

JOURNAL OF THE HOUSE

Sixty-sixth Legislative Assembly

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Bismarck, April 24, 2019

The House convened at 8:00 a.m., with Speaker Klemin presiding.

The prayer was offered by Rep. K. Koppelman, District 13.

The roll was called and all members were present except Representatives M. Johnson, O'Brien, and Owens.

A quorum was declared by the Speaker.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. ROHR MOVED that the conference committee report on Reengrossed HB 1194 as printed on HJ pages 2046-2047 be adopted, which motion prevailed on a voice vote.

Reengrossed HB 1194, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1194: A BILL for an Act to create and enact section 50-24.1-40 of the North Dakota Century Code, relating to medical assistance tribal health care coordination agreements; to provide for a report to the legislative management; to provide a continuing appropriation; and to declare an emergency.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 65 YEAS, 26 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hatlestad; Heinert; Holman; Howe; Johnson, D.; Jones; Karls; Kasper; Keiser; Kempenich; Kiefert; Kreidt; Lefor; Louser; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Steiner; Strinden; Trotter; Tveit; Vigasaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Devlin; Dobervich; Ertelt; Hanson; Headland; Hoverson; Johnson, C.; Johnston; Kading; Koppelman, B.; Koppelman, K.; Laning; Longmuir; Magrum; Marschall; McWilliams; Paulson; Paur; Ruby, D.; Simons; Skroch; Toman; Vetter

ABSENT AND NOT VOTING: Johnson, M.; O'Brien; Owens

Reengrossed HB 1194 passed and the emergency clause was declared carried.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. PAULSON MOVED that the conference committee report on Engrossed HB 1541 as printed on HJ pages 2057-2058 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1541, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1541: A BILL for an Act to amend and reenact section 54-12-33 of the North Dakota Century Code, relating to presentations by the human trafficking commission.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 76 YEAS, 15 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, D.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Paulson; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Strinden; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Ertelt; Johnson, C.; Johnston; Koppelman, B.; Louser; Magrum; Marschall; McWilliams; Paur; Ruby, D.; Simons; Toman

ABSENT AND NOT VOTING: Johnson, M.; O'Brien; Owens

Reengrossed HB 1541 passed.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SCHOBINGER MOVED that the conference committee report on Engrossed HB 1024 as printed on HJ pages 2042-2046 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1024, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1024: A BILL for an Act to provide an appropriation for defraying the expenses of the department of environmental quality; to create and enact a new section to chapter 23.1-12 and chapter 23.1-16 of the North Dakota Century Code, relating to boiler inspections and the petroleum tank release compensation fund; to amend and reenact sections 23.1-12-02, 23.1-12-04, 23.1-12-05, 23.1-12-06, 23.1-12-10, 23.1-12-11, 23.1-12-14, 23.1-12-15, 23.1-12-17, 23.1-12-18, 23.1-12-19, 23.1-12-20, 23.1-12-23, 23.1-12-24, 23.1-12-25, 23.1-12-26, 23.1-12-27, 23.1-12-28, 23.1-12-29, 23.1-12-30, and 23.1-16-13 of the North Dakota Century Code, relating to the duties of the department of environmental quality; to repeal chapter 26.1-22.1 of the North Dakota Century Code, relating to boiler inspections; to provide for a report; to provide an effective date; and to provide a contingent expiration date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 76 YEAS, 15 NAYS, 0 EXCUSED, 3 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Delzer; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Jones; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Steiner; Strinden; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Ertelt; Hoverson; Johnston; Kading; Koppelman, B.; Magrum; Marschall; Paulson; Paur; Ruby, M.; Simons; Skroch; Toman

ABSENT AND NOT VOTING: Johnson, M.; O'Brien; Owens

Reengrossed HB 1024 passed.

MOTION

REP. LOUSER MOVED that SB 2297, which is on the Seventh order, be laid over one legislative day, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SCHATZ MOVED that the conference committee report on Engrossed SB 2001 as printed on HJ pages 2054-2057 be adopted.

REQUEST

REP. POLLERT REQUESTED a recorded roll call vote, which request was granted.

ROLL CALL

The question being on the motion to adopt the conference committee report on Engrossed SB 2001, the roll was called and there were 70 YEAS, 22 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Dobervich; Dockter; Eidson; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Jones; Karls; Kasper; Keiser; Kempenich; Koppelman, B.; Koppelman, K.; Laning; Lefor; Louser; Marschall; Martinson; McWilliams; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Sanford; Satrom; Schatz; Schauer; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Strinden; Trottier; Tveit; Vetter; Westlind; Zubke; Speaker Klemin

NAYS: Anderson, B.; Becker; Bellew; Damschen; Delzer; Devlin; Ertelt; Fegley; Johnston; Kading; Kiefert; Kreidt; Longmuir; Magrum; Meier; Rohr; Ruby, M.; Schmidt; Simons; Toman; Vigasaa; Weisz

ABSENT AND NOT VOTING: Johnson, M.; O'Brien

The conference committee report on Engrossed SB 2001 was adopted on a recorded roll call vote.

Engrossed SB 2001, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2001: A BILL for an Act to provide an appropriation for defraying the expenses of the office of the governor; to create and enact a new section to chapter 54-07 of the North Dakota Century Code, relating to the Theodore Roosevelt presidential library and museum endowment fund; to amend and reenact sections 54-07-04 and 54-08-03 of the North Dakota Century Code, relating to salary of the governor and lieutenant governor; to provide a continuing appropriation; to provide for a transfer; to authorize a loan; to provide an exemption; to provide for a report to the legislative assembly; to provide for a budget section report; 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 76 YEAS, 16 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Dobervich; Dockter; Eidson; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Jones; Karls; Kasper; Keiser; Kempenich; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Lefor; Louser; Marschall; Martinson; McWilliams; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Strinden; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Devlin; Ertelt; Fegley; Johnston; Kading; Kiefert; Longmuir; Magrum; Meier; Rohr; Ruby, M.; Simons; Toman

ABSENT AND NOT VOTING: Johnson, M.; O'Brien

Engrossed SB 2001, as amended, passed and the emergency clause was declared carried.

MOTION

REP. LOUSER MOVED that the House stand in recess until 1:00 p.m., which motion prevailed on a voice vote.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Klemin presiding.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 23, 2019, I have signed the following: HB 1001, HB 1008, HB 1067, HB 1074, HB 1095, HB 1119, HB 1123, HB 1205, HB 1271, HB 1283, HB 1366, HB 1368, HB 1412, HB 1417, HB 1454, HB 1467, HB 1468, HB 1469, HB 1502, and HB 1519.

REPORT OF CONFERENCE COMMITTEE

HB 1333, as engrossed: Your conference committee (Sens. Kreun, J. Roers, Sorvaag and Reps. Lefor, Keiser, P. Anderson) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1525-1527 and place HB 1333 on the Seventh order.

Engrossed HB 1333 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. LEFOR MOVED that the conference committee report on Engrossed HB 1333 be rejected, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. WEISZ MOVED that the conference committee report on Engrossed SB 2317 as printed on HJ pages 2047-2049 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2317, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2317: A BILL for an Act to amend and reenact sections 23-01-37 and 23-09.3-04 of the North Dakota Century Code, relating to health care facilities and licensure of nursing facilities; to provide for a legislative management study; to provide for a report; 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 90 YEAS, 3 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Bellew; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Delzer; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Strinden; Toman; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Ertelt; Paur

ABSENT AND NOT VOTING: O'Brien

Engrossed SB 2317, as amended, passed and the emergency clause was declared carried.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. SCHREIBER-BECK MOVED that the conference committee report on Engrossed SB 2215 as printed on HJ pages 2048-2049 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2215, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2215: A BILL for an Act to create and enact a new section to chapter 15.1-01 of the North Dakota Century Code, relating to the creation of the kindergarten through grade twelve education coordination council; to amend and reenact subsection 2 of section 28-32-01, and subsection 1 of section 54-59-33 of the North Dakota Century Code, relating to the definition of administrative agency, and the statewide longitudinal data system committee; and to repeal sections 54-59-17 and 54-59-18 of the North Dakota Century Code, relating to the educational technology council.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 73 YEAS, 20 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Bellew; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, D.; Johnson, M.; Jones; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Lefor; Longmuir; Louser; Marschall; Martinson; McWilliams; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Strinden; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Delzer; Ertelt; Hoverson; Johnson, C.; Johnston; Kading; Karls; Koppelman, B.; Laning; Magrum; Meier; Paur; Rohr; Ruby, M.; Schatz; Simons; Skroch; Steiner; Toman

ABSENT AND NOT VOTING: O'Brien

Engrossed SB 2215, as amended, passed.

REPORT OF CONFERENCE COMMITTEE

HB 1006, as engrossed: Your conference committee (Sens. Sorvaag, Bekkedahl, Grabinger and Reps. Beadle, Kempenich, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1515-1517, adopt amendments as follows, and place HB 1006 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1515-1517 of the House Journal and pages 1276 and 1277 of the Senate Journal and that Engrossed House Bill No. 1006 be amended as follows:

Page 1, line 2, after "commission" insert "; and to provide an exemptions"

Page 1, replace lines 12 through 19 with:

"Salaries and wages	\$1,431,222	\$95,106	\$1,526,328
Operating expenses	2,204,190	(199,436)	2,004,754
Capital assets	100,000	(100,000)	0
Grants	<u>7,150,000</u>	<u>38,650,000</u>	<u>45,800,000</u>
Total all funds	\$10,885,412	\$38,445,670	\$49,331,082
Less estimated income	<u>9,985,412</u>	<u>38,845,670</u>	<u>48,831,082</u>

Total general fund	\$900,000	(\$400,000)	\$500,000
Full-time equivalent positions	7.00	0.00	7.00"

Page 2, replace lines 2 and 3 with:

"Airport grants	\$0	\$20,000,000
Total special funds	\$0	\$20,000,000"

Page 2, line 9, remove "ENERGY IMPACT"

Page 2, line 9, after "GRANTS" insert "- EXEMPTION"

Page 2, line 10, replace "\$5,000,000" with "\$20,000,000"

Page 2, line 11, remove "energy impact"

Page 2, line 12, after the period, insert "Section 54-44.1-11 does not apply to this funding, and any funds not spent by June 30, 2021, must be continued into the biennium beginning July 1, 2021, and ending June 30, 2023, and may be expended only for providing grants to airports."

SECTION 4. AIRPORT INFRASTRUCTURE FUND - AIRPORT GRANTS - EXEMPTION. The estimated income line item in section 1 of this Act includes \$20,000,000 from the airport infrastructure fund for the aeronautics commission to provide grants to airports during the biennium beginning July 1, 2019, and ending June 30, 2021. Section 54-44.1-11 does not apply to this funding, and any funds not spent by June 30, 2021, must be continued into the biennium beginning July 1, 2021, and ending June 30, 2023, and may be expended only for providing grants to airports."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1006 - Aeronautics Commission - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$1,431,222	\$1,520,679	\$5,649	\$1,526,328	\$1,526,328	
Operating expenses	2,204,190	2,004,754		2,004,754	2,004,754	
Capital assets	100,000					
Grants	7,150,000	10,800,000	35,000,000	45,800,000	52,800,000	(\$7,000,000)
Total all funds	\$10,885,412	\$14,325,433	\$35,005,649	\$49,331,082	\$56,331,082	(\$7,000,000)
Less estimated income	9,985,412	13,825,433	35,005,649	48,831,082	55,831,082	(7,000,000)
General fund	\$900,000	\$500,000	\$0	\$500,000	\$500,000	\$0
FTE	7.00	7.00	0.00	7.00	7.00	0.00

Department 412 - Aeronautics Commission - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for Airport Infrastructure Grants ²	Adds Funding for Airport Grants ³	Total Conference Committee Changes
Salaries and wages	\$5,649			\$5,649
Operating expenses				
Capital assets				
Grants		\$20,000,000	\$15,000,000	35,000,000
Total all funds	\$5,649	\$20,000,000	\$15,000,000	\$35,005,649
Less estimated income	5,649	20,000,000	15,000,000	35,005,649
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, the same as the Senate version. The House provided funding for salary increases of 2 percent per year.

² Funding of \$20 million is added from funds available in the airport infrastructure fund, which was created in House Bill No. 1066, for the Aeronautics Commission to provide grants to airports, the same as the Senate version. The House version did not include this appropriation.

