

JOURNAL OF THE SENATE

Sixty-fifth Legislative Assembly

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Bismarck, April 13, 2017

The Senate convened at 8:00 a.m., with President Sanford presiding.

The prayer was offered by Pastor Paul Herr, Century Baptist Church, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. J. LEE MOVED that the Senate do concur in the House amendments to Engrossed SB 2344 as printed on SJ pages 1124-1154, which motion prevailed on a voice vote.

Engrossed SB 2344, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2344: A BILL for an Act to create and enact chapter 19-24.1 of the North Dakota Century Code, relating to medical marijuana; to amend and reenact section 54-60-03, paragraph 3 of subdivision a of subsection 15 of section 57-02-08, and paragraph 2 of subdivision b of subsection 15 of section 57-02-08 of the North Dakota Century Code, relating to primary sector business certification and property tax exemptions for farm buildings and residences; to repeal chapter 19-24 of the North Dakota Century Code, relating to medical marijuana; to provide a statement of legislative intent; to provide for a report; to provide a penalty; to provide a continuing appropriation; 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 38 YEAS, 9 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Davison; Dever; Erbele; Grabinger; Heckaman; Holmberg; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larson, D.; Lee, J.; Luick; Marcellais; Meyer; Nelson; Oban; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

NAYS: Cook; Dotzenrod; Hogue; Kannianen; Larsen, O.; Lee, G.; Mathern; Myrdal; Oehlke

Reengrossed SB 2344 passed and the emergency clause was declared carried.

CONSIDERATION OF MESSAGE FROM THE HOUSE

SEN. KLEIN MOVED that the Senate do not concur in the House amendments to Engrossed SB 2206 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 2206: Sens. Bekkedahl, Cook, Dotzenrod.

MOTION

SEN. KLEIN MOVED that Sen. Kilzer replace Sen. Hogue on the Conference Committee on HB 1003, which motion prevailed on a voice vote.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has concurred in the House amendments and subsequently passed: SB 2344.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate does not concur in the House amendments to SB 2206, and the President has appointed as a conference committee to act with a like committee from the House on:

SB 2206: Sens. Bekkedahl; Cook; Dotzenrod

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has appointed Sen. Hogue to replace Sen. Kilzer on the Conference Committee on HB 1003.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report on: SB 2116.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: HCR 3019.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: SB 2189.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1025.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2270.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1044, HB 1085, HB 1233, HB 1365.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2161, SB 2253, SB 2264, SB 2316.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1044, HB 1085, HB 1233, HB 1365.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 13, 2017: SB 2161, SB 2253, SB 2264, SB 2316.

REPORT OF STANDING COMMITTEE

HB 1182, as engrossed: Finance and Taxation Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1182 was placed on the Sixth order on the calendar.

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 40-05 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city; to amend and reenact subsection 7 of section 40-57.1-03, section 40-58-20.2, 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.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 40-05 of the North Dakota Century Code is created and enacted as follows:

Duties of cities granting property tax incentives.

1. Notwithstanding any other provision of law, before granting a property tax incentive on any parcel of property that is anticipated to receive a property tax incentive for more than five years, the governing body of a city shall send the chairman of each county commission and the president of each school district affected by the property tax incentive a letter, by certified mail, which provides notice of the terms of the proposed property tax incentive.
2. Within thirty days from receipt of the letter, each affected county and school district shall notify the city, in writing, whether the county or school district elects to participate in granting the tax incentive on the county or school district portion of tax levied on the property. The notification from a county or school district electing not to participate must include a letter explaining any reason for which the entity elected not to participate and whether the county or school district is willing to negotiate the terms of the property tax incentive with the city.
3. If the city does not receive a response from an affected county or school district within thirty days of delivery of the letter, the county and school district must be treated as participating in the property tax incentive.
4. The term "negotiation" as used in this section means the governing body of an affected county or school district may negotiate the terms of participating in the tax incentive, including the duration of the tax incentive and the taxable value selected for the base year for purposes of computing tax increments.
5. If an agreement is reached through negotiation under this section, the property tax incentive must be applied in accordance with the agreement.

SECTION 2. AMENDMENT. Subsection 7 of section 40-57.1-03 of the North Dakota Century Code is amended and reenacted as follows:

7. During the negotiation and deliberation of a property tax exemption or the option to make payments in lieu of taxes under this chapter, a municipality shall include, as nonvoting ex officio members of its governing body, a representative appointed by the school board of each school district affected by the proposed action and a representative appointed by the board of township supervisors of each township affected by the proposed action. Before granting a property tax incentive on any parcel of property that is anticipated to receive a property tax incentive for more than five years, the governing body of a city must comply with the requirements in section 1 of this Act.

