

## JOURNAL OF THE SENATE

## Sixty-third Legislative Assembly

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Bismarck, April 10, 2013

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

The prayer was offered by Pastor Dale V. Nabben, ELCA, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

**CORRECTION AND REVISION OF THE JOURNAL**

**MR. PRESIDENT:** Your **Committee on Correction and Revision of the Journal (Sen. Andrist, Chairman)** recommends that the Journal of the Sixty-first and Sixty-second Days be corrected as follows and when so corrected, recommends that it be approved:

Page 1143, line 9, replace "Mathern" with "Marcellais"

Page 1159, line 22, remove "new"

Page 1159, line 26, remove "new"

Page 1176, line 17, replace "Nelson; Sitte" with "Sitte, Nelson"

Page 1176, line 39, replace "Dotzenrod; Anderson" with "Anderson; Dotzenrod"

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

**APPOINTMENT OF CONFERENCE COMMITTEE**

**SEN. KLEIN MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1133 and Engrossed HB 1171, which motion prevailed.

**THE PRESIDENT APPOINTED** as a Conference Committee on:

**Engrossed HB 1133:** Sens. Armstrong, Sitte, Nelson

**Engrossed HB 1171:** Sens. Sorvaag, Klein, Sinner

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2131 as printed on SJ pages 1088-1089 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2131: Sens. Dever, Anderson, Axness.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. ANDRIST MOVED** that the Senate do not concur in the House amendments to SB 2132 as printed on SJ page 1175 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on SB 2132: Sens. Andrist, Sorvaag, Dotzenrod.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOGUE MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2299 as printed on SJ pages 1011-1013 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2299: Sens. Armstrong, Lyson, Grabinger.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOGUE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2125 as printed on SJ page 1097, which motion prevailed on a voice vote.

Engrossed SB 2125, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2125:** A BILL for an Act to create and enact two new sections to chapter 14-09 of the North Dakota Century Code, relating to the duty to report a missing child or the death of a child; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2125 passed.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. FLAKOLL MOVED** that the Senate do concur in the House amendments to Engrossed SB 2229 as printed on SJ pages 1093-1094, which motion prevailed on a voice vote.

Engrossed SB 2229, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2229:** A BILL for an Act to amend and reenact section 15.1-09-58 of the North Dakota Century Code, relating to early childhood education; and to provide for a superintendent of public instruction study of early childhood care and early childhood education.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 38 YEAS, 9 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Dotzenrod; Erbele; Flakoll; Grindberg; Heckaman; Hogue; Holmberg; Klein; Krebsbach; Laffen; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wardner; Warner

**NAYS:** Carlisle; Cook; Dever; Grabinger; Kilzer; Larsen; Lee, G.; Sitte; Wanzek

Reengrossed SB 2229 passed.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. HOGUE MOVED** that the Senate do concur in the House amendments to SB 2251 as printed on SJ pages 1094-1096, which motion prevailed on a voice vote.

SB 2251, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2251:** A BILL for an Act to amend and reenact subsection 1 of section 6-08-16, subsection 3 of section 6-08-16.2, sections 12.1-23-02.1, 12.1-23-05, 12.1-23-06, 12.1-23-07, and 12.1-23-08, subsection 1 of section 12.1-23-09, and sections 12.1-24-01, 12.1-24-03, 12.1-32-01, 12.1-32-01.1, 26.1-02.1-05, and 29-03-22 of the North Dakota Century Code, relating to the penalties for crimes for which a monetary amount triggers the level of penalty; and to provide a penalty.

**ROLL CALL**

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Miller; Murphy; Nelson; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

**NAYS:** Lyson; Mathern; O'Connell

Engrossed SB 2251 passed.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. COOK MOVED** that the Senate do concur in the House amendments to Reengrossed SB 2364 as printed on SJ page 1096, which motion prevailed on a voice vote.

Reengrossed SB 2364, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2364:** A BILL for an Act to create and enact two new sections to chapter 57-38, subsections 7 and 8 to section 57-38-34, subsection 11 to section 57-38-38, and subsection 16 to section 57-38-40 of the North Dakota Century Code, relating to a corporate income tax credit, utilization of net operating losses and credit carryforwards, the time for filing of returns for certain corporations, interest on tax when the time for filing a return is extended, refunds of tax for certain corporations, and audits of certain corporations; to amend and reenact subsection 5 of section 11-37-08, subsection 8 of section 40-63-01, subsection 5 of section 40-63-04, section 40-63-06, subsections 3 and 4 of section 40-63-07, subsection 3 of section 57-38-01.3, subsections 5 and 7 of section 57-38-01.32, and subdivisions c and f of subsection 2 of section 57-38-30.3 of the North Dakota Century Code, relating to subjecting financial institutions to the corporate income tax, adjustments for net operating losses, bonds and other obligations of a commerce authority, creation of renaissance zones, the housing incentive fund tax credit, computation of farm income, and income associated with losses passed through to a financial institution; to repeal chapter 57-35.3 of the North Dakota Century Code, relating to elimination of the financial institutions tax; 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 3 YEAS, 44 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Heckaman; Nelson; O'Connell

**NAYS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Hogue;

Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2364 failed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. HOGUE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2323 as printed on SJ pages 1142-1143, which motion prevailed on a voice vote.