³ The Conference Committee added one-time funding of \$15 million from the strategic investment and improvements fund to provide a total of \$20 million for grants to airports. The Senate provided one-time funding of \$27 million from the strategic investment and improvements fund for grants to airports. The House provided one-time funding of \$5 million from the strategic investment and improvements fund for energy impact grants to airports.

This amendment also:

- Includes a section to identify \$20 million in the estimated income line item from the strategic investment and improvements fund and provides an exemption to allow the funds to be continued into the 2021-23 biennium. The Senate version included a section to identify \$27 million in the estimated income line item from the strategic investment and improvements fund. The House version identified \$5 million from the strategic investment and improvements fund.
- Adds a section to identify \$20 million in the estimated income line item from the airport infrastructure fund for grants to airports, and provides an exemption to allow the funds to be continued into the 2021-23 biennium, the same as the Senate version. The House version did not include this section.

Engrossed HB 1006 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. BEADLE MOVED that the conference committee report on Engrossed HB 1006 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1006, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1006: A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission; and to provide an exemption.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 78 YEAS, 15 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Bellew; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Sanford; Sstrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Steiner; Strinden; Trottier; Tveit; Vetter; Vigasaa; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Delzer; Devlin; Ertelt; Hoverson; Johnston; Koppelman, B.; Magrum; Marschall; Paulson; Ruby, M.; Simons; Skroch; Toman; Weisz

ABSENT AND NOT VOTING: O'Brien

Reengrossed HB 1006 passed.

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 2019.

REPORT OF CONFERENCE COMMITTEE

SB 2019, as engrossed: Your conference committee (Sens. Sorvaag, Bekkedahl, Mathern and Reps. Martinson, Schatz, Boe) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1349-1351, adopt amendments as follows, and place SB 2019 on the Seventh order:

That the House recede from its amendments as printed on pages 1349-1351 of the Senate Journal and pages 1532-1534 of the House Journal and that Engrossed Senate Bill No. 2019 be amended as follows:

Page 1, line 4, remove "and"

Page 1, line 4, after "exemption" insert "; to provide for a contingent loan authorization; to provide a contingent appropriation; to provide for a legislative management study; and to declare an emergency"

Page 1, replace lines 17 through 23 with:

"Administration	\$2,668,728	(\$63,729)	\$2,604,999
Park operations and maintenance	20,570,558	3,355,161	23,925,719
Recreation	<u>7,039,554</u>	<u>2,284,006</u>	<u>9,323,560</u>
Total all funds	\$30,278,840	\$5,575,438	\$35,854,278
Less estimated income	<u>17,389,561</u>	<u>5,968,174</u>	<u>23,357,735</u>
Total general fund	\$12,889,279	(\$392,736)	\$12,496,543
Full-time equivalent positions	62.50	(1.00)	61.50"

Page 2, replace lines 4 through 7 with:

"International Peace Garden	\$876,329	\$2,000,000	\$2,876,329
Total all funds	\$876,329	\$2,000,000	\$2,876,329
Less estimated income	<u>0</u>	<u>2,000,000</u>	<u>2,000,000</u>
Total general fund	\$876,329	\$0	\$876,329"

Page 2, replace lines 12 through 15 with:

"Lewis and Clark interpretive center	\$1,250,687	\$53,688	\$1,304,375
Total all funds	\$1,250,687	\$53,688	\$1,304,375
Less estimated income	<u>362,019</u>	<u>(27,901)</u>	<u>334,118</u>
Total general fund	\$888,668	\$81,589	\$970,257"

Page 2, replace lines 20 through 22 with:

"Grand total general fund	\$14,654,276	(\$311,147)	\$14,343,129
Grand total special funds	<u>17,751,580</u>	<u>10,940,273</u>	<u>28,691,853</u>
Grand total all funds	\$32,405,856	\$10,629,126	\$43,034,982"

Page 2, remove lines 28 through 31

Page 3, replace lines 1 through 10 with:

"Double ditch historic site repairs grant	\$500,000		\$0
Recreational opportunities on sovereign lands grant	500,000		0
Pipeline protest law enforcement support	200,000		0
Electronic payment processing system loan proceeds	88,000		0
Extraordinary repairs	0		634,126
Capital projects	0		1,755,000
International Peace Garden capital projects	0		2,000,000
Additional equipment	0		622,000
State park survey	0		150,000
Recreation mapping	0		75,000
Traffic counters	<u>0</u>		<u>75,000</u>
Total all funds	\$1,288,000		\$5,311,126
Less estimated income	<u>1,288,000</u>		<u>5,311,126</u>
Total general fund	\$0		\$0"

Page 4, after line 18, insert:

"SECTION 9. REQUIREMENTS - MATCHING FUNDS - GRANTS. Of the funds continued in section 1 of chapter 18 of the 2017 Session Laws as referenced in section 5 of chapter 18 of the 2017 Session Laws, the parks and recreation department shall provide a grant of up to \$250,000 to a nonprofit organization for the development of a community event space and visitor center in an area previously affected by river flooding. An entity receiving a grant pursuant to this section must provide one dollar of matching funds from nonstate sources for every dollar of grant funding received."

Page 4, after line 31, insert:

"SECTION 12. CONTINGENT LOAN AUTHORIZATION - CONTINGENT APPROPRIATION - INTERNATIONAL PEACE GARDEN. The parks and recreation department may borrow from the Bank of North Dakota, \$3,000,000, or so much of the sum as may be necessary, which is appropriated to the parks and recreation department for matching nonstate funds that may become available, for the biennium beginning July 1, 2019, and ending June 30, 2021. The funds authorized in this section may be borrowed and spent only upon certification by the director of the parks and recreation department to the director of the office of management and budget that the province of Manitoba or other entity has made available funds for capital projects at the International Peace Garden, during the biennium beginning July 1, 2019, and ending June 30, 2021. Expenditure of the funds appropriated in this section is subject to one dollar of matching funds from the province of Manitoba or other nonstate sources for each one dollar of state funds. The parks and recreation department shall request from the sixty-seventh legislative assembly an appropriation to repay any outstanding loans authorized in this section. The funding in this section is a one-time funding item."

Page 5, after line 13, insert:

"SECTION 14. LEGISLATIVE MANAGEMENT STUDY - LEWIS AND CLARK INTERPRETIVE CENTER OPERATIONS. During the 2019-20 interim, the legislative management shall study the feasibility and desirability of reducing Lewis and Clark interpretive center fees and consider alternatives to address the sustainability of the parks and recreation department's operations of the Lewis and Clark interpretive center. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

SECTION 15. LEGISLATIVE MANAGEMENT STUDY - PUBLIC ACCESS AND USE OF REAL PROPERTY OWNED BY THE STATE OF NORTH DAKOTA. During the 2019-20 interim, the legislative management shall study the public access and use of real property located between the Missouri River and the Missouri River correctional center, owned by the state of North Dakota, under the control of the department of corrections and rehabilitation, and the impact of transferring the property to the parks and recreation department. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

SECTION 16. EMERGENCY. Section 9 of this Act is declared to be an emergency measure."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2019 - Parks and Recreation Department - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Administration	\$2,668,728	\$2,603,605	\$1,394	\$2,604,999	\$2,604,999	
Park operations and maintenance	20,570,558	23,910,920	14,799	23,925,719	23,925,719	

Recreation	7,039,554	9,324,299	(739)	9,323,560	9,323,560	
International Peace Garden	876,329	2,876,329		2,876,329	5,876,329	(\$3,000,000)
Lewis and Clark Interpretive Center	1,250,687	1,301,704	2,671	1,304,375	1,484,375	(180,000)
Contingent Peace Garden Loan			3,000,000	3,000,000		3,000,000
Total all funds	\$32,405,856	\$40,016,857	\$3,018,125	\$43,034,982	\$43,214,982	(\$180,000)
Less estimated income	17,751,580	25,691,408	3,000,445	28,691,853	28,691,853	0
General fund	\$14,654,276	\$14,325,449	\$17,680	\$14,343,129	\$14,523,129	(\$180,000)
FTE	62.50	61.50	0.00	61.50	61.50	0.00

Department 750 - Parks and Recreation Department - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds Contingent Funding for Capital Projects ²	Total Conference Committee Changes
Administration	\$1,394		\$1,394
Park operations and maintenance	14,799		14,799
Recreation	(739)		(739)
International Peace Garden			
Lewis and Clark Interpretive Center	2,671		2,671
Contingent Peace Garden Loan		\$3,000,000	3,000,000
Total all funds	\$18,125	\$3,000,000	\$3,018,125
Less estimated income	445	3,000,000	3,000,445
General fund	\$17,680	\$0	\$17,680
FTE	0.00	0.00	0.00

¹ Funding is added to provide for state employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, to provide a total of \$334,084 for state employee salary increases, the same as provided in the House version. The Senate provided funding for a 2 percent salary increase on July 1, 2019, and a 3 percent salary increase on July 1, 2020, to provide a total of \$315,959.

² Adds contingent appropriation authority of \$3 million from proceeds received from a contingent loan from the Bank of North Dakota for providing one-time funding for Peace Garden capital projects, to provide a total of \$5 million for the project if the contingency is met. The House provided a total of \$5 million of one-time funding from the strategic investment and improvements fund. The Senate provided a total of \$2 million of one-time funding from the strategic investment and improvements fund.

The Conference Committee did not include \$180,000 from the general fund added by the House for Lewis and Clark Interpretive Center operations.

This amendment also:

- Adds a section directing the Parks and Recreation Department to grant up to \$250,000 from funds available in the 2017-19 biennium to the Fort Abraham Lincoln Foundation for heritage river landing and requires a dollar-for-dollar matching of funds from nonstate sources. The House also included this section.
- Adds a section providing for a contingent loan authorization to the Parks and Recreation Department to borrow up to \$3 million from the Bank of North Dakota and provides a contingent appropriation requiring a dollar-for-dollar matching of funds from the Province of Manitoba or other nonstate sources for International Peace Garden capital projects. Neither the House nor the Senate version included this section.
- Adds a section requiring the Legislative Management to study the potential reduction of Lewis and Clark Interpretive Center fees and options to address the sustainability of the Parks and Recreation Department's operations of the Lewis and Clark Interpretive Center. Neither the House nor the Senate version included this section.
- Adds a section requiring the Legislative Management to study the public access and use of real property owned by the state that is located between the Missouri River and the Missouri River Correctional Center. The House version included a section authorizing conveyance of real property owned by the State of North Dakota and

requiring the Department of Corrections and Rehabilitation to provide public access to the real property.

- Adds a section declaring the grant of \$250,000 to the Fort Abraham Lincoln Foundation to be an emergency measure. The House also included this section.

Engrossed SB 2019 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. BOE MOVED that the conference committee report on Engrossed SB 2019 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2019, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2019: A BILL for an Act to provide an appropriation for defraying the expenses of the parks and recreation department; to amend and reenact section 55-08-07.1 of the North Dakota Century Code, relating to the state parks and recreation concession revolving fund; to provide for a report to the legislative assembly; to provide for a transfer; to provide for an exemption; to provide for a contingent loan authorization; to provide a contingent appropriation; to provide for a legislative management study; 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 66 YEAS, 27 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Dobervich; Dockter; Eidson; Fegley; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Longmuir; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Pollert; Porter; Pyle; Richter; Roers Jones; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Strinden; Trottier; Tveit; Vigasaa; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Devlin; Ertelt; Fisher; Headland; Hoverson; Johnston; Kading; Koppelman, B.; Lefor; Louser; Magrum; Marschall; McWilliams; Paulson; Paur; Rohr; Ruby, D.; Ruby, M.; Simons; Skroch; Steiner; Toman; Vetter; Weisz

ABSENT AND NOT VOTING: O'Brien

Engrossed SB 2019, as amended, passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HB 1429, as engrossed: Your conference committee (Sens. Schaible, Elkin, Oban and Reps. Owens, Heinert, Guggisberg) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1282-1284, adopt amendments as follows, and place HB 1429 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1282-1284 of the House Journal and pages 1006-1009 of the Senate Journal and that Engrossed House Bill No. 1429 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 section to chapter 15.1-02 of the North Dakota Century Code, relating to a teacher shortage loan forgiveness program administered by the superintendent of public instruction; to amend and reenact section 15.1-02-04 of the North Dakota Century Code, relating to the duties of the superintendent of public instruction; to repeal section 15-10-38 of the North Dakota Century Code, relating to a teacher shortage loan forgiveness program administered by the state board of higher

education; to provide for a transfer; to provide an exemption; to provide an effective date; and to provide an expiration date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Section 15.1-02-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-04. Superintendent of public instruction - Duties.