SECTION 3. AMENDMENT. Section 40-58-20.2 of the North Dakota Century Code is amended and reenacted as follows:

40-58-20.2. Tax increment financing proposal - Public hearing - Invitation to representatives of affected taxing districts.

1. Before approval of a development or renewal plan for any development or renewal area under section 40-58-20, the governing body of the municipality shall conduct a public hearing on the proposal. The governing body shall provide invitations to participate in the public hearing to the governing body of each county, school district, and park district within the development or renewal area. At a minimum, the governing body of the municipality shall provide the following information at the public hearing:

1. a. The anticipated costs of development of property to be reimbursed by tax incentives.
 2. b. The anticipated annual revenue from tax increments which will be received to complete the development or renewal plan.
 3. c. The anticipated date when the plan will be completed, the costs will be fully paid, and the tax increments will be released.
 4. d. The estimate of the dollars annually attributable to the levies from each taxing entity which will be credited to the tax increment fund.
2. Before granting a property tax incentive on any parcel of property that is anticipated to receive a property tax incentive for more than five years, the governing body of the municipality must comply with the requirements in section 1 of this Act.

SECTION 4. AMENDMENT. Subsection 3 of section 54-35-26 of the North Dakota Century Code is amended and reenacted as follows:

3. The legislative management interim committee assigned the study responsibility under this section may examine economic development tax incentives, shall complete analysis of the ~~state-imposed tax aspects of~~ the incentives it designates for analysis during the interim, and shall approve a plan to provide that each of the economic development tax incentives listed in this subsection is subject to a complete analysis within each six-year period. The interim committee may include in its recommendations any amendments to this section, including amendments to add or remove incentives from the list of incentives subject to analysis under this subsection. Analysis must be completed for ~~state-imposed tax aspects of~~ economic development tax incentives, including each of the following:
 - a. Renaissance zone credits and exemptions.
 - b. Research expense credit.
 - c. Agricultural commodity processing facility investment credit.
 - d. Biodiesel fuel production facility construction or retrofit credit, biodiesel fuel blending credit, and biodiesel fuel equipment credit.
 - e. Seed capital investment credit.
 - f. Wage and salary credit.
 - g. Internship program credit.
 - h. Microbusiness credit.
 - i. Angel fund investment credit.
 - j. Workforce recruitment credit.
 - k. Soybean or canola crushing facility construction or retrofit credit.
 - l. Manufacturing automation equipment credit.
 - m. New or expanding business exemption.
 - n. Manufacturing and recycling equipment sales tax exemption.
 - o. Coal severance and conversion tax exemptions.
 - p. Oil and gas gross production and oil extraction tax exemptions.

- q. Fuel tax refunds for certain users.
- r. New jobs credit from income tax withholding.
- s. ~~Any economic development tax incentive created by the sixty-fourth legislative assembly~~ Development or renewal area incentives.
- t. Sales and use tax exemption for materials used to construct a fertilizer or chemical processing facility.
- u. Sales and use tax exemption for materials used in compressing, gathering, collecting, storing, transporting, or injecting carbon dioxide for use in enhanced recovery of oil or natural gas.
- v. Sales and use tax exemption for enterprise information technology equipment and computer software used in a qualified data center.

SECTION 5. LEGISLATIVE MANAGEMENT STUDY - PROPERTY TAX IMPACTS FROM CITY GROWTH AND DEVELOPMENT. During the 2017-18 interim, the legislative management shall consider studying how city growth and infill development affects property taxes, and evaluate the return on investment for state and community projects. The study must examine various policies affecting city development patterns, including the impact of transfer payments between state and local governments; the cost of government services and infrastructure, including future liability; the amount of tax revenue generated per increment of assumed liability for downtown areas; and whether certain areas of a city generate more revenue than expenses while other areas generate more expenses than revenue. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-sixth legislative assembly.

SECTION 6. EFFECTIVE DATE. Sections 1 through 3 of this Act are effective for property tax incentives approved after December 31, 2017."

