

## JOURNAL OF THE SENATE

## Sixty-fifth Legislative Assembly

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Bismarck, April 18, 2017

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

The prayer was offered by Senator Kannianen, District 4.

The roll was called and all members were present except Senators Burckhard and Davison.

A quorum was declared by the President.

**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 2003:** Reps. Sanford; Martinson; Streyle

**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 1201.

**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 1022.

**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 1221, HB 1235, HB 1269.

**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 2015, SB 2216.

**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 1041.

**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 2135.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2011, SB 2183, SB 2200, SB 2313.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1005, HB 1016, HB 1300.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2011, SB 2183, SB 2200, SB 2313.

**MOTION**

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

**MOTION**

**SEN. KLEIN MOVED** that Sen. Armstrong replace Sen. Myrdal on the Conference Committee on SB 2139, which motion prevailed on a voice vote.

**MOTION**

**SEN. KLEIN MOVED** that Sen. Bowman replace Sen. Krebsbach on the Conference Committee on SB 2009, which motion prevailed on a voice vote.

**MOTION**

**SEN. KLEIN MOVED** that Sen. Schaible replace Sen. Davison on the Conference Committee on HB 1275, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. MEYER MOVED** that the conference committee report on HB 1369 as printed on SJ page 1481 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1369:** A BILL for an Act to create and enact sections 16.1-01-04.1 and 16.1-01-04.2, a new subsection to section 39-06-03.1, and a new subsection to section 39-06-14 of the North Dakota Century Code, relating to identification and residency requirements for electors and identification cards; to amend and reenact sections 16.1-01-04, 16.1-01-12, 16.1-02-09, 16.1-05-07, 16.1-07-06, 16.1-15-08, 16.1-15-19, and 39-06-07.1 of the North Dakota Century Code, relating to qualifications of electors, responsibilities of election officials before issuing ballots, elector identification requirements, identification cards, and operator's licenses; and to provide a penalty.

**ROLL CALL**

The question being on the final passage of the bill, which has been read, the roll was called and there were 35 YEAS, 10 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

**YEAS:** Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; Dever; Erbele; Hogue; Holmberg; Kannianen; Kilzer; Klein; Krebsbach; Kreun; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Meyer; Myrdal; Oehlke; Osland; Poolman; Roers; Rust; Schaible; Sorvaag; Unruh; Veda; Wanzek; Wardner

**NAYS:** Anderson; Dotzenrod; Grabinger; Heckaman; Marcellais; Mathern; Nelson; Oban; Piepkorn; Robinson

**ABSENT AND NOT VOTING:** Burckhard; Davison

HB 1369 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. BEKKEDAHL MOVED** that the conference committee report on Engrossed HB 1178 as printed on SJ page 1481 be adopted, which motion prevailed on a voice vote.

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

**MR. SPEAKER:** The President has appointed Sen. Bowman to replace Sen. Krebsbach on the Conference Committee on SB 2009.

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

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

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

**MR. SPEAKER:** The President has appointed Sen. Armstrong to replace Sen. Myrdal on the Conference Committee on SB 2139.

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

**MR. SPEAKER:** The President has appointed Sen. Schaible to replace Sen. Davison on the Conference Committee on HB 1275.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report on: HB 1178.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and

subsequently passed: HB 1369.

**COMMUNICATION FROM GOVERNOR DOUG BURGUM**

This is to inform you that on April 17, 2017, I have signed the following: SB 2033, SB 2041, SB 2116, SB 2161, SB 2189, SB 2253, SB 2264, and SB 2344.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2012, as engrossed:** Your conference committee (Sens. G. Lee, Oehlke, Grabinger and Reps. Brandenburg, Kempenich, Delmore) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1331-1335, adopt amendments as follows, and place SB 2012 on the Seventh order:

That the House recede from its amendments as printed on pages 1208-1211 of the Senate Journal and pages 1331-1335 of the House Journal and that Senate Bill No. 2012 be amended as follows:

Page 1, line 3, replace "and" with "to provide for disposition of maintenance section sites;"

Page 1, line 4, after "exemptions" insert "; to provide for studies; and to provide for reports"

Page 1, replace line 13 with:

"Salaries and wages	\$207,778,278	(\$6,299,937)	\$201,478,341"
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Page 1, replace lines 15 through 18 with:

"Capital assets	700,081,402	71,020,449	771,101,851
Grants	<u>62,918,030</u>	<u>4,610,000</u>	<u>67,528,030</u>
Total special funds	\$1,266,540,461	\$2,949,407	\$1,269,489,868
Full-time equivalent positions	1,080.50	(33.50)	1,047.00

**SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$2,702,395 from other funds for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, line 16, replace "\$5,700,000" with "\$16,300,000"

Page 2, remove lines 20 through 25

Page 3, after line 6, insert:

**"SECTION 8. DISPOSITION OF MAINTENANCE SECTION SITES.**

Notwithstanding any other provision of law, the department of transportation may discontinue operations of department maintenance section sites in New England, Starkweather, Fessenden, Courtenay, Gackle, Litchville, Finley, and Mayville as provided in this section.

1. During the biennium beginning July 1, 2017, and ending June 30, 2019, the department may not dispose of any real property assigned to a section site where operations are being discontinued.
2. The department shall consult with representatives of the political subdivisions in which the section site is located, in the following order: first with the county, second with the city, and third with the township. If requested by any of the political subdivisions, the department shall negotiate a lease agreement with that political subdivision regarding the use of the section site and facilities. The lease agreement must address, at a minimum, the following:
  - a. The political subdivision may use the department's maintenance site and building, road oil tank, and shop equipment contained in the building. The political subdivision must be responsible for all routine maintenance and utility costs.

- b. If requested by the political subdivision, the department may transfer ownership of an equipped snow plow to the political subdivision. The snow plow must be one that the department intends to dispose of as part of its equipment replacement schedule.
  - c. The department may charge a reasonable fee to the political subdivision under the lease.
  - d. The department shall retain the use of salt buildings located on the property, the right to park one vehicle inside the maintenance building during a major winter storm, the use of an electrical outlet to plug in various vehicles for wintertime loading of deicing materials, and the right to use a portion of the site for a salt and sand pile for winter snow and ice control operations.
  - e. If an emergency occurs in or around a section site, and the department is unable to respond, the political subdivision may agree to have an individual available to respond to the emergency. The political subdivision may establish a process that allows emergency response teams to contact the political subdivision to allow it to respond to an emergency occurring within the area currently served by the section site. The response may require the political subdivision to provide snow and ice control on the state highway system for an emergency situation.
3. If the department does not enter a lease agreement for a section site during the biennium beginning July 1, 2017, and ending June 30, 2019, the department may dispose of the section site property in accordance with state law after June 30, 2019.
  4. If the department has an employee whose home residence is located within the vicinity of the maintenance section the department intends to discontinue, the department shall locate one of its snow plows at or near the maintenance section site during a major winter storm event from November 1 through March 31 of each fiscal year."

Page 4, after line 17, insert:

**"SECTION 10. DEPARTMENT OF TRANSPORTATION STUDY - SNOW AND ICE CONTROL SERVICES - REPORT TO LEGISLATIVE MANAGEMENT.**

During the 2017-18 interim, the department of transportation shall study the manner in which it provides snow and ice control services on the state highway system, including the existing costs for these services and any potential savings available in providing these services. Based on its findings, the department shall determine the most efficient and effective manner in which to provide snow and ice control services. The department shall provide a report to the legislative management before July 1, 2018, regarding the results of the study.

**SECTION 11. DEPARTMENT OF TRANSPORTATION STUDY - CONSOLIDATION OF SERVICES - REPORT TO LEGISLATIVE MANAGEMENT - REPORT TO SIXTY-SIXTH LEGISLATIVE ASSEMBLY.**

During the 2017-18 interim, the department of transportation shall study options to consolidate transportation facilities within Williams County and the Williston district headquarters. The department shall provide the final report, including the results of the study, to the legislative management before July 1, 2018. If the results of the study determine that it is beneficial to consolidate facilities, the department may proceed with consolidation efforts. Before the completion of the study and the determination of whether the consolidation of facilities is beneficial, the department may not construct any new buildings at the Williston district headquarters. The department shall provide reports to the appropriations committees of the sixty-sixth legislative assembly regarding the study and the outcomes of the study.

**SECTION 12. LEGISLATIVE MANAGEMENT STUDY - TRANSPORTATION FUNDING.**

During the 2017-18 interim, the legislative management shall consider studying the funding mechanisms and options available

to the department of transportation, political subdivisions, and public transportation providers, for road construction, maintenance, other transportation infrastructure needs, and transit services. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-sixth legislative assembly.

**SECTION 13. DEPARTMENT OF TRANSPORTATION FEES - REPORT TO BUDGET SECTION.** The department of transportation shall report to the legislative management's budget section by September 30, 2017, and by September 30, 2018, regarding all fees charged by the department in comparison to the actual cost of providing the services for which the fee is charged.

**SECTION 14. TELECOMMUNICATIONS INFRASTRUCTURE ON HIGHWAY RIGHTS OF WAY - LIMITATION - DEPARTMENT OF TRANSPORTATION AND INFORMATION TECHNOLOGY DEPARTMENT STUDY - REPORT.** Prior to the department of transportation permitting any nonstate owned, controlled, or leased wireless telecommunication infrastructure used for wireless transmission of voice, data, images, or other signals or information within state highway rights of way, the department of transportation and the information technology department shall study, during the 2017-18 interim, the benefits of allowing wireless telecommunication infrastructure within state highway rights of way and what, if any, requirements of allowing the installation may be in the public interest. The department of transportation and the information technology department shall report the results of the study to the legislative management by June 30, 2018."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2012 - Department of Transportation - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$207,778,278	\$202,085,692	(\$607,351)	\$201,478,341	\$201,874,602	(\$396,261)
Operating expenses	295,762,751	229,381,646		229,381,646	229,381,646	
Capital assets	700,081,402	770,705,590	396,261	771,101,851	770,705,590	396,261
Grants	62,918,030	72,528,030	(5,000,000)	67,528,030	67,528,030	
Total all funds	\$1,266,540,461	\$1,274,700,958	(\$5,211,090)	\$1,269,489,868	\$1,269,489,868	\$0
Less estimated income	1,266,540,461	1,274,700,958	(5,211,090)	1,269,489,868	1,269,489,868	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	1080.50	1049.00	(2.00)	1047.00	1044.00	3.00

**Department No. 801 - Department of Transportation - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes Funding for a Community Enhancement Program <sup>2</sup>	Removes the 2 FTE Administrator Positions <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	(\$211,090)		(\$396,261)	(\$607,351)
Operating expenses				
Capital assets			396,261	396,261
Grants		(5,000,000)		(5,000,000)
Total all funds	(\$211,090)	(\$5,000,000)	\$0	(\$5,211,090)
Less estimated income	(211,090)	(5,000,000)	0	(5,211,090)
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(2.00)	(2.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the House version.

<sup>2</sup> Funding of \$5 million for a North Dakota community enhancement program is removed, the same as the House version. The Senate included \$5 million for this program as recommended by Governor Burgum.

<sup>3</sup> Two FTE administrator positions are removed. Funding of \$396,261 for the positions is transferred from the salaries and wages line item to the capital assets line item. The House removed 5 FTE administrative positions but left the funding in the salaries and wages line item.

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This amendment also:

- Adds a section identifying the cost of the health insurance premium increase, the same as the House version.
- Increases the use of enhanced state highway investment funding transferred from the general fund to the highway fund by the 2015 Legislative Assembly for matching federal highway construction funds during the 2017-19 biennium from \$5.7 million to \$16.3 million, the same as the House version. The Senate authorized the use of \$5.7 million.
- Removes a section authorizing the use of \$5 million in enhanced state highway investment funding transferred from the general fund to the highway fund by the 2015 Legislative Assembly for the North Dakota community enhancement program during the 2017-19 biennium, the same as the House version.
- Adds a section directing the department to consult with political subdivisions in the areas where highway maintenance section sites may be closed. The House included a similar section.
- The conference committee did not include a section included in the House version to amend North Dakota Century Code Section 39-01-09, relating to parking meters, and providing that 20 percent of the revenue generated from parking meters, except those on property of state higher education institutions be deposited in the public transportation fund.
- Adds a section requiring the department to study the manner in which it provides snow and ice control services and to provide a report to the Legislative Management, the same as the House version.
- Adds a section requiring the department to study options to consolidate transportation facilities within Williams County and the Williston district headquarters and to provide a report to the Legislative Management, and the 2019 Legislative Assembly, the same as the House version.
- Adds a section providing for a Legislative Management study of transportation funding, the same as the House version.
- Adds a section directing the department to report annually to the Budget Section during the 2017-18 interim, regarding all fees charged by the agency in comparison to the actual cost incurred for the resulting services provided, the same as the House version.
- The conference committee did not include a section added by the House to prohibit the department from closing a driver's license service site that processed 600 or more transactions during the prior state fiscal year.
- A section is added requiring the department and the Information Technology Department to study the benefits of allowing wireless telecommunication infrastructure within state highway rights of way before providing permits for the construction of wireless telecommunication infrastructure.

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

#### REPORT OF CONFERENCE COMMITTEE

**SB 2144:** Your conference committee (Sens. Casper, Campbell, Marcellais and

Reps. Keiser, D. Ruby, Boe) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ page 1123 and place SB 2144 on the Seventh order.

SB 2144 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2224:** Your conference committee (Sens. Bekkedahl, Vedaa, Marcellais and Reps. Pollert, Nathe, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1114-1115, adopt amendments as follows, and place SB 2224 on the Seventh order:

That the House recede from its amendments as printed on pages 1114 and 1115 of the Senate Journal and page 1249 of the House Journal and that Senate Bill No. 2224 be amended as follows:

Page 1, line 6, replace "\$500,000" with "\$350,000"

Renumber accordingly

SB 2224 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1022, as engrossed:** Your conference committee (Sens. Krebsbach, Dever, Bowman and Reps. Boehning, Brabandt, Vigesaa) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1163-1164, adopt amendments as follows, and place HB 1022 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1163 and 1164 of the House Journal and pages 895 and 896 of the Senate Journal and that Engrossed House Bill No. 1022 be amended as follows:

Page 1, replace lines 10 through 13 with:

"Salaries and wages	\$4,340,551	\$85,019	\$4,425,570
Operating expenses	990,874	(128,390)	862,484
Contingencies	<u>82,000</u>	<u>(30,000)</u>	<u>52,000</u>
Total special funds	\$5,413,425	(\$73,371)	\$5,340,054"

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 - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,340,551	\$4,429,510	(\$3,940)	\$4,425,570	\$4,425,570	
Operating expenses	990,874	790,027	72,457	862,484	790,027	72,457
Contingencies	<u>82,000</u>	<u>52,000</u>		<u>52,000</u>	<u>52,000</u>	
Total all funds	\$5,413,425	\$5,271,537	\$68,517	\$5,340,054	\$5,267,597	\$72,457
Less estimated income	<u>5,413,425</u>	<u>5,271,537</u>	<u>68,517</u>	<u>5,340,054</u>	<u>5,267,597</u>	<u>72,457</u>
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	19.00	19.00	0.00	19.00	19.00	0.00

**Department No. 190 - Retirement and Investment Office - Detail of Conference Committee Changes**

Adjusts Funding for	Adds Funding for Operating	Total Conference
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	Health Insurance Increases <sup>1</sup>	Expenses <sup>2</sup>	Committee Changes
Salaries and wages	(\$3,940)		(\$3,940)
Operating expenses		72,457	72,457
Contingencies			
Total all funds	(\$3,940)	\$72,457	\$68,517
Less estimated income	(3,940)	72,457	68,517
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> 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.

<sup>2</sup> Funding is restored for a portion of the \$200,847 reduction to operating expenses made by the House.

Engrossed HB 1022 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1041, as reengrossed:** Your conference committee (Sens. Armstrong, Osland, Nelson and Reps. K. Koppelman, Satrom, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1000-1001, adopt amendments as follows, and place HB 1041 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1289-1291 of the House Journal and pages 1000 and 1001 of the Senate Journal and that Reengrossed House Bill No. 1041 be amended as follows:

Page 1, line 1, after "12.1-32" insert "and a new section to chapter 54-23.3"

Page 1, line 2, after "probation" insert "and faith-based organizations"

Page 1, line 3, after the fourth comma insert "subdivision c of subsection 1 of section 12.1-32-02,"

Page 1, line 4, replace "subsections" with "subsection"

Page 1, line 4, remove "and 6"

Page 1, line 6, remove "section 19-03.4-03,"

Page 1, line 7, replace "section 43-45-06" with "subsection 2 of section 39-20-01"

Page 1, line 9, after the second comma insert "sentencing alternatives,"

Page 1, line 10, remove "and controlled substance paraphernalia"

Page 1, line 11, remove "addiction counseling services,"

Page 1, line 14, remove "and"

Page 1, line 14, after "assembly" insert "; to provide an appropriation; to provide an effective date; and to declare an emergency"

Page 3, line 26, remove the overstrike over "one"

Page 3, line 26, remove "two"

Page 3, line 26, remove "five hundred"



Page 5, after line 15, insert:

**"SECTION 6. AMENDMENT.** Subdivision c of subsection 1 of section 12.1-32-02 of the North Dakota Century Code is amended and reenacted as follows:

- c. A term of imprisonment, including intermittent imprisonment:
- (1) In a state correctional facility in accordance with section 29-27-07, in a regional corrections center, or in a county jail, if convicted of a felony or a class A misdemeanor.
  - (2) In a county jail or in a regional corrections center, if convicted of a class B misdemeanor.
  - (3) In a facility or program deemed appropriate for the treatment of the individual offender, including available community-based or faith-based programs.
  - (4) In the case of persons convicted of an offense who are under eighteen years of age at the time of sentencing, the court is limited to sentencing the minor defendant to a term of imprisonment in the custody of the department of corrections and rehabilitation."