The superintendent of public instruction:

1. Shall supervise the provision of elementary and secondary education to the students of this state.
2. Shall supervise the establishment and maintenance of schools and provide advice and counsel regarding the welfare of the schools.
3. Shall supervise the development of course content standards.
4. Shall supervise the assessment of students.
5. Shall serve as an ex officio member of the board of university and school lands.
6. Shall keep a complete record of all official acts and appeals.
7. As appropriate, shall determine the outcome of appeals regarding education matters.
8. Shall direct school district annexation, reorganization, and dissolution and employ and compensate personnel necessary to enable the state board of public school education to carry out its powers and duties regarding school district annexation, reorganization, and dissolution.
9. Shall administer a student loan forgiveness program for individuals teaching at grade levels, in content areas, and in geographical locations identified as having a teacher shortage or critical need.

SECTION 2. AMENDMENT. Section 15.1-02-04 of the North Dakota Century Code is amended and reenacted as follows:

15.1-02-04. Superintendent of public instruction - Duties.

The superintendent of public instruction:

1. Shall supervise the provision of elementary and secondary education to the students of this state.
2. Shall supervise the establishment and maintenance of schools and provide advice and counsel regarding the welfare of the schools.
3. Shall supervise the development of course content standards.
4. Shall supervise the assessment of students.
5. Shall serve as an ex officio member of the board of university and school lands.
6. Shall keep a complete record of all official acts and appeals.
7. As appropriate, shall determine the outcome of appeals regarding education matters.

8. Shall direct school district annexation, reorganization, and dissolution and employ and compensate personnel necessary to enable the state board of public school education to carry out its powers and duties regarding school district annexation, reorganization, and dissolution.
9. ~~Shall administer a student loan forgiveness program for individuals teaching at grade levels, in content areas, and in geographical locations identified as having a teacher shortage or critical need.~~

SECTION 3. A new section to chapter 15.1-02 of the North Dakota Century Code is created and enacted as follows:

Loans - Teacher shortages - Loan forgiveness.

1. The superintendent of public instruction shall administer a student loan forgiveness program for individuals teaching at grade levels, in content areas, and in geographical locations identified as having a teacher shortage or critical need. The superintendent may approve loan forgiveness for no more than two teachers per year in a school district. The superintendent shall adopt rules to implement the program.
2. The superintendent annually shall identify grade levels, content areas, and geographical locations in which a teacher shortage or critical need exists.
3. To be eligible for loan forgiveness under this section, an individual:
 - a. Must have graduated from an accredited teacher preparation program and signed a contract to teach at a grade level or in a content area and in a geographical location identified by the superintendent of public instruction as having an existing teacher shortage or critical need; and
 - b. Must have an existing student loan.
4. For purposes of this section, the definitions of rural school district and remote town school district have the same meaning as the definitions under the national center for education statistics locale codes.
5. If an individual is receiving loan forgiveness under any other provision, the individual may not receive loan forgiveness under this section during the same application year.
6. Subject to appropriation, an eligible individual may receive loan forgiveness under the program as follows:
 - a. If the individual accepts one of up to five positions of critical need in a nonrural school district or nonremote town school district, the individual may receive up to three thousand dollars per year for a maximum of four consecutive years.
 - b. If the individual accepts a position in a rural school district or remote town school district with an enrollment of fewer than one thousand students, the individual may receive up to four thousand five hundred dollars per year for a maximum of four consecutive years.
 - c. If the individual accepts one of up to five positions of critical need in a rural school district or remote town school district with an enrollment of fewer than one thousand students, the individual may receive up to six thousand five hundred dollars per year for a maximum of four consecutive years.
7. The superintendent shall consider all applications under this section based on the number of unfilled school vacancies, prioritized by critical need and geographic location.

8. Upon notification the individual has completed a full year of teaching in a school district, state-supported school, or nonpublic school in this state at a grade level or in a content area and in a geographical location identified by the superintendent as one in which a teacher shortage or critical need exists, the superintendent shall distribute funds directly to the lending institution of the individual to repay outstanding loan principal balances on behalf of eligible applicants. The superintendent shall terminate loan forgiveness payments to eligible individuals if the loan principal balance of the eligible individual is paid in full.
9. The superintendent of public instruction shall administer the program only for eligible individuals receiving teacher loan forgiveness benefits for the 2018-19 school year. The superintendent of public instruction shall provide benefits under this program to eligible individuals until the individual has received the maximum benefit under this section or has become ineligible to receive benefits under the program.

SECTION 4. REPEAL. Section 15-10-38 of the North Dakota Century Code is repealed.

SECTION 5. TRANSFER. The commissioner of higher education shall transfer the funding continued into the 2019-21 biennium to the superintendent of public instruction to defray the expenses of the teacher loan forgiveness program.

SECTION 6. EXEMPTION - TEACHER LOAN FORGIVENESS PROGRAM FUNDING. Pursuant to provisions of section 54-44.1-11 the unexpended amount remaining from the appropriation for the teacher loan forgiveness program, as authorized in section 1 of chapter 28 of the 2017 Session Laws, at the end of the 2017-19 biennium, may be continued into the 2019-21 biennium for the purpose of providing teacher loan forgiveness.

SECTION 7. EFFECTIVE DATE. Section 2 of this Act becomes effective July 1, 2023.

SECTION 8. EXPIRATION DATE. Section 3 of this Act is effective through June 30, 2022, and after that date is ineffective."

Renumber accordingly

Engrossed HB 1429 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. OWENS MOVED that the conference committee report on Engrossed HB 1429 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1429, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1429: A BILL for an Act to create and enact a new section to chapter 15.1-02 of the North Dakota Century Code, relating to a teacher shortage loan forgiveness program administered by the superintendent of public instruction; to amend and reenact section 15.1-02-04 of the North Dakota Century Code, relating to the duties of the superintendent of public instruction; to repeal section 15-10-38 of the North Dakota Century Code, relating to a teacher shortage loan forgiveness program administered by the state board of higher education; to provide for a transfer; to provide an exemption; to provide an effective date; and to provide an expiration date.

ROLL CALL

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

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Bellew; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Delzer; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad;

Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Ruby, M.; Sanford; Satrom; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Steiner; Strinden; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemm

NAYS: Becker; Ertelt; Johnston; Koppelman, B.; Magrum; Rohr; Schatz; Simons; Skroch; Toman

ABSENT AND NOT VOTING: O'Brien

Reengrossed HB 1429 passed.

REPORT OF CONFERENCE COMMITTEE

HB 1374, as engrossed: Your conference committee (Sens. J. Lee, Anderson, Hogue and Reps. Kasper, Keiser, M. Nelson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1399, adopt amendments as follows, and place HB 1374 on the Seventh order:

That the Senate recede from its amendments as printed on page 1399 of the House Journal and pages 1003 and 1004 of the Senate Journal and that Engrossed House Bill No. 1374 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 section to chapter 50-24.1 and a new section to chapter 54-52.1 of the North Dakota Century Code, relating to the medical assistance pharmacy management program and public employees retirement system prescription drug coverage benefits; to provide for a legislative management study; to provide for application; and to provide an effective date.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 50-24.1 of the North Dakota Century Code is created and enacted as follows:

Pharmacy management program.

The department shall establish a pharmacy management program to be used by the medical assistance program for Medicaid expansion for prescription drug coverage. The department shall process claims through the department's existing pharmacy claims system and Medicaid management information system and provide the contracted managed care plan with a daily pharmacy claims file for Medicaid expansion recipients.

SECTION 2. A new section to chapter 54-52.1 of the North Dakota Century Code is created and enacted as follows:

Prescription drug coverage - Performance audits.

1. Except for Medicare part D, prescription drug coverage, the board may not enter or renew a contract for prescription drug coverage unless the contract authorizes the board during the term of the contract to conduct a performance audit of the prescription drug coverage and any related pharmacy benefits management services. The contract must provide:
 - a. The board must have full access to data regarding:
 - (1) The total dollars paid to the pharmacy benefits manager by the carrier and the board;

- (2) The total amount of dollars paid to the pharmacy benefits manager by the carrier which were not subsequently paid to a licensed pharmacy in the state; and
- (3) Payments made to all pharmacy providers.
- b. The board must have full access to data regarding the average reimbursement, by drug ingredient cost, dispensing fee, and any other fee paid by a pharmacy benefits manager to licensed pharmacies with which the pharmacy benefits manager shares common ownership or control or is affiliated.
- c. The board must have full access to data regarding the average reimbursement, by drug ingredient cost, dispensing fee, and any other fee paid by a pharmacy benefits manager to pharmacies licensed in the state.
- d. The board must have full access to data regarding any direct and indirect fees, charges, or recoupment, or any kind of assessments imposed by the pharmacy benefits manager on pharmacies licensed with which the pharmacy benefits manager shares common ownership or control or is affiliated.
- e. The board must have full access to data regarding any direct and indirect fees, charges, or recoupment, or any kind of assessments imposed by the pharmacy benefits manager, on pharmacies licensed in the state.
- f. The contract must provide that all drug rebates, financial incentives, fees, and discounts must be disclosed to the board.
- 2. The board shall use an independent auditor who has no conflict of interest with the carrier, pharmacy benefits manager, or board. The board's auditor, the insurance department, and the employee benefits programs committee may access any information the board may access under this section. All information accessed by the board, board's auditor, insurance department, or employee benefits programs committee which is trade secret is a confidential record. This subsection does not limit the information required to be disclosed to the board under subsection 1.
- 3. If the board contracts directly with a pharmacy benefits manager or provides prescription drug coverage through a self-insurance plan, the contract must provide the pharmacy benefits manager shall disclose to the board and the board's auditor all rebates and any other fees that provide the pharmacy benefits manager with sources of income under the contract, including under related contracts the pharmacy benefits manager has with third parties, such as drug manufacturers.

SECTION 3. LEGISLATIVE MANAGEMENT STUDY - PUBLIC EMPLOYEES RETIREMENT SYSTEM PRESCRIPTION DRUG COVERAGE.

During the 2019-20 interim, the legislative management shall study the feasibility and desirability of the public employees retirement system entering a separate contract for prescription drug coverage under the uniform group insurance program. The legislative management may contract with a private third party to assist in conducting the study and identifying pros and cons relating to a carve out for prescription drug coverage under the uniform group insurance program. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-seventh legislative assembly.

SECTION 4. APPLICATION. Section 2 of this Act applies to contracts entered by the public employees retirement system board on and after the effective date of this Act.

SECTION 5. EFFECTIVE DATE. Section 1 of this Act becomes effective on January 1, 2020."

Renumber accordingly

Engrossed HB 1374 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. KASPER MOVED that the conference committee report on Engrossed HB 1374 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1374, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1374: A BILL for an Act to create and enact a new section to chapter 50-24.1 and a new section to chapter 54-52.1 of the North Dakota Century Code, relating to the medical assistance pharmacy management program and public employees retirement system prescription drug coverage benefits; to provide for a legislative management study; to provide for application; and to provide an effective date.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 93 YEAS, 0 NAYS, 0 EXCUSED, 1 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Becker; Bellew; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Delzer; Devlin; Dobervich; Dockter; Eidson; Ertelt; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Magrum; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schmidt; Schneider; Schobinger; Schreiber-Beck; Simons; Skroch; Steiner; Strinden; Toman; Trotter; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Klemin

ABSENT AND NOT VOTING: O'Brien

Reengrossed HB 1374 passed.

MOTION

REP. LOUSER MOVED that the House stand in recess until 4:30 p.m., which motion prevailed on a voice vote.

THE HOUSE RECONVENED pursuant to recess taken, with Speaker Klemin presiding.

REPORT OF CONFERENCE COMMITTEE

HCR 3055: Your conference committee (Sens. Cook, Unruh, Dotzenrod and Reps. Headland, B. Koppelman, Eidson) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1941-1942 and place HCR 3055 on the Seventh order.