Engrossed SB 2323, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2323:** A BILL for an Act to amend and reenact sections 50-25.2-03 and 50-25.2-10 of the North Dakota Century Code, relating to the reporting of abuse or neglect of a vulnerable adult; 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 46 YEAS, 1 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

**NAYS:** Klein

Reengrossed SB 2323 passed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. MILLER MOVED** that the Senate do concur in the House amendments to Engrossed SB 2211 as printed on SJ pages 1088-1093.

#### REQUEST

**SEN. FLAKOLL REQUESTED** a recorded roll call vote, which request was granted.

#### ROLL CALL

The question being on the motion to concur in the House amendments to Engrossed SB 2211, the roll was called and there were 9 YEAS, 38 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Burckhard; Cook; Klein; Larsen; Lee, G.; Miller; Sitte

**NAYS:** Armstrong; Axness; Berry; Bowman; Campbell; Carlisle; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Krebsbach; Laffen; Lee, J.; Luick; Lyson; Marcellais; Mathern; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

The motion failed on a recorded roll call vote.

#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. J. LEE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2108 as printed on SJ page 1088, which motion prevailed on a voice vote.

Engrossed SB 2108, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2108:** A BILL for an Act to amend and reenact sections 50-06-05.3, 50-06-05.4, and 50-06-05.5 of the North Dakota Century Code, relating to services provided at the regional human service centers and to human service councils.

**ROLL CALL**

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Miller; Murphy; Nelson; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sorvaag; Unruh; Wanzek; Wardner; Warner

**NAYS:** Mathern; O'Connell; Sitte; Triplett

Reengrossed SB 2108 passed.

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**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do concur in the House amendments to Engrossed SB 2345 as printed on SJ page 1096, which motion prevailed on a voice vote.

Engrossed SB 2345, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2345:** A BILL for an Act to amend and reenact section 12.1-31-07.1 of the North Dakota Century Code, relating to the penalty for the exploitation of a disabled adult or vulnerable elderly adult.

**ROLL CALL**

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed SB 2345 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KLEIN MOVED** that the conference committee report on Reengrossed SB 2223 as printed on SJ page 1310 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2223 was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2223:** A BILL for an Act to provide for a legislative management study relating to state governmental facilities.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 9 YEAS, 38 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Axness; Grindberg; Heckaman; Mathern; O'Connell; Robinson; Schneider; Sinner; Warner

**NAYS:** Anderson; Andrist; Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook;

Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Miller; Murphy; Nelson; Oehlke; Poolman; Schaible; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner

Reengrossed SB 2223 failed.

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#### CONSIDERATION OF AMENDMENTS

**HB 1016, as engrossed: SEN. GRINDBERG (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1016:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of adjutant general; to provide for a contingent appropriation; to amend and reenact section 37-17.1-27 of the North Dakota Century Code, relating to the payment of expenditures from the state disaster relief fund; to provide for transfers; to provide exemptions; and to declare an emergency.

#### ROLL CALL

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed HB 1016, as amended, passed and the emergency clause was declared carried.

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#### CONSIDERATION OF AMENDMENTS

**HB 1210, as reengrossed: SEN. OEHLKE (Finance and Taxation Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO NOT PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1210:** A BILL for an Act to create and enact a new section to chapter 61-02 of the North Dakota Century Code, relating to payments in lieu of taxes to a school district for which the property tax base was diminished by reduced valuation of property attributable to a flood control project; and to provide an effective date.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO NOT PASS, the roll was called and there were 18 YEAS, 29 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Andrist; Armstrong; Bowman; Dotzenrod; Erbele; Heckaman; Kilzer; Klein; Larsen; Lee, G.; Luick; Marcellais; Mathern; Miller; O'Connell; Robinson; Sitte; Wanzek

**NAYS:** Anderson; Axness; Berry; Burckhard; Campbell; Carlisle; Cook; Dever; Flakoll; Grabinger; Grindberg; Hogue; Holmberg; Krebsbach; Laffen; Lee, J.; Lyson; Murphy; Nelson; Oehlke; Poolman; Schaible; Schneider; Sinner; Sorvaag; Triplett; Unruh; Wardner; Warner

Reengrossed HB 1210, as amended, failed.

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**MOTION**

**SEN. KLEIN MOVED** that the Senate stand in recess until 1:15 p.m., which motion prevailed.

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

**APPOINTMENT OF CONFERENCE COMMITTEE**

**SEN. KLEIN MOVED** that the President appoint a committee of three to act with a like committee from the House as a Conference Committee on Engrossed HB 1048, which motion prevailed.