Page 6, remove lines 26 and 30

Page 7, remove lines 1 through 30

Page 8, remove lines 1 through 5

Page 8, after line 8 insert:

"1."

Page 8, line 9, replace "convicted of" with "who has pled guilty to, or has been found guilty of."

Page 8, line 11, remove "in violation of section 12.1-17-07.1, chapter"

Page 8, line 12, replace "12.1-41, or sections 14-07.1-06 or 14-09-22" with "subject to registration under section 12.1-32-15"

Page 8, line 13, after "weapon" insert ", explosive, or incendiary device"

Page 8, after line 13, insert:

"2."

Page 8, line 15, remove "The sentencing court shall state the"

Page 8, line 16, replace "aggravating factors on the record at the time of sentencing." with "Aggravating factors include:"

- a. That the individual has pled guilty to, or has been found guilty of, a felony offense or class A misdemeanor offense prior to the date of the commission of the offense or offenses charged in the complaint, information, or indictment;
- b. The age and vulnerability of the victim, whether the individual was in a position of responsibility or trust over the victim, or whether the individual abused a public position of responsibility or trust; or
- c. If the individual used threats or coercion in the commission of the offense.

3."

Page 8, line 26, replace "for a first offense and" with "if the controlled substance is marijuana. Otherwise, the offense is"

Page 8, line 26, remove "for a"

Page 8, line 27, remove "second or subsequent offense"

Page 9, line 6, replace "B" with "A"

Page 9, line 6, replace "A misdemeanor" with "C felony"

Page 9, line 11, overstrike "chapter" and insert immediately thereafter "title"

Page 9, line 13, overstrike "chapter" and insert immediately thereafter "title"

Page 9, line 26, after "a" insert "class A misdemeanor for a first offense under this subsection and a"

Page 9, line 26, remove the overstrike over "C felony"

Page 9, line 26, replace "A misdemeanor" with "for a second or subsequent offense under this subsection"

Page 9, line 28, remove the overstrike over "~~or a~~"

Page 9, line 29, remove the overstrike over "~~public career and technical education school,~~"

Page 10, line 21, 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 10, line 22, overstrike the second "or" and insert immediately thereafter an underscored comma

Page 10, line 22, remove the overstrike over "~~or within~~"

Page 10, line 23, after the overstruck closing bracket insert "three hundred feet [91.4 meters]"

Page 10, line 23, overstrike "child care or"

Page 10, line 24, remove the overstrike over the first overstruck comma

Page 10, line 24, remove "or"

Page 10, line 24, remove the overstrike over the second overstruck comma and insert immediately thereafter "or a"

Page 10, line 24, remove the overstrike over "~~public career and~~"

Page 10, line 25, remove the overstrike over "~~technical education school~~"

Page 10, remove lines 26 through 31

Page 11, remove lines 1 through 20

Page 12, replace lines 16 through 26 with:

**"SECTION 15. AMENDMENT.** Subsection 2 of section 39-20-01 of the North Dakota Century Code is amended and reenacted as follows:

2. The test or tests must be administered at the direction of a law enforcement officer only after placing the individual, ~~except individuals~~

mentioned in section 39-20-03, under arrest and informing that individual that the individual is or will be charged with the offense of driving or being in actual physical control of a vehicle upon the public highways while under the influence of intoxicating liquor, drugs, or a combination thereof. For the purposes of this chapter, the taking into custody of a child under section 27-20-13 or an individual under twenty-one years of age satisfies the requirement of an arrest. The law enforcement officer shall determine which of the tests is to be used."

Page 16, after line 29 insert:

"**SECTION 18.** A new section to chapter 54-23.3 of the North Dakota Century Code is created and enacted as follows:

**Faith-based programming.**

1. The department of corrections and rehabilitation, with contracts through the department of human services and through the implementation of the community behavioral health program, shall allow faith-based organizations to provide services to individuals who need addiction treatment services.
2. For purposes of this section "faith-based organization" means a nonprofit corporation or association operated by a religious or denominational organization, including an organization operated for religious, educational, or charitable purposes and which is operated, supervised, or controlled by or in connection with a religious organization, or an organization that has a mission statement, policies, or practices clearly demonstrating the organization is guided or motivated by faith."

Page 16, after line 29, insert:

"**SECTION 21. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$110,916, or so much of the sum as may be necessary, and \$1,532,785 from federal funds, or so much of the sum as may be necessary, to the department of human services for the purpose of implementing sections 17 and 18 of this Act, for the period beginning with the effective date of this section, and ending June 30, 2019.

**SECTION 22. EFFECTIVE DATE.** Sections 8 and 9 of this Act become effective January 1, 2018.

**SECTION 23. EMERGENCY.** Sections 1 through 5, 7, 10 through 18, and 22 of this Act are declared to be an emergency measure."

Renumber accordingly

Reengrossed HB 1041 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1221, as engrossed:** Your conference committee (Sens. Armstrong, Myrdal, Nelson and Reps. Jones, Johnston, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1001-1003, adopt amendments as follows, and place HB 1221 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1282 and 1283 of the House Journal and pages 1001-1003 of the Senate Journal and that Engrossed House Bill No. 1221 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact chapter 29-29.5 of the North Dakota Century Code, relating to the use of confidential informants; to amend and reenact section 12-63-04 of the North Dakota Century Code, relating to the powers and duties of the peace officer standards and training board; and to provide a penalty.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Section 12-63-04 of the North Dakota Century Code is amended and reenacted as follows:

**12-63-04. Board - Powers - Duties - Authority.**

The board shall administer, coordinate, and enforce the provisions of this chapter, evaluate the qualifications of applicants, and approve the examinations for licensing under this chapter.

1. The board shall:
  - a. Prescribe the criteria for certification of basic, advanced, and specialized peace officer training curriculum, instructors, and schools;
  - b. Certify curriculum, instructors, schools, and officers that have met the training certification criteria;
  - c. Establish the curriculum for basic and advanced peace officer training; and
  - d. Prescribe minimum standards of sidearm training and certification for peace officers before they may carry a sidearm.
2. The board shall keep records and minutes necessary to carry out its functions. The board may:
  - a. Issue subpoenas, examine witnesses, administer oaths, and investigate allegations of practices violating the provisions of this chapter or rules adopted by the board.
  - b. Examine, under oath, any applicant for licensing.
  - c. Examine, under oath, any licensed peace officer during a hearing to suspend, revoke, or to not renew a license of a peace officer.
  - d. Adopt rules relating to the professional conduct of peace officers and to implement the requirements of this chapter, including rules relating to professional licensure, continuing education, and ethical standards of practice, for persons holding a license to practice peace officer duties.
3. The board shall adopt rules relating to the professional conduct of licensed peace officers involved in confidential informant agreements under chapter 29-29.5, and shall receive complaints and make determinations if an officer's conduct violated the protections provided in chapter 29-29.5. Annually, the board shall conduct an audit evaluating the effectiveness of confidential informant training requirements.
4. The board shall establish penalties and enforce violations of protections provided in chapter 29-29.5. The penalties established must be formulated based on the nature, severity, gravity, and recurrence of violations. The board may deny, suspend, or revoke a license or may impose probationary conditions, including remedial training.

**SECTION 2.** Chapter 29-29.5 of the North Dakota Century Code is created and enacted as follows:

**29-29.5-01. Definitions.**

1. "Benefit" means any of the following conferred on a confidential informant or a third party:

- a. Leniency in a criminal case or probation or parole matter, including a decision whether to arrest or charge an offense or to limit the number or severity of charges;
  - b. Sentence reduction of any kind or amount; or
  - c. A favorable sentencing or bond recommendation.
2. "Confidential informant" means an individual who cooperates with a law enforcement agency and:
    - a. Is willing to attempt a controlled buy or controlled sale or agrees to surreptitiously record a target offender; and
    - b. Seeks or is offered a benefit.
  3. "Controlled buy" means the purchase or attempted purchase of contraband, controlled substances, or other items material to a criminal investigation while under supervision or direction of law enforcement.
  4. "Controlled sale" means the sale or attempted sale of contraband, controlled substances, or other items material to a criminal investigation while under supervision or direction of enforcement.
  5. "Informant agreement" means a written agreement describing the rights and obligations of a confidential informant and law enforcement agency.
  6. "Law enforcement agency" means an agency authorized by law to enforce the law and to conduct or engage in investigations or prosecutions for violations of the law.
  7. "Target offender" means an individual suspected of a violation of the law, whose identity is known or unknown, and who is the focus of an informant agreement.

**29-29.5-02. Limitation on use of juvenile confidential informants.**

1. A law enforcement agency may not use a juvenile fifteen years of age or younger as a confidential informant.
2. A juvenile over the age of fifteen, but under the age of eighteen, may not be used as a confidential informant unless:
  - a. The juvenile is married;
  - b. The juvenile is emancipated;
  - c. The juvenile is serving in the active duty armed forces; or
  - d. The juvenile is subject to criminal charges; and
    - (1) There are no other reasonable avenues to obtain evidence of the crime being investigated and the risk of harm to the juvenile is minimal;
    - (2) The juvenile's custodial parent or guardian has signed the informant agreement; and
    - (3) The juvenile has consulted with legal counsel.

**29-29.5-03. Limitation on use of campus police.**

A law enforcement officer employed under section 15-10-17 may not enter an informant agreement with a student enrolled in an institution under the control of the state board of higher education.

**29-29.5-04. Law enforcement confidential informant training and guidelines.**

1. After July 1, 2018, a law enforcement agency may not use a confidential informant unless the law enforcement agency is trained in the use of confidential informants in a training course approved by the attorney general.
  - a. Training must occur at least once every three years, and must establish that the law enforcement agency has trained all personnel who are involved in the use or recruitment of confidential informants in the law enforcement agency's policies and procedures in a manner consistent with the peace officer standards and training requirements.
  - b. The law enforcement agency shall document the date and scope of all training along with all law enforcement personnel trained.
2. The peace officers standards and training board shall adopt rules for the use of confidential informants which at a minimum:
  - a. Assign the consideration of the preservation of the safety of a confidential informant.
  - b. Execute reasonable protective measures for a confidential informant.
  - c. Establish guidelines for the training and briefing of confidential informants.
  - d. Restrict off-duty association or social relationships by law enforcement agency personnel with confidential informants.
  - e. Establish procedures to deactivate confidential informants which maintain the safety and anonymity of confidential informants.
  - f. Establish a process to evaluate and report the criminal history and propensity for violence of any target offenders.
  - g. Establish written security procedures protecting the identity of a confidential informant.
  - h. Establish written procedures relating to the use of a paid confidential informant.

**29-29.5-05. Written agreement required.**

Except for court proceedings, a law enforcement agency may use a confidential informant only with a written agreement executed by the confidential informant and the law enforcement agency. An agreement for use of a confidential informant must be in writing, and include:

1. The confidential informant's right to remain silent, the right to speak with legal counsel at any time, and the right to cease working as a confidential informant;
2. A statement of the benefit, which will be recommended upon substantial compliance with the informant agreement;
3. A statement that an absolute guarantee or promise may not be made to the confidential informant other than law enforcement will truthfully report cooperation;
4. A statement of the inherent risk associated with acting as a confidential informant;

5. Confidential informant responsibilities, including testifying truthfully if called as a witness in a court proceeding;
6. A written waiver of right to counsel which must be executed separately and attached to the informant agreement, signed by the confidential informant and a law enforcement officer, and include language stating that consulting legal counsel at any time will not invalidate the agreement;
7. The parameters of the agreement, detailing the anticipated number of buys, sales, acts, or the duration of service;
8. A description of any penalty for violating the terms of the written agreement, including any additional criminal charges;
9. A warning that sexual relations with an intended target of a police investigation is a violation of the agreement and may be a violation of the law;
10. A statement that money or property loaned or entrusted to the confidential informant by law enforcement may not be used for personal use and must be accounted for at all times; and
11. Specification of any known crimes of violence committed by a target offender.

**29-29.5-06. Death of a confidential informant.**

Upon the death of a confidential informant, the supervising law enforcement agency shall withdraw from the investigation of the death of its confidential informant. The supervising law enforcement agency promptly shall notify the attorney general of its withdrawal from the investigation, and the attorney general shall authorize an independent law enforcement agency investigation.

**29-29.5-07. Reporting violations of this chapter.**

1. An individual may report a suspected violation of this chapter to the appropriate law enforcement agency administration. The law enforcement agency shall investigate any reported violation within twenty days from receiving the complaint and, within forty-five days from receiving the complaint, make a written determination on whether a violation occurred. Upon completion, the law enforcement agency shall forward the written report to the individual who filed the initial complaint and to the peace officer standards and training board for review. An individual who filed a report for a suspected violation may seek additional remedies from the peace officer standards and training board.
2. A licensed peace officer or a prosecutor who reasonably believes a law enforcement officer or a law enforcement agency has violated this chapter shall file a written report with the peace officer standards and training board.

**29-29.5-08. Disposition of cases involving confidential informants.**

1. An informant agreement may be presented to the court at the time of sentencing. A court shall give consideration at sentencing to a confidential informant who has substantially complied with an informant agreement.
2. After consideration of an informant agreement, notwithstanding section 19-03.1-23.2, a court may defer imposition of sentence or suspend a portion of a minimum mandatory sentence when a confidential informant has substantially complied with an informant agreement.

3. If necessary to protect a confidential informant or the integrity of an ongoing investigation, a court may direct submission of sentencing memoranda in writing under seal when sentencing or deferring imposition of sentence of a confidential informant.
4. If necessary to protect a confidential informant or the integrity of an investigation, a court may dispense with reporting departure from a mandatory sentence under subsection 3 of section 12.1-32-03.
5. This section does not prohibit disposition of cases by deferral of prosecution with or without court approval."

Renumber accordingly

Engrossed HB 1221 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1235, as engrossed:** Your conference committee (Sens. D. Larson, Luick, Osland and Reps. K. Koppelman, D. Johnson, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 833-834, adopt amendments as follows, and place HB 1235 on the Seventh order:

That the Senate recede from its amendments as printed on page 1103 of the House Journal and pages 833 and 834 of the Senate Journal and that Engrossed House Bill No. 1235 be amended as follows:

Page 1, line 9, remove "including"

Page 1, line 10, replace "automated access in the case of records maintained in automated databases," with "relevant to making an eligibility determination for indigent defense services."

Page 1, line 11, after "agencies" insert "relevant to determination of eligibility for indigent defense services"

Page 1, line 21, remove "identifying the last-known address of the individual, wage-loss"

Page 1, remove lines 22 and 23

Page 1, line 24, replace "organization, and whether and where that individual is employed" with "or as otherwise provided in section 65-05-32"

Page 2, replace lines 19 through 23 with:

"**SECTION 2.** Subsection 5 to section 54-61-02 of the North Dakota Century Code is created and enacted as follows:

5. If a government agency or private entity denies the commission access to records under subsection 4, the denial must include a statement of the legal authority for the denial."

Renumber accordingly

Engrossed HB 1235 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1269, as engrossed:** Your conference committee (Sens. Armstrong, D. Larson, Nelson and Reps. K. Koppelman, Satrom, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1003-1008, adopt amendments as follows, and place HB 1269 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1284-1289 of the House Journal and pages 1003-1008 of the Senate Journal and that Engrossed House Bill No. 1269 be amended as follows:



Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new subsection to section 12.1-32-09.1 of the North Dakota Century Code, relating to sentencing for aggravated assault; to amend and reenact subdivision k of subsection 3 of section 12.1-23-05, subsection 5 of section 12.1-32-01, subdivision b of subsection 1 of section 12.1-32-02.1, sections 19-03.1-22.3 and 19-03.1-23, subsection 2 of section 19-03.1-23.1, section 19-03.1-23.4, paragraph 3 of subdivision e of subsection 1 of section 19-03.1-36, subdivision e of subsection 5 of section 19-03.1-36, subsection 1 of section 19-03.1-45, and subsection 29 of section 40-05-02 of the North Dakota Century Code, relating to grading of theft offenses, illegal possession of prescription capsules, pills, or tablets, possession of marijuana, ingesting a controlled substance, and misdemeanor marijuana convictions being excluded as prior offenses for purposes of determining mandatory terms of imprisonment; and to provide a penalty.

**BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:**

**SECTION 1. AMENDMENT.** Subdivision k of subsection 3 of section 12.1-23-05 of the North Dakota Century Code is amended and reenacted as follows:

- k. The property stolen is a prescription drug as defined in section 43-15.3-01, except when the quantity stolen is five or fewer capsules, pills, or tablets.

**SECTION 2. AMENDMENT.** Subsection 5 of section 12.1-32-01 of the North Dakota Century Code is amended and reenacted as follows:

5. Class A misdemeanor, for which a maximum penalty of ~~one year's~~ imprisonment for three hundred sixty days, a fine of three thousand dollars, or both, may be imposed.

**SECTION 3. AMENDMENT.** Subdivision b of subsection 1 of section 12.1-32-02.1 of the North Dakota Century Code is amended and reenacted as follows:

- b. The offender possesses or has within immediate reach and control a dangerous weapon, explosive, destructive device, or firearm while in the course of committing any felony offense under subsection 1, ~~23~~, or ~~78~~ of section 19-03.1-23.

**SECTION 4.** A new subsection to section 12.1-32-09.1 of the North Dakota Century Code is created and enacted as follows:

An offender who is convicted of a class C felony in violation of section 12.1-17-02, or an attempt to commit the offense, and who has received a sentence of imprisonment or a sentence of imprisonment upon revocation of probation before August 1, 2015, is eligible to have the offender's sentence considered by the parole board.

**SECTION 5. AMENDMENT.** Section 19-03.1-22.3 of the North Dakota Century Code is amended and reenacted as follows:

**19-03.1-22.3. Ingesting a controlled substance - Venue for violation - Penalty.**

A person who intentionally ingests, inhales, injects, or otherwise takes into the body a controlled substance, unless the substance was obtained directly from a practitioner or pursuant to a valid prescription or order of a practitioner while acting in the course of the practitioner's professional practice, is guilty of a class B misdemeanor if the controlled substance is marijuana. Otherwise, the offense is a class A misdemeanor. The venue for a violation of this section exists in either the jurisdiction in which the controlled substance was ingested, inhaled, injected, or otherwise taken into the body or the jurisdiction in which the controlled substance was detected in the body of the accused.

**SECTION 6. AMENDMENT.** Section 19-03.1-23 of the North Dakota Century Code is amended and reenacted as follows:

**19-03.1-23. Prohibited acts A - Mandatory terms of imprisonment and fines - Unclassified offenses - Penalties.**

1. Except as authorized by this chapter, it is unlawful for ~~anya~~ person to willfully, as defined in section 12.1-02-02, manufacture, deliver, or possess with intent to manufacture or deliver, a controlled substance, or to deliver, distribute, or dispense a controlled substance by means of the internet, but ~~anya~~ person who violates section 12-46-24 or 12-47-21 may not be prosecuted under this subsection. ~~AnyA~~ person who violates this subsection with respect to:
  - a. A controlled substance classified in schedule I or II which is a narcotic drug, or methamphetamine, is guilty of a class ~~AB~~ felony and must be sentenced:
    - (1) For a second offense, to imprisonment for at least ~~five~~three years.
    - (2) For a third or subsequent offense, to imprisonment for ~~twenty~~ten years.
  - b. Any other controlled substance classified in schedule I, II, or III, or a controlled substance analog is guilty of a class B felony. Except for a person who manufactures, delivers, or possesses with the intent to manufacture or deliver marijuana, any person found guilty under this subdivision must be sentenced:
    - (1) For a second offense, to imprisonment for at least ~~three~~two years.
    - (2) For a third or subsequent offense, to imprisonment for ~~ten~~five years.
  - c. A substance classified in schedule IV, is guilty of a class C felony and must be sentenced:
    - (1) For a second offense, to imprisonment for at least ~~six~~three months.
    - (2) For a third offense, to imprisonment for at least ~~one year~~six months.
    - (3) For a fourth or subsequent offense, to imprisonment for ~~five~~three years.
  - d. A substance classified in schedule V, is guilty of a class A misdemeanor.
2. A prior misdemeanor conviction under subsection 8 or a prior conviction under subsection 3 or 4 of section 19-03.4-03 may not be considered a prior offense under subsections 1 and 4.
3. Except as authorized by this chapter, it is unlawful for any person to willfully, as defined in section 12.1-02-02, create, deliver, distribute, or dispense a counterfeit substance by means of the internet or any other means, or possess with intent to deliver, a counterfeit substance by means of the internet or any other means, but any person who violates section 12-46-24 or 12-47-21 may not be prosecuted under this subsection. Any person who violates this subsection with respect to:
  - a. ~~A counterfeit substance classified in schedule I or II which is a narcotic drug, is guilty of a class A felony.~~

- ~~b.~~ ~~Any other~~ A counterfeit substance classified in schedule I, II, or III, is guilty of a class B felony.
  - ~~e.b.~~ A counterfeit substance classified in schedule IV, is guilty of a class C felony.
  - ~~d.c.~~ A counterfeit substance classified in schedule V, is guilty of a class A misdemeanor.
- ~~3-4.~~ For second or subsequent offenders, in addition to any other penalty imposed under this section, a person who violates this chapter, except a person who manufactures, delivers, or possesses with the intent to manufacture or deliver marijuana, is subject to, and the court shall impose, the following penalties to run consecutively to any other sentence imposed:
- a. ~~Any~~ A person, eighteen years of age or older, who violates this section by willfully manufacturing, delivering, or possessing with intent to manufacture or deliver a controlled substance in or on, or within one thousand feet [300.48 meters] of the real property comprising a public or private elementary or secondary school or a public career and technical education school is subject to ~~an eight-year~~ four-year term of imprisonment.
  - b. If the defendant was at least twenty-one years of age at the time of the offense, and delivered a controlled substance to a person under the age of eighteen, the defendant must be sentenced to imprisonment for at least ~~eight~~ four years. It is not a defense that the defendant did not know the age of a person protected under this subdivision.
- ~~4-5.~~ A person at least eighteen years of age who solicits, induces, intimidates, employs, hires, or uses a person under eighteen years of age to aid or assist in the manufacture, delivery, or possession with intent to manufacture or deliver a controlled substance for the purpose of receiving consideration or payment for the manufacture or delivery of any controlled substance is guilty of a class B felony and must be sentenced:
- a. For a second or subsequent offense, to imprisonment for at least ~~five~~ three years.
  - b. It is not a defense to a violation of this subsection that the defendant did not know the age of a person protected under this subsection.
- ~~5.~~ A
- ~~6.~~ Except for a prior conviction equivalent to a misdemeanor violation of subsection 8 or a prior conviction under subsection 3 or 4 of section 19-03.4-03, a violation of this chapter or a law of another state or the federal government which is equivalent to an offense under this chapter committed while the offender was an adult and which resulted in a plea or finding of guilt must be considered a prior offense under subsections 1, ~~3~~ 4, and ~~4~~ 5. The prior offense must be alleged in the complaint, information, or indictment. The plea or finding of guilt for the prior offense must have occurred before the date of the commission of the offense or offenses charged in the complaint, information, or indictment.
- ~~6-7.~~ It is unlawful for a person to willfully, as defined in section 12.1-02-02:
- a. Serve as an agent, intermediary, or other entity that causes the internet to be used to bring together a buyer and seller to engage in the delivery, distribution, or dispensing of a controlled substance in a manner not authorized by this chapter; or

- b. Offer to fill or refill a prescription for a controlled substance based solely on a consumer's completion of an online medical questionnaire.

A person who violates this subsection is guilty of a class C felony.

- ~~7-8.~~ a. It is unlawful for any person to willfully, as defined in section 12.1-02-02, possess a controlled substance or a controlled substance analog unless the substance was obtained directly from, or pursuant to, a valid prescription or order of a practitioner while acting in the course of the practitioner's professional practice, or except as otherwise authorized by this chapter, but any person who violates section 12-46-24 or 12-47-21 may not be prosecuted under this subsection.
- b. Except as otherwise provided in this subsection, any person who violates this subsection is guilty of a class C felony.
- c. If, at the time of the offense the person is in or on, or within one thousand feet [300.48 meters] of the real property comprising a public or private elementary or secondary school or a public career and technical education school, the person is guilty of a class B felony, unless the offense involves one ounce [28.35 grams] or less of marijuana. ~~Any~~
- d. A person who violates this subsection regarding possession of one ounce [28.35 grams] or less of marijuana is guilty of a class B misdemeanor.
- e. A person who violates this subsection regarding possession of five or fewer capsules, pills, or tablets of a schedule II, III, IV, or V controlled substance or controlled substance analog is guilty of a class A misdemeanor.
- ~~8-9.~~ 8-9. Except as provided by section 19-03.1-45, a court may order a person who violates this chapter or chapter 19-03.4 to undergo a drug addiction evaluation by a licensed addiction counselor. The evaluation must indicate the prospects for rehabilitation and whether addiction treatment is required. If ordered, the evaluation must be submitted to the court before imposing punishment for a felony violation or a misdemeanor violation. A court shall order a person who violates subdivision e of subsection 8 to undergo the drug addiction evaluation.
- ~~9-10.~~ 9-10. If a person pleads guilty or is found guilty of a first offense regarding possession of one ounce [28.35 grams] or less of marijuana and a judgment of guilt is entered, a court, upon motion, shall seal the court record of that conviction if the person is not subsequently convicted within two years of a further violation of this chapter. Once sealed, the court record may not be opened even by order of the court.

**SECTION 7. AMENDMENT.** Subsection 2 of section 19-03.1-23.1 of the North Dakota Century Code is amended and reenacted as follows:

- 2. The offense is:
  - ~~a.~~ a. ~~A class AA felony if the violation of section 19-03.1-23 is designated as a class A felony.~~
  - ~~b.~~ b. A class A felony if the violation of section 19-03.1-23 is designated as a class B felony.
  - ~~e.b.~~ e.b. A class B felony if the violation of section 19-03.1-23 is designated as a class C felony.

- d.c. A class C felony if the violation of section 19-03.1-23 is designated as a class A misdemeanor.

**SECTION 8. AMENDMENT.** Section 19-03.1-23.4 of the North Dakota Century Code is amended and reenacted as follows:

**19-03.1-23.4. Overdose prevention and immunity.**

An individual is immune from criminal prosecution under sections 19-03.1-22.1, 19-03.1-22.3, 19-03.1-22.5, subsection 78 of section 19-03.1-23, subsection 3 of section 19-03.2-03, and section 19-03.4-03 if in good faith that individual contacted law enforcement or emergency medical services and reported that the individual was or that seeks medical assistance for another individual was in need of emergency medical assistance due to a drug overdose. To receive immunity under this section, the individual receiving immunity must have remained on the scene until assistance arrived, cooperated with emergency medical services and law enforcement personnel in the medical treatment of the reported drug overdosed individual, and the overdosed individual must have been in need of emergency medical services. The maximum number of individuals that may be immune for any one occurrence is three individuals a condition a layperson would reasonably believe to be a drug overdose requiring immediate medical assistance. Neither the individual who experiences a drug-related overdose and is in need of emergency medical assistance nor the cooperating individual seeking medical assistance may be charged or prosecuted for the criminal offenses listed in this section or for the sharing of controlled substances among those present. Immunity from prosecution under this section is not applicable for a violation under section 19-03.1-23.1 does not apply unless the evidence for the charge or prosecution was obtained as a result of the drug-related overdose and the need for emergency medical assistance. Good faith does not include seeking medical assistance during the course of the execution of an arrest warrant or search warrant or during a lawful search.

**SECTION 9. AMENDMENT.** Paragraph 3 of subdivision e of subsection 1 of section 19-03.1-36 of the North Dakota Century Code is amended and reenacted as follows:

- (3) A conveyance is not subject to forfeiture for a violation of subsection 78 of section 19-03.1-23 or subsection 3 of section 19-03.2-03.

**SECTION 10. AMENDMENT.** Subdivision e of subsection 5 of section 19-03.1-36 of the North Dakota Century Code is amended and reenacted as follows:

- e. Use the property, including controlled substances, imitation controlled substances, and plants forfeited under subsections 6 and 7, in enforcement of this chapter. However, in a case involving the delivery of a forfeited controlled substance by a law enforcement officer or a person acting as an agent of a law enforcement officer, no prosecution or conviction for simple possession of a controlled substance under subsection 67 of section 19-03.1-23 may be based upon the forfeited controlled substances supplied by the law enforcement officer or the officer's agent.

**SECTION 11. AMENDMENT.** Subsection 1 of section 19-03.1-45 of the North Dakota Century Code is amended and reenacted as follows:

1. If a person has pled guilty or has been found guilty of a felony violation of subsection 78 of section 19-03.1-23, if that person has not previously pled guilty or been found guilty of any offense involving the use, possession, manufacture, or delivery of a controlled substance or of any other felony offense of this or another state or the federal government, the court shall impose a period of probation up to the length authorized under section 12.1-32-06.1 with a suspended execution of a sentence of imprisonment, a sentence to probation, or an order deferring imposition of sentence.

**SECTION 12. AMENDMENT.** Subsection 29 of section 40-05-02 of the North Dakota Century Code is amended and reenacted as follows:

29. Marijuana possession. To prohibit by ordinance any person, except a person operating a motor vehicle, from possessing not more than ~~one-half~~ one ounce [~~4.17528.35~~ grams] of marijuana, as defined by section 19-03.1-01, within the jurisdiction of a city, and to prescribe the punishment, provided the penalty assessed is subject to subsection 910 of section 19-03.1-23."

Renumber accordingly

Engrossed HB 1269 was placed on the Seventh order of business on the calendar.

#### 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.

#### CORRECTION AND REVISION OF THE JOURNAL

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

Page 1421, line 44, replace "Sen. Kilzer replace Sen. Hogue" with "Sen. Hogue replace Sen. Kilzer"

Page 1428, line 31, replace "Build" with "BILLD"

Page 1428, line 41, replace "fallow" with "fellow"

Page 1431, line 3, remove "."

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

#### MOTION

**SEN. KLEIN MOVED** that Sen. Oban replace Sen. Schaible on the Conference Committee on HB 1275, which motion prevailed on a voice vote.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. CASPER MOVED** that the conference committee report on SB 2144 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2144:** A BILL for an Act to amend and reenact sections 54-60.2-01 and 54-60.2-02 of the North Dakota Century Code, relating to workforce development grants for tribally controlled community colleges; and to provide an appropriation.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; 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

**ABSENT AND NOT VOTING:** Burckhard; Davison

SB 2144 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. G. LEE MOVED** that the conference committee report on Engrossed SB 2012 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2012:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of transportation; to amend and reenact section 24-02-37 of the North Dakota Century Code, relating to state highway fund expenditures; to provide for a transfer; to provide for disposition of maintenance section sites; to provide exemptions; to provide for studies; and to provide for reports.

**ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; 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; Piepkorn; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Osland

**ABSENT AND NOT VOTING:** Burckhard; Davison

Reengrossed SB 2012 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. BEKKEDAHL MOVED** that the conference committee report on SB 2224 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF SENATE BILL**

**SB 2224:** A BILL for an Act to provide appropriations to the office of management and budget for community service supervision grants; and to provide legislative intent.

**ROLL CALL**

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; 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

**ABSENT AND NOT VOTING:** Burckhard; Davison

Engrossed SB 2224 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. ARMSTRONG MOVED** that the conference committee report on Engrossed HB 1221 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1221:** A BILL for an Act to create and enact chapter 29-29.5 of the North Dakota Century Code, relating to the use of confidential informants; to amend and reenact section 12-63-04 of the North Dakota Century Code, relating to the powers and duties of the

peace officer standards and training board; and to provide a penalty.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; 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; Poolman; Robinson; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Piepkorn

**ABSENT AND NOT VOTING:** Burckhard; Davison

Engrossed HB 1221, as amended, passed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. D. LARSON MOVED** that the conference committee report on Engrossed HB 1235 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1235:** A BILL for an Act to create and enact subsections 4 and 5 to section 54-61-02 of the North Dakota Century Code, relating to access to confidential records by the commission on legal counsel for indigents.

#### ROLL CALL

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

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Campbell; Casper; Clemens; Cook; 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

**ABSENT AND NOT VOTING:** Burckhard; Davison

Engrossed HB 1235, as amended, passed.

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

**MR. PRESIDENT:** The House has passed, and your favorable consideration is requested on: HCR 3036.

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

**MR. SPEAKER:** The President has appointed Sen. Oban to replace Sen. Schaible on the Conference Committee on HB 1275.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2012, SB 2144, SB 2224.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1221, HB 1235.

#### 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 1002.



**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** Your signature is respectfully requested on: SB 2015, SB 2135, SB 2216.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1178, HB 1369.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2015, SB 2135, SB 2216.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The President has signed: SB 2011, SB 2183, SB 2200, SB 2313.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1005, HB 1016, HB 1300.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: HB 1005, HB 1016, HB 1300.