HCR 3055 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. HEADLAND MOVED that the conference committee report on HCR 3055 be adopted, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

HB 1010, as engrossed: Your conference committee (Sens. Bekkedahl, Erbele, Grabinger and Reps. Meier, Schobinger, Holman) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1518-1519, adopt amendments as follows, and place HB 1010 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1518 and 1519 of the House Journal and pages 1281 and 1282 of the Senate Journal and that Engrossed House Bill No. 1010 be amended as follows:

Page 1, replace lines 11 through 17 with:

"Salaries and wages	\$905,453	\$63,405	\$968,858
Operating expenses	355,851	(70,077)	285,774
Grants	2,090,494	0	2,090,494
Total all funds	\$3,351,798	(\$6,672)	\$3,345,126
Less estimated income	1,786,922	(48,000)	1,738,922
Total general fund	\$1,564,876	\$41,328	\$1,606,204
Full-time equivalent positions	5.00	0.00	5.00"

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1010 - Council on the Arts - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$905,453	\$957,100	\$11,758	\$968,858	\$1,088,274	(\$119,416)
Operating expenses	355,851	277,851	7,923	285,774	285,774	
Grants	2,090,494	2,090,494		2,090,494	2,090,494	
Total all funds	\$3,351,798	\$3,325,445	\$19,681	\$3,345,126	\$3,464,542	(\$119,416)
Less estimated income	1,786,922	1,738,918	4	1,738,922	1,738,922	0
General fund	\$1,564,876	\$1,586,527	\$19,677	\$1,606,204	\$1,725,620	(\$119,416)
FTE	5.00	5.00	0.00	5.00	6.00	(1.00)

Department 709 - Council on the Arts - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adds Funding for Temporary Salaries ²	Restores Funding for Operating Expenses ³	Adds Funding for New Software Costs ⁴	Total Conference Committee Changes
Salaries and wages	\$4,391	\$7,367			\$11,758
Operating expenses			\$113	\$7,810	7,923
Grants					
Total all funds	\$4,391	\$7,367	\$113	\$7,810	\$19,681
Less estimated income	0	0	4	0	4
General fund	\$4,391	\$7,367	\$109	\$7,810	\$19,677
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding is added to provide for state employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, to provide a total of \$26,895 for state employee salary increases, the same as provided in the Senate version. The House provided funding for a salary increase of 2 percent on July 1, 2019, and 2 percent on July 1, 2020, to provide a total of \$22,504 for state employee salary increases.

² Funding of \$7,367 is added from the general fund for temporary salaries. The Senate and House versions did not provide additional funding for temporary salaries.

³ A portion of funding removed by the House for operating expenses is restored to provide for a total operating expenses reduction of \$29,887, the same as the Senate version. The House reduced funding for operating expenses by \$30,000.

⁴ Funding from the general fund is added for new software costs, the same as the Senate version.

The Conference Committee did not include funding of \$126,783 from the general fund added by the Senate for an administrative FTE position, the same as the House version.

Engrossed HB 1010 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. MEIER MOVED that the conference committee report on Engrossed HB 1010 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1010, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1010: A BILL for an Act to provide an appropriation for defraying the expenses of the council on the arts.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 70 YEAS, 22 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Heinert; Holman; Hoverson; Howe; Johnson, D.; Johnson, M.; Jones; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Steiner; Strinden; Trottier; Tveit; Vigesaa; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Ertelt; Headland; Johnson, C.; Johnston; Kading; Koppelman, B.; Louser; Magrum; Marschall; McWilliams; Paulson; Ruby, D.; Ruby, M.; Schatz; Simons; Skroch; Toman; Vetter; Weisz

ABSENT AND NOT VOTING: O'Brien; Schmidt

Reengrossed HB 1010 passed.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2014, SB 2214.

REPORT OF CONFERENCE COMMITTEE

SB 2014, as engrossed: Your conference committee (Sens. Sorvaag, Krebsbach, Grabinger and Reps. B. Anderson, Meier, Holman) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1308-1309, adopt amendments as follows, and place SB 2014 on the Seventh order:

That the House recede from its amendments as printed on pages 1308 and 1309 of the Senate Journal and page 1500 of the House Journal and that engrossed Senate Bill No. 2014 be amended as follows:

Page 1, replace lines 12 through 16 with:

"Protection and advocacy operations	<u>\$6,447,600</u>	<u>\$859,100</u>	<u>\$7,306,700</u>
Total all funds	\$6,447,600	\$859,100	\$7,306,700
Less estimated income	<u>3,488,601</u>	<u>505,534</u>	<u>3,994,135</u>
Total general fund	\$2,958,999	\$353,566	\$3,312,565
Full-time equivalent positions	27.50	1.00	28.50"

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:**Senate Bill No. 2014 - Protection and Advocacy Project - Conference Committee Action**

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Protection and advocacy operations	\$6,447,600	\$7,311,466	(\$4,766)	\$7,306,700	\$7,061,780	\$244,920
Total all funds	\$6,447,600	\$7,311,466	(\$4,766)	\$7,306,700	\$7,061,780	\$244,920
Less estimated income	3,488,601	3,993,330	805	3,994,135	3,917,423	76,712
General fund	\$2,958,999	\$3,318,136	(\$5,571)	\$3,312,565	\$3,144,357	\$168,208
FTE	27.50	28.50	0.00	28.50	27.50	1.00

Department 360 - Protection and Advocacy Project - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for Operating Expenses ²	Total Conference Committee Changes
Protection and advocacy operations	\$2,234	(\$7,000)	(\$4,766)
Total all funds	\$2,234	(\$7,000)	(\$4,766)
Less estimated income	805	0	805
General fund	\$1,429	(\$7,000)	(\$5,571)
FTE	0.00	0.00	0.00

¹ Funding of \$2,234 of which \$1,429 is from the general fund and \$805 is from federal funds, is added to provide funding for state employee salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and an increase of 2.5 percent on July 1, 2020, to provide total salary increases of \$161,814. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020 providing total salary increases of \$159,580.

² Funding for operating expenses is reduced by \$7,000 from the general fund, the same as the House version. The Senate did not reduce funding for operating expenses.

The House removed one FTE Olmstead Commission position. The Conference Committee included the FTE Olmstead Commission position, the same as the Senate. Engrossed SB 2014 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. HOLMAN MOVED that the conference committee report on Engrossed SB 2014 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2014, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2014: A BILL for an Act to provide an appropriation for defraying the expenses of the committee on protection and advocacy; and to provide a report to the legislative assembly.

ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 70 YEAS, 22 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Karls; Kasper; Keiser; Kiefert; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Martinson; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-

Beck; Strinden; Trottier; Tveit; Vetter; Vigesaa; Weisz; Westlind; Zubke; Speaker Klemm

NAYS: Becker; Bellew; Delzer; Ertelt; Headland; Hoverson; Johnston; Kading; Kempenich; Koppelman, B.; Magrum; Marschall; McWilliams; Paulson; Paur; Ruby, D.; Ruby, M.; Schatz; Simons; Skroch; Steiner; Toman

ABSENT AND NOT VOTING: O'Brien; Schmidt

Engrossed SB 2014, as amended, passed.

REPORT OF CONFERENCE COMMITTEE

SB 2214, as engrossed: Your conference committee (Sens. Schaible, Rust, Marcellais and Reps. Owens, Monson, Sanford) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1269-1270, adopt amendments as follows, and place SB 2214 on the Seventh order:

That the House recede from its amendments as printed on pages 1269 and 1270 of the Senate Journal and pages 1472 and 1473 of the House Journal and that Engrossed Senate Bill No. 2214 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to provide for a transfer from the foundation aid stabilization fund to the school construction assistance revolving loan fund; and to provide a statement of legislative intent.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. TRANSFER - FOUNDATION AID STABILIZATION FUND TO SCHOOL CONSTRUCTION ASSISTANCE REVOLVING LOAN FUND - USES.

The office of management and budget shall transfer the sum of \$75,000,000 from the foundation aid stabilization fund to the school construction assistance revolving loan fund during the biennium beginning July 1, 2019, and ending June 30, 2021. Of the \$75,000,000 transferred from the foundation aid stabilization fund, \$35,000,000 is from funding available in the fund on June 30, 2019, and \$40,000,000 is from earnings anticipated to be deposited into the fund during the biennium beginning July 1, 2019, and ending June 30, 2021. Pursuant to the continuing appropriation authority under section 15.1-36-08, \$5,000,000, or so much of the sum as may be necessary, is available from the school construction assistance revolving loan fund to the Bank of North Dakota to provide interest rate buydowns associated with loans issued under section 15.1-36-06. In addition, provided sufficient funding is available for loans to local school districts, the Bank of North Dakota may utilize funding from the school construction assistance revolving loan fund to repay a portion of the outstanding principal balance of loans issued under section 15.1-36-06 for the purpose of transferring a portion of the loans issued under that section from the Bank of North Dakota to the school construction assistance revolving loan fund. The remaining amount transferred to the school construction assistance revolving loan fund is available for new school construction loans.

SECTION 2. LEGISLATIVE INTENT - FOUNDATION AID STABILIZATION

FUND. It is the intent of the sixty-sixth legislative assembly that, for the biennium beginning July 1, 2021, and ending June 30, 2023, the sixty-seventh legislative assembly appropriate \$110,000,000 from the foundation aid stabilization fund to the department of public instruction for providing ongoing funding for state school aid and transfer \$75,000,000 from the foundation aid stabilization fund to the school construction assistance revolving loan fund."

ReNUMBER accordingly

Engrossed SB 2214 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. MONSON MOVED that the conference committee report on Engrossed SB 2214 be

adopted, which motion prevailed on a voice vote.

Engrossed SB 2214, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2214: A BILL for an Act to provide for a transfer from the foundation aid stabilization fund to the school construction assistance revolving loan fund; and to provide a statement of 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 87 YEAS, 5 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Delzer; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Hoverson; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Johnston; Jones; Kading; Karls; Kasper; Keiser; Kempenich; Kiefert; Koppelman, B.; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Louser; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Paulson; Paur; Pollert; Porter; Pyle; Richter; Roers Jones; Rohr; Ruby, D.; Ruby, M.; Sanford; Satrom; Schatz; Schauer; Schneider; Schobinger; Schreiber-Beck; Skroch; Steiner; Strinden; Toman; Trottier; Tveit; Vetter; Vigasaa; Weisz; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Ertelt; Magrum; Simons

ABSENT AND NOT VOTING: O'Brien; Schmidt

Engrossed SB 2214, as amended, passed.

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 2010.

REPORT OF CONFERENCE COMMITTEE

SB 2010, as engrossed: Your conference committee (Sens. Oehlke, Erbele, Grabinger and Reps. Beadle, Brandenburg, Bellew) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1572-1576, adopt amendments as follows, and place SB 2010 on the Seventh order:

That the House recede from its amendments as printed on pages 1572-1576 of the Senate Journal and pages 1740-1744 of the House Journal and that Engrossed Senate Bill No. 2010 be amended as follows:

Page 1, line 2, remove "chapter 23.1-16 and"

Page 1, line 3, remove "boiler inspections and"

Page 1, line 4, remove "sections 18-04-04, 18-04-04.1, and 18-04-05,"

Page 1, line 5, replace "subsection 1 of section 26.1-03-17, and" with "subdivision c of subsection 8 of section 26.1-04-03, subsection 2 of section 26.1-04-06,"

Page 1, line 6, after "26.1-23.1-01" insert ", and subsection 2 of section 26.1-25-16"

Page 1, line 8, after the second comma insert "insurance rebates,"

Page 1, line 9, remove "to repeal chapter 26.1-22.1 of the North Dakota Century Code, relating to"

Page 1, line 10, replace "boiler inspections; to provide a penalty;" with "to provide for a legislative management study; to provide a statement of legislative intent; to provide for a report;"

Page 1, line 10, remove "and to provide a"

Page 1, line 11, replace "contingent effective date" with "to provide for a penalty; and to declare an emergency"

Page 1, replace lines 20 through 23 with:

"Salaries and wages	\$8,549,567	(\$399,569)	\$8,149,998
Operating expenses	<u>2,179,777</u>	<u>(413,102)</u>	<u>1,766,675</u>
Total special funds	\$10,729,344	(\$812,671)	\$9,916,673
Full-time equivalent positions	46.00	(5.00)	41.00

SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO THE SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The following amounts reflect one-time funding items approved by the sixty-fifth legislative assembly for the 2017-19 biennium and the one-time funding items included in the appropriation in section 1 of this Act:

<u>One-Time Funding Description</u>	<u>2017-19</u>	<u>2019-21</u>
Health care analysis	<u>\$0</u>	<u>\$200,000</u>
Total special funds	\$0	\$200,000

The 2019-21 biennium one-time funding amounts are not a part of the entity's base budget for the 2021-23 biennium. The insurance commissioner shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2019, and ending June 30, 2021.