Renumber accordingly

REPORT OF STANDING COMMITTEE

HB 1436, as engrossed: Government and Veterans Affairs Committee (Sen. Poolman, Chairman) recommends **DO NOT PASS** (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1436 was placed on the Fourteenth order on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1025, as engrossed: Your conference committee (Sens. Roers, Schaible, Oban and Reps. D. Anderson, Porter, Mitskog) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1402-1403, adopt amendments as follows, and place HB 1025 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1402 and 1403 of the House Journal and pages 1085 and 1086 of the Senate Journal and that Engrossed House Bill No. 1025 be amended as follows:

Page 1, line 1, after "enact" insert "section 20.1-04-07.1 and"

Page 1, line 2, after the first "to" insert "wild turkey hunting licenses for individuals receiving hunting expeditions from a nonprofit organization and"

Page 4, after line 4, insert:

"SECTION 3. Section 20.1-04-07.1 of the North Dakota Century Code is created and enacted as follows:

20.1-04-07.1. Spring wild turkey licenses - Nonprofit organizations.

The director shall issue four spring wild turkey licenses and permits to hunt wild turkeys to individuals residing in North Dakota who are selected by a nonprofit organization as provided under section 20.1-05.1-01."

Page 5, line 15, remove "and the rocky mountain elk foundation"

Page 5, line 17, remove "and the"

Page 5, line 18, remove "rocky mountain elk foundation"

Page 5, line 21, remove "Fifty percent of all net"

Page 5, remove lines 22 and 23

Page 5, line 24, replace "foundation policies and objectives. All remaining" with "The"

Page 5, line 24, after "proceeds" insert "distributed to the North American wildlife enforcement memorial museum and educational center"

Page 5, line 27, remove "and the"

Page 5, line 28, remove "rocky mountain elk foundation"

Page 6, line 1, remove "and the North American"

Page 6, line 2, remove "wildlife enforcement memorial museum and educational center"

Page 6, line 4, remove "and the North American wildlife enforcement memorial"

Page 6, line 5, remove "museum and educational center"

Page 6, line 7, remove "and fifty percent of all"

Page 6, line 8, replace "net proceeds" with ". The net proceeds distributed to the rocky mountain elk foundation"

Page 6, line 10, remove "All remaining net proceeds must be used for"

Page 6, remove line 11

Page 6, line 12, remove "museum and educational center located at the international peace garden."

Page 6, line 13, remove "and the North American wildlife enforcement memorial"

Page 6, line 14, remove "museum and educational center"

ReNUMBER accordingly

Engrossed HB 1025 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HCR 3019: Your conference committee (Sens. Kreun, Cook, Unruh and Reps. Porter, Seibel, Mitskog) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1196-1197, adopt amendments as follows, and place HCR 3019 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1196 and 1197 of the House Journal and pages 908 and 909 of the Senate Journal and that House Concurrent Resolution No. 3019 be amended as follows:

Page 1, line 1, after "resolution" replace the remainder of the concurrent with "requesting the United States Army Corps of Engineers divest land not needed for the management of the Garrison project area in North Dakota.

WHEREAS, the United States Army Corps of Engineers manages land purchased for the operation of the Garrison project area in North Dakota; and

WHEREAS, Congress and the federal courts have established in federal law that the Pick-Sloan project areas must be managed for flood control, river navigation, hydroelectric power, irrigation, water quality and supply, recreation, and fish and wildlife; and

WHEREAS, the purchasing criteria used by the United States Army Corps of Engineers to acquire land for the Garrison project area required land be purchased based on a rectangular grid line above the reservoir's high water mark, and the rectangular grid size used for purchase criteria could be smaller in some cases and not interfere with recreation and wildlife uses; and

WHEREAS, the United States Army Corps of Engineers should develop a divestment process for the lands by working in cooperation with the North Dakota Board of University and School Lands and the North Dakota Congressional Delegation, if the Garrison project can be managed without tracts of land between the reservoir high water mark and that tract's regular grid take line;

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

That the Sixty-fifth Legislative Assembly requests that any land subject to divestment under an agreement between the United States Army Corps of Engineers and the North Dakota Board of University and School Lands include a purchase right for prior owners who own the land the parcels were detached from, their heirs who own the land the parcels were detached from, or successors who own the land the parcels were detached from; and

BE IT FURTHER RESOLVED, that the Secretary of State forward copies of this resolution to the Under Secretary of Public Works for the United States Army Corps of Engineers and each member of the North Dakota Congressional Delegation."

Renumber accordingly

HCR 3019 was placed on the Seventh order of business on the calendar.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 13, 2017, I have signed the following: SB 2303.