#### **DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 18, 2017: SB 2011, SB 2183, SB 2200, SB 2313.

#### **REPORT OF STANDING COMMITTEE**

**HB 1199, as engrossed: Energy and Natural Resources Committee (Sen. Unruh, Chairman)** recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1199 was placed on the Fourteenth order on the calendar.

#### **REPORT OF CONFERENCE COMMITTEE**

**SB 2021, as engrossed:** Your conference committee (Sens. Wanzek, Hogue, Robinson and Reps. Nathe, Boehning, Brabandt) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1343-1352, adopt amendments as follows, and place SB 2021 on the Seventh order:

That the House recede from its amendments as printed on pages 1343-1352 of the Senate Journal and pages 1542-1551 of the House Journal and that Engrossed Senate Bill No. 2021 be amended as follows:

Page 1, line 2, replace "and" with "to provide appropriations to certain agencies for an electronic payment processing system; to authorize borrowing authority;"

Page 1, line 2, after "transfers" insert "; to provide for a report; to create and enact sections 15-19-01.1 and 15-19-02.1 of the North Dakota Century Code, relating to the centers for distance education; to amend and reenact subsection 1 of section 37-17.3-02.2, section 54-59-31, and subsection 1 of section 54-59-34 of the North Dakota Century Code, relating to the statewide interoperability executive committee, certified electronic health information systems, and the statewide longitudinal data system; and to provide a statement of legislative intent"

Page 1, remove lines 12 through 23

Page 2, replace line 1 with:

"Salaries and wages	\$58,113,215	\$1,246,557	\$59,359,772
Operating expenses	70,927,060	(999,062)	69,927,998
Capital assets	8,850,000	(555,000)	8,295,000
Centers for distance education	9,091,690	(12,574)	9,079,116
Statewide longitudinal data system	5,500,661	(1,190,100)	4,310,561
Educational technology council	1,655,947	(534,475)	1,121,472
Edutech	9,052,048	700,719	9,752,767
K-12 wide area network	4,880,862	(346,584)	4,534,278
Geographic information system	1,192,978	(45,262)	1,147,716
Health information technology office	5,354,633	43,516,009	48,870,642
Statewide interoperability radio network	0	13,700,000	13,700,000
Total all funds	\$174,619,094	\$55,480,228	\$230,099,322

Less estimated income	151,213,039	58,353,949	209,566,988
Total general fund	\$23,406,055	(\$2,873,721)	\$20,532,334"

Page 2, after line 2, insert:

**"SECTION 2. HEALTH INSURANCE INCREASE.** The salaries and wages line item in section 1 of this Act includes the sum of \$926,470, of which \$173,819 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 2, after line 11, insert:

"Electronic payment processing system	0	375,000"
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Page 2, replace lines 13 and 14 with:

"Total all funds	\$3,172,090	\$43,930,133
Less estimated income	500,000	43,930,133"

Page 2, after line 24, insert:

**"SECTION 5.** Section 15-19-01.1 of the North Dakota Century Code is created and enacted as follows:

**15-19-01.1. Distance education courses - Course lists to school districts - Notification.**

The center for distance education shall provide by December thirty-first of each year, a complete list of courses offered by the center to all school districts. Each school district shall notify its students and their parents or guardians of the complete list of courses offered and the school district's policies for course selection and related fees.

**SECTION 6.** Section 15-19-02.1 of the North Dakota Century Code is created and enacted as follows:

**15-19-02.1. Distance education clearinghouse.**

The director of the center for distance education shall establish a clearinghouse for online courses delivered to North Dakota schools for the purpose of providing:

1. A list of the online courses and providers for all North Dakota schools to access.
2. Awareness of online courses available in new and emerging careers.
3. A list of comparative prices for online courses and other online services.
4. Awareness of the differences between technological innovation and learning innovation.

**SECTION 7. AMENDMENT.** Subsection 1 of section 37-17.3-02.2 of the North Dakota Century Code is amended and reenacted as follows:

1. The statewide interoperability executive committee consists of:
  - a. The director of state radio or a designee;
  - b. The director of the division of homeland security or a designee;
  - c. The superintendent of the highway patrol or a designee;
  - d. The adjutant general or a designee;

- e. The director of the department of transportation or a designee;
- f. A representative of the North Dakota sheriff's and deputies association;
- g. A representative of the North Dakota emergency managers association;
- h. A representative of the North Dakota fire chiefs association;
- i. A representative of the North Dakota emergency medical services association;
- j. A representative of the North Dakota police chiefs association;
- k. A representative of the North Dakota peace officers association;
- l. A representative of the North Dakota 911 association; ~~and~~
- m. The North Dakota chief information officer or a designee;
- n. The North Dakota Indian affairs commission executive director or a designee; and
- o. One member of the North Dakota house of representatives and one member of the North Dakota senate appointed by the legislative management.

**SECTION 8. AMENDMENT.** Section 54-59-31 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-31. Certified electronic health records systems.**

- 1. An executive branch state agency, an institution of higher education, and any health care provider or other person participating in the health information exchange may use only an electronic health record system for use in the exchange which is certified under rules adopted by the office of the national coordinator for health information technology.
- 2. Subsection 1 does not apply if:
  - a. The office of the national coordinator for health information technology does not require certification of the electronic health record system for that type of provider; or
  - b. The North Dakota health information technology director waives the certification requirement.

**SECTION 9. AMENDMENT.** Subsection 1 of section 54-59-34 of the North Dakota Century Code is amended and reenacted as follows:

- 1. The statewide longitudinal data system committee shall manage a statewide longitudinal data system that:
  - a. Provides for the dissemination of management information to stakeholders and partners of state education, training, and employment systems; ~~and~~
  - b. Is required to provide on an annual basis to education and workforce development programs, to the extent permitted by federal law, the wage record interchange system 2 data sharing agreement and the state wage interchange system data sharing agreement and state performance reports that measure the aggregate outcomes of participants in the workforce and continuing education programs.

including private workforce and education programs that request the reports; and

- c. Uses data from educational and workforce systems as central sources of statewide longitudinal data.

**SECTION 10. LOAN AUTHORIZATION - APPROPRIATION - ELECTRONIC PAYMENT PROCESSING SYSTEM.** The state agencies named in this section may borrow from the Bank of North Dakota, the amounts listed below, or so much of the amounts as may be necessary, which are appropriated to the respective agency for the purpose of defraying the expenses of implementing a new electronic payment system for the biennium beginning July 1, 2017, and ending June 30, 2019.

<u>Agency</u>	<u>Amount</u>
Department of transportation	\$147,000
Secretary of state's office	93,000
Parks and recreation department	42,000
Game and fish department	36,000
Workforce safety and insurance	36,000
Highway patrol	<u>21,000</u>
Total	\$375,000

**SECTION 11. LOAN REPAYMENT - APPROPRIATION - ELECTRONIC PAYMENT PROCESSING SYSTEM.** The funds provided in this section, or so much of the funds as may be necessary, are appropriated from special funds derived from additional revenue received as a result of the implementation of a new electronic payment processing system to the agencies named below for the purpose of repaying the Bank of North Dakota loans authorized in section 10 of this Act, plus interest for the biennium beginning July 1, 2017, and ending June 30, 2019.

<u>Agency</u>	<u>Amount</u>
Department of transportation	\$159,000
Secretary of state's office	101,000
Parks and recreation department	46,000
Game and fish department	39,000
Workforce safety and insurance	39,000
Highway patrol	<u>23,000</u>
Total	\$407,000

**SECTION 12. LEGISLATIVE INTENT - STATE GOVERNMENT EFFICIENCIES.** It is the intent of the sixty-fifth legislative assembly that during the 2017-18 interim, the governor achieve efficiencies and budgetary savings within the information technology department and other state agencies through the use of innovative ideas and solutions relating to information technology and related services. It is also the intent of the sixty-fifth legislative assembly that the governor submit proposed legislation necessary to implement any ideas and solutions for state government efficiencies and budgetary savings which cannot be implemented during the 2017-18 interim to the sixty-sixth legislative assembly."

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2021 - Summary of Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Secretary of State						
Total all funds	\$0	\$0	\$194,000	\$194,000	\$194,000	\$0
Less estimated income	0	0	194,000	194,000	194,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Information Technology						
Department						
Total all funds	\$174,619,094	\$216,155,754	\$13,943,568	\$230,099,322	\$230,099,322	\$0
Less estimated income	151,213,039	195,609,843	13,957,145	209,566,988	209,566,988	0

General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334	\$20,532,334	\$0
Workforce Safety and Insurance						
Total all funds	\$0	\$0	\$75,000	\$75,000	\$75,000	\$0
Less estimated income	0	0	75,000	75,000	75,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Highway Patrol						
Total all funds	\$0	\$0	\$44,000	\$44,000	\$44,000	\$0
Less estimated income	0	0	44,000	44,000	44,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Game and Fish Department						
Total all funds	\$0	\$0	\$75,000	\$75,000	\$75,000	\$0
Less estimated income	0	0	75,000	75,000	75,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Parks and Recreation Department						
Total all funds	\$0	\$0	\$88,000	\$88,000	\$88,000	\$0
Less estimated income	0	0	88,000	88,000	88,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Department of Transportation						
Total all funds	\$0	\$0	\$306,000	\$306,000	\$306,000	\$0
Less estimated income	0	0	306,000	306,000	306,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
Bill total						
Total all funds	\$174,619,094	\$216,155,754	\$14,725,568	\$230,881,322	\$230,881,322	\$0
Less estimated income	151,213,039	195,609,843	14,739,145	210,348,988	210,348,988	0
General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334	\$20,532,334	\$0

**Senate Bill No. 2021 - Secretary of State - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			\$194,000	\$194,000	\$194,000	
Total all funds	\$0	\$0	\$194,000	\$194,000	\$194,000	\$0
Less estimated income	0	0	194,000	194,000	194,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 108 - Secretary of State - Detail of Conference Committee Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Operating expenses	\$93,000	\$101,000	\$194,000
Total all funds	\$93,000	\$101,000	\$194,000
Less estimated income	93,000	101,000	194,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**Senate Bill No. 2021 - Information Technology Department - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$58,113,215	\$59,474,408	(\$114,636)	\$59,359,772	\$59,359,772	

Operating expenses	70,927,060	69,552,998	375,000	69,927,998	69,927,998	
Capital assets	8,850,000	8,295,000		8,295,000	8,295,000	
Center for Distance Education	9,091,690	9,085,544	(6,428)	9,079,116	9,079,116	
Statewide longitudinal data system	5,500,661	4,312,013	(1,452)	4,310,561	4,310,561	
Educational Technology Council	1,655,947	1,121,887	(415)	1,121,472	1,121,472	
EduTech	9,052,048	9,759,403	(6,636)	9,752,767	9,752,767	
K-12 wide area network	4,880,862	4,535,107	(829)	4,534,278	4,534,278	
Geographic information system	1,192,978	1,147,923	(207)	1,147,716	1,147,716	
Health information technology office	5,354,633	48,871,471	(829)	48,870,642	48,870,642	
Statewide Interoperability Radio Network			13,700,000	13,700,000	13,700,000	
Total all funds	\$174,619,094	\$216,155,754	\$13,943,568	\$230,099,322	\$230,099,322	\$0
Less estimated income	151,213,039	195,609,843	13,957,145	209,566,988	209,566,988	0
General fund	\$23,406,055	\$20,545,911	(\$13,577)	\$20,532,334	\$20,532,334	\$0
FTE	350.30	344.30	0.00	344.30	344.30	0.00

### Department No. 112 - Information Technology Department - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Reduces Funding for Salaries <sup>2</sup>	Adds One-Time Funding for Electronic Payment Processing System <sup>3</sup>	Adds Funding for Statewide Interoperability Radio Network <sup>4</sup>	Total Conference Committee Changes
Salaries and wages	(\$55,572)	(\$59,064)			(\$114,636)
Operating expenses			375,000		375,000
Capital assets					
Center for Distance Education	(6,428)				(6,428)
Statewide longitudinal data system	(1,452)				(1,452)
Educational Technology Council	(415)				(415)
EduTech	(6,636)				(6,636)
K-12 wide area network	(829)				(829)
Geographic information system	(207)				(207)
Health information technology office	(829)				(829)
Statewide Interoperability Radio Network				13,700,000	13,700,000
Total all funds	(\$72,368)	(\$59,064)	\$375,000	\$13,700,000	\$13,943,568
Less estimated income	(58,791)	(59,064)	375,000	13,700,000	13,957,145
General fund	(\$13,577)	\$0	\$0	\$0	(\$13,577)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> Funding is further reduced for salaries related to 5 FTE positions removed by the Senate.

<sup>3</sup> One-time funding of \$375,000 is added for developing an electronic payment processing system related to credit card fees for the following state agencies:

- Department of Transportation - \$147,000
- Secretary of State's office - \$93,000
- Parks and Recreation Department - \$42,000
- Game and Fish Department - \$36,000
- Workforce Safety and Insurance - \$36,000
- Highway Patrol - \$21,000

<sup>4</sup> Funding of \$13.7 million of special funds is added for the statewide interoperability radio network (SIRN). This is the estimated amount to be collected by political subdivisions during the 2017-19 biennium due to increased fees on assessed communications services pursuant to House Bill No. 1178. Amounts received by political subdivisions will be remitted to the State Treasurer to be deposited in the SIRN fund to be used by the Information Technology Department for costs of developing the network.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Amends North Dakota Century Code Chapter 15-19 to require the Director of the Centers for Distance Education (CDE) to provide all public schools and districts a list of courses offered by the CDE and to establish a clearinghouse for online courses offered by the CDE.
- Amends Section 37-17.3-02.2(1) to expand membership of the Statewide Interoperable Executive Committee to include the North Dakota Indian Affairs Commission Executive Director and, as appointed by Legislative Management, one member of the House and one member of the Senate.
- Amends Section 54-59-31 to allow certain health care providers participating in the health information exchange to use an electronic health records system that is not certified by the office of the National Coordinator for Health Information Technology if that type of provider is not required to be certified.
- Amends Section 54-59-34(1) to require the Statewide Longitudinal Data System Committee to provide annual reports to education and workforce development programs.
- Adds a section authorizing the Department of Transportation, Parks and Recreation Department, Game and Fish Department, Workforce Safety and Insurance, the Secretary of State's office, and Highway Patrol to obtain loans from the Bank of North Dakota for an electronic payment processing system.
- Adds a section providing an appropriation to each agency receiving loans from the Bank of North Dakota for an electronic payment processing system, to provide for repayment of the loans.
- Adds a section providing legislative intent regarding the Governor achieving efficiencies and budgetary savings within the Information Technology Department and other agencies.

**Senate Bill No. 2021 - Workforce Safety and Insurance - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Workforce safety and insurance operation			\$75,000	\$75,000	\$75,000	
Total all funds	\$0	\$0	\$75,000	\$75,000	\$75,000	\$0
Less estimated income	0	0	75,000	75,000	75,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 485 - Workforce Safety and Insurance - Detail of Conference Committee Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Workforce safety and insurance operation	\$36,000	\$39,000	\$75,000
Total all funds	\$36,000	\$39,000	\$75,000
Less estimated income	36,000	39,000	75,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**Senate Bill No. 2021 - Highway Patrol - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Field operations			\$44,000	\$44,000	\$44,000	
Total all funds	\$0	\$0	\$44,000	\$44,000	\$44,000	\$0
Less estimated income	0	0	44,000	44,000	44,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 504 - Highway Patrol - Detail of Conference Committee Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Field operations	\$21,000	\$23,000	\$44,000
Total all funds	\$21,000	\$23,000	\$44,000
Less estimated income	21,000	23,000	44,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

**Senate Bill No. 2021 - Game and Fish Department - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			\$75,000	\$75,000	\$75,000	
Total all funds	\$0	\$0	\$75,000	\$75,000	\$75,000	\$0
Less estimated income	0	0	75,000	75,000	75,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department No. 720 - Game and Fish Department - Detail of Conference Committee Changes**

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Operating expenses	\$36,000	\$39,000	\$75,000
	\$36,000	\$39,000	\$75,000



Total all funds			
Less estimated income	36,000	39,000	75,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

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

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Administration			\$88,000	\$88,000	\$88,000	
Total all funds	\$0	\$0	\$88,000	\$88,000	\$88,000	\$0
Less estimated income	0	0	88,000	88,000	88,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Department No. 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Administration	\$42,000	\$46,000	\$88,000
Total all funds	\$42,000	\$46,000	\$88,000
Less estimated income	42,000	46,000	88,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

### Senate Bill No. 2021 - Department of Transportation - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Operating expenses			\$306,000	\$306,000	\$306,000	
Total all funds	\$0	\$0	\$306,000	\$306,000	\$306,000	\$0
Less estimated income	0	0	306,000	306,000	306,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

### Department No. 801 - Department of Transportation - Detail of Conference Committee Changes

	Adds Funding for Electronic Payment Processing System Loan <sup>1</sup>	Adds Funding for Electronic Payment Processing System Loan Repayment <sup>2</sup>	Total Conference Committee Changes
Operating expenses	\$147,000	\$159,000	\$306,000
Total all funds	\$147,000	\$159,000	\$306,000
Less estimated income	147,000	159,000	306,000
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding is added for a loan from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

<sup>2</sup> Funding is added to repay a loan, including interest accrued, from the Bank of North Dakota for the purpose of implementing an electronic payment processing system.