SECTION 3. APPROPRIATION. There is appropriated out of any moneys in the insurance tax distribution fund in the state treasury, not otherwise appropriated, the sum of \$18,818,030, or so much of the sum as may be necessary, to the insurance commissioner for the purpose of providing payments, in accordance with provisions of section 18-04-05, to North Dakota fire departments in the amount of \$17,989,505 and payments to the North Dakota firefighter's association in the amount of \$828,525, for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 2, remove lines 4 through 30

Page 3, remove lines 1 through 31

Page 4, remove lines 1 through 31

Page 5, remove lines 1 through 30

Page 6, remove lines 1 through 31

Page 7, remove lines 1 through 31

Page 8, remove lines 1 through 30

Page 9, remove lines 1 through 31

Page 10, remove lines 1 through 3

Page 10, line 16, replace "one hundred eleven thousand one hundred twenty-two" with "one hundred ten thousand five hundred eighty-two"

Page 10, remove lines 17 through 31

Page 11, replace lines 1 through 7 with:

"SECTION 7. AMENDMENT. Subdivision c of subsection 8 of section 26.1-04-03 of the North Dakota Century Code is amended and reenacted as follows:

- c. Notwithstanding any other provision in this subsection, if the cost does not exceed an aggregate retail value of one hundred dollars per person per year, an insurance producer may give a gift, prize, promotional article, logo merchandise, meal, or entertainment activity directly or indirectly to a person in connection with marketing, promoting, or advertising the business. As used in this subdivision, "person" means the named insured, policy owner, or prospective client or the spouse of any of these individuals, but the term does not include a certificate holder, child, or employee of the named insured, policy owner, or prospective client. Subject to the limits of this subdivision, an insurance producer may give a gift card for specific merchandise or services such as a meal, gasoline, or car wash but may not give cash, a cash card, any form of currency, or any refund or discount in premium. An insurance producer may not condition the giving of a gift, prize, promotional article, logo merchandise, meal, or entertainment activity on obtaining a quote or a contract of insurance. Notwithstanding the limitation in this subdivision, an insurance producer may make a donation to a nonprofit organization that is exempt from federal taxation under Internal Revenue Code section 501(c)(3) [26 U.S.C. 501(c)(3)] in any amount as long as the donation is not given as an inducement to obtain ~~a quote or a~~ contract of insurance.

SECTION 8. AMENDMENT. Subsection 2 of section 26.1-04-06 of the North Dakota Century Code is amended and reenacted as follows:

2. Notwithstanding any other provision in this section, if the cost does not exceed an aggregate retail value of one hundred dollars per person per year, an insurance producer may give a gift, prize, promotional article, logo merchandise, meal, or entertainment activity directly or indirectly to a person in connection with marketing, promoting, or advertising the business. As used in this subsection, "person" means the named insured, policy owner, or prospective client or the spouse of any of these individuals, but the term does not include a certificate holder, child, or employee of the named insured, policy owner, or prospective client. Subject to the limits of this subsection, an insurance producer may give a gift card for specific merchandise or services such as a meal, gasoline, or car wash but may not give cash, a cash card, any form of currency, or any refund or discount in premium. An insurance producer may not condition the giving of a gift, prize, promotional article, logo merchandise, meal, or entertainment activity on obtaining a quote or a contract of insurance. Notwithstanding the limitation in this subsection, an insurance producer may make a donation to a nonprofit organization that is exempt from federal taxation under Internal Revenue Code section 501(c)(3) [26 U.S.C. 501(c)(3)] in any amount as long as the donation is not given as an inducement to obtain ~~a quote or a~~ contract of insurance."

Page 13, replace lines 22 through 28 with:

"SECTION 14. AMENDMENT. Subsection 2 of section 26.1-25-16 of the North Dakota Century Code is amended and reenacted as follows:

2. Notwithstanding any other provision in this section, if the cost does not exceed an aggregate retail value of one hundred dollars per person per year, an insurance producer may give a gift, prize, promotional article, logo merchandise, meal, or entertainment activity directly or indirectly to a person in connection with marketing, promoting, or advertising the business. As used in this subsection, "person" means the named insured, policy owner, or prospective client or the spouse of any of these individuals, but the term does not include a certificate holder, child, or employee of the named insured, policy owner, or prospective client. Subject to the limits of this subsection, an insurance producer may give a

gift card for specific merchandise or services such as a meal, gasoline, or car wash but may not give cash, a cash card, any form of currency, or any refund or discount in premium. An insurance producer may not condition the giving of a gift, prize, promotional article, logo merchandise, meal, or entertainment activity on obtaining a quote or a contract of insurance. Notwithstanding the limitation in this subsection, an insurance producer may make a donation to a nonprofit organization that is exempt from federal taxation under Internal Revenue Code section 501(c)(3) [26 U.S.C. 501(c)(3)] in any amount as long as the donation is not given as an inducement to obtain a quote or a contract of insurance.

SECTION 15. REPORT TO THE LEGISLATIVE MANAGEMENT - INSURANCE DEPARTMENT ANALYSIS OF HEALTH CARE - HOSPITAL REPORTING - PENALTY. During the 2019-20 interim, the insurance department shall assist the legislative management with the interim study of health insurance premium trends as approved by the sixty-sixth legislative assembly in House Bill No. 1106. During the interim, the insurance department shall conduct a detailed analysis of health care in the state and submit the report to the legislative management. During the interim, upon request of the insurance department, hospitals in cities with a population exceeding ten thousand shall provide the insurance department requested data regarding billing and payment information, financial information, management information, and other information the insurance department deems necessary to complete a detailed analysis of health care in the state. The department may not request data that include personally identifiable information and the hospitals may provide data in the aggregate. If a hospital fails, without just cause, to provide the insurance department with requested data as required under this section, the insurance commissioner may charge the hospital a civil penalty of up to one thousand dollars per day the hospital is in violation.

SECTION 16. LEGISLATIVE INTENT - INSURANCE TAX DISTRIBUTION FUND PAYMENTS TO FIRE DEPARTMENTS. It is the intent of the sixty-sixth legislative assembly that, when feasible, fire departments utilize increased payments from the insurance tax distribution fund to improve their insurance service office rating.

SECTION 17. LEGISLATIVE MANAGEMENT STUDY - HEALTH INSURANCE - PRE-EXISTING CONDITIONS. During the 2019-20 interim, the legislative management shall consider studying the feasibility and desirability of state guaranteed issue provisions for health insurance. The study must include consideration of protections for individuals with pre-existing conditions and consideration of whether to restructure the comprehensive health association of North Dakota. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

SECTION 18. LEGISLATIVE MANAGEMENT STUDY - VOLUNTEER FIREFIGHTER PENSION. During the 2019-20 interim, the legislative management shall consider studying the feasibility and desirability of establishing a pension for volunteer firefighters. The study must include a review of firefighter needs in the state and benefits provided to volunteer firefighters in other states. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly.

SECTION 19. EMERGENCY. Sections 9, 10, 11, 12, and 13 of this Act are declared to be an emergency measure."

Renumber accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2010 - Insurance Department - Conference Committee Action

Base
Budget

Senate
Version

Conference Committee Changes

Conference
Committee
Version

House
Version

Comparison to
House

Salaries and wages	\$8,549,567	\$8,134,475	\$15,523	\$8,149,998	\$8,149,998	
Operating expenses	2,179,777	1,566,675	200,000	1,766,675	1,566,675	\$200,000
Insurance tax payments	15,064,086		18,818,030	18,818,030	17,519,422	1,298,608
Total all funds	\$25,793,430	\$9,701,150	\$19,033,553	\$28,734,703	\$27,236,095	\$1,498,608
Less estimated income	25,793,430	9,701,150	19,033,553	28,734,703	27,236,095	1,498,608
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	46.00	41.00	0.00	41.00	41.00	0.00

Department 401 - Insurance Department - Detail of Conference Committee Changes

	Adds Funding for Salary Increases ¹	Adjusts Funding for Fire District Payments ²	Add One-Time Funding for Health Care Analysis ³	Total Conference Committee Changes
Salaries and wages	\$15,523			\$15,523
Operating expenses			\$200,000	200,000
Insurance tax payments		\$18,818,030		18,818,030
Total all funds	\$15,523	\$18,818,030	\$200,000	\$19,033,553
Less estimated income	15,523	18,818,030	200,000	19,033,553
General fund	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00

¹ Funding is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020, the same as the House version. The Senate provided funding for a 2 percent salary increase on July 1, 2019, and a 3 percent salary increase on July 1, 2020.

² Funding from the insurance tax distribution fund for payments to fire districts and the North Dakota Firefighter's Association is restored to reflect the removal of continuing appropriation authority approved by the Senate. The House also removed the continuing appropriation authority. This amendment provides \$17,989,505 to be distributed to fire departments, an increase of \$3,753,944 from the base level. The Senate provided an estimated \$17,783,038 and the House provided \$16,773,750 for fire department payments. The amendment also provides \$828,525 to be distributed to the North Dakota Firefighter's Association, the same as the base level. The Senate provided an estimated \$1,034,992 and the House provided \$745,672 for the North Dakota Firefighter's Association. This results in a general fund revenue reduction of \$3,753,944 compared to the base level, the same as the Senate version and \$1,298,608 more than the House version.

³ One-time funding of \$200,000 is appropriated for an analysis of health care in the state to assist the Legislative Management in its study of health insurance premium trends pursuant to House Bill No. 1106. Neither the House nor the Senate included funding for the health care analysis.

Senate Bill No. 2010 - Other Changes - Conference Committee Action

This amendment also:

- Removes sections added by the Senate to provide continuing appropriation authority to the Insurance Commissioner for fire department and North Dakota Firefighter's Association payments from the insurance tax distribution fund. The House also removed these sections.
- Removes sections added by the Senate to provide for the transfer of the boiler inspection program to the Department of Environmental Quality. The transfer of the program is provided for in the Senate version of House Bill No. 1024.
- Adjusts the section providing statutory changes necessary to increase the salary of the Insurance Commissioner, the same as the House version.
- Adds sections to provide statutory changes relating to rebates associated with obtaining an insurance quote, the same as the House version.
- Adds a section to provide for the Insurance Department to conduct a detailed analysis of health care in the state to assist the Legislative Management with its interim study of health insurance premium trends pursuant to House Bill No. 1106. Neither the House nor the Senate included this section.

- Does not include a section added by the House to provide accident and health insurance policies may not take into account any pre-existing condition of an applicant. The Conference Committee amendment provides for a Legislative Management study of health insurance coverage for pre-existing conditions.
- Adds a section to provide legislative intent that fire departments utilize increased distributions from the insurance tax distribution fund to improve their Insurance Service Office (ISO) ratings, the same as the House version.
- Adds a section to provide for a Legislative Management study of the feasibility and desirability of establishing a pension for volunteer firefighters, the same as the House version.
- Adds a section to declare the sections providing for the transfer of administration of the state bonding fund and the state fire and tornado fund to be an emergency.

Engrossed SB 2010 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. BEADLE MOVED that the conference committee report on Engrossed SB 2010 be adopted, which motion prevailed on a verification vote.

Engrossed SB 2010, as amended, was placed on the Fourteenth order of business.