**THE PRESIDENT APPOINTED** as a Conference Committee on:

**Engrossed HB 1048:** Sens. Flakoll, Campbell, Sinner

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to SB 2144 as printed on SJ pages 1206-1207 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on SB 2144: Sens. Laffen, Unruh, Murphy.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to SB 2152 as printed on SJ page 1208 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on SB 2152: Sens. Unruh, Laffen, Murphy.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do not concur in the House amendments to Reengrossed SB 2187 as printed on SJ pages 1208-1209 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Reengrossed SB 2187: Sens. Anderson, Larsen, Axness.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. J. LEE MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2205 as printed on SJ pages 1209-1210 and that a conference committee be appointed to meet with a like committee from the House, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEE**

**THE PRESIDENT APPOINTED** as a Conference Committee on Engrossed SB 2205: Sens. J. Lee, Dever, Axness.

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. FLAKOLL MOVED** that the Senate do concur in the House amendments to SB 2214 as printed on SJ page 1211, which motion prevailed on a voice vote.

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

**SECOND READING OF SENATE BILL**

**SB 2214:** A BILL for an Act to create and enact a new section to chapter 15.1-27 of the North Dakota Century Code, relating to transition payments for isolated school districts; to provide an effective date; and to declare an emergency.

**ROLL CALL**

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed SB 2214 passed and the emergency clause was declared carried.

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**SECOND READING OF HOUSE BILL**

**HB 1302:** A BILL for an Act to create and enact a new subsection to sections 27-20-10, 27-20-31, and 39-06.1-10 and a new section to chapter 39-20 of the North Dakota Century Code, relating to the twenty-four seven sobriety program; to amend and reenact subsection 3 of section 29-06-15, subsection 7 of section 39-06.1-10, sections 39-06.1-11, 39-08-01, 39-08-01.2, 39-08-01.4, 39-20-01, 39-20-03.1, 39-20-04, 39-20-04.1, and 39-20-05, subsections 6 and 10 of section 39-20-07, and section 39-20-14 of the North Dakota Century Code, relating to driving while under the influence; to provide for an underage drinking prevention program; to provide for a legislative management study; to provide a penalty; and to provide an appropriation.

**ROLL CALL**

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

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Reengrossed HB 1302, as amended, passed and the emergency clause was declared carried.

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**MOTION**

**SEN. KLEIN MOVED** that HB 1242 be moved to the top of the Fourteenth order, which motion prevailed.

**SECOND READING OF HOUSE BILL**

**HB 1242:** A BILL for an Act to amend and reenact section 57-20-07.1 of the North Dakota Century Code, relating to property tax statement inclusion of information to identify the dollar amount of property tax relief provided through legislative appropriation; and to provide an effective date.

**ROLL CALL**

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

**YEAS:** Axness; Larsen; Sinner

**NAYS:** Anderson; Andrist; Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson;



Schaible; Schneider; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

HB 1242 failed.

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#### CONSIDERATION OF AMENDMENTS

**HB 1018, as engrossed: SEN. KREBSBACH (Appropriations Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**.

#### REQUEST

**SEN. MILLER REQUESTED** a verification vote, which request was granted.

The proposed amendments to Engrossed HB 1018 were adopted on a verification vote.

#### SECOND READING OF HOUSE BILL

**HB 1018:** A BILL for an Act to provide an appropriation for defraying the expenses of the state historical society; and to provide an exemption.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 46 YEAS, 1 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

**NAYS:** Miller

Engrossed HB 1018, as amended, passed.

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#### CONSIDERATION OF AMENDMENTS

**HB 1465, as engrossed: SEN. OEHLKE (Finance and Taxation Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO NOT PASS**, which motion prevailed on a voice vote.

#### SECOND READING OF HOUSE BILL

**HB 1465:** A BILL for an Act to create and enact sections 46-03-10.1 and 57-15-01.2 of the North Dakota Century Code, relating to statutory references to mills and property tax levy limitations; to repeal section 57-15-01.1 of the North Dakota Century Code, relating to property tax levies; and to provide an effective date.

#### ROLL CALL

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

**NAYS:** Anderson; Andrist; Armstrong; Axness; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sinner; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner; Warner

Engrossed HB 1465, as amended, failed.

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**CONSIDERATION OF AMENDMENTS**

**HCR 3034, as engrossed: SEN. ARMSTRONG (Judiciary Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3034:** A concurrent resolution to amend and reenact sections 5, 6, and 7 of article III of the Constitution of North Dakota, relating to petition requirements for initiated measures; and to provide an effective date.

**ROLL CALL**

The question being on the final adoption of the amended resolution, which has been read, and has committee recommendation of DO PASS. The roll was called and there were 30 YEAS, 17 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Erbele; Flakoll; Grindberg; Hogue; Holmberg; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Miller; Murphy; Oehlke; Poolman; Schaible; Sitte; Sorvaag; Triplett; Unruh; Wanzek; Wardner

**NAYS:** Anderson; Andrist; Axness; Cook; Dever; Dotzenrod; Grabinger; Heckaman; Kilzer; Marcellais; Mathern; Nelson; O'Connell; Robinson; Schneider; Sinner; Warner

Engrossed HCR 3034, as amended, was declared adopted on a recorded roll call vote.