MOTION

SEN. KLEIN MOVED that the Senate stand in recess until 1:00 p.m., which motion prevailed.

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

SECOND READING OF HOUSE BILL

HB 1436: A BILL for an Act to amend and reenact sections 54-35-02.4, 54-52.1-04, 54-52.1-04.2, and 54-52.1-04.3 of the North Dakota Century Code, relating to the employee benefits program committee, public employee uniform group insurance health benefits coverage, and to provide for a retirement board line of credit; to provide a continuing appropriation; to provide for application; and to provide statements of legislative intent.

ROLL CALL

The question being on the final passage of the bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 0 YEAS, 47 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

NAYS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue;

Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Engrossed HB 1436 failed.

APPOINTMENT OF CONFERENCE COMMITTEE

SEN. KLEIN MOVED that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Reengrossed HB 1040, which motion prevailed.

THE PRESIDENT APPOINTED as a Conference Committee on:

Reengrossed HB 1040: Sens. J. Lee, Dever, Heckaman

MOTION

SEN. KLEIN MOVED that Sen. Sorvaag replace Sen. Erbele on the Conference Committee on HB 1018, which motion prevailed on a voice vote.

MOTION

SEN. KLEIN MOVED that Sen. Wanzek replace Sen. Erbele on the Conference Committee on SB 2020, which motion prevailed on a voice vote.

MOTION

SEN. KLEIN MOVED that the Senate be on the Eighth order of business for the purpose of electing an Interim President Pro Tempore, which motion prevailed.

NOMINATIONS FOR INTERIM PRESIDENT PRO TEMPORE

SENATOR SCHAIBLE: Mr. President, it is a great honor for me to nominate my friend Senator Dave Oehlke as President Pro Tempore for the 65th legislative interim session. His daily weather reports and his joy for life has been a real bright spot here in the far-right corner of the senate.

Dave was elected to the senate in 2006 and has served on Government and Veteran Affairs, Finance and Tax, and served one session of vice chairman and two sessions as chairman of Transportation Committee. Now, his services are needed on Appropriations committee where he took a pay cut to serve. Senator Oehlke is a 2007 Build leadership alum and has served on legislative management.

Dave and his lovely wife, Vicki, of 47 years resides in Devils Lake, ND, and have raised two children and enjoys their four grandchildren and one great grandchild. Senator Oehlke sells insurance as a trade, but his passion is service to community and our youth. As Scoutmaster for 22 years and a founding member of Lake Region Search and Rescue his dedication and sacrifice for others is a shining example of his leadership skills. Sacrificing of one's time and effort for training and being available for the needs of others 24 hours a day is a real example of his character, but when these rescues turn into a retrieval the respect to the victim and treatment of the family in these difficult time takes a level of exceptional compassion for our fallow man.

We have all heard of man's best friend, but when it comes to Kinsey, his extremely large fur ball it's obvious that dog's best friend is Dave Oehlke.

Dave's calm demeanor and his relaxed attitude reflexes his attitude about life. It does not matter how frantic or confusing it get around here, he projects that everything will be OK and we will get through this. He is a true leader and his real ambition is people. When Senator Oehlke is asked, "What is the best part of the senate?", his answer is all the other senators that he has served with.

I cannot think of a better person to serve as the President Pro Tempore. One that will serve with integrity and respect for every person and every issue.

Mr. President, it is my honor to nominate Senator Dave Oehlke for President Pro Tempore.

SENATOR NELSON: Mr. President, our usual President of the Senate, Lt. Gov. Sanford, entered this chamber in a leadership role with no prior experience in the Senate, and he has done well. I propose that another new member of the chamber be elected President Pro Tempore.

Sen. Merrill Piepkorn was first elected to office a few years ago when he was elected junior class president at Fargo North High School. "Hear it Now", he did a great job in that capacity. North High is still acclaimed as a superior high school. "Hear it now", he probably would not be your best golf partner as he is left handed and he can only count to 5 on his toes. Now, if you want entertainment, Sen. Piepkorn is your person. He is very outgoing and that sometimes causes us some concerns, but his caucus understands him. Sen. Piepkorn is the voice of Dakota Datebook currently heard three times a week on public radio. We learn a lot of history from those snippets.

Sen. Piepkorn is great at multi-tasking. Last Sunday, some of us observed him playing guitar and harmonica, and singing. His talents are many and we should channel them for the good of the Senate.