SECOND READING OF SENATE BILL

SB 2010: A BILL for an Act to provide an appropriation for defraying the expenses of the insurance commissioner; to create and enact section 26.1-22-03.1 of the North Dakota Century Code, relating to North Dakota reserve fund use of producers; to amend and reenact subsection 2 of section 26.1-01-07, section 26.1-01-09, subdivision c of subsection 8 of section 26.1-04-03, subsection 2 of section 26.1-04-06, sections 26.1-21-03, 26.1-21-17, 26.1-22-03, and 26.1-23.1-01, and subsection 2 of section 26.1-25-16 of the North Dakota Century Code, relating to the state fire and tornado fund, the state bonding fund, fees chargeable by the insurance commissioner, the salary of the insurance commissioner, insurance rebates, and government self-insurance pools; to provide for a legislative management study; to provide a statement of legislative intent; to provide for a report; to provide a continuing appropriation; to provide for a penalty; 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 67 YEAS, 25 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Karls; Kasper; Keiser; Kempenich; Koppelman, K.; Kreidt; Laning; Lefor; Longmuir; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Pollert; Porter; Pyle; Richter; Roers Jones; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Strinden; Trottier; Tveit; Vetter; Vigesaa; Westlind; Zubke; Speaker Klemin

NAYS: Becker; Bellew; Delzer; Ertelt; Fisher; Headland; Hoverson; Johnston; Kading; Kiefert; Koppelman, B.; Louser; Magrum; Marschall; Paulson; Paur; Rohr; Ruby, D.; Ruby, M.; Schatz; Simons; Skroch; Steiner; Toman; Weisz

ABSENT AND NOT VOTING: O'Brien; Schmidt

Engrossed SB 2010, as amended, passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HB 1393, as engrossed: Your conference committee (Sens. Dwyer, Myrdal, Bakke and Reps. Roers Jones, Vetter, Simons) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1189-1190, adopt amendments as follows, and place HB 1393 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1189 and 1190 of the House Journal and page 909 of the Senate Journal and that Engrossed House Bill No. 1393 be amended as follows:

Page 2, line 27, replace "B" with "A"

Page 3, line 3, replace "B" with "A"

Page 3, line 3, replace "or" with "of subsection 2 and a class C felony for an offense under subdivision"

Page 3, after line 3, insert:

"c. A class B felony for an offense under subdivision b or c of subsection 2 if the victim is under twelve years of age.

4. A person charged with an offense under this section must be prosecuted in district court."

ReNUMBER accordingly

Engrossed HB 1393 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

REP. ROERS JONES MOVED that the conference committee report on Engrossed HB 1393 be adopted, which motion prevailed on a verification vote.

Engrossed HB 1393, as amended, was placed on the Eleventh order of business.

SECOND READING OF HOUSE BILL

HB 1393: A BILL for an Act to create and enact section 12.1-17-01.2 of the North Dakota Century Code, relating to domestic violence; to amend and reenact subsection 4 of section 12-60-16.4, section 12.1-17-01, subsection 6 of section 12.1-17-07.1, sections 12.1-17-13 and 12.1-32-07, and subsection 3 of section 12.1-38-01 of the North Dakota Century Code, relating to simple assault; 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 73 YEAS, 19 NAYS, 0 EXCUSED, 2 ABSENT AND NOT VOTING.

YEAS: Adams; Anderson, B.; Anderson, D.; Anderson, P.; Beadle; Blum; Boe; Bosch; Boschee; Brandenburg; Buffalo; Damschen; Devlin; Dobervich; Dockter; Eidson; Fegley; Fisher; Grueneich; Guggisberg; Hager; Hanson; Hatlestad; Headland; Heinert; Holman; Howe; Johnson, C.; Johnson, D.; Johnson, M.; Jones; Karls; Kasper; Keiser; Kempenich; Koppelman, B.; Koppelman, K.; Kreidt; Longmuir; Louser; Marschall; Martinson; McWilliams; Meier; Mitskog; Mock; Monson; Nathe; Nelson, J.; Nelson, M.; Owens; Pollert; Porter; Pyle; Richter; Roers Jones; Ruby, D.; Ruby, M.; Sanford; Satrom; Schauer; Schneider; Schobinger; Schreiber-Beck; Skroch; Strinden; Toman; Trottier; Vetter; Vigesaa; Westlind; Zubke; Speaker Klemm

NAYS: Becker; Bellew; Delzer; Ertelt; Hoverson; Johnston; Kading; Kiefert; Laning; Lefor; Magrum; Paulson; Paur; Rohr; Schatz; Simons; Steiner; Tveit; Weisz

ABSENT AND NOT VOTING: O'Brien; Schmidt

Reengrossed HB 1393 passed.

COMMUNICATION FROM GOVERNOR DOUG BURGUM

This is to inform you that on April 24, 2019, I have signed the following: HB 1045, HB 1230, HB 1285, HB 1287, HB 1356, HB 1382, HB 1383, and HB 1439.

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 1333.

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

MR. PRESIDENT: The House has adopted the conference committee report on: HCR 3055.

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 1006, HB 1374, HB 1429.

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 1010, HB 1393.

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 1024, HB 1541.

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 2014, SB 2214.

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 2215.

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 1194.

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 2001.

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 2010.

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 2019, SB 2317.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2003.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1006, HB 1374, HB 1429.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1019, HB 1024, HB 1174, HB 1541.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1461.

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 2004.

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 1056, HB 1194.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently failed to pass: SB 2346.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The Senate has adopted the conference committee report and subsequently failed to pass: HB 1533.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1004, HB 1025, HB 1040, HB 1157, HB 1202.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1056.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1407, HB 1461.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2005, SB 2224.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2019, SB 2215, SB 2317.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: Your signature is respectfully requested on: SB 2293, SB 2345.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1004, HB 1025, HB 1040, HB 1157, HB 1202.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: HB 1407, HB 1461.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: HB 1004, HB 1025, HB 1040, HB 1157, HB 1202.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: SB 2005, SB 2224.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: SB 2293, SB 2345.

MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)
MR. SPEAKER: The President has signed: SB 2005, SB 2224.

DELIVERY OF ENROLLED BILLS AND RESOLUTIONS

The following bills were delivered to the Governor for approval on April 24, 2019: HB 1004, HB 1025, HB 1040, HB 1157, HB 1202.

MOTION

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

MOTION

REP. LOUSER MOVED that the House be on the Fourth, Fifth, Ninth, and Thirteenth orders of business and at the conclusion of those orders, the House stand adjourned until 8:00 a.m., Thursday, April 25, 2019, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

HB 1011, as engrossed: Your conference committee (Sens. Krebsbach, G. Lee, Grabinger and Reps. Bellew, Brandenburg, Mock) recommends that the **SENATE RECEDE**

from the Senate amendments as printed on HJ pages 1634-1636, adopt amendments as follows, and place HB 1011 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1634-1636 of the House Journal and pages 1353-1354 of the Senate Journal and that Engrossed House Bill No. 1011 be amended as follows:

Page 1, line 3, remove "and"

Page 1, line 3, after "exemption" insert "; and to provide for a report"

Page 1, replace lines 13 through 17 with:

"Highway patrol	<u>\$57,230,706</u>	<u>\$4,263,397</u>	<u>\$61,494,103</u>
Total all funds	\$57,230,706	\$4,263,397	\$61,494,103
Less estimated income	<u>14,703,278</u>	<u>2,495,420</u>	<u>17,198,698</u>
Total general fund	\$42,527,428	\$1,767,977	\$44,295,405
Full-time equivalent positions	204.00	(7.00)	197.00"

Page 2, line 25, replace "\$7,089,982" with "\$7,204,043"

Page 2, line 31, replace "\$3,349,489" with "\$3,356,069"

Page 3, after line 16, insert:

"SECTION 8. RELOCATION OF LAW ENFORCEMENT TRAINING ACADEMY - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. During the 2019-20 interim, the highway patrol shall develop alternatives to relocate the housing and classroom portions of the law enforcement training academy. In developing the alternatives, the highway patrol shall review locations for a new facility, evaluate the proper capacity of the facility to serve future law enforcement training needs, and obtain estimated costs of each alternative. The highway patrol shall report to the appropriations committees of the sixty-seventh legislative assembly regarding the alternatives to relocate the training academy."

Re-number accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1011 - Highway Patrol - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Highway patrol	\$57,230,706	\$60,496,496	\$997,607	\$61,494,103	\$62,164,736	(\$670,633)
Total all funds	\$57,230,706	\$60,496,496	\$997,607	\$61,494,103	\$62,164,736	(\$670,633)
Less estimated income	14,703,278	17,062,742	135,956	17,198,698	17,570,753	(372,055)
General fund	\$42,527,428	\$43,433,754	\$861,651	\$44,295,405	\$44,593,983	(\$298,578)
FTE	204.00	195.00	2.00	197.00	201.00	(4.00)

Department 504 - Highway Patrol - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Adjusts Salary Funding ²	Restores a Portion of Salaries and Wages Funding for FTE Trooper Positions ³	Total Conference Committee Changes
Highway patrol	\$176,497	\$195,110	\$626,000	\$997,607
Total all funds	\$176,497	\$195,110	\$626,000	\$997,607
Less estimated income	48,316	0	87,640	135,956
General fund	\$128,181	\$195,110	\$538,360	\$861,651
FTE	0.00	0.00	2.00	2.00

¹ Funding is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020, the same as the Senate version. The House provided funding for a

2 percent salary increase on July 1, 2019, and a 2 percent salary increase on July 1, 2020.

² Funding is adjusted for the salaries and wages of 2 FTE positions that were miscoded in the agency's budget request. The Senate also made this adjustment.

³ Two of the four FTE trooper positions and related funding of \$371,000 removed by the House are restored. Salary funding of \$255,000 for the 2 unrestored trooper positions is also added back for agency salary equity funding adjustments. The Senate version restored funding for all 4 FTE trooper positions.

Two FTE crash assistance positions and related funding added by the Senate are not included in the Conference Committee amendments. Adjustments made by the Senate to Section 3 of the bill related to the crash assistance program are also not included.

This amendment also:

- Amends Sections 4 and 5 of the bill to adjust the amount of funding provided from the highway tax distribution fund and motor carrier electronic permit fund.
- Adds a section to require the Highway Patrol to develop alternatives to relocate the Law Enforcement Training Academy and to report to the Appropriations Committees of the 67th Legislative Assembly regarding the alternatives. This section was also added by the Senate.

Engrossed HB 1011 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1012, as engrossed: Your conference committee (Sens. G. Lee, Oehlke, Grabinger and Reps. Brandenburg, Vigasaa, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1569-1571, adopt amendments as follows, and place HB 1012 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1569-1571 of the House Journal and pages 1322-1324 of the Senate Journal and that Engrossed House Bill No. 1012 be amended as follows:

Page 1, line 2, after the semicolon insert "to create and enact a new subsection to section 57-40.3-04 of the North Dakota Century Code, relating to exemptions from motor vehicle excise tax;"

Page 1, line 4, after the first semicolon insert "to provide for a contingent loan authorization; provide a contingent appropriation;"

Page 1, line 4, remove "to provide for the operation of maintenance"

Page 1, line 5, replace "section sites" with "to provide legislative intent"

Page 1, line 5, after the fourth semicolon insert "to provide an effective date;"

Page 1, replace lines 15 through 20 with:

"Salaries and wages	\$201,478,341	(\$3,651,303)	\$197,827,038
Operating expenses	229,381,646	28,156,139	257,537,785
Capital assets	771,101,851	89,924,093	861,025,944
Grants	<u>67,528,030</u>	<u>28,326,607</u>	<u>95,854,637</u>
Total special funds	\$1,269,489,868	\$142,755,536	\$1,412,245,404
Full-time equivalent positions	1,047.00	(65.00)	982.00"

Page 2, line 20, replace "2017-19" with "2019-21"

Page 2, line 20, replace "2019" with "2021"

Page 2, line 21, replace "2019" with "2021"

Page 2, line 21, replace "2021" with "2023"

Page 2, line 29, after "APPROPRIATION" insert "- 2017-19 BIENNIUM"

Page 2, line 29, replace "ENHANCED STATE HIGHWAY" with "ROAD MAINTENANCE"

Page 3, line 1, remove "enhanced state"

Page 3, line 2, replace "highway improvements" with "road maintenance"

Page 3, line 6, replace "enhanced state highway improvements" with "road maintenance"

Page 3, after line 6, insert:

"SECTION 7. CONTINGENT LOAN AUTHORIZATION - CONTINGENT APPROPRIATION - HIGHWAY IMPROVEMENT PROJECTS. The department of transportation may borrow from the Bank of North Dakota, \$50,000,000, or so much of the sum as may be necessary, which is appropriated to the department of transportation for matching federal funds that may become available, for the biennium beginning July 1, 2019, and ending June 30, 2021. The funds authorized in this section may be borrowed and spent only upon certification by the director of the department of transportation to the director of the office of management and budget that the department has been awarded additional federal grants, which were applied for after February 1, 2019, during the biennium beginning July 1, 2019, and ending June 30, 2021. The department of transportation shall request from the sixty-seventh legislative assembly an appropriation to repay any outstanding loans authorized in this section. The appropriation in this section is a one-time funding item."