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**CONSIDERATION OF AMENDMENTS**

**HB 1410, as engrossed: SEN. COOK (Finance and Taxation Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which motion prevailed on a voice vote.

**SECOND READING OF HOUSE BILL**

**HB 1410:** A BILL for an Act to create and enact a new section to chapter 57-39.2, a new subsection to section 57-39.2-04, and a new subsection to section 57-40.2-04 of the North Dakota Century Code, relating to sales and use tax exemptions for materials used to construct a processing facility to produce liquefied natural gas and for liquified natural gas used for agricultural, industrial, or railroad purposes; to amend and reenact subsection 4 of section 57-40.2-03.3 and section 57-43.2-02.3 of the North Dakota Century Code, relating to exemption from special fuels taxes for liquified natural gas used for agricultural, industrial, or railroad purposes and materials used to liquify natural gas; and to provide an effective date.

**ROLL CALL**

The question being on the final passage of the amended bill, which has been read, and has committee recommendation of DO PASS, the roll was called and there were 39 YEAS, 8 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Andrist; Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Dotzenrod; Erbele; Flakoll; Grabinger; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Miller; O'Connell; Oehlke; Poolman; Robinson; Schaible; Schneider; Sitte; Sorvaag; Unruh; Wanzek; Wardner; Warner

**NAYS:** Axness; Heckaman; Marcellais; Mathern; Murphy; Nelson; Sinner; Triplett

Engrossed HB 1410, as amended, passed.

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**CONSIDERATION OF AMENDMENTS**

**HCR 3006, as engrossed: SEN. ARMSTRONG (Judiciary Committee) MOVED** that the amendments be adopted and then be placed on the Fourteenth order with **DO PASS**, which

motion prevailed on a voice vote.

**SECOND READING OF HOUSE CONCURRENT RESOLUTION**

**HCR 3006:** A concurrent resolution to create and enact a new section to article X of the Constitution of North Dakota, relating to prohibition of the imposition of mortgage taxes or any sales or transfer taxes on the mortgage or transfer of real property.

**ROLL CALL**

The question being on the final adoption of the amended resolution, which has been read, and has committee recommendation of DO PASS. The roll was called and there were 31 YEAS, 16 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Armstrong; Berry; Bowman; Burckhard; Campbell; Carlisle; Cook; Dever; Erbele; Grindberg; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Luick; Lyson; Miller; Murphy; Oehlke; Poolman; Schaible; Schneider; Sinner; Sitte; Sorvaag; Unruh; Wanzek; Wardner

**NAYS:** Anderson; Andrist; Axness; Dotzenrod; Flakoll; Grabinger; Heckaman; Lee, G.; Lee, J.; Marcellais; Mathern; Nelson; O'Connell; Robinson; Triplett; Warner

Engrossed HCR 3006, as amended, was declared adopted on a recorded roll call vote.

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

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1018, HB 1302, HB 1410, HCR 3006, HCR 3034.

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

**MR. SPEAKER:** The Senate has amended and subsequently passed: HB 1261.

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

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1016.

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

**MR. SPEAKER:** The Senate has amended and subsequently failed to pass: HB 1210.

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

**MR. SPEAKER:** The Senate has amended and subsequently failed to pass: HB 1465.

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

**MR. SPEAKER:** The Senate has failed to pass, unchanged: HB 1242.

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

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2005, SB 2008, SB 2011, SB 2171, SB 2238, SB 2354, SB 2369.

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

Page 1, replace lines 11 through 13 with:

"Salaries and wages	\$601,373	\$236,038	\$837,411
Accrued leave payments	0	8,421	8,421
Operating expenses	<u>221,505</u>	<u>(55,237)</u>	<u>166,268</u>
Total general fund	\$822,878	\$189,222	\$1,012,100"

Page 1, after line 14, insert:

**"SECTION 2. ONE-TIME FUNDING - EFFECT ON BASE BUDGET - REPORT TO SIXTY-FOURTH LEGISLATIVE ASSEMBLY.** The following amounts reflect the one-time funding items approved by the sixty-second legislative assembly for the 2011-13 biennium and the 2013-15 one-time funding items included in the appropriation in section 1 of this Act:

One-Time Funding Description	2011-13	2013-15
Native American health system program administrator	\$0	\$184,284
Total general fund	\$0	\$184,284

The 2013-15 one-time funding amounts are not a part of the entity's base budget for the 2015-17 biennium. The Indian affairs commission shall report to the appropriations committees of the sixty-fourth legislative assembly on the use of this one-time funding for the biennium beginning July 1, 2013, and ending June 30, 2015."

