state any material statement or fact in any such application, report, or other document required to be filed under any provision of this section, or fails to file the report required in subsection 8 or 9, and after thirty days' notice to file is given by the tax commissioner, is subject to a penalty of ten thousand dollars.

14. Notwithstanding any other provision of law, the tax commissioner, securities commissioner, and the department of commerce may exchange any information obtained under this section to the extent necessary to administer this section.

Page 6, line 13, remove the overstrike over "Seed"

Page 6, line 13, remove "Angel investor seed"

Page 6, line 14, remove "(effective for the first three taxable years beginning after December 31, 2016)"

Page 6, line 21, replace "three taxable years" with "taxable year"

Page 7, after line 4, insert:

"r. Angel investor tax credit under section 57-38-01.26."

Page 7, remove lines 5 through 30

Page 8, remove lines 1 through 29

Page 9, remove lines 1 through 31

Page 10, remove lines 1 through 31

Page 11, remove lines 1 through 10

Page 11, line 11, replace "Section 9 of this" with "This"

Page 11, line 12, remove "2019, and sections 2 through 8 of this Act are effective for taxable"

Page 11, line 13, remove "years beginning after December 31,"

Re-number accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1151

Page 5, line 20, replace "and" with an underscored comma

Page 5, line 21, after the first "the" insert "site or"

Page 5, line 21, remove "or site and the facility or site has impermeable base material"

Page 5, line 22, replace "and containment" with ", and is on a well site where the well was spud after September 1, 2000, or on a facility, other than a well site, constructed after September 1, 2000"

Re-number accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1166

Page 1, line 1, replace "sections 57-51.1-02 and" with "section "

Page 1, line 1, after "57-51.1-03.1" insert "and subsection 3 of section 57-51.2-02"

Page 1, line 2, replace "the removal of triggered oil extraction tax rate changes" with "filing requirements for oil extraction tax exemptions and rate reductions and the oil extraction tax rate attributable to revenue sharing agreements with tribal governing bodies"

Page 1, remove lines 5 through 23

Page 2, remove lines 1 through 5

Page 3, after line 20, insert:

"SECTION 2. AMENDMENT. Subsection 3 of section 57-51.2-02 of the North Dakota Century Code is amended and reenacted as follows:

3. The state's oil extraction tax under chapter 57-51.1 ~~as applied~~ must apply to oil and gas production attributable to trust lands on the reservation and on trust properties outside reservation boundaries ~~may not exceed six and one-half percent but may be reduced through negotiation between the governor and the tribal governing body.~~

Renumber accordingly

SENATE AMENDMENTS TO HOUSE BILL NO. 1189

Page 1, line 1, after "reenact" insert "subsection 3 of section 54-44.7-03 and"

Page 1, line 2, after the first "to" insert "procurement procedures and"

Page 1, after line 3, insert:

"SECTION 1. AMENDMENT. Subsection 3 of section 54-44.7-03 of the North Dakota Century Code is amended and reenacted as follows:

3. The date for submission of information from interested persons or firms in response to an invitation must be not less than twenty-one days after publication of the invitation. Interested architect, engineer, and land surveying persons or firms must be required to respond to the invitation with the submission of the information required in general services administration forms ~~SF-254 and SF-255~~ form SF 330, architect-engineer ~~related services questionnaire~~ qualifications for specific project, or such similar information as the agency selection committee may prescribe by rule."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1202

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a department of transportation study.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. DEPARTMENT OF TRANSPORTATION STUDY - REPORT TO LEGISLATIVE ASSEMBLY. The department of transportation, in collaboration and consultation with the autonomous vehicle technology industry, shall study the use of vehicles equipped with automated driving systems on the highways in this state and the data or information stored or gathered by the use of those vehicles. The study must include a review of current laws dealing with licensing, registration, insurance, data ownership and use, and inspection and how they should apply to vehicles equipped with automated driving systems. The department of transportation shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly."

Renumber accordingly

SENATE AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1320

Page 2, line 1, remove "The department shall allow for the most efficient routing of"

Page 2, remove lines 2 through 5

Renumber accordingly

SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1389

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to parental directives; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Parental directive - Administration of tests and assessments - Report.