Page 3, replace lines 21 through 30 with:

"SECTION 9. LEGISLATIVE INTENT - MAINTENANCE SECTION SITES - SEASONAL WINTER SERVICES. It is the intent of the sixty-sixth legislative assembly that the department of transportation provide seasonal winter services at the Mayville, Courtenay, Gackle, New England, Litchville, and Finley maintenance section sites for the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 4, replace lines 8 through 11 with:

"SECTION 11. A new subsection to section 57-40.3-04 of the North Dakota Century Code is created and enacted as follows:

Any motor vehicle in the possession of and used exclusively by a public transportation provider that receives a distribution of funds under section 39-04.2-04 to provide public transportation services.

SECTION 12. EFFECTIVE DATE. Section 11 of this Act is effective for taxable events occurring after June 30, 2019."

Page 4, line 12, replace "7" with "8"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1012 - Department of Transportation - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$201,478,341	\$201,938,923	(\$4,111,885)	\$197,827,038	\$198,161,038	(\$334,000)
Operating expenses	229,381,646	249,253,334	8,284,451	257,537,785	257,537,785	
Capital assets	771,101,851	861,025,944		861,025,944	861,025,944	
Grants	67,528,030	95,854,637		95,854,637	95,854,637	
Short line railroad program		2,500,000		2,500,000	2,500,000	
Contingent Bank of North Dakota Loan			50,000,000	50,000,000		50,000,000
Total all funds	\$1,269,489,868	\$1,410,572,838	\$54,172,566	\$1,464,745,404	\$1,415,079,404	\$49,666,000
Less estimated income	1,269,489,868	1,408,072,838	54,172,566	1,462,245,404	1,412,579,404	49,666,000
General fund	\$0	\$2,500,000	\$0	\$2,500,000	\$2,500,000	\$0
FTE	1,047.00	1,005.00	(23.00)	982.00	984.00	(2.00)

Department 801 - Department of Transportation - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Restores and Adds FTE Positions ²	Transfers 41 FTE for IT Unification ³	Adds Contingent Bank of North Dakota Loan ⁴	Total Conference Committee Changes
Salaries and wages	\$778,127	\$3,334,000	(\$8,224,012)		(\$4,111,885)
Operating expenses			8,284,451		8,284,451
Capital assets					
Grants					
Short line railroad program					
Contingent Bank of North Dakota Loan				\$50,000,000	50,000,000
Total all funds	\$778,127	\$3,334,000	\$60,439	\$50,000,000	\$54,172,566
Less estimated income	778,127	3,334,000	60,439	50,000,000	54,172,566
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	18.00	(41.00)	0.00	(23.00)

¹ Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, the same as the Senate version. The House provided funding for salary increases of 2 percent per year.

² The Conference Committee restored 16 FTE positions (\$3,000,000) of the 42 FTE positions removed by the House and added 2 FTE positions which relate to Fargo driver's license operations (\$334,000). The Senate restored the 16 FTE positions (\$3,000,000) and added 4 FTE positions (\$668,000) of which 2 relate to Fargo driver's license operations.

³ Forty-one FTE positions are transferred to the Information Technology Department for the IT unification project, resulting in reduced salaries and wages of \$8,224,012 and increased operating expenses of \$8,284,451, the same as the Senate version. The House version did not include the IT unification project.

⁴ A \$50 million contingent appropriation from proceeds received from a contingent loan from the Bank of North Dakota is added for providing one-time funding for matching federal grants the department applied for after February 1, 2019, the same as the Senate version. The House did not include this section.

This amendment also:

- Provides that \$503,115,558 appropriated in the capital assets line item in House Bill No. 1012 (2015) relating to enhanced state highway investments is exempt from provisions of North Dakota Century Code Section 54-44.1-11 and may be continued into the 2021-23 biennium, the same as the Senate version. The House authorized these funds to be continued into the 2019-21 biennium only.
- Changes the purpose of the \$13 million from the general fund provided by the House for the 2017-19 biennium from enhanced state highway funding to road maintenance funding, the same as the Senate version.
- Adds a section authorizing the Department of Transportation to obtain a contingent loan from the Bank of North Dakota and appropriates those funds to the Department of Transportation for the purpose of matching federal grants that the department applies for after February 1, 2019, the same as the Senate version. The House did not include this section.
- Removes a section added by the House directing the department to establish the Mayville section site as a satellite site of the Hillsboro section and set requirements for seasonal winter services in the Courtenay, Gackle, New England, and Finley sections, the same as the Senate version.
- Adds a section of legislative intent that the Department of Transportation provide seasonal winter services at the Mayville, Courtenay, Gackle, New England, Litchville, and Finley sections, neither the Senate nor the House included this section.

- Creates a new subsection to Section 57-40.3-04 to provide an exemption from the motor vehicle excise tax for vehicles purchased by public transportation providers that receive state funding through the highway tax distribution formula and provide public transportation services and provides an effective date, same as the Senate version. The House version did not include these sections.
- Removes a section added by the House requiring the Department of Transportation to report to the 2021 Legislative Assembly regarding the department's state fleet expenditures compared to its 2019-21 biennium budgeted amounts, same as the Senate version.

Engrossed HB 1012 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

HB 1396, as engrossed: Your conference committee (Sens. Myrdal, D. Larson, Bakke and Reps. K. Koppelman, Satrom, Magrum) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1459, adopt amendments as follows, and place HB 1396 on the Seventh order:

That the Senate recede from its amendments as printed on page 1459 of the House Journal and page 1217 of the Senate Journal and that Engrossed House Bill No. 1396 be amended as follows:

Page 1, line 20, remove "Any person who has pled guilty or nolo contendere to, or has been"

Page 1, remove lines 21 and 22

Page 2, line 5, remove "Any person who has pled guilty or nolo contendere"

Page 2, remove lines 6 through 8

Page 2, line 12, remove "Any person who has pled guilty or nolo contendere to."

Page 2, replace lines 13 through 15 with:

"4. A person who has pled guilty or nolo contendere to, or has been found guilty of an offense under this section must be sentenced to a minimum of one year imprisonment."

Renumber accordingly

Engrossed HB 1396 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2003, as reengrossed: Your conference committee (Sens. Sorvaag, Bekkedahl, Grabinger and Reps. Kempenich, Howe, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1479-1482, adopt amendments as follows, and place SB 2003 on the Seventh order:

That the House recede from its amendments as printed on pages 1479-1482 of the Senate Journal and pages 1670-1674 of the House Journal and that Reengrossed Senate Bill No. 2003 be amended as follows:

Page 1, line 2, after "sections" insert "31-01-16,"

Page 1, line 2, after "53-12.1-09" insert a comma

Page 1, line 3, after the first "to" insert "prosecution witness fees,"

Page 1, line 4, after "fund" insert a comma

Page 1, line 4, after the second semicolon insert "to provide a statement of legislative intent;"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$4,775,938	\$45,954,981
Operating expenses	15,977,281	411,365	16,388,646
Capital assets	2,742,372	429,964	3,172,336
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	244,476	3,631,121
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	1,275,000	1,400,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$9,315,676	\$84,658,836
Less estimated income	30,647,320	8,206,920	38,854,240
Total general fund	\$44,695,840	\$1,108,756	\$45,804,596
Full-time equivalent positions	237.00	8.00	245.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	200,000
Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,167,956
Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$200,000"

Page 3, after line 3, insert:

"SECTION 4. AMENDMENT. Section 31-01-16 of the North Dakota Century Code is amended and reenacted as follows:

31-01-16. Compensation and mileage and travel expense of witness.

A witness in a civil or criminal case is entitled to receive:

1. A sum of twenty-five dollars for each day necessarily in attendance before the district court or before any other board or tribunal, except municipal court.
2. A sum for mileage and travel expense reimbursement equal to the reimbursement rates provided for state employees in sections 44-08-04 and 54-06-09.

In all criminal cases in district court, the attorney general shall pay prosecution witness fees and expenses, in an amount not to exceed twenty-five thousand dollars per county per biennium, and the commission on legal counsel for indigents shall pay witness fees and expenses for witnesses in those cases in which counsel has been provided by the commission. Prisoners may not be compensated as witnesses under this section."

Page 4, line 11, remove "one hundred sixty thousand one hundred forty-nine"

Page 4, line 12, replace "dollars" with "one hundred fifty-nine thousand four hundred nine dollars"

Page 4, line 12, remove "one hundred"

Page 4, line 13, replace "sixty-four thousand nine hundred fifty-four dollars" with "one hundred sixty-three thousand three hundred ninety-four dollars"

Page 4, line 27, replace "the general fund" with "other funds"

Page 5, line 5, replace "\$1,625,000" with "\$1,400,000"

Page 6, after line 9, insert:

"SECTION 14. LEGISLATIVE INTENT - ATTORNEY SALARY EQUITY INCREASES - ATTORNEY GENERAL REFUND FUND. It is the intent of the sixty-sixth legislative assembly that the attorney general use up to \$425,000 from moneys deposited in the attorney general refund fund relating to an April 2019 lawsuit settlement of \$1,215,561 and investment earnings on the settlement amount for providing salary equity increases to attorney positions in the attorney general's office for the biennium beginning July 1, 2019, and ending June 30, 2021. It is further the intent of the legislative assembly that the remaining settlement proceeds and investment earnings on the remaining proceeds be retained in the attorney general refund fund and be used for the cost to continue the salary equity increases provided during the 2019-21 biennium during the 2021-23 and 2023-25 bienniums, subject to legislative appropriations.

SECTION 15. ATTORNEY GENERAL - INVESTMENT OF LAWSUIT SETTLEMENT PROCEEDS - STATE INVESTMENT BOARD. The attorney general may invest up to \$1,215,561 of lawsuit settlement proceeds received by the attorney general and deposited in the attorney general refund fund during the biennium beginning July 1, 2017, and ending June 30, 2019, under the supervision of the state investment board for the period beginning July 1, 2019, and ending June 30, 2025."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2003 - Attorney General - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$41,179,043	\$45,354,323	\$600,658	\$45,954,981	\$44,601,280	\$1,353,701
Operating expenses	15,977,281	16,453,262	(64,616)	16,388,646	16,302,602	86,044
Capital assets	2,742,372	3,272,336	(100,000)	3,172,336	3,073,576	98,760
Grants	2,440,000	4,418,440		4,418,440	4,418,440	
Litigation fees	150,000	150,000		150,000	150,000	
Intellectual property attorney	426,924	444,761	(2,676)	442,085	442,085	
Medical examinations	660,000	660,000		660,000	660,000	
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454	5,191,454	
Arrest and return of fugitives	10,000	10,000		10,000	10,000	
Gaming commission	7,490	7,489		7,489	7,489	
Criminal justice information sharing	3,386,645	3,631,014	107	3,631,121	4,013,378	(382,257)
Law enforcement	2,901,608	2,979,744	2,540	2,982,284	2,982,284	
Human trafficking victims grants	125,000	1,625,000	(225,000)	1,400,000	1,000,000	400,000
Additional expenses		250,000		250,000		250,000
Forensic nurse examiners grants		250,000		250,000	250,000	
Total all funds	\$75,343,160	\$84,695,319	\$213,517	\$84,908,836	\$83,102,588	\$1,806,248
Less estimated income	30,647,320	38,826,145	278,095	39,104,240	37,798,123	1,306,117
General fund	\$44,695,840	\$45,869,174	(\$64,578)	\$45,804,596	\$45,304,465	\$500,131
FTE	237.00	244.00	1.00	245.00	242.00	3.00

Department 125 - Attorney General - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases ¹	Reduces Funding for the Medicaid Fraud Control Unit Program ²	Transfers 2 FTE from the Department of Emergency Services ³	Reduces Funding for the Human Trafficking Victims Grant Program ⁴	Reduces One- Time Funding for Undercover Vehicles ⁵	Adds Funding for Attorney Salary Increases ⁶
Salaries and wages	\$17,805	(\$214,702)	\$372,555			\$425,000
Operating expenses		(74,004)	9,388			
Capital assets					(\$100,000)	
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	107					
Law enforcement	2,540					
Human trafficking victims grants				(\$225,000)		
Additional expenses						
Forensic nurse examiners grants						
Total all funds	\$20,280	(\$288,706)	\$381,943	(\$225,000)	(\$100,000)	\$425,000
Less estimated income	1,165	(259,836)	111,766	0	0	425,000
General fund	\$19,115	(\$28,870)	\$270,177	(\$225,000)	(\$100,000)	\$0
FTE	0.00	(1.00)	2.00	0.00	0.00	0.00

Total Conference Committee Changes	
Salaries and wages	\$600,658
Operating expenses	(64,616)
Capital assets	(100,000)
Grants	
Litigation fees	
Intellectual property attorney	(2,676)
Medical examinations	
North Dakota lottery	2,504
Arrest and return of fugitives	
Gaming commission	
Criminal justice information sharing	107
Law enforcement	2,540
Human trafficking victims grants	(225,000)
Additional expenses	
Forensic nurse examiners grants	
Total all funds	\$213,517
Less estimated income	278,095
General fund	(\$64,578)
FTE	1.00

¹ Funding of \$24,742 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,431,585, of which \$1,053,211 is from the general fund and \$378,374 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding by \$4,462, of which \$446 is from the general fund and \$4,016 is from other funds, for health insurance premiums related to the Conference Committee removing 1 FTE Medicaid Fraud Control Unit attorney position.