As you ride home tomorrow, be sure to listen to "Main Street", formerly known as "Hear it Now", and hear Dakota Datebook (3:00-4:00) and learn a few new things about the great state of North Dakota. Of course, be sure you cruise at less than 90 mph, buckle your seatbelts, and have a wonderful Easter weekend with your families.

Mr. President, I am pleased to nominate Sen. Merrill Piepkorn to be the President Pro Tempore.

REMARKS OF SENATOR PIEPKORN

MR. PRESIDENT: To quote the last freshman Senator of the minority party who was nominated for this prestigious position, "I must say, I am shocked at the outcome of this election." Not even my hometown connections I share with two of the front row Senators with Stanley roots, the senators from District 4 and 6, are strong enough to sway even their vote. I'm sorely disappointed, but, will somehow persevere. Perhaps, I'll make it through this dark valley of depression I am currently experiencing with the aid of Medical Marijuana. Hopefully the good Doctor from District 47 can write me out a prescription, excuse me, a recommendation, before he retires from this body at the end of the session.

On another note, I thought that perhaps introducing the word obfuscate into our dialogue on the floor would be enough to sway the intellectuals on the other side of the aisle to vote for me. Never mind I had to look up the meaning of the word before I used it!

That said, a hearty congratulations to my worthy opponent and victor in this contest, the Senator from District 15. You North Dakota historians will recall that perhaps the most important member of the Lewis and Clark Corps of Discovery was a dog, the noble, big, black Newfoundland named Seaman, who guided the Corps through many a harrowing situation. Fortunately for Senator Oehlke, he has two Newfoundlands, Riggley and Kenzie to guide him back and forth between Bismarck and Devils Lake. On a recent trip traveling without them, he made a wrong turn coming out of the Coffee Cup in Steele and it took him three days to get turned around. However, if you get lost on Devils Lake while searching for the elusive trophy walleye, as a member of the water search and rescue team, he will come find you, and if you've fallen out of your boat, he'll send Riggley and Kenzie in to rescue you.

I will say that as a new member of the Senate Choir, I came into my first rehearsal a little late and they were already singing. I heard one voice, strong and clear, steadily holding the note. I sought that voice out because I needed a solid reference point in the choir. Yes, it was Senator Oehlke. Now, he doesn't have perfect pitch but as we say in the business, "It's close enough for country".

In spite of those things I've just mentioned, and because of his outstanding leadership qualities and he's friendly and extremely reliable, 99.9% of the time, I'm honored to move the Senate cast a unanimous ballot for Senator Dave Oehlke as President Pro Tempore.

MOTION

SEN. PIEPKORN MOVED that the Senate cast a unanimous ballot for Senator Oehlke as

Interim President Pro Tempore, which motion prevailed.

MOTION

SEN. KLEIN MOVED that a committee of two be appointed to escort the newly elected Interim President Pro Tempore Oehlke to the rostrum, which motion prevailed.

The President Pro Tempore appointed Sens. Unruh and Poolman.

OATH OF OFFICE

THE PRESIDENT PRO TEMPORE ADMINISTERED the Oath of Office to Interim President Pro Tempore Oehlke.

REMARKS OF INTERIM PRESIDENT PRO TEMPORE OEHLKE

MR. PRESIDENT: Good afternoon Senators, thank you for the appointment. Senator Piepkorn, thank you for the rousing speech.

I should clear up, I have one dog, Kenzie, and my son has the other, Riggley, but most of the time they're working together.

I have some flowers on my desk over there. I don't know if you noticed that, but they came with a card from my wife, Vicki, who isn't here today because she is working and didn't want to drive that far again. She was here earlier in the week and sent a card along with, and I thought you'd like to know, it states, "Dave, so very proud of you.", and this is the key sentence, "You are the greatest." Just in case you didn't know.

Senator Schaible, thank you for the nomination speech. It was heartfelt, and I turned around and told him, "You know it brought a tear to my eye." I don't think he believed me, but it truly did, so thank you. There's two other people in this chamber right now that came into the Senate in 2007 for their first session when I did, Senator Marcellais and Senator Heckaman. We're still here. I remember our first session on GVA together, Senator Marcellais. We had a great experience and learning experience there. I found out that Senator Marcellais was related to just about everybody that testified in front of us. When I mentioned that to him one day he stated that "We are all brothers." So we started greeting each other as Brother just about every time we see each other and still do to this day. People will look at us kind of funny in the hallway once in a while because we're not exactly twins.