1. A student's parent may direct the school district in which the student is enrolled not to administer to the student any state test or state assessment required in accordance with section 15.1-21-08.
2. In addition to the authority granted under subsection 1, a student's parent may direct the school district in which the student is enrolled not to administer any other specific test or assessment to the student, except a parental directive under this subsection does not apply to:
 - a. Any test or assessment required by the student's school district of enrollment or this state for the completion of any grade from kindergarten through twelve;
 - b. Any test or assessment required by the student's school district of enrollment or this state for high school graduation;
 - c. The ACT; or
 - d. WorkKeys assessments.
3. a. A parental directive is valid only if it is presented to the school district using a standardized form, prepared by the superintendent of public instruction, and signed by the student's custodial parent.
 - b. A parental directive is valid only until the conclusion of the school year in which it is received by the school district.
 - c. A parental directive submitted to a school district in accordance with this section must be retained as part of the student's educational record.
4. A school district is not liable for any consequences incurred by a student as a result of a parental directive submitted in accordance with this section.
5. A school district is not required to provide instruction or activities for a student during the administration of any test or assessment referenced in the parental directive submitted by the student's parent.
6. Each school district shall post the parental directive form on its website and make the form available to a parent, upon request.
7. At the time and in the manner directed by the superintendent of public instruction, each school district shall provide a report regarding:
 - a. The number of parental directives received;
 - b. The number of parental directives applicable to students who are economically disadvantaged, students from major racial and ethnic groups, students with disabilities, and students with limited English proficiency; and

c. Any loss of funding stemming from the parental directives.

SECTION 2. EXPIRATION DATE. This Act is effective through June 30, 2019, and after that date is ineffective."

Renumber accordingly

SENATE AMENDMENTS TO REENGROSSED HOUSE BILL NO. 1419

Page 1, line 1, replace "firearm safety" with "shooting sports grant"

Page 1, line 3, replace "**FIREARM SAFETY**" with "**SHOOTING SPORTS GRANT**"

Page 1, line 6, replace "firearm safety" with "shooting sports grant"

Page 1, line 8, replace "firearm safety" with "shooting sports grant"

Page 1, line 9, remove "elementary and secondary"

Page 1, line 9, after "schools" insert ", clubs, and organized youth groups"

Page 1, line 10, remove "purchase firearm safety materials and"

Page 1, line 10, remove "administer firearm safety"

Page 1, line 11, replace "courses in elementary and secondary schools" with "promote and facilitate shooting sports in schools, clubs, and organized youth groups in the state"

Renumber accordingly

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

MR. SPEAKER: The Senate has failed to pass, unchanged: HB 1328, HB 1394.

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

MR. SPEAKER: The Senate has concurred in the House amendments and subsequently passed: SB 2105, SB 2197, and SB 2278.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1254, HB 1402, HB 1428, HB 1431, HCR 3006, HCR 3024.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2060, SB 2169, SB 2170.

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

MR. SPEAKER: The President has signed: HB 1254, HB 1402, HB 1428, HB 1431, HCR 3006, HCR 3024.

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

MR. PRESIDENT: The Speaker has signed: HB 1423.

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

MR. PRESIDENT: The Speaker has signed: SB 2060, SB 2169, SB 2170.

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

MR. SPEAKER: The President has signed: SB 2060, SB 2169, SB 2170.

MOTION

REP. VIGESAA MOVED that the absent members be excused, which motion prevailed on a voice vote.

MOTION

REP. VIGESAA MOVED that the House be on the Fourth, Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until 1:00 p.m., Wednesday, March 29, 2017, which motion prevailed on a voice vote.

REPORT OF STANDING COMMITTEE

HB 1436: Industry, Business and Labor Committee (Rep. Keiser, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (10 YEAS, 3 NAYS, 1 ABSENT AND NOT VOTING). HB 1436 was placed on the Sixth order on the calendar.

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

- a. Meet at least quarterly at the discretion of the chairman.
- b. Receive quarterly reports from the public employees retirement system on the activities of the public employees retirement system, including the status of and any proposed changes to its retirement system plans and uniform group insurance plans. Before each regular legislative session, the public employees retirement system shall present to the committee the executive budget proposals, including any anticipated changes, relating to retirement plans and uniform group insurance plans administered by the public employees retirement system. The committee shall consider and report on these activities and executive budget proposals.
- c. Investigate the feasibility and desirability of making changes to the retirement plans and uniform group insurance plans administered by the public employees retirement system. The committee may request actuarial reports on the actuarial impact of possible changes and of plan design options.
- d. Consider"

Page 1, line 12 overstrike "measures and"

Page 1, line 17, remove "a"

Page 1, line 18, overstrike "measure or" and insert immediately thereafter "a legislative"