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2005 - Indian Affairs Commission - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$867,214	\$867,214	(\$29,803)	\$837,411
Operating expenses	166,268	166,268		166,268
Accrued leave payments			8,421	8,421
Total all funds	\$1,033,482	\$1,033,482	(\$21,382)	\$1,012,100
Less estimated income	0	0	0	0
General fund	\$1,033,482	\$1,033,482	(\$21,382)	\$1,012,100
FTE	5.00	5.00	0.00	5.00

#### Department No. 316 - Indian Affairs Commission - Detail of House Changes

	Corrects Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>3</sup>	Total House Changes
Salaries and wages	\$4,777	(\$26,159)	(\$8,421)	(\$29,803)
Operating expenses				
Accrued leave payments			8,421	8,421
Total all funds	\$4,777	(\$26,159)	\$0	(\$21,382)
Less estimated income	0	0	0	0
General fund	\$4,777	(\$26,159)	\$0	(\$21,382)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>3</sup> A portion of salaries and wages funding from the general fund (\$8,421) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

This amendment adds a new section to designate the funding for the new Native American health system program administrator position as one-time funding.

## HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2008

Page 1, replace line 11 with:

"Salaries and wages	\$5,356,855	\$393,779	\$5,750,634
Accrued leave payments	0	120,783	120,783"

Page 1, replace line 14 with:

"Total special funds	\$6,836,318	\$619,544	\$7,455,862"
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ReNUMBER accordingly

## STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2008 - Department of Financial Institutions - House Action

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$6,055,849	\$6,069,236	(\$318,602)	\$5,750,634
Operating expenses	1,428,445	1,428,445		1,428,445
Contingency	156,000	156,000		156,000
Accrued leave payments			120,783	120,783
Total all funds	\$7,640,294	\$7,653,681	(\$197,819)	\$7,455,862
Less estimated income	7,640,294	7,653,681	(197,819)	7,455,862
General fund	\$0	\$0	\$0	\$0
FTE	29.00	29.00	0.00	29.00

## Department No. 413 - Department of Financial Institutions - Detail of House Changes

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total House Changes
Salaries and wages	(\$197,819)	(\$120,783)	(\$318,602)
Operating expenses			
Contingency			
Accrued leave payments		120,783	120,783
Total all funds	(\$197,819)	\$0	(\$197,819)
Less estimated income	(197,819)	0	(197,819)
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup>This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup>A portion of salaries and wages funding from other funds (\$120,783) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

## HOUSE AMENDMENTS TO SENATE BILL NO. 2011

Page 1, line 1, after "patrol" insert "; and to provide a contingent appropriation"

Page 1, replace lines 10 through 15 with:

"Administration	\$3,159,842	\$247,380	\$3,407,222
Field operations	40,651,139	8,215,331	48,866,470
Law enforcement training academy	1,602,488	183,456	1,785,944
Accrued leave payments	<u>0</u>	<u>1,110,651</u>	<u>1,110,651</u>
Total all funds	\$45,413,469	\$9,756,818	\$55,170,287
Less estimated income	<u>11,364,325</u>	<u>1,195,720</u>	<u>12,560,045</u>
Total general fund	\$34,049,144	\$8,561,098	\$42,610,242"

Page 1, remove lines 23 and 24

Page 2, remove line 1

Page 2, replace lines 6 through 8 with:

"Total all funds	\$1,237,000	\$1,145,000
Total special funds	<u>161,000</u>	<u>148,000</u>
Total general fund	\$1,076,000	\$997,000"

Page 2, after line 12, insert:

**"SECTION 3. CONTINGENT APPROPRIATION - LAW ENFORCEMENT TRAINING FACILITIES.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$6,651,000, or so much of the sum as may be necessary, to the highway patrol for the purpose of constructing law enforcement training facilities in the Devils Lake area, for the biennium beginning July 1, 2013, and ending June 30, 2015. The highway patrol shall coordinate with lake region state college regarding the types of facilities to be constructed and the locations for the facilities. The funding provided under this section is available to the highway patrol only if actual general fund revenues for the period July 1, 2013, through June 30, 2014, exceed estimated general fund revenues for that period by at least \$200,000,000, as determined by the office of management and budget, based on the legislative estimates made at the close of the 2013 regular legislative session. The funding provided under this section is considered one-time funding and the highway patrol shall report to the appropriations committees of the sixty-fourth legislative assembly regarding the use of the funding."

Page 2, line 14, replace "\$7,169,296" with "\$6,091,755"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

Senate Bill No. 2011 - Highway Patrol - House Action

	Executive Budget	Senate Version	House Changes	House Version
Administration	\$3,602,910	\$3,602,910	(\$195,688)	\$3,407,222
Field operations	51,492,863	51,492,863	(2,626,393)	48,866,470
Law Enforcement Training Academy	8,493,527	8,493,527	(6,707,583)	1,785,944
Accrued leave payments			1,110,651	1,110,651
Total all funds	\$63,589,300	\$63,589,300	(\$8,419,013)	\$55,170,287
Less estimated income	<u>13,783,677</u>	<u>13,783,677</u>	<u>(1,223,632)</u>	<u>12,560,045</u>
General fund	\$49,805,623	\$49,805,623	(\$7,195,381)	\$42,610,242
FTE	213.00	213.00	0.00	213.00

**Department No. 504 - Highway Patrol - Detail of House Changes**

	Corrects Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>3</sup>	Reduces Funding for State Fleet Mileage Rates <sup>4</sup>	Removes Energy Impact Housing Funding <sup>5</sup>	Removes Funding for Law Enforcement Training Academy Project <sup>6</sup>
Administration	\$520	(\$98,509)	(\$94,419)	(\$3,280)		
Field operations	5,436	(1,030,791)	(989,038)	(312,000)	(300,000)	