I would like to share, in case some of you don't know there's something called the Senate Journal. This is one year's compilation of everything that happened in the Senate, believe it or not, in 2007. That's the first year I was in the Senate so my wife thought it would be a good idea if I brought this book and read from it. She stated that you could go "Page one", but you can see that we would be here an awfully long time so I won't do that. She thought it would be a great joke and so she has a sense of humor as well.

There is something that was mentioned when Senator Schaible spoke about the Search and Rescue Team. This is the message I would like to give you today. We started our Search and Rescue Team in 1981. After a little bit of diving experience and training we realized quickly that we needed to learn more. So we went off to learn more and more, and get more training on diving, dive rescue, swift water rescue, and ice dive training. Most scuba divers like ice dive training about as much as they like rattlesnakes. It's not our favorite thing, but, especially in the world we live up here in North Dakota, it becomes a big part of our activities in the winter time. We train for ice diving but you can never train for those experiences when it's really needed. Such as, in a vehicle that goes through the lake, someone that might need rescuing, or perhaps, even just searching for someone who possibly fell through and we don't know exactly where they are. There's something in dive rescue we call a backup diver. A backup diver is a person who is there, ready, geared up, and ready to go for the person that's under the ice diving. We cut a hole in the ice, or many times if the vehicle went through there's already a hole there, so we have to tether the first diver to a rope. That diver goes in and goes out into the wreckage scene in order to accomplish the rescue and they do dive patterns. When the person is on a rope there's signals they can give back and forth with the rope. One jerk and one jerk back from the diver means I'm still here. Two jerks from the line tender is go the other way, and you control that diver back and forth as the line tender. Three jerks mean I found the object or what I need. Four jerks or more means I'm in trouble or I need help. That's when the backup diver becomes pretty important, because when you feel those four jerks the backup diver doesn't really know what the problem is. The other diver could have come off his rope, it might have been cut, he might be entangled on something,

or he might just need help with the object. You're not really sure, but the backup diver is on another rope and goes down to seek out the first diver to either aide or help him., whatever it may be. The coolest thing about being a backup diver is that is probably the person you depend on the most. It is so comforting for someone who is a backup diver to have that first diver go in the water and right before they go under they look back to make sure you're there to know they can depend on you no matter what. That feeling for the backup diver is wonderful. It's also wonderful for the diver going down to know that guy is going to come and help him no matter what.

I told my constituents back home that "I'm your backup diver. I'm here for you.", and when I sit in the Senate, and have sat in the Senate for now my sixth session, I'm finding we are all backup divers for each other as well. It becomes only more important and critical when it gets down to the end of the session. So I'm your backup diver and I hope you can feel that I am for each and every one of you when it's really critical and important. Each and every one of you should be able to look around and know that your fellow Senators are backup divers for you as well. I know I have learned over the few sessions I have been here that is the case.

And by the way, the first Majority Leader that I had when I came in the Senate was Senator Bob Stenehjem. About this time of the session he said, "Look around. The faces are going to change before you come back in two years." I would encourage you to do that, it is certainly true. Look to your left, look to your right, look around the Senate. Things will change before we get back here in two years. Right now, let's get to work.

MOTION

SEN. KLEIN MOVED that the remarks of Sens. Schaible, Nelson, Piepkorn, and Oehlke be printed in the journal, which motion prevailed.

The Senate resumed its regular orders of business with Interim President Pro Tempore Oehlke presiding.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. HECKAMAN MOVED that the conference committee report on SB 2052 as printed on SJ page 1359 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CAMPBELL MOVED that the conference committee report on SB 2045 as printed on SJ page 1389 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. BEKKEDAHL MOVED that the conference committee report on Engrossed SB 2273 as printed on SJ pages 1389-1390 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2273: A BILL for an Act to amend and reenact subsection 5 of section 57-15-56 and section 57-39.2-26.2 of the North Dakota Century Code, relating to the senior citizen services and programs fund; to provide for a legislative management study relating to fees charged by county directors of tax equalization for property records; 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 20 YEAS, 27 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Burckhard; Campbell; Clemens; Cook; Davison; Erbele; Hogue; Kannianen; Kilzer; Laffen; Larson, D.; Meyer; Oehlke; Schaible; Unruh; Wanzek; Wardner

NAYS: Bowman; Casper; Dever; Dotzenrod; Grabinger; Heckaman; Holmberg; Klein; Krebsbach; Kreun; Larsen, O.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Myrdal; Nelson; Oban; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Sorvaag; Vedaa