Page 1, line 19, overstrike "The committee shall take" and insert immediately thereafter "e. Take"

Page 1, line 19, remove "such"

Page 1, line 19, overstrike "measure or" and insert immediately thereafter "such legislative"

Page 1, line 23, overstrike "The committee shall report its" and insert immediately thereafter "f. Report the committee's"

Page 2, line 16, overstrike "measures and" and insert immediately thereafter "legislative"

Page 2, line 20, remove "If a"

Page 2, line 21, remove "legislative"

Page 2, line 21, overstrike "measure"

Page 2, line 21, replace "or" with "If a legislative"

Page 3, line 1, after "committee" insert "takes action on a legislative measure sponsored by a legislator or"

Page 3, line 7, after "amendment" insert "or measure"

Page 4, after line 14, insert:

- "4. A contract and the terms of a contract entered by the board under this chapter are subject to legislative appropriation and legislative changes."

Page 6, line 11, after the period insert "Such plan may include consideration of funds extended to the board from the Bank of North Dakota."

Page 6, line 18, replace "one and three-quarters percent" with "three percent for a two year term or four percent for a five year term"

Page 6, line 27, after "54-52.1-04.2" insert ", except for benefits for retirees and for Medicare part D"

Page 7, line 3, after "plan" insert "under subsection 1"

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2099: Human Services Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (11 YEAS, 2 NAYS, 1 ABSENT AND NOT VOTING). SB 2099 was placed on the Sixth order on the calendar.

Page 1, line 9, remove the overstrike over ~~"North Dakota immunization advisory committee" means the group of private~~

Page 1, remove the overstrike over lines 10 through 17

Page 1, line 18, remove the overstrike over "e."

Page 1, line 20, remove the overstrike over "f."

Page 1, line 20, remove "c."

Page 1, line 23, remove the overstrike over ~~"As part of the North Dakota immunization program:"~~

Page 2, line 1, remove the overstrike over "a."

Page 2, line 11, remove the overstrike over ~~"b. The department"~~

Page 2, line 11, after "shall" insert "may"

Page 2, line 11, remove the overstrike over ~~"establish a program through which the department"~~

Page 2, remove the overstrike over lines 12 through 25

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2141: Human Services Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). SB 2141 was placed on the Sixth order on the calendar.

Page 7, line 28, after "licensed" insert ", certified."

Page 10, line 27, after the underscored period insert "The board's rule must allow for supervision of board certified behavioral analysts by professionals with equivalent or greater training."

Page 13, line 19, after "fines" insert ", not to exceed five hundred dollars."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2187, as engrossed: Human Services Committee (Rep. Weisz, Chairman) recommends **DO NOT PASS** (13 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING).

Engrossed SB 2187 was placed on the Fourteenth order on the calendar.

REPORT OF STANDING COMMITTEE

SB 2189, as engrossed: Human Services Committee (Rep. Weisz, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (12 YEAS, 1 NAYS, 1 ABSENT AND NOT VOTING). Engrossed SB 2189 was placed on the Sixth order on the calendar.

Page 2, line 29, after the underscored period insert "This section does not preclude a children's advocacy center from allowing a parent or guardian who is not an accused from discussing and accessing the records and digital media."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2196: Appropriations Committee (Rep. Delzer, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (15 YEAS, 0 NAYS, 6 ABSENT AND NOT VOTING). SB 2196 was placed on the Sixth order on the calendar.

Page 1, line 3, after "appropriation" insert "; to provide for a report to the budget section; to provide for a report to the sixty-sixth legislative assembly"

Page 1, after line 23, insert:

"SECTION 3. VALLEY CITY STATE UNIVERSITY INTEGRATED CARBON PLANT PROJECT - BUDGET SECTION REPORT - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY. During the 2017-18 interim, the state board of higher education shall provide a report to the budget section of the legislative management regarding the status of the integrated carbon plant project at Valley City state university. The state board of higher education shall also provide a report to the appropriations committees of the sixty-sixth legislative assembly regarding the status of the project."

Renumber accordingly

REPORT OF STANDING COMMITTEE

SB 2328, as engrossed: Judiciary Committee (Rep. K. Koppelman, Chairman) recommends **DO NOT PASS** (11 YEAS, 4 NAYS, 0 ABSENT AND NOT VOTING). Engrossed SB 2328 was placed on the Fourteenth order on the calendar.

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

Buell J. Reich, Chief Clerk