Law Enforcement Training Academy	147	(27,960)	(27,194)	(1,576)		(6,651,000)
Accrued leave payments			1,110,651			
Total all funds	\$6,103	(\$1,157,260)	\$0	(\$316,856)	(\$300,000)	(\$6,651,000)
Less estimated income	1,343	(252,343)	0	(68,632)	(39,000)	(865,000)
General fund	\$4,760	(\$904,917)	\$0	(\$248,224)	(\$261,000)	(\$5,786,000)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	<b>Total House Changes</b>
Administration	(\$195,688)
Field operations	(2,626,393)
Law Enforcement Training Academy	(6,707,583)
Accrued leave payments	1,110,651
Total all funds	(\$8,419,013)
Less estimated income	(1,223,632)
General fund	(\$7,195,381)
FTE	0.00

<sup>1</sup> Funding is added due to a calculation error in the executive compensation package.

<sup>2</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>3</sup> A portion of salaries and wages funding from the general fund (\$866,641) and from other funds (\$244,010) for permanent employees compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>4</sup> Funding for State Fleet Services mileage is reduced to reflect an estimated mileage rate of 70 cents per mile for Highway Patrol vehicles rather than 74 cents per mile.

<sup>5</sup> One-time funding from the general fund (\$261,000) and the highway tax distribution fund (\$39,000) included in the executive budget recommendation to address employee housing issues in areas affected by energy development is removed.

<sup>6</sup> One-time funding included in the executive budget recommendation from the general fund (\$5,786,000) and the highway tax distribution fund (\$865,000) for Phase 1 of the law enforcement training academy facility project is removed.

A section is also added to provide a contingent general fund appropriation of \$6,651,000 for the construction of law enforcement training facilities in the Devils Lake area. The funding is contingent upon general fund revenues exceeding legislative estimates by at least \$200 million during the period beginning July 1, 2013, and ending June 30, 2014.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2171

In lieu of the amendments adopted by the House as printed on pages 1114 and 1115 of the House Journal, Engrossed Senate Bill No. 2171 is amended as follows:

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

Page 1, line 1, after "1" insert "and 5"

Page 1, line 4, replace "Subsection" with "Subsections"

Page 1, line 4, after "1" insert "and 5"

Page 1, line 5, replace "is" with "are"

Page 1, line 16, replace "twenty-six" with "twenty-two"

Page 1, line 20, replace "twenty-six" with "twenty-two"

Page 1, line 21, replace "thirty" with "twenty-six"

Page 2, line 1, replace "thirty" with "twenty-six"

Page 2, line 2, replace "thirty-four" with "thirty"

Page 2, line 6, replace "thirty-four" with "thirty"

Page 2, line 7, replace "thirty-eight" with "thirty-four"

Page 2, line 11, replace "thirty-eight" with "thirty-four"

Page 2, line 12, replace "forty-two" with "thirty-eight"

Page 2, line 28, remove "two hundred"

Page 2, line 28, overstrike "seventy-five" and insert immediately thereafter "two hundred"

Page 3, after line 4, insert:

- "5. For the purposes of this section:
  - a. "Dependent" has the same meaning it has for federal income tax purposes.
  - b. "Homestead" has the same meaning as provided in section 47-18-01.
  - c. "Income" means income for the most recent complete taxable year from all sources, including the income of any dependent of the applicant, and including any county, state, or federal public assistance benefits, ~~social security, or other~~ retirement benefits, and eighty percent of social security benefits, but excluding any federal rent subsidy, any amount excluded from income by federal or state law, and medical expenses paid during the year by the applicant or the applicant's dependent which is not compensated by insurance or other means.
  - d. "Medical expenses" has the same meaning as it has for state income tax purposes, except that for transportation for medical care the person may use the standard mileage rate allowed for state officer and employee use of a motor vehicle under section 54-06-09.
  - e. "Permanently and totally disabled" means the inability to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or has lasted or can be expected to last for a continuous period of not less than twelve months as established by a certificate from a licensed physician or a written determination of disability from the social security administration."

Page 3, line 6, after "2012" insert ", for ad valorem property taxes and for taxable years beginning after December 31, 2013, for mobile home taxes"



Renumber accordingly

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2238**

In lieu of the amendments adopted by the House as printed on pages 992 and 993 of the House Journal, Engrossed Senate Bill No. 2238 is amended as follows:

Page 1, line 1, after "districts" insert "and nonpublic schools"

Page 1, line 7, after "districts" insert "and nonpublic schools"

Page 1, line 8, after the period insert "The superintendent of public instruction may not spend the funds appropriated in this section for any other purpose and any funds remaining unspent at the end of the biennium must be canceled in accordance with provisions of section 54-44.1-11."