Engrossed SB 2021 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**SB 2025, as reengrossed:** Your conference committee (Sens. Kilzer, Dever, Robinson and Reps. J. Nelson, Kading, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1110-1111, adopt amendments as follows, and place SB 2025 on the Seventh order:

That the House recede from its amendments as printed on pages 1110 and 1111 of the Senate Journal and pages 1299 and 1300 of the House Journal and that Reengrossed Senate Bill No. 2025 be amended as follows:

Page 1, replace lines 12 through 19 with:

"Veterans' affairs	\$1,379,982	(\$211,967)	\$1,168,015
Agent orange	50,000	(50,000)	0
State approving agency	288,018	(16,020)	271,998
Grants - transportation program	0	1,719,520	1,719,520
Transport vans	0	37,200	37,200
Total all funds	\$1,718,000	\$1,478,733	\$3,196,733
Less estimated income	288,018	1,803,553	2,091,571
Total general fund	\$1,429,982	(\$324,820)	\$1,105,162
Full-time equivalent positions	9.00	(2.00)	7.00

**SECTION 2. HEALTH INSURANCE INCREASES.** The salaries and wages line item in section 1 of this Act includes the sum of \$18,581, of which \$15,431 is from the general fund, for increases in employee health insurance premiums from \$1,130 to \$1,241 per month."

Page 1, remove line 23

Page 2, replace lines 1 and 2 with:

"Service dogs	\$50,000	\$0
Desktop support hardware	26,895	0
Transport vans	0	18,600
Total general fund	\$76,895	\$18,600

The 2017-19 one-time funding amounts are not a part of the entity's base budget for the 2019-21 biennium. The department of veterans' affairs shall report to the appropriations committees of the sixty-sixth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2017, and ending June 30, 2019."

Re-number accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

## Senate Bill No. 2025 - Department of Veterans' Affairs - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Veterans' affairs	\$1,379,982	\$1,314,224	(\$146,209)	\$1,168,015	\$1,168,015	
State approving agency	288,018	272,240	(242)	271,998	271,998	
Agent orange	50,000					
Grants - transportation program		1,719,520		1,719,520	1,719,520	
Service Dogs		50,000		50,000	25,000	25,000
Transport vans			37,200	37,200	37,200	
Total all funds	\$1,718,000	\$3,355,984	(\$109,251)	\$3,246,733	\$3,221,733	\$25,000
Less estimated income	288,018	2,091,817	(246)	2,091,571	2,091,571	0
General fund	\$1,429,982	\$1,264,167	(\$109,005)	\$1,155,162	\$1,130,162	\$25,000
FTE	9.00	8.00	(1.00)	7.00	7.00	0.00

## Department No. 321 - Department of Veterans' Affairs - Detail of Conference Committee Changes

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Removes 1 FTE Position <sup>2</sup>	Adjusts Funding for Transport Vans <sup>3</sup>	Adds One-Time Funding for Transport Vans <sup>4</sup>	Total Conference Committee Changes
Veterans' affairs	(\$1,209)	(\$130,000)	(\$15,000)		(\$146,209)
State approving agency	(242)				(242)
Agent orange					
Grants - transportation program					
Service Dogs					
Transport vans			18,600	18,600	37,200
Total all funds	(\$1,451)	(\$130,000)	\$3,600	\$18,600	(\$109,251)
Less estimated income	(246)	0	0	0	(246)
General fund	(\$1,205)	(\$130,000)	\$3,600	\$18,600	(\$109,005)
FTE	0.00	(1.00)	0.00	0.00	(1.00)

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month.

<sup>2</sup> One FTE position and related funding is removed, the same as the House version. The Senate also removed 1 FTE position, resulting in a total of 2 FTE positions removed from the base budget.

<sup>3</sup> Funding of \$15,000 from the general fund is moved from the veterans' affairs line item to a transport vans line item. An additional \$3,600 is added from the general fund to the transport vans line item to provide funding for one van in the department's base budget, the same as the House version.

<sup>4</sup> One-time funding of \$18,600 is added from the general fund for an additional transport van, resulting in total funding of \$37,200 for two transport vans, the same as the House version. The Senate approved funding of \$15,000 for transport vans.

This amendment also:

- Adds a section to identify the amount of funding included in the bill for the increase in employee health insurance premiums.
- Restores \$25,000 from the general fund for the purpose of training up to two service dogs to assist North Dakota veterans with post traumatic stress disorder, to provide a total of \$50,000 from the general fund for up to four service dogs, the same as the Senate version. The House approved a total of \$25,000 from the general fund to provide training for up to two service dogs.

Reengrossed SB 2025 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2134, as engrossed:** Your conference committee (Sens. Unruh, Cook, Oban and Reps. Keiser, D. Anderson, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1268-1273, adopt amendments as follows, and place SB 2134 on the Seventh order:

That the House recede from its amendments as printed on pages 1268-1273 of the Senate Journal and pages 1462-1467 of the House Journal and that Engrossed Senate Bill No. 2134 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact chapter 61-33.1 of the North Dakota Century Code, relating to the ownership of mineral rights of land inundated by Pick-Sloan Missouri basin project dams; to provide appropriations; to provide a contingent line of credit; to provide for retroactive application; and to declare an emergency.

#### BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

**SECTION 1.** Chapter 61-33.1 of the North Dakota Century Code is created and enacted as follows:

##### **61-33.1-01. Definitions.**

For purposes of this chapter, unless the context otherwise requires:

1. "Corps survey" means the last known survey conducted by the army corps of engineers in connection with the corps' determination of the amount of land acquired by the corps for the impoundment of Lake Sakakawea and Lake Oahe, as supplemented by the supplemental plats created by the branch of cadastral survey of the United States bureau of land management.
2. "Historical Missouri riverbed channel" means the Missouri riverbed channel as it existed upon the closure of the Pick-Sloan Missouri basin project dams, and extends from the Garrison Dam to the southern border of sections 33 and 34, Township 153 North, range 102 West, which is the approximate location of river mile marker 1,565, and from the South Dakota border to river mile marker 1,303.
3. "Segment" means the individual segment maps contained within the corps survey final project maps for the Pick-Sloan project dams.
4. "State phase two survey" means the "Ordinary High Water Mark Survey Task Order #2 Final Technical Report" commissioned by the board of university and school lands.

##### **61-33.1-02. Mineral ownership of land inundated by Pick-Sloan Missouri basin project dams.**

The state sovereign land mineral ownership of the riverbed segments inundated by Pick-Sloan Missouri basin project dams extends only to the historical Missouri riverbed channel up to the ordinary high water mark. The state holds no claim or title to any minerals above the ordinary high water mark of the historical Missouri riverbed channel inundated by Pick-Sloan Missouri basin project dams, except for original grant lands acquired by the state under federal law and any minerals acquired by the state through purchase, foreclosure, or other written conveyance. Mineral ownership of the riverbed segments inundated by Pick-Sloan Missouri basin project dams which are located within the exterior boundaries of the Fort Berthold reservation and Standing Rock Indian reservation is controlled by other law and is excepted from this section.

**61-33.1-03. Determination of the ordinary high water mark of the historical Missouri riverbed channel.**

1. The corps survey must be considered the presumptive determination of the ordinary high water mark of the historical Missouri riverbed channel, subject only to the review process under this section and judicial review as provided in this chapter.
2. Upon the effective date of this Act, the department of mineral resources shall commence procurement to select a qualified engineering and surveying firm to conduct a review of the corps survey under this section. The review must be limited to the corps survey segments from the northern boundary of the Fort Berthold Indian reservation to the southern border of sections 33 and 34, Township 153 North, range 102 West. Within ninety days of the first date of publication of the invitation, the department shall select and approve a firm for the review. The department may not select or approve a firm that has a conflict of interest in the outcome of the review, including any firm that has participated in a survey of the Missouri riverbed for the state or a state agency, or participated as a party or expert witness in any litigation regarding an assertion by the state of mineral ownership of the Missouri riverbed.
3. The selected and approved firm shall review the delineation of the ordinary high water mark of the corps survey segments. The review must determine whether clear and convincing evidence establishes that a portion of the corps survey does not reasonably reflect the ordinary high water mark of the historical Missouri riverbed channel under state law. The following parameters, historical data, materials, and applicable state laws must be considered in the review:
  - a. Aerial photography of the historical Missouri riverbed channel existing before the closure date of the Pick-Sloan project dams;
  - b. The historical records of the army corps of engineers pertaining to the corps survey;
  - c. Army corps of engineers and United States geological survey elevation and Missouri River flow data;
  - d. State case law regarding the identification of the point at which the presence of action of the water is so continuous as to destroy the value of the land for agricultural purposes, including hay lands. Land where the high and continuous presence of water has destroyed its value for agricultural purposes, including hay land, generally must be considered within the ordinary high water mark. The value for agricultural purposes is destroyed at the level where significant, major, and substantial terrestrial vegetation ends or ceases to grow. Lands having agricultural value capable of growing crops or hay, but not merely intermittent grazing or location of cattle, generally must be considered above the ordinary high water mark; and
  - e. Subsection 3 of section 61-33-01 and section 47-06-05, which provide all accretions are presumed to be above the ordinary high water mark and are not sovereign lands. Accreted lands may be determined to be within the ordinary high water mark of the historical Missouri riverbed channel based on clear and convincing evidence. Areas of low-lying and flat lands where the ordinary high water mark may be impracticable to determine due to inconclusive aerial photography or inconclusive vegetation analysis must be presumed to be above the ordinary high water mark and owned by the riparian landowner.
4. The firm shall complete the review within six months of entering a contract with the department of mineral resources. The department may

extend the time required to complete the review if the department deems an extension necessary.

5. Upon completion of the review, the firm shall provide its findings to the department. The findings must address each segment of the corps survey the firm reviewed and must include a recommendation to either maintain or adjust, modify, or correct the corps survey as the delineation of the ordinary high water mark for each segment. The firm may recommend an adjustment, modification, or correction to a segment of the corps survey only if clear and convincing evidence establishes the corps survey for that segment does not reasonably reflect the ordinary high water mark of the historical Missouri riverbed channel under state law.
6. The department shall publish notice of the review findings and a public hearing to be held on the findings. The public must have sixty days after publication of the notice to submit comments to the department. At the end of the sixty days, the department shall hold the public hearing on the review.
7. After the public hearing, the department, in consultation with the firm, shall consider all public comments, develop a final recommendation on each of the review findings, and deliver the final recommendations to the industrial commission, which may adopt or modify the recommendations. The industrial commission may modify a recommendation from the department only if it finds clear and convincing evidence from the resources in subsection 3 that the recommendation is substantially inaccurate. The industrial commission's action on each finding will determine the delineation of the ordinary high water mark for the segment of the river addressed by the finding.

#### **61-33.1-04. Implementation.**

1. Within six months after the adoption of the final review findings by the industrial commission:
  - a. Any royalty proceeds held by operators attributable to oil and gas mineral tracts lying entirely above the ordinary high water mark of the historical Missouri riverbed channel on both the corps survey and the state phase two survey must be released to the owners of the tracts, absent a showing of other defects affecting mineral title; and
  - b. Any royalty proceeds held by the board of university and school lands attributable to oil and gas mineral tracts lying entirely above the ordinary high water mark of the historical Missouri riverbed channel on both the corps survey and the state phase two survey must be released to the relevant operators to distribute to the owners of the tracts, absent a showing of other defects affecting mineral title.
2. Upon adoption of the final review findings by the industrial commission:
  - a. The board of university and school lands shall begin to implement any acreage adjustments, lease bonus and royalty refunds, and payment demands as may be necessary relating to state-issued oil and gas leases. The board shall complete the adjustments, refunds, and payment demands within two years after the date of adoption of the final review findings.
  - b. Operators of oil and gas wells affected by the final review findings immediately shall begin to implement any acreage and revenue adjustments relating to state-owned and privately owned oil and gas interests. The operators shall complete the adjustments within two years after the date of adoption of the review findings. Any applicable penalties, liability, or interest for late payment of royalties or revenues from an affected oil or gas well may not begin to accrue

until the end of the two-year deadline. The filing of an action under section 61-33.1-05 tolls the deadline for any oil and gas well directly affected by the action challenging the review finding.

**61-33.1-05. Actions challenging review findings.**

An interested party seeking to bring an action challenging the review findings or recommendations or the industrial commission actions under this chapter shall commence an action in district court within two years of the date of adoption of the final review findings by the industrial commission. The plaintiff bringing an action under this section may challenge only the final review finding for the section or sections of land in which the plaintiff asserts an interest. The state and all owners of record of fee or leasehold estates or interests affected by the finding, recommendation, or industrial commission action challenged in the action under this section must be joined as parties to the action. A plaintiff or defendant claiming a boundary of the ordinary high water mark of the historical Missouri riverbed channel which varies from the boundary determined under this chapter bears the burden of establishing the variance by clear and convincing evidence based on evidence of the type required to be considered by the engineering and surveying firm under subsection 3 of section 61-33.1-03. Notwithstanding any other provision of law, an action brought in district court under this section is the sole remedy for challenging the final review, recommendations, and determination of the ordinary high water mark under this chapter, and preempts any right to rehearing, reconsideration, administrative appeal, or other form of civil action provided under law.

**61-33.1-06. Public domain lands.**

Notwithstanding any provision of this chapter to the contrary, the ordinary high water mark of the historical Missouri riverbed channel abutting nonpatented public domain lands owned by the United States must be determined by the branch of cadastral study of the United States bureau of land management in accordance with federal law.

**61-33.1-07. State engineer regulatory jurisdiction.**

This chapter does not affect the authority of the state engineer to regulate the historical Missouri riverbed channel, minerals other than oil and gas, or the waters of the state, provided the regulation does not affect ownership of oil and gas minerals in and under the riverbed or lands above the ordinary high water mark of the historical Missouri riverbed channel inundated by Pick-Sloan Missouri basin project dams.

**SECTION 2. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND.** There is appropriated out of any moneys in the strategic investment and improvements fund in the state treasury, not otherwise appropriated, the sum of \$800,000, or so much of the sum as may be necessary, to the department of mineral resources for the purpose of contracting with a qualified engineering and surveying firm to conduct a limited review of the corps survey under this Act, for the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 3. APPROPRIATION - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - CONTINGENT LINE OF CREDIT - MINERAL REVENUE REPAYMENTS.**

1. There is appropriated out of any moneys held in reserve in the strategic investment and improvements fund for mineral title disputes, not otherwise appropriated, the sum of \$100,000,000, or so much of the sum as may be necessary, to the commissioner of university and school lands for the purpose of mineral revenue repayments, for the biennium beginning July 1, 2017, and ending June 30, 2019. The funding provided in this section is considered a one-time funding item.
2. The funding provided in this section is available for the following:

- a. Repayment of any lease, bonus, rents, and royalty collections attributable to oil and gas mineral tracts lying entirely above the ordinary high water mark of the historical Missouri riverbed channel on both the corps survey and the state phase two survey, as required in subsection 1 of section 61-33.1-04.
  - b. Repayment of any lease, bonus, rents, and royalty collections attributable to the remaining oil and gas mineral tracts, as required in subsection 2 of section 61-33.1-04.
  - c. Other mineral revenue repayments or other reimbursements that are attributable to oil and gas mineral tracts requiring repayments under this Act.
3. Upon adoption of the final review findings by the industrial commission, the commissioner of university and school lands shall calculate the amount necessary for mineral revenue repayments based on the final review findings.
  4. As soon as a repayment amount for a known recipient is calculated but after the expenditure of the \$100,000,000 in subsection 1:
    - a. The commissioner of university and school lands shall request from the sixty-sixth legislative assembly additional funding sufficient for any remaining mineral revenue or other repayments.
    - b. If the \$100,000,000 is expended before the repayment of all amounts calculated for known recipients and before additional funds are made available by the sixty-sixth legislative assembly, the Bank of North Dakota shall extend a line of credit, not to exceed \$87,000,000, to the commissioner of university and school lands. The commissioner of university and school lands shall access the line of credit, to the extent necessary, the sum of which is appropriated, for the purpose of mineral revenue and other repayments under this Act for the biennium beginning July 1, 2017, and ending June 30, 2019. The commissioner of university and school lands shall repay the line of credit from funds available in the strategic investment and improvements fund as appropriated by the legislative assembly.