² Funding of \$288,706, of which \$28,870 is from the general fund and \$259,836 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,528,620 for the program, of which \$152,863 is from the general fund and \$1,375,757 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The House approved a total of \$1,046,802, of which \$104,680 was from the general fund and \$942,122 was from federal funds.

The reduction includes the removal of 1 FTE attorney position to provide for 6 FTE positions, including 1 attorney, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant. The House approved 4 FTE positions, including 1 attorney, 1 auditor, and 2 criminal investigators.

³ Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions. The House also provided for this transfer.

⁴ Funding for the human trafficking victims grant program is reduced by \$225,000 from the general fund, to provide a total of \$1,400,000 from the general fund for the program. The Senate approved \$1,625,000 and the House approved \$1,000,000 from the general fund for the program.

⁵ One-time funding from the general fund is reduced by \$100,000 for the replacement of 8 Bureau of Criminal Investigation undercover vehicles to provide a total appropriation of \$200,000 from the general fund. The Senate approved one-time funding of \$300,000 from the general fund for the replacement of 12 undercover vehicles. The House approved one-time funding of \$150,000 from the general fund for the replacement of 6 undercover vehicles.

⁶ One-time funding of \$425,000 is added from the Attorney General refund fund to provide salary equity increases for attorneys during the 2019-21 biennium. Of this amount, \$400,000 relates to a lawsuit settlement received by the Consumer Protection Division of the Attorney General's office and \$25,000 relates to anticipated interest and earnings on the settlement amount.

The House removed \$169,924 from the Attorney General's operating fund for 1 FTE Deputy Fire Marshal position. The Conference Committee did not remove funding for the position, the same as the Senate.

The House removed \$250,000 for additional federal or other funds received during the 2019-21 biennium. The Conference Committee did not remove this funding, the same as the Senate.

This amendment also:

- Amends the section providing for the Attorney General's salary increase for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program.
- Adds a section of legislative intent regarding salary equity increases for attorneys in the Attorney General's office for the 2019-21 biennium.
- Adds a section authorizing the Attorney General to invest certain lawsuit settlement proceeds deposited in the refund fund under the supervision of the State Investment Board.
- Adds statutory sections to limit the amount of prosecution witness fees the Attorney General can reimburse to each county to \$25,000 in a biennium. The House added a section regarding prosecution witness fees that identified \$150,000 in the operating expenses line item for prosecution witness fees, which included a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and decreased other operating expenses by \$55,000. The Conference Committee did not include the House's section related to prosecution witness fees.

Reengrossed SB 2003 was placed on the Seventh order of business on the calendar.

REPORT OF CONFERENCE COMMITTEE

SB 2004, as engrossed: Your conference committee (Sens. Oehlke, Dever, Grabinger and Reps. Brandenburg, Howe, Mock) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1270-1272, adopt amendments as follows, and place SB 2004 on the Seventh order:

That the House recede from its amendments as printed on pages 1270-1272 of the Senate Journal and pages 1461-1464 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 1, line 2, replace "section" with "sections 54-10-01 and"

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

Page 1, replace lines 12 through 19 with:

"Salaries and wages	\$11,767,312	\$900,906	\$12,668,218
Operating expenses	1,142,783	19,037	1,161,820
Capital assets	0	16,000	16,000
Information technology consultants	0	450,000	450,000
Total all funds	\$12,910,095	\$1,385,943	\$14,296,038
Less estimated income	3,411,487	761,691	4,173,178
Total general fund	\$9,498,608	\$624,252	\$10,122,860
Full-time equivalent positions	56.00	2.00	58.00"

Page 2, after line 7, insert:

"SECTION 3. AMENDMENT. Section 54-10-01 of the North Dakota Century Code is amended and reenacted as follows:

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

The state auditor shall:

1. Be vested with the duties, powers, and responsibilities involved in performing the postaudit of all financial transactions of the state government, detecting and reporting any defaults, and determining that expenditures have been made in accordance with law and appropriation acts.
2. Perform or provide for the audit of the general purpose financial statements and a review of the material included in the comprehensive annual financial report of the state and perform or provide for the audits and reviews of state agencies. Except for the annual audit of the North Dakota lottery required by section 53-12.1-03, the state auditor shall audit or review each state agency once every two years. The state auditor shall determine the contents of the audits and reviews of state agencies. The state auditor may conduct any work required by the federal government. The state auditor may not contract for work required by the federal government without the prior approval of the legislative audit and fiscal review committee. The state auditor shall charge an amount equal to the cost of the audit and other services rendered by the state auditor to all agencies that receive and expend moneys from other than the general fund. This charge may be reduced for any agency that receives and expends both general fund and nongeneral fund moneys. State agencies must use nongeneral fund moneys to pay for audits performed by the state auditor. If nongeneral fund moneys are not available, the agency may, upon approval of the legislative assembly, or the budget section if the legislative assembly is not in session, use general fund moneys to pay for audits performed by the state auditor. The budget section reviews and approvals must comply with the new section to chapter 54-35 of the North Dakota Century Code created by section 15 of Senate Bill No. 2055 as adopted by the sixty-sixth legislative assembly. Audits and reviews may be conducted at more frequent intervals if requested by the governor or legislative audit and fiscal review committee.
3. Be vested with the authority to determine whether to audit the International Peace Garden at the request of the board of directors of the International Peace Garden.

4. Perform or provide for performance audits of state agencies, or the agencies' blended component units or discreetly presented component units, as determined necessary by the ~~state auditor or legislative assembly~~; the legislative audit and fiscal review committee; or the state auditor, subject to approval by the legislative audit and fiscal review committee. A performance audit must be done in accordance with generally accepted auditing standards applicable to performance audits. The state auditor may not hire a consultant to assist with conducting a performance audit of a state agency without the prior approval of the legislative audit and fiscal review committee. The state auditor shall notify an agency of the need for a consultant before requesting approval by the legislative audit and fiscal review committee. The agency that is audited shall pay for the cost of any consultant approved.
5. For the audits and reviews the state auditor is authorized to perform or provide for under this section, the audit or review may be provided for by contract with a private certified or licensed public accountant or other qualified professional. If the state auditor determines that the audit or review will be done pursuant to contract, the state auditor, except for occupational or professional boards, shall execute the contract, and any executive branch agency, including higher education institutions, shall pay the fees of the contractor.
6. Be responsible for the above functions and report thereon to the governor and the secretary of state in accordance with section 54-06-04 or more often as circumstances may require.
7. Perform all other duties as prescribed by law."

Page 2, line 13, remove "one hundred seven thousand eight hundred eighty-five dollars through June 30, 2020."

Page 2, line 14, replace "and one hundred eleven thousand one hundred twenty-two dollars thereafter" with "one hundred seven thousand eight hundred eighty-five dollars through June 30, 2020, and one hundred ten thousand five hundred eighty-two dollars thereafter"

Page 2, after line 14, insert:

"SECTION 5. AUDIT STAFF UTILIZATION - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY. The state auditor shall monitor the number of audit staff hours dedicated to financial audits, performance audits, mineral resource audits, federal single audit procedures, comprehensive annual financial report procedures, fraud investigation, local government audits, and audits of the institutions of higher education, including financial audits and performance audits. The state auditor shall report to the appropriations committees of the sixty-seventh legislative assembly regarding the number of audit staff hours dedicated to each of these audit functions and any other functions of the state auditor's office during the biennium beginning July 1, 2019, and ending June 30, 2021."

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - State Auditor - Conference Committee Action

	Base Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$11,767,312	\$12,755,758	(\$87,540)	\$12,668,218	\$12,343,218	\$325,000
Operating expenses	1,142,783	1,404,676	(242,856)	1,161,820	1,161,820	
Capital assets		16,000		16,000	16,000	
Information technology consultants		450,000		450,000	450,000	
Total all funds	\$12,910,095	\$14,626,434	(\$330,396)	\$14,296,038	\$13,971,038	\$325,000
Less estimated income	3,411,487	4,212,294	(39,116)	4,173,178	4,173,178	0
General fund	\$9,498,608	\$10,414,140	(\$291,280)	\$10,122,860	\$9,797,860	\$325,000
FTE	56.00	61.00	(3.00)	58.00	56.00	2.00

Department 117 - State Auditor - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases ¹	Restores Positions and Salaries and Wages ²	Removes 2 FTE Local Government Auditors ³	Removes State Audit Division Auditors for NDUS Audit ⁴	Adjusts Funding Source for Information Technology Consultants ⁵	Removes Funding for Consulting Fees ⁶
Salaries and wages	(\$6,497)	\$725,231	(\$318,430)	(\$487,844)		
Operating expenses			(20,000)	(72,856)		(\$150,000)
Capital assets						
Information technology consultants						
Total all funds	(\$6,497)	\$725,231	(\$338,430)	(\$560,700)	\$0	(\$150,000)
Less estimated income	(688)	2	(338,430)	0	300,000	0
General fund	(\$5,809)	\$725,229	\$0	(\$560,700)	(\$300,000)	(\$150,000)
FTE	0.00	2.00	(2.00)	(3.00)	0.00	0.00

Total Conference Committee Changes	
Salaries and wages	(\$87,540)
Operating expenses	(242,856)
Capital assets	
Information technology consultants	
Total all funds	(\$330,396)
Less estimated income	(39,116)
General fund	(\$291,280)
FTE	(3.00)

¹ Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020, the same as the House version. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

² One FTE local government division auditor and 1 FTE state audit division auditor are restored as well as funding for salaries and wages which was underfunded by the Senate, the same as the House version.

³ Two of the four FTE local government division auditors added by the Senate, including funding from audit fee revenue for related salaries and wages and operating expenses, are removed, the same as the House version.

⁴ Three FTE state audit division auditors and related salaries and wages and operating expenses, added by the Senate to audit the North Dakota University System, are removed, the same as the House version.

⁵ Funding for information technology reviews of the Information Technology Department and the University System is adjusted to provide a total of \$450,000, of which \$150,000 is from the general fund and \$300,000 of other funds, the same as the House version. The Senate provided \$450,000 from the general fund for the information technology reviews.

⁶ Funding for consulting fees added by the Senate is removed, the same as the House version.

The Conference Committee restored 2 FTE state audit division auditors and related salaries and wages removed by the House, but not by the Senate.

This amendment also:

- Adds a section to amend North Dakota Century Code Section 54-10-01 related to the powers and duties of the State Auditor to:
Require state agencies to use nongeneral fund moneys to pay for audits performed by the State Auditor. If nongeneral fund moneys are not available, the agency may, upon approval of the Legislative Assembly, or the Budget Section if the Legislative Assembly is not in session, use general fund

moneys to pay for audits performed by the State Auditor, the same as the House version; and

Require the State Auditor to receive Legislative Audit and Fiscal Review Committee approval to conduct performance audits and to contract for services related to performing the duties of a federal single audit. The Senate and the House did not include these changes;

- Amends the statutory changes related to the State Auditor's salary to provide increases consistent with state employee salary increases, the same as the House version; and
- Adds a section to require the State Auditor to monitor the number of audit staff hours dedicated to financial audits, performance audits, mineral resource audits, federal single audit procedures, comprehensive annual financial report procedures, fraud investigation, local government audits, and audits of the institutions of higher education, including financial audits and performance audits. The State Auditor must report to the Appropriations Committees of the 67th Legislative Assembly regarding the number of audit staff hours dedicated to each of these audit functions and any other functions of the State Auditor's office during the 2019-21 biennium. The Senate and House did not include this section.

Engrossed SB 2004 was placed on the Seventh order of business on the calendar.

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

Buell J. Reich, Chief Clerk