Page 1, line 9, replace "In order to be eligible for a" with "A school district may be eligible for"

Page 1, line 9, replace ", a" with "if the"

Page 1, line 9, remove "shall set"

Page 1, line 10, replace "aside" with "utilizes"

Page 1, line 12, after "possible" insert "and provides in-kind or cash match for the reimbursement requested. A nonpublic school may be eligible for reimbursement under this section if the nonpublic school utilizes one high school class period in a required course of the school's choosing, for the purpose of providing instruction in cardiopulmonary resuscitation to as many students as possible and provides in-kind or cash match for the reimbursement requested. Total in-kind or cash match must equal or exceed twenty-five percent of the cost of the program during the first year of the biennium and fifty percent of the cost of the program during the second year of the biennium"

Page 1, line 20, replace the second "the" with "each"

Page 1, line 20, after "district" insert "and nonpublic school"

Page 1, line 21, replace "and" with a comma

Page 1, line 22, remove "by the district"

Page 1, line 22, after "training" insert ", and evidence of appropriate in-kind or cash match"

Page 2, line 4, replace "\$30" with "\$22.50 multiplied by the number of district students undergoing the training during the first year of the biennium and \$15"

Page 2, line 5, after "training" insert "during the second year of the biennium, based on the number of hours and level of certification offered. A nonpublic school's reimbursement may not exceed the equivalent of \$22.50 multiplied by the number of the school's students undergoing the training during the first year of the biennium and \$15 multiplied by the number of the school's students undergoing the training during the second year of the biennium, based on the number of hours and level of certification offered"

Page 2, line 6, replace "A school district" with "School districts and nonpublic schools"

Page 2, line 6, after "districts" insert "and nonpublic schools"

Page 2, line 9, after "districts" insert "and nonpublic schools"

Renumber accordingly

**HOUSE AMENDMENTS TO SENATE BILL NO. 2354**

Page 1, line 5, replace "\$180,000" with "\$120,000"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2354 - State Department of Health - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Dental loan repayment program		\$180,000	(\$60,000)	\$120,000
Total all funds	\$0	\$180,000	(\$60,000)	\$120,000
Less estimated income	0	0	0	0
General fund	\$0	\$180,000	(\$60,000)	\$120,000
FTE	0.00	0.00	0.00	0.00

**Department No. 301 - State Department of Health - Detail of House Changes**

	Decreases Funding for Nonprofit Dental Loan Repayment Program <sup>1</sup>	Total House Changes
Dental loan repayment program	(\$60,000)	(\$60,000)
Total all funds	(\$60,000)	(\$60,000)
Less estimated income	0	0
General fund	(\$60,000)	(\$60,000)
FTE	0.00	0.00

<sup>1</sup> Funding for a loan repayment program for dentists who practice in a public setting or nonprofit dental clinic using a sliding fee scale schedule to bill patients is reduced to provide \$120,000 from the general fund to provide for two new dentists.

**HOUSE AMENDMENTS TO REENGROSSED SENATE BILL NO. 2369**

Page 1, line 1, after "to" insert "create and enact a new section to chapter 16.1-03 of the North Dakota Century Code, relating to political party organization; to"

Page 1, line 1, after "sections" insert "16.1-03-01, 16.1-03-02, 16.1-03-03, 16.1-03-05, 16.1-03-07, 16.1-03-08, 16.1-03-11, 16.1-03-14, 16.1-03-17, 16.1-04-01,"

Page 1, line 2, after "to" insert "political party organization, voting precincts, and"

Page 1, line 2, remove "and"

Page 1, line 3, replace "eligibility for minor political parties" with "; and to repeal sections 16.1-03-12 and 16.1-03-19 of the North Dakota Century Code, relating to political party organization"

Page 1, after line 4, insert:

**"SECTION 1.** A new section to chapter 16.1-03 of the North Dakota Century Code is created and enacted as follows:

**Organizations allowed to nominate statewide and legislative candidates.**

A political organization may not endorse candidates or have candidates petition for president, vice president, Congress, statewide office, or legislative office as set forth in chapter 16.1-11, unless the organization:

1. Organized according to all requirements of this chapter;
2. Had printed on the ballot at the last preceding general election the names of a set of presidential electors pledged to the election of the party's candidate for president and vice president, a candidate for governor, a candidate for attorney general, or a candidate for secretary of state and those candidates for presidential electors, governor, attorney general, or secretary of state received at least five percent of the total vote cast for presidential electors, the office of governor, attorney general, or secretary of state within this state at that election and organized according to all requirements of this chapter; or
3. Filed a petition with the secretary of state signed by the number of electors required under section 16.1-11-30 to qualify to endorse candidates or to have candidates petition to be included on the primary election ballot in a consolidated column or on a special election ballot.