**SECTION 4. RETROACTIVE APPLICATION.** Section 1 of this Act is retroactive to the date of closure of the Pick-Sloan Missouri basin project dams. The ordinary high water mark determination under this Act is retroactive and applies to all oil and gas wells spud after January 1, 2006, for purposes of oil and gas mineral and royalty ownership.

**SECTION 5. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

Engrossed SB 2134 was placed on the Seventh order of business on the calendar.

#### **REPORT OF CONFERENCE COMMITTEE**

**SB 2139, as engrossed:** Your conference committee (Sens. Armstrong, Luick, Nelson and Reps. Bosch, Heinert, Roers Jones) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1111-1112, adopt amendments as follows, and place SB 2139 on the Seventh order:

That the House recede from its amendments as printed on pages 1111 and 1112 of the Senate Journal and pages 1247 and 1248 of the House Journal and that Engrossed Senate Bill No. 2139 be amended as follows:



Page 1, line 1, after "Act" insert "to create and enact a new subdivision to subsection 2 of section 62.1-02-05 of the North Dakota Century Code, relating to possession of a firearm at a publicly owned or operated building; and"

Page 1, after line 3, insert:

**"SECTION 1.** A new subdivision to subsection 2 of section 62.1-02-05 of the North Dakota Century Code is created and enacted as follows:

A state elected official while the official is at a publicly owned or operated building, if the official possesses a valid North Dakota concealed weapons license and maintains the same level of firearms proficiency as is required by the peace officer standards and training board for law enforcement officers. Only a law enforcement agency may issue a proficiency certificate under this subdivision."

Renumber accordingly

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

#### REPORT OF CONFERENCE COMMITTEE

**SB 2149, as reengrossed:** Your conference committee (Sens. Armstrong, D. Larson, Nelson and Reps. K. Koppelman, Satrom, M. Nelson) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1054-1055 and place SB 2149 on the Seventh order.

Reengrossed SB 2149 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1002, as engrossed:** Your conference committee (Sens. Hogue, Erbele, Grabinger and Reps. Sanford, Schatz, Boe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1432-1434, adopt amendments as follows, and place HB 1002 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1432-1434 of the House Journal and pages 1156-1158 of the Senate Journal and that Engrossed House Bill No. 1002 be amended as follows:

Page 1, line 2, remove the second "and"

Page 1, line 2, after "exemption" insert "; and to amend and reenact section 16.1-08.1-03.1 as amended by section 6 of Senate Bill No. 2343, as approved by the sixty-fifth legislative assembly, subsection 7 of section 54-09-04, and section 54-09-12 of the North Dakota Century Code, relating to campaign disclosure statements, information preparation fees, and confidential information in filed records"

Page 1, replace lines 14 through 21 with:

"Salaries and wages	\$4,903,514	(\$250,750)	\$4,652,764
Operating expenses	2,053,162	657,856	2,711,018
Petition review	8,000	0	8,000
Election reform	<u>2,703,535</u>	<u>(1,510,880)</u>	<u>1,192,655</u>
Total all funds	\$9,668,211	(\$1,103,774)	\$8,564,437
Less estimated income	<u>3,583,536</u>	<u>(539,381)</u>	<u>3,044,155</u>
Total general fund	\$6,084,675	(\$564,393)	\$5,520,282
Full-time equivalent positions	34.00	(2.00)	32.00"

Page 2, replace lines 9 through 11 with:

"Grand total general fund	\$6,374,720	(\$565,988)	\$5,808,732
Grand total special funds	<u>3,583,536</u>	<u>(539,381)</u>	<u>3,044,155</u>
Grand total all funds	\$9,958,256	(\$1,105,369)	\$8,852,887"

Page 2, line 13, replace "\$94,446" with "\$84,948"

Page 2, line 13, replace "\$91,588" with "\$82,477"

Page 2, line 14, replace "\$1,249" with "\$1,241"

Page 2, after line 24, insert:

**"SECTION 5. AMENDMENT.** Section 16.1-08.1-03.1 of the North Dakota Century Code as amended by section 6 of Senate Bill No. 2343, as approved by the sixty-fifth legislative assembly, is amended and reenacted as follows:

**16.1-08.1-03.1. Special requirements for statements required of measure-committees circulating or promoting passage or defeat of initiated or referred-measurepersons engaged in activities regarding ballot measures.**

1. For each reportable contribution and expenditure under section 5 of this Act, the threshold for reporting is one hundred dollars for any person-~~or measure committee circulating or promoting passage or defeat of an initiated or referred measure~~ engaged in activities described in subdivision e of subsection 13 of section 16.1-08.1-01.
2. For contributions received from an out-of-state contributor, a person-~~or measure committee circulating or promoting passage or defeat of an initiated or referred measure~~ engaged in activities described in subdivision e of subsection 13 of section 16.1-08.1-01 shall include the following information regarding ~~subcontributor~~each subcontributor that has stated a contribution is for the express purpose of furthering the passage or defeat of a ballot measure in the statements required under section 5 of this Act:
  - a. A designation as to whether any person contributed in excess of one hundred dollars of the total contribution;
  - b. The name and mailing address of each subcontributor that contributed in excess of one hundred dollars of the total contribution;
  - c. The contribution amounts of each disclosed subcontributor; and
  - d. The occupation, employer, and address for the employer's principal place of business of each disclosed subcontributor.
3. An initiative and referendum sponsoring committee also shall file a disclosure statement by the date the secretary of state approves the petition for circulation, and shall file an additional statement on the date the petitions containing the required number of signatures are submitted to the secretary of state for review. The statements required under this subsection must be in the same form as the year - end statements under section 5 of this Act.
4. A sponsoring committee shall file a statement regarding its intent to compensate circulators before paying for petitions to be circulated.

**SECTION 6. AMENDMENT.** Subsection 7 of section 54-09-04 of the North Dakota Century Code is amended and reenacted as follows:

7. For preparing any listing or compilation of any information recorded or filed in the office of the secretary of state, ~~an amount established by the secretary of state to recover the actual cost for assembling and providing the information in the format requested~~forty dollars for each record type requested. Unless otherwise agreed to by the secretary of state, the information must be provided in an electronic format. If provided in a paper format, an additional fee of fifty cents per page may be charged.

**SECTION 7. AMENDMENT.** Section 54-09-12 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-12. Confidential information in filed records.**

1. A social security number or federal tax identification number disclosed or contained in any record filed with the secretary of state is confidential. However, a social security number or federal tax identification number may be released as authorized in this section or by other state or federal law.
2. The secretary of state shall delete or obscure a social security or federal tax identification number before a copy of any record is released to the public. ~~A filing office or an officer or employee of the filing office~~The secretary of state, or an employee, agent, or contractor of the secretary of state's office, may not be held civilly or criminally liable for the inadvertent disclosure of a social security or federal tax identification number if the filer has placed the number in an improper field on the form prescribed by the secretary of state or the filer submitted a filing other than on the form prescribed by the secretary of state.
3. The secretary of state or an employee, agent, or contractor of the secretary of state's office may release a social security number or federal tax identification number to another public entity or the public entity's agents, employees, or contractors if disclosure is necessary for the receiving public entity to perform the receiving public entity's duties and responsibilities. The receiving public entity and the receiving public entity's agents, employees, and contractors shall maintain the confidential status of the social security number or federal tax identification number."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1002 - Summary of Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Secretary of State						
Total all funds	\$9,668,211	\$8,264,250	\$300,187	\$8,564,437	\$8,821,053	(\$256,616)
Less estimated income	3,583,536	2,587,539	456,616	3,044,155	3,150,978	(106,823)
General fund	\$6,084,675	\$5,676,711	(\$156,429)	\$5,520,282	\$5,670,075	(\$149,793)
Public Printing						
Total all funds	\$290,045	\$288,450	\$0	\$288,450	\$288,450	\$0
Less estimated income	0	0	0	0	0	0
General fund	\$290,045	\$288,450	\$0	\$288,450	\$288,450	\$0
Bill total						
Total all funds	\$9,958,256	\$8,552,700	\$300,187	\$8,852,887	\$9,109,503	(\$256,616)
Less estimated income	3,583,536	2,587,539	456,616	3,044,155	3,150,978	(106,823)
General fund	\$6,374,720	\$5,965,161	(\$156,429)	\$5,808,732	\$5,958,525	(\$149,793)

**House Bill No. 1002 - Secretary of State - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,903,514	\$4,402,370	\$250,394	\$4,652,764	\$4,959,380	(\$306,616)
Operating expenses	2,053,162	2,661,018	50,000	2,711,018	2,661,018	50,000
Petition review	8,000	8,000		8,000	8,000	
Election reform	2,703,535	1,192,862	(207)	1,192,655	1,192,655	
Total all funds	\$9,668,211	\$8,264,250	\$300,187	\$8,564,437	\$8,821,053	(\$256,616)
Less estimated income	3,583,536	2,587,539	456,616	3,044,155	3,150,978	(106,823)
General fund	\$6,084,675	\$5,676,711	(\$156,429)	\$5,520,282	\$5,670,075	(\$149,793)
FTE	34.00	31.00	1.00	32.00	33.00	(1.00)

**Department No. 108 - Secretary of State - Detail of Conference Committee Changes**

Adjusts Funding	Restores 1 FTE	Adds Funding	Adjusts Funding	Adds Funding	Total
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	for Health Insurance Increases <sup>1</sup>	Position <sup>2</sup>	for Overtime and Temporary Salaries <sup>3</sup>	for Operating Expenses <sup>4</sup>	for Campaign Disclosure Software <sup>5</sup>	Conference Committee Changes
Salaries and wages	(\$6,429)	\$106,823	\$150,000			\$250,394
Operating expenses					50,000	50,000
Petition review						
Election reform	(207)					(207)
Total all funds	(\$6,636)	\$106,823	\$150,000	\$0	\$50,000	\$300,187
Less estimated income	(207)	106,823	150,000	200,000	0	456,616
General fund	(\$6,429)	\$0	\$0	(\$200,000)	\$50,000	(\$156,429)
FTE	0.00	1.00	0.00	0.00	0.00	1.00

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

<sup>2</sup> Funding of \$106,823 is restored for 1 FTE position with funding from the general services operating fund. This results in a total reduction of 2 FTE positions and related funding of \$211,268 from the general fund. The House removed a total of 3 FTE positions and related funding of \$318,091 from the general fund. The Senate restored 2 FTE positions and related funding of \$213,646 from the general services operating fund.

<sup>3</sup> Funding of \$150,000 from the general services operating fund is added for overtime and temporary salaries. The Senate added \$350,000 from the general services operating fund for overtime and temporary salaries.

<sup>4</sup> A funding source change of \$200,000 is made from the general fund to the general services operating fund for operating expenses.

<sup>5</sup> Funding of \$50,000 is provided from the general fund for implementing software to comply with new campaign disclosure requirements approved in Senate Bill No. 2343. Section 5 of the bill also amends North Dakota Century Code Section 16.1-08.1-03.1, as amended by Section 6 of Senate Bill No. 2343, relating to subcontributor contributions for campaign and ballot measure purposes.

This amendment also:

- Adds a section to amend Section 54-09-04(7) to allow the Secretary of State to charge a flat rate fee of \$40 for certain information requests, rather than a fee based on each information request. The Senate also added this section.
- Adds a section to amend Section 54-09-12 to allow the Secretary of State to disclose social security numbers or federal tax identification numbers to public entities if disclosure is necessary for the receiving entity to perform its duties and responsibilities. The Senate also added this section.

#### House Bill No. 1002 - Public Printing - Conference Committee Action

The Senate did not change funding for public printing. No further action was taken in the Conference Committee related to public printing.

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

#### MOTION

**SEN. KLEIN MOVED** that the Senate stand in recess until 5:00 p.m., which motion prevailed.

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

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. UNRUH MOVED** that the conference committee report on Engrossed SB 2134 be

adopted, which motion prevailed on a voice vote.

#### SECOND READING OF SENATE BILL

**SB 2134:** A BILL for an Act to create and enact chapter 61-33.1 of the North Dakota Century Code, relating to the ownership of mineral rights of land inundated by Pick-Sloan Missouri basin project dams; to provide appropriations; to provide a contingent line of credit; to provide for retroactive application; 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 34 YEAS, 8 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Casper; Clemens; Cook; Dever; Erbele; Hogue; Kannianen; Kilzer; Klein; Krebsbach; Laffen; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Luick; Meyer; Myrdal; Oehlke; Osland; Piepkorn; Poolman; Roers; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Dotzenrod; Grabinger; Heckaman; Marcellais; Mathern; Nelson; Oban; Robinson

**ABSENT AND NOT VOTING:** Burckhard; Campbell; Davison; Holmberg; Kreun

Reengrossed SB 2134 passed and the emergency clause was declared carried.

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#### SECOND READING OF HOUSE BILL

**HB 1199:** A BILL for an Act to create and enact subsection 5 to section 61-33-01 of the North Dakota Century Code, relating to the definition of subsurface minerals; and to amend and reenact subsection 3 of section 61-33-01 of the North Dakota Century Code, relating to the definition of sovereign lands.

#### 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, 42 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**NAYS:** Anderson; Armstrong; Bekkedahl; Bowman; Casper; Clemens; Cook; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Kannianen; Kilzer; Klein; Krebsbach; 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

**ABSENT AND NOT VOTING:** Burckhard; Campbell; Davison; Holmberg; Kreun

Engrossed HB 1199 failed.

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#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. ARMSTRONG MOVED** that the conference committee report on Engrossed HB 1269 be adopted, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1269:** A BILL for an Act to create and enact a new subsection to section 12.1-32-09.1 of the North Dakota Century Code, relating to sentencing for aggravated assault; to amend and reenact subdivision k of subsection 3 of section 12.1-23-05, subsection 5 of section 12.1-32-01, subdivision b of subsection 1 of section 12.1-32-02.1, sections 19-03.1-22.3 and 19-03.1-23, subsection 2 of section 19-03.1-23.1, section 19-03.1-23.4, paragraph 3 of subdivision e of subsection 1 of section 19-03.1-36, subdivision e of subsection 5 of section 19-03.1-36, subsection 1 of section 19-03.1-45, and subsection 29 of section 40-05-02 of the North Dakota Century Code, relating to grading of theft offenses, illegal possession of prescription capsules, pills, or tablets, possession of marijuana, ingesting a controlled substance, and misdemeanor marijuana convictions being excluded as prior offenses for purposes of determining mandatory terms of imprisonment; and to provide a penalty.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 42 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Casper; Clemens; Cook; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Kannianen; Kilzer; Klein; Krebsbach; 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

**ABSENT AND NOT VOTING:** Burckhard; Campbell; Davison; Holmberg; Kreun

Engrossed HB 1269, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KREBSBACH MOVED** that the conference committee report on Engrossed HB 1022 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1022:** A BILL for an Act to provide an appropriation for defraying the expenses of the retirement and investment office; and to provide for a transfer.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 42 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Casper; Clemens; Cook; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Kannianen; Kilzer; Klein; Krebsbach; 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

**ABSENT AND NOT VOTING:** Burckhard; Campbell; Davison; Holmberg; Kreun

Engrossed HB 1022, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. ARMSTRONG MOVED** that the conference committee report on Reengrossed HB 1041 be adopted, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1041:** A BILL for an Act to create and enact a new section to chapter 12.1-32 and a new section to chapter 54-23.3 of the North Dakota Century Code, relating to presumptive probation and faith-based organizations; to amend and reenact sections 12-44.1-32, 12-54.1-01, 12-59-08, 12.1-17-13, and 12.1-23-05, subdivision c of subsection 1 of section 12.1-32-02, subsection 2 of section 12.1-32-02, subsection 3 of section 12.1-32-07, section 19-03.1-22.3, subsection 1 of section 19-03.1-22.5, subsections 5 and 7 of section 19-03.1-23, subdivision a of subsection 1 of section 19-03.1-23.1, subdivision f of subsection 5 of section 39-08-01, subsection 2 of section 39-20-01, subsection 17 of section 50-06-05.1, and section 50-09-29 of the North Dakota Century Code, relating to sentence reduction credit, medical paroles, domestic violence offender treatment, grading of theft offenses, sentencing alternatives, credit for time spent in custody, terms and conditions of probation, controlled substances, and the supplemental nutrition assistance program; to provide a penalty; to provide for the creation of a pretrial services program pilot project within the department of corrections and rehabilitation; to provide a report to the legislative management; to provide for a report to the legislative assembly; to provide an appropriation; to provide an effective date; and to declare an emergency.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 42 YEAS, 0 NAYS, 0 EXCUSED, 5 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Armstrong; Bekkedahl; Bowman; Casper; Clemens; Cook; Dever; Dotzenrod; Erbele; Grabinger; Heckaman; Hogue; Kannianen; Kilzer; Klein; Krebsbach; 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

**ABSENT AND NOT VOTING:** Burckhard; Campbell; Davison; Holmberg; Kreun

Reengrossed HB 1041, as amended, passed and the emergency clause was declared carried.