Reengrossed SB 2273 failed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. RUST MOVED that the conference committee report on SB 2321 as printed on SJ pages 1390-1391 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2321: A BILL for an Act to amend and reenact section 15.1-27-35.3 of the North Dakota Century Code, relating to payments to school districts.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Engrossed SB 2321 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. UNRUH MOVED that the conference committee report on Engrossed SB 2313 as printed on SJ pages 1387-1389 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2313: A BILL for an Act to create and enact a new section to chapter 4-01 of the North Dakota Century Code, relating to a wind energy restoration and reclamation oversight program; to amend and reenact sections 49-02-34 and 49-22-05.1 of the North Dakota Century Code, relating to annual reports on meeting renewable and recycled energy objectives and exclusion areas for wind energy conversion facilities; to provide a statement of legislative intent; and to provide for application.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 43 YEAS, 4 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dotzenrod; Erbele; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

NAYS: Dever; Grabinger; Heckaman; Piepkorn

Reengrossed SB 2313 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. J. LEE MOVED that the conference committee report on SB 2156 as printed on SJ page 1385 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2156: A BILL for an Act to amend and reenact sections 23-20.2-02, 23-20.2-04, and 23-20.2-09 of the North Dakota Century Code, relating to definitions, permitting required for underground storage and retrieval or waste disposal facilities, and the disposal of radioactive waste material; and to provide for a legislative management study.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Engrossed SB 2156 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. COOK MOVED that the conference committee report on Engrossed SB 2166 as printed on SJ page 1389 be adopted, which motion prevailed on a voice vote.

SECOND READING OF SENATE BILL

SB 2166: A BILL for an Act to create and enact a new section to chapter 40-05 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city; 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, the roll was called and there were 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper; Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Reengrossed SB 2166 passed.

CONSIDERATION OF AMENDMENTS

HB 1182, as engrossed: SEN. COOK (Finance and Taxation Committee) MOVED that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

SECOND READING OF HOUSE BILL

HB 1182: A BILL for an Act to create and enact a new section to chapter 40-05 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city; to amend and reenact subsection 7 of section 40-57.1-03, section 40-58-20.2, 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 1 YEAS, 46 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Unruh

NAYS: Anderson; Armstrong; Bekkedahl; Bowman; Burckhard; Campbell; Casper;

Clemens; Cook; Davison; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Meyer; Myrdal; Nelson; Oban; Oehlke; Osland; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Wardner

Engrossed HB 1182, as amended, failed.

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

MR. SPEAKER: The Senate has amended and subsequently failed to pass: HB 1182.

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

MR. SPEAKER: The Senate has failed to pass, unchanged: HB 1436.

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

MR. PRESIDENT: The House has passed, unchanged: SCR 4001.

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

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

SB 2206: Reps. Headland; Dockter; Mitskog

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

MR. PRESIDENT: The House does not concur in the Senate amendments to HB 1178 and HB 1361, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

HB 1178: Reps. Olson; Nathe; Headland

HB 1361: Reps. Dockter; B. Koppelman; Toman

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

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

HB 1040: Sens. J. Lee; Dever; Heckaman

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

MR. SPEAKER: The President has appointed Sen. Wanzek to replace Sen. Erbele on the Conference Committee on SB 2020.

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

MR. SPEAKER: The President has appointed Sen. Sorvaag to replace Sen. Erbele on the Conference Committee on HB 1018.

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

MR. PRESIDENT: The House has not adopted the conference committee report on: HB 1378.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: SB 2045, SB 2052.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2156, SB 2166, SB 2313, SB 2321.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently failed to pass: SB 2273.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1341.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1155.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: HB 1044, HB 1085, HB 1233, HB 1365.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 13, 2017, I have signed the following: SB 2002, SB 2022, and SB 2023.

MOTION

SEN. KLEIN MOVED that the Senate be on the Fourth, Fifth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Friday, April 14, 2017, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

SB 2183, as engrossed: Your conference committee (Sens. Bekkedahl, Vedaa, Marcellais and Reps. Laning, Olson, P. Anderson) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 870-871, adopt amendments as follows, and place SB 2183 on the Seventh order:

That the House recede from its amendments as printed on pages 870 and 871 of the Senate Journal and pages 1032 and 1033 of the House Journal and that Engrossed Senate Bill No. 2183 be amended as follows:

Page 1, line 3, replace "an appropriation to the department of veterans' affairs" with "a statement of legislative intent"

Page 1, line 10, after "deceased" insert "North Dakota"

Page 2, line 1, after "deceased" insert "North Dakota"

Page 2, line 3, after "section" insert: ":

a."