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

**MR. SPEAKER:** The Senate has failed to pass, unchanged: HB 1199.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1022, HB 1269.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2134.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1041.

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

**MR. PRESIDENT:** The House has adopted the conference committee report on: SB 2144.

**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 1324.

**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 1013, HB 1019.

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

**MR. SPEAKER:** The President has signed: SB 2015, SB 2135, SB 2216.

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

**MR. SPEAKER:** The President has signed: HB 1178, HB 1369.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 18, 2017: SB 2015, SB 2135, SB 2216.

**MOTION**

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

**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., Wednesday, April 19, 2017, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1013, as engrossed:** Your conference committee (Sens. Holmberg, Krebsbach, Robinson and Reps. Monson, Schmidt, Boe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1438-1445, adopt

amendments as follows, and place HB 1013 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1438-1445 of the House Journal and pages 1158-1165 of the Senate Journal and that Engrossed House Bill No. 1013 be amended as follows:

Page 1, line 8, after the first semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 22 through 24

Page 2, replace lines 1 through 11 with:

"Salaries and wages	\$18,280,006	(\$840,830)	\$17,439,176
Operating expenses	30,517,072	(352,067)	30,165,005
Integrated formula payments	1,916,640,000	18,564,163	1,935,204,163
Grants - special education	17,300,000	2,000,000	19,300,000
Grants - transportation	57,000,000	(1,600,000)	55,400,000
Grants - other grants	267,807,227	(13,424,522)	254,382,705
Grants - program grants	0	6,210,000	6,210,000
Grants - passthrough grants	0	2,898,000	2,898,000
PowerSchool	6,000,000	(500,000)	5,500,000
Transportation efficiency	30,000	0	30,000
National board certification	<u>120,000</u>	<u>0</u>	<u>120,000</u>
Total all funds	\$2,313,694,305	\$12,954,744	\$2,326,649,049
Less estimated income	<u>624,685,766</u>	<u>266,361,299</u>	<u>891,047,065</u>
Total general fund	\$1,689,008,539	(\$253,406,555)	\$1,435,601,984"

Page 2, replace lines 17 through 22 with:

"Salaries and wages	\$4,019,839	\$132,919	\$4,152,758
Operating expenses	1,713,393	(109,318)	1,604,075
Grants	<u>2,785,500</u>	<u>(676,472)</u>	<u>2,109,028</u>
Total all funds	\$8,518,732	(\$652,871)	\$7,865,861
Less estimated income	<u>2,438,751</u>	<u>(191,191)</u>	<u>2,247,560</u>
Total general fund	\$6,079,981	(\$461,680)	\$5,618,301"

Page 2, remove lines 28 through 31

Page 3, replace lines 1 through 4 with:

"Salaries and wages	\$7,291,854	\$296,895	\$7,588,749
Operating expenses	1,925,163	101,380	2,026,543
Capital assets	227,174	664,504	891,678
Grants	<u>186,900</u>	<u>(6,900)</u>	<u>180,000</u>
Total all funds	\$9,631,091	\$1,055,879	\$10,686,970
Less estimated income	<u>1,089,210</u>	<u>2,109,234</u>	<u>3,198,444</u>
Total general fund	\$8,541,881	(\$1,053,355)	\$7,488,526
Full-time equivalent positions	45.61	(0.00)	45.61"

Page 3, replace lines 9 through 14 with:

"Salaries and wages	\$4,554,349	\$106,646	\$4,660,995
Operating expenses	739,169	34,037	773,206
Capital assets	<u>24,454</u>	<u>150,238</u>	<u>174,692</u>
Total all funds	\$5,317,972	\$290,921	\$5,608,893
Less estimated income	<u>569,325</u>	<u>645,422</u>	<u>1,214,747</u>
Total general fund	\$4,748,647	(\$354,501)	\$4,394,146"

Page 3, replace lines 20 through 22 with:

"Grand total general fund	\$1,708,379,048	(\$255,276,091)	\$1,453,102,957
Grand total special funds	<u>628,783,052</u>	<u>268,924,764</u>	<u>897,707,816</u>
Grand total all funds	\$2,337,162,100	\$13,648,673	\$2,350,810,773"

Page 3, line 25, replace "\$1,249" with "\$1,241"



Page 3, remove lines 28 through 31

Page 4, replace lines 1 and 2 with:

"Department of public instruction	\$65,196	\$181,686	\$246,882
State library	66,885	10,100	76,985
School for the deaf	117,494	3,584	121,078
North Dakota vision services - school for the blind	<u>82,223</u>	<u>70</u>	<u>82,293</u>
Total	\$331,798	\$195,440	\$527,238"

Page 4, replace lines 12 through 15 with:

"Regional education association merger grants	0	100,000
North Dakota governor's school science, technology, engineering, and mathematics programs	0	220,000
Integrated formula payments	<u>0</u>	<u>185,000,000</u>
Total department of public instruction - all funds	\$12,700,030	\$185,320,000
Total department of public instruction - estimated income	<u>0</u>	<u>185,320,000</u>
Total department of public instruction - general fund	\$12,700,030	\$0"

Page 5, replace lines 1 through 3 with:

"Grand total - all funds	\$13,606,030	\$186,188,500
Grand total - estimated income	<u>656,000</u>	<u>186,188,500</u>
Grand total - general fund	\$12,950,030	\$0"

Page 5, line 20, replace "\$270,000,000" with "\$295,100,000"

Page 5, line 21, after "fund" insert ". Of this amount, \$100,000 is for regional education association merger grants and \$295,000,000 is"

Page 5, line 22, replace "\$160,000,000" with "\$185,100,000"

Page 5, after line 22, insert:

**"SECTION 7. ESTIMATED INCOME - ONE-TIME FUNDING - STUDENT LOAN TRUST FUND.** The estimated income line item in subdivision 1 of section 1 of this Act includes \$220,000 from the student loan trust fund for the purpose of providing a one-time grant for North Dakota governor's school science, technology, engineering, and mathematics programs."

Page 5, after line 29, insert:

**"SECTION 9. EXEMPTION - ADVANCED PLACEMENT PROGRAM FUNDING.** The unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as authorized in section 32 of chapter 137 of the 2015 Session Laws to enhance the delivery of and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium for the purpose of program grants, including leveraging the senior year, leadership program, continuing education grants, preschool continuing education grants, curriculum alignment grants, and teacher and principal evaluation system grants."

Page 7, line 1, replace "three" with "eleven"

Page 7, line 3, replace "Forty-eight" with "Fifty-two"

Page 7, line 5, replace "Forty-eight" with "Fifty"

Page 7, line 16, replace "Forty-eight" with "Fifty"

Page 7, line 23, replace "Twenty-eight" with "Thirty"

Page 7, line 30, replace "\$1,735,000" with "\$1,530,000"

Page 8, after line 17, insert:

**"SECTION 15. REGIONAL EDUCATION ASSOCIATION MERGER GRANTS - ONE-TIME FUNDING - DISTRIBUTION.** The grants - other grants line item included in subdivision 1 of section 1 of this Act includes \$100,000 from the foundation aid stabilization fund for the purpose of providing a one-time \$25,000 grant to each regional education association that merges with another regional education association to form a single entity with a single governing board during the biennium beginning July 1, 2017, and ending June 30, 2019.

**SECTION 16. REGIONAL EDUCATION ASSOCIATION GRANTS - DISTRIBUTION.** The integrated formula payments line item included in subdivision 1 of section 1 of this Act includes \$500,000 from the general fund for the purpose of providing annual grants to regional education associations for the biennium beginning July 1, 2017, and ending June 30, 2019. An annual grant of \$31,250 is provided to each regional education association that exists as of July 1, 2017. Regional education associations that merge during the 2017-19 biennium are entitled to the annual grants that would have been paid to each of the member associations."

Page 9, line 22, replace "\$2,378,000" with "\$2,100,000"

Page 9, line 22, after "grants" insert "for writing projects, an entrepreneur program, and a mentoring program"

Page 9, after line 29, insert:

**"SECTION 22. LEGISLATIVE INTENT - TEACHER AND ADMINISTRATOR MENTORING.** It is the intent of the sixty-fifth legislative assembly that school districts, in addition to mentoring services provided by the state, use federal title II funding for teacher and administrator mentoring."

Page 10, line 4, remove "the North Dakota leadership in educational administration the North Dakota leadership in educational administration"

Page 10, line 5, replace "development center" with "educational leadership"

Page 10, line 25, replace "7" with "8"

Page 10, line 25, replace "22" with "27"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1013 - Summary of Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Department of Public Instruction						
Total all funds	\$2,313,694,305	\$2,326,729,929	(\$80,880)	\$2,326,649,049	\$2,326,649,049	\$0
Less estimated income	624,685,766	865,741,257	25,305,808	891,047,065	865,827,065	25,220,000
General fund	\$1,689,008,539	\$1,460,988,672	(\$25,386,688)	\$1,435,601,984	\$1,460,821,984	(\$25,220,000)
State Library						
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861	\$7,865,861	\$0
Less estimated income	2,438,751	2,248,349	(789)	2,247,560	2,247,560	0
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301	\$5,618,301	\$0
School for the Deaf						
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970	\$10,686,970	\$0
Less estimated income	1,089,210	3,198,724	(280)	3,198,444	3,198,444	0
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526	\$7,488,526	\$0
Vision Services - School for the Blind						
Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893	\$5,608,893	\$0

Less estimated income	569,325	1,214,753	(6)	1,214,747	1,214,747	0
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146	\$4,394,146	\$0
<b>Bill total</b>						
Total all funds	\$2,337,162,100	\$2,350,733,554	\$77,219	\$2,350,810,773	\$2,350,810,773	\$0
Less estimated income	628,783,052	872,403,083	25,304,733	897,707,816	872,487,816	25,220,000
General fund	\$1,708,379,048	\$1,478,330,471	(\$25,227,514)	\$1,453,102,957	\$1,478,322,957	(\$25,220,000)

**House Bill No. 1013 - Department of Public Instruction - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$18,280,006	\$17,464,178	(\$25,002)	\$17,439,176	\$17,439,176	
Operating expenses	30,517,072	30,165,005		30,165,005	30,165,005	
Integrated formula payments	1,916,640,000	1,940,295,041	(5,090,878)	1,935,204,163	1,935,204,163	
Grants - Special education contracts	17,300,000	19,300,000		19,300,000	19,300,000	
Grants - Transportation	57,000,000	51,300,000	4,100,000	55,400,000	55,400,000	
Grants - Other grants	267,807,227	254,062,705	320,000	254,382,705	254,162,705	220,000
PowerSchool	6,000,000	5,500,000		5,500,000	5,500,000	
Transportation efficiency	30,000	30,000		30,000	30,000	
National board certification	120,000	120,000		120,000	120,000	
Grants - Program grants		6,115,000	95,000	6,210,000	6,310,000	(100,000)
Grants - Passthrough grants		2,378,000	520,000	2,898,000	3,018,000	(120,000)
<b>Total all funds</b>	<b>\$2,313,694,305</b>	<b>\$2,326,729,929</b>	<b>(\$80,880)</b>	<b>\$2,326,649,049</b>	<b>\$2,326,649,049</b>	<b>\$0</b>
Less estimated income	624,685,766	865,741,257	25,305,808	891,047,065	865,827,065	25,220,000
General fund	\$1,689,008,539	\$1,460,988,672	(\$25,386,688)	\$1,435,601,984	\$1,460,821,984	(\$25,220,000)
FTE	99.75	91.75	0.00	91.75	91.75	0.00

**Department No. 201 - Department of Public Instruction - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Adjusts Funding for Integrated Formula Payments <sup>2</sup>	Adjusts Funding Source for Integrated Formula Payments <sup>3</sup>	Restores Funding for Regional Education Association Grants <sup>4</sup>	Increases Funding for Transportation Grants <sup>5</sup>	Adds One-time Funding for Regional Education Association Merger Grants <sup>6</sup>
Salaries and wages	(\$25,002)					
Operating expenses						
Integrated formula payments		(5,590,878)		500,000		
Grants - Special education contracts						
Grants - Transportation					4,100,000	
Grants - Other grants						100,000
PowerSchool						
Transportation efficiency						
National board certification						
Grants - Program grants						
Grants - Passthrough grants						
<b>Total all funds</b>	<b>(\$25,002)</b>	<b>(\$5,590,878)</b>	<b>\$0</b>	<b>\$500,000</b>	<b>\$4,100,000</b>	<b>\$100,000</b>
Less estimated income	(14,192)	0	25,000,000	0	0	100,000
General fund	(\$10,810)	(\$5,590,878)	(\$25,000,000)	\$500,000	\$4,100,000	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts Funding for the Program Grant Pool <sup>7</sup>	Increases Funding for Adult Education Matching Grants <sup>8</sup>	Increases Funding for Passthrough Grants <sup>9</sup>	Adds One-time Funding for the Governor's School Program <sup>10</sup>	Total Conference Committee Changes
Salaries and wages					(\$25,002)
Operating expenses					
Integrated formula payments					(5,090,878)
Grants - Special education contracts					
Grants - Transportation					4,100,000
Grants - Other grants				220,000	320,000
PowerSchool					
Transportation efficiency					
National board certification					
Grants - Program grants	(5,000)	100,000			95,000
Grants - Passthrough grants			520,000		520,000

Total all funds	(\$5,000)	\$100,000	\$520,000	\$220,000	(\$80,880)
Less estimated income	0	0	0	220,000	25,305,808
General fund	(\$5,000)	\$100,000	\$520,000	\$0	(\$25,386,688)
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

<sup>2</sup> Funding for integrated formula payments is adjusted to remove funding for changes made by the House affecting local revenue calculations in the formula, the same as the Senate version.

<sup>3</sup> One-time funding from the foundation aid stabilization fund for integrated formula payments is increased by \$25 million and funding from the general fund is decreased, to provide total funding from the foundation aid stabilization fund of \$295 million for integrated formula payments, of which \$185 million is considered one-time funding.

<sup>4</sup> Funding is restored for regional education association grants to provide a total of \$500,000, \$300,000 less than the base budget, and the same as the Senate version. The House removed funding for the regional education association coordinator grants. The Senate restored the grants as annual state aid to be distributed equally to all regional education associations that exist as of July 1, 2017, rather than grants for coordinators.

<sup>5</sup> Funding for transportation grants is increased to provide a total of \$55.4 million, \$1.6 million less than the base budget, the same as the Senate version.

<sup>6</sup> One-time funding is added from the foundation aid stabilization fund for regional education association merger grants, the same as the Senate version. This program was not included in the executive recommendation or the House version.

<sup>7</sup> Funding for the program grant pool is adjusted to remove the free breakfast program from the grant pool (\$205,000) and provide a separate grant of \$200,000 for the free breakfast program in the program grants line item, the same as the Senate version, and \$5,000 less than the House version.

A total of \$1,530,000 from the general fund is provided for a grant pool for the following programs:

- Leveraging the senior year;
- Leadership program;
- Continuing education grants;
- Preschool continuing education grants;
- Curriculum alignment grants; and
- Teacher and principal evaluation system grants.

The Conference Committee did not include \$100,000 added to the program grant pool by the Senate to allow the Superintendent of Public Instruction to assume the operation and management of the North Dakota Leadership and Educational Administration Development Center.

In addition, the Conference Committee added a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of North Dakota Century Code Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.

<sup>8</sup> Funding for adult education matching grants is increased to provide a total of \$3,100,000

from the general fund, \$1,010,411 less than the base budget and the same as the Senate version.

<sup>9</sup> Funding for certain passthrough grants is increased as follows to provide a total of \$2,898,000 from the general fund for passthrough grants.

	Increase	Total
Teacher mentoring	\$50,000	\$2,050,000
Rural art outreach project	340,000	350,000
Global Bridges	100,000	200,000
Young entrepreneur education program	<u>30,000</u>	<u>30,000</u>
Total	\$520,000	\$2,630,000

The Senate version included \$2,100,000 for teacher mentoring and \$70,000 for the Pathfinders Parent project.

<sup>10</sup> One-time funding is provided from the student loan trust fund for the Governor's school program. Funding provided by the state for the Governor's school must be used for science, technology, engineering, and mathematics programs. Funding for this program was not included in the House or Senate version.