Page 2, line 3, replace "family" with "Family"

Page 2, after line 4, insert:

"b. "North Dakota veteran" means an individual who meets the requirements of subsection 1 and who was a resident of North Dakota during any period of the individual's life.

4. Under section 37-18-12, the department may expend any gifts, grants, or donations received for the creation and conferment of commemorative memorial coins."

Page 2, replace lines 5 through 11 with:

"SECTION 2. LEGISLATIVE INTENT - COMMEMORATIVE MEMORIAL COINS. It is the intent of the sixty-fifth legislative assembly that the administrative committee on veterans' affairs consider providing funding from the veterans' postwar trust fund to the department of veterans' affairs for the purpose of funding at least four thousand commemorative memorial coins for the biennium beginning July 1, 2017, and ending June 30, 2019."

Page 2, line 13, after "deceased" insert "North Dakota"

Renumber accordingly

Engrossed SB 2183 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1155, as engrossed: Your conference committee (Sens. Holmberg, Wanzek, Grabinger and Reps. Delzer, Vigesaa, Holman) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1295, adopt amendments as follows, and place HB 1155 on the Seventh order:

That the Senate recede from its amendments as printed on page 1295 of the House Journal and pages 1063 and 1064 of the Senate Journal and that Engrossed House Bill No. 1155 be amended as follows:

Page 3, after line 2, insert:

"f. For purposes of this subsection, the calculation of total percentage general fund allotments made under section 54-44.1-12 must be based on total general fund allotments after any allotment exemption granted by the director of the budget compared to total general fund appropriations."

Page 3, line 24, overstrike the comma

Page 3, line 24, overstrike "that appropriations to the department of public instruction for state"

Page 3, overstrike lines 25 and 26

Page 3, line 27, overstrike "fund"

Page 3, line 27, remove the overstrike over "~~as follows:~~"

Page 4, line 2, after "fund" insert:

- "a. The following appropriations may be allotted only to the extent that the allotment can be offset by transfers from the foundation aid stabilization fund:
- (1) General fund appropriations to the department of public instruction for state school aid, transportation aid, and special education aid; and
 - (2) General fund appropriations to the department of career and technical education for grants to school districts.
- b. After allotments of two and one-half percent have been ordered during a biennium, the director of the budget may exempt the following appropriations from up to one percent of an allotment each biennium:
- (1) General fund appropriations to the department of corrections and rehabilitation; and
 - (2) General fund appropriations to the department of human services for direct care programs"

Renumber accordingly

Engrossed HB 1155 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1341, as engrossed: Your conference committee (Sens. Armstrong, D. Larson, Nelson and Reps. Paur, Blum, Hanson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1223-1224, adopt amendments as follows, and place HB 1341 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1223 and 1224 of the House Journal and pages 964 and 965 of the Senate Journal and that Engrossed House Bill No. 1341 be amended as follows:

Page 1, line 4, after "schools" insert "; and to provide a penalty"

Page 1, line 23, overstrike "eight" and insert immediately thereafter "four"

Page 2, line 13, after "a" insert "class A misdemeanor for a first offense under this subsection and a"

Page 2, line 13, after "felony" insert "for a second or subsequent offense of this subsection"

Page 2, line 16, remove the overstrike over "~~or a public career and technical education school~~"

Page 2, line 24, after "offense" insert "was committed during a school-sponsored activity or was committed during the hours of six a.m. to ten p.m. if school is in session, the offense"

Page 2, line 25, overstrike the second "or" and immediately thereafter insert an underscored comma

Page 2, line 25, remove the overstrike over "~~, or within~~"

Page 2, line 26, after the overstruck closing bracket insert "three hundred feet [91.4 meters]"

Page 2, line 26, remove the overstrike over "of"

Page 2, line 26, overstrike "child care or"

Page 2, line 27, after the first comma insert "a"

Page 2, line 27, after the second comma insert "or a"

Page 2, line 27, remove the overstrike over "~~public career and~~"

Page 2, line 28, remove the overstrike over "~~technical education school,~~"

Renumber accordingly

Engrossed HB 1341 was placed on the Seventh order of business on the calendar.

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

Shanda Morgan, Secretary