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This amendment also:

- Amends the section related to funding provided from the foundation aid stabilization fund to provide for a \$25.1 million increase in one-time funding from the fund for integrated formula payments (\$25 million) and regional education association merger grants (\$100,000). The increase in funding from the foundation aid stabilization fund for integrated formula payments was not included in the House or Senate version. The Senate version included \$100,000 of one-time funding from the foundation aid stabilization fund for regional education association merger grants not included in the House version.
- Adds a section identifying one-time funding provided from the student loan trust fund for the Governor's school programs. The section was not included in the House or Senate version.
- Adds a section to provide the unexpended amount remaining from the transfer of \$1,252,627 from the 2013-15 biennium, as permitted in Section 32 of Chapter 137 of the 2015 Session Laws to enhance the delivery and the participation of students and teachers in advanced placement courses during the 2015-17 biennium, is not subject to the provisions of Section 54-44.1-11 at the end of the 2015-17 biennium and may be continued into the 2017-19 biennium, for the purpose of increasing the program grant pool, the same as the Senate version.
- Amends the section related to the distribution of transportation grants to update reimbursement rates, the same as the Senate version.
- Amends the section related to the distribution of the program grant pool to adjust the total of the grant pool. The Conference Committee removed the free breakfast program from the grant pool (\$205,000) to provide a separate appropriation for the program, the same as the Senate version. The Conference Committee did not add \$100,000 to the grant pool for the operation and management of the North Dakota Leadership and Educational Administration Development Center included in the Senate version.
- Adds a section related to the distribution of one-time regional education association merger grants, the same as the Senate version.
- Adds a section related to the distribution of regional education association grants included in the integrated formula payments line item, the same as the Senate version.
- Amends the section related to the distribution of passthrough grants to provide certain grantees, as a condition of receiving the grant, are required to establish performance measures. The House and Senate versions both included the requirement to establish performance measures.
- Adds a section to provide it is the intent of the Legislative Assembly that school districts, in addition to mentoring services provided by the state, use federal Title II

funding for teacher and administrator mentoring.

- Amends the section related to the Legislative Management study to adjust the service providers included in the study.

**House Bill No. 1013 - State Library - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,019,839	\$4,158,772	(\$6,014)	\$4,152,758	\$4,152,758	
Operating expenses	1,713,393	1,604,075		1,604,075	1,604,075	
Grants	2,785,500	2,109,028		2,109,028	2,109,028	
Total all funds	\$8,518,732	\$7,871,875	(\$6,014)	\$7,865,861	\$7,865,861	\$0
Less estimated income	2,438,751	2,248,349	(789)	2,247,560	2,247,560	0
General fund	\$6,079,981	\$5,623,526	(\$5,225)	\$5,618,301	\$5,618,301	\$0
FTE	29.75	28.75	0.00	28.75	28.75	0.00

**Department No. 250 - State Library - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Total Conference Committee Changes
Salaries and wages	(\$6,014)	(\$6,014)
Operating expenses		
Grants		
Total all funds	(\$6,014)	(\$6,014)
Less estimated income	(789)	(789)
General fund	(\$5,225)	(\$5,225)
FTE	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

**House Bill No. 1013 - School for the Deaf - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$7,291,854	\$7,498,207	\$90,542	\$7,588,749	\$7,588,749	
Operating expenses	1,925,163	1,976,543	50,000	2,026,543	2,026,543	
Capital assets	227,174	891,678		891,678	891,678	
Grants	186,900	180,000		180,000	180,000	
Total all funds	\$9,631,091	\$10,546,428	\$140,542	\$10,686,970	\$10,686,970	\$0
Less estimated income	1,089,210	3,198,724	(280)	3,198,444	3,198,444	0
General fund	\$8,541,881	\$7,347,704	\$140,822	\$7,488,526	\$7,488,526	\$0
FTE	45.61	44.61	1.00	45.61	45.61	0.00

**Department No. 252 - School for the Deaf - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Restores 1 FTE Position <sup>2</sup>	Increases Funding for Operating Expenses <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	(\$9,458)	\$100,000		\$90,542
Operating expenses			50,000	50,000
Capital assets				
Grants				
Total all funds	(\$9,458)	\$100,000	\$50,000	\$140,542
Less estimated income	(280)	0	0	(280)
General fund	(\$9,178)	\$100,000	\$50,000	\$140,822
FTE	0.00	1.00	0.00	1.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

<sup>2</sup> One FTE position and related funding of \$100,000 is restored, the same as the Senate version. The executive recommendation and House version removed 1 FTE position and related funding of \$120,000.

<sup>3</sup> Funding for operating expenses is restored, the same as the Senate version. The executive recommendation and House version reduced funding for operating expenses by \$100,000.

**House Bill No. 1013 - Vision Services - School for the Blind - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$4,554,349	\$4,667,424	(\$6,429)	\$4,660,995	\$4,660,995	
Operating expenses	739,169	743,206	30,000	773,206	773,206	
Capital assets	24,454	174,692		174,692	174,692	
Total all funds	\$5,317,972	\$5,585,322	\$23,571	\$5,608,893	\$5,608,893	\$0
Less estimated income	569,325	1,214,753	(6)	1,214,747	1,214,747	0
General fund	\$4,748,647	\$4,370,569	\$23,577	\$4,394,146	\$4,394,146	\$0
FTE	30.00	28.50	0.00	28.50	28.50	0.00

**Department No. 253 - Vision Services - School for the Blind - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Increases Funding for Operating Expenses <sup>2</sup>	Total Conference Committee Changes
Salaries and wages	(\$6,429)		(\$6,429)
Operating expenses		30,000	30,000
Capital assets			
Total all funds	(\$6,429)	\$30,000	\$23,571
Less estimated income	(6)	0	(6)
General fund	(\$6,423)	\$30,000	\$23,577
FTE	0.00	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month, the same as the Senate version. Section 2 of the bill is also adjusted to reflect this change.

<sup>2</sup> Funding for operating expenses is increased, the same as the Senate version. The executive recommendation and House version did not include this increase.

Engrossed HB 1013 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1019, as engrossed:** Your conference committee (Sens. Sorvaag, Krebsbach, Mathern and Reps. Streytle, Schatz, Schmidt) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1292-1295, adopt amendments as follows, and place HB 1019 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1292-1295 of the House Journal and pages 1060-1063 of the Senate Journal and that Engrossed House Bill No. 1019 be amended as follows:

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

Page 1, replace lines 18 through 23 with:

"Administration	\$3,043,722	\$625,006	\$3,668,728
Park operations and maintenance	19,877,931	692,627	20,570,558
Recreation	<u>6,407,120</u>	<u>632,434</u>	<u>7,039,554</u>
Total all funds	\$29,328,773	\$1,950,067	\$31,278,840
Less estimated income	<u>14,517,835</u>	<u>3,871,726</u>	<u>18,389,561</u>
Total general fund	\$14,810,938	(\$1,921,659)	\$12,889,279"

Page 2, replace lines 11 through 14 with:

"Lewis and Clark interpretive center	<u>\$918,279</u>	<u>\$332,408</u>	<u>\$1,250,687</u>
Total all funds	\$918,279	\$332,408	\$1,250,687
Less estimated income	<u>0</u>	<u>362,019</u>	<u>362,019</u>
Total general fund	\$918,279	(\$29,611)	\$888,668"

Page 2, replace lines 19 through 21 with:

"Grand total general fund	\$16,702,916	(\$2,048,640)	\$14,654,276
Grand total special funds	<u>14,517,835</u>	<u>4,233,745</u>	<u>18,751,580</u>
Grand total all funds	\$31,220,751	\$2,185,105	\$33,405,856"

Page 2, line 28, replace "\$188,889" with "\$181,775"

Page 2, line 28, replace "\$7,085" with "\$6,572"

Page 2, line 29, replace "\$1,249" with "\$1,241"

Page 3, line 22, after "**GRANT**" insert "**- EXEMPTION - GRANT TO STATE HISTORICAL SOCIETY AND RECREATION OPPORTUNITIES ON SOVEREIGN LANDS**"

Page 3, line 23, after "funding" insert "received"

Page 3, line 24, replace "authorized by the sixty-fourth legislative assembly" with "during the 2015-17 biennium"

Page 3, line 24, remove "the purpose of"

Page 3, line 25, after the period insert "Notwithstanding section 4 of chapter 54 of the 2015 Session Laws, the parks and recreation department shall use this \$1,000,000 to provide:

1. A grant of \$500,000 to the state historical society for defraying the expenses of double ditch historic site repairs for the period beginning with the effective date of this Act, and ending June 30, 2019; and
2. Up to \$500,000 for the purpose of developing recreation opportunities on sovereign lands in the state for the period beginning with the effective date of this Act, and ending June 30, 2019."

Page 4, line 5, after "Laws" insert ", and continued in the 2015-17 biennium pursuant to section 9 of chapter 53 of the 2015 Session Laws,"

Page 4, after line 12, insert:

**"SECTION 9. EXEMPTION - 2015-17 MATCHING FUNDS REQUIREMENT - INTERNATIONAL PEACE GARDEN.** Notwithstanding the provisions of section 9 of chapter 53 of the 2015 Session Laws, relating to matching requirements, the International Peace Garden may spend up to \$100,000 of the funds appropriated in subdivision 2 of section 30 of chapter 15 of the 2013 Session Laws and continued in the 2015-17 biennium, without raising dollar-for-dollar matching funds before spending the funds, for the purpose of completing the demolition project of the peace



towers, for the period beginning with the effective date of this Act and ending June 30, 2017."

Page 4, line 14, after "Laws" insert ", and any unexpended funds of up to \$950,000 of one-time funding for park enhancements included in the natural resources line item in section 34 of chapter 49 of the 2015 Session Laws, designated for the Lewis and Clark interpretive center,"

Page 4, line 26, remove "developing a plan for continued monitoring and patrolling of the trail"

Page 4, line 27, replace "systems, and to determine the feasibility of establishing an interpretive center" with "designing and implementing a radio communication system for continued monitoring and patrolling of the trail systems, and providing matching funds for grant-funded trail development projects in the Pembina Gorge"

Page 4, after line 27, insert:

**"SECTION 13. LEGISLATIVE INTENT - STATE PARK MARINA SWIMMING RULES.** It is the intent of the sixty-fifth legislative assembly that the parks and recreation department establish rules for state park marinas to allow an individual currently renting a slip at the marina and the individual's immediate family members to swim in the marina area subject to the individual and each family member signing a release of liability waiver form developed by the department."

Page 6, line 22, after "for" insert "providing a grant to the state historical society, and for"

Page 6, line 24, replace "is" with ", and sections 5 and 9 of this Act are"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1019 - Parks and Recreation Department - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Administration	\$3,043,722	\$3,669,483	(\$755)	\$3,668,728	\$3,668,728	
Park operations and maintenance	19,877,931	20,576,055	(5,497)	20,570,558	20,570,558	
Recreation	6,407,120	7,039,985	(431)	7,039,554	7,039,554	
International Peace Garden	973,699	876,329		876,329	876,329	
Lewis and Clark Interpretive Center	918,279	1,251,118	(431)	1,250,687	1,250,687	
Total all funds	\$31,220,751	\$33,412,970	(\$7,114)	\$33,405,856	\$33,405,856	\$0
Less estimated income	14,517,835	18,752,093	(513)	18,751,580	18,751,580	0
General fund	\$16,702,916	\$14,660,877	(\$6,601)	\$14,654,276	\$14,654,276	\$0
FTE	66.00	62.50	0.00	62.50	62.50	0.00

**Department No. 750 - Parks and Recreation Department - Detail of Conference Committee Changes**

	Adjusts Funding for Health Insurance Increases <sup>1</sup>	Total Conference Committee Changes
Administration	(\$755)	(\$755)
Park operations and maintenance	(5,497)	(5,497)
Recreation	(431)	(431)
International Peace Garden		
Lewis and Clark Interpretive Center	(431)	(431)
Total all funds	(\$7,114)	(\$7,114)
Less estimated income	(513)	(513)
	(\$6,601)	(\$6,601)

General fund		
FTE	0.00	0.00

<sup>1</sup> Funding for employee health insurance is adjusted to reflect the updated premium amount of \$1,241 per month. Section 2 of the bill is adjusted to reflect this change, the same as the Senate version.

This amendment also:

- Adjusts a section to direct the department to use funding from the \$1 million grant received from the State Water Commission during the 2015-17 biennium to provide a \$500,000 grant to the State Historical Society for the Double Ditch Historic Site repairs, and to use up to \$500,000 for developing recreation opportunities on sovereign lands. The Senate version included a \$1 million grant to the State Historical Society.
- Adjusts a section to exempt any funds included in the International Peace Garden line item for repair of the Peace Tower in Section 9 of Chapter 53 of the 2015 Session Laws, from provisions of North Dakota Century Code Section 54-44.1-11, relating to cancellation of unexpended funds, and allow \$100,000 of the funds to be used for the completion of the demolition project of the Peace Towers without meeting matching funds requirements, the same as the Senate version.
- Adjusts a section to allow carryover of one-time funding of \$950,000 for the Lewis and Clark Interpretive Center, the same as the Senate version.
- Adjusts a section relating to the use of \$116,000 of carryover funding relating to the Pembina Gorge area, the same as the Senate version.
- Adds a section of legislative intent that the Parks and Recreation Department establish rules to allow limited swimming in state park marina areas. Neither the House nor the Senate version included this section.

Engrossed HB 1019 was placed on the Seventh order of business on the calendar.

#### REPORT OF CONFERENCE COMMITTEE

**HB 1324, as reengrossed:** Your conference committee (Sens. Schaible, Rust, Oban and Reps. Owens, Monson, Schreiber-Beck) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1177-1178, adopt amendments as follows, and place HB 1324 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1436-1438 of the House Journal and pages 1177 and 1178 of the Senate Journal and that Reengrossed House Bill No. 1324 be amended as follows:

Page 1, line 1, after "to" insert "create and enact a new section to chapter 15.1-09.1 of the North Dakota Century Code, relating to audits of regional education associations; to"

Page 1, line 1, replace "15.1-27-03.1" with "15.1-01-03, 15.1-09.1-10,"

Page 1, line 2, after "the" insert "powers and duties of the state board of public school education and the"

Page 1, line 2, after "districts" insert "and regional education associations; to provide statements of legislative intent; and to provide for a legislative management study"

Page 1, remove lines 4 through 24

Page 2, remove lines 1 through 31

Page 3, remove lines 1 through 29

Page 4, replace lines 1 through 31 with:

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

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

1. The state board of public school education shall:
  - a. Assist county committees in carrying out their duties.
  - b. Provide county committees with clerical assistance, plans of procedure, standards, data, maps, forms, and other materials, information, and services.
  - c. Appoint members to the county committee, if the county superintendent does not fulfill this duty, as provided for in section 15.1-10-01.
  - d. Provide oversight for regional education associations as required by chapter 15.1-09.1.
2. The state board of public school education may adopt rules regarding ~~school district reorganizations, annexations, and dissolutions in~~ accordance with chapter 28-32.

**SECTION 2.** A new section to chapter 15.1-09.1 of the North Dakota Century Code is created and enacted as follows:

**Regional education association - Audit.**

To be eligible for state funding, a regional education association must be audited, at least once every two years, by a certified public accountant or a licensed public accountant. The audit must be presented to the state board of public school education. If any irregularities are noted, the state board of public school education may direct the superintendent of public instruction to withhold all payments to a regional education association until the board determines the irregularities have been addressed.

**SECTION 3. AMENDMENT.** Section 15.1-09.1-10 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-09.1-10. State aid - Payable to a regional education association - Obligation of district.**

- 4- The superintendent of public instruction shall forward the portion of a school district's state aid which is payable by the superintendent under subdivision l of subsection 1 of section 15.1-27-03.1 as a result of the district's participation in a regional education association directly to the association in which the district participates. The superintendent shall forward the amount payable under this ~~subsection~~section at the same time and in the same manner as provided for other state aid payments under section 15.1-27-01, unless otherwise directed in accordance with section 2 of this Act.
- 2- ~~If the superintendent of public instruction determines that a school district failed to meet any contractual or statutory obligation imposed upon it as a result of the district's participation in a regional education association, the superintendent shall subtract the amount for which the district was not eligible from any future distribution of state aid to the district under section 15.1-27-01."~~

Page 7, remove the overstrike over line 29

Page 7, line 30, remove the overstrike over "percent of all revenues listed in paragraphs 6, 8, and 9 of"

Page 8, after line 3, insert:

**"SECTION 5. LEGISLATIVE MANAGEMENT STUDY - SERVICES PROVIDED TO SCHOOLS.** During the 2017-18 interim, the legislative management shall consider studying entities that deliver kindergarten through grade twelve professional development services, distance curriculum, support for schools in achieving school improvement goals, assistance with analysis and interpretation of student achievement data, and technology support services. The study must focus on the funding, governance, nature, scope, and quality of services provided to schools. The study also must focus on the duplication of services across entities and the accountability for expenditures. The study must identify efficiencies and the desirability and feasibility of consolidating services. 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. LEGISLATIVE INTENT - REGIONAL EDUCATION ASSOCIATIONS.** It is the intent of the sixty-fifth legislative assembly that during the 2017-19 biennium regional education associations merge or partner with other regional education associations and other educational service providers, or both, to form the most efficient and effective system of support for the schools in this state.

**SECTION 7. LEGISLATIVE INTENT - TRANSPORTATION GRANTS.** It is the intent of the sixty-fifth legislative assembly that \$55,400,000 be included in the transportation grants line item in House Bill No. 1013, as approved by the sixty-fifth legislative assembly."

Renumber accordingly

Reengrossed HB 1324 was placed on the Seventh order of business on the calendar.

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

**Shanda Morgan, Secretary**