**SECTION 2. AMENDMENT.** Section 16.1-03-01 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-01. Precinct caucus to elect precinct committeemen - Time and manner of holding - Caucus call - Notice.**

1. Each legislative district party shall organize in conformance with the state legislative district boundaries as established by the legislative assembly and as set forth under chapter 54-03.
2. On or before May fifteenth following the last preceding general election, a party caucus must be held by every election precinct at a site within or reasonably close to the precinct in the manner provided in sections 16.1-03-01 through 16.1-03-03.
- ~~2-3.~~ The legislative district chairman of each party shall issue the call set the date and time for the precinct caucus at least twenty days before the time set for holding the caucus and the. If there is not a district chairman in a legislative district, the state party executive committee may issue the call for the precinct caucus. The call must contain the following:
  - a. Name of party.
  - b. ~~Precinct~~ Legislative district and precinct number or name.
  - c. Date of caucus.
  - d. Place of caucus.
  - e. Hours of caucus.
  - f. A statement of the business to be conducted, including the election of precinct committeemen and such other ~~persons~~ individuals as may be provided by state law and district party rules ~~bylaws~~.
  - g. The name of the district chairman or, if there is not a district chairman, the member of the state party executive committee issuing the call.
- ~~3-4.~~ The district chairman or, if there is not a district chairman, the state party executive committee shall provide ten days' published notice in the

official newspaper in circulation within each precinct in the district. The notices must contain that information set forth in subsection ~~23~~. The ~~district chairman may include the information required by this section for all precincts in the district~~ may be included in one notice for publishing purposes.

**SECTION 3. AMENDMENT.** Section 16.1-03-02 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-02. Who may participate in and vote at caucus.**

1. Only those ~~persons~~individuals who are qualified electors ~~pursuant to~~under section 16.1-01-04 may vote or be elected as committeemen or officers at the precinct caucus.
2. Only those ~~persons~~individuals who either voted or affiliated with the party at the last general election or intend to ~~vote or~~affiliate with the party and vote with the party at the next general election may vote at the precinct caucus.
3. In case the right of ~~a person~~an individual to participate at the caucus is challenged, the question of the ~~person's~~individual's right to participate must be decided by a vote of the whole caucus. ~~A person~~An individual so challenged may not vote on the question of the ~~person's~~individual's right to participate in the caucus, and a two-thirds vote of the whole caucus is required to exclude ~~a person~~an individual from participation.
4. ~~No person~~An individual may not vote or participate at more than one precinct caucus in any one year.

**SECTION 4. AMENDMENT.** Section 16.1-03-03 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-03. ~~Caucus business and elections~~ -- Political parties entitled to elect committeemen.**

1. ~~Each precinct caucus shall elect a chairman, committeemen as provided in subsection 3, and other officers as may be provided by party rules. The caucus may also discuss party policies, candidates, and any other business as prescribed by party rules.~~
2. ~~No~~A political organization is entitled to elect a precinct committeeman at its precinct caucus ~~unless~~if:
  - a. The organization nominated and had printed on the ballot at the last preceding general election the names of a set of presidential electors pledged to the election of the party's candidates for president and vice president or a candidate for governor, attorney general, or secretary of state; and
  - b. The candidates provided for in subdivision a received at least five percent of the total vote cast for presidential electors or for governor, attorney general, or secretary of state within this state at that election.
- ~~3-2.~~ Each political party in each voting precinct of this state, otherwise qualifying under subsection ~~21~~, is entitled to elect one precinct committeeman for each two hundred fifty votes, or majority of a fraction thereof, cast for the party's presidential electors, governor, attorney general, or secretary of state in the precinct in the last general election. Each precinct is entitled to at least one precinct committeeman for each party which qualifies under subsection ~~21~~. Each precinct committeeman must be an elector of the precinct in which the committeeman resides and must be elected for a two-year term.

3. If a political organization desires to organize under this chapter but has not qualified as provided in subsection 1, the organization may elect one precinct committeeman for each precinct in the district.

**SECTION 5. AMENDMENT.** Section 16.1-03-05 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-05. Vacancies in office of precinct committeeman - Filling.**

A vacancy in the office of precinct committeeman, which occurs after the organization of the district committee, ~~must~~may be filled by appointment from the precinct by the district executive committee of the party. ~~Notice of the appointment must be given to the county auditor.~~

**SECTION 6. AMENDMENT.** Section 16.1-03-07 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-07. Meeting of district committee - Organization.**

1. In every odd-numbered year, the district committee of each party shall meet within fifteen days after the precinct caucus provided for in section 16.1-03-01. The day, hour, and site must be set by the existing district committee chairman. ~~The~~Any incumbent members of the legislative assembly, the precinct committeemen of a party, selected as provided by this chapter, ~~with~~and any other persons ~~individual~~ provided for by the district committee's bylaws ~~and as the district committee designates,~~ constitute the district committee of the party. The district committee of a party must be organized to coincide with the geographical boundary lines of state legislative districts. Each member of any committee provided for in this chapter must be a qualified elector ~~and must retain the office the member was elected to until a successor is chosen.~~
2. The district committee shall organize by:
  - a. ~~Selecting a chairman, vice chairman, secretary, and treasurer chosen by precinct committeemen and the incumbent members of the legislative assembly from the district shall select the officers of the district committee. The officers selected, as provided by the district party bylaws,~~ need not be precinct committeemen; however, all the officers must be voting members of the district committee. The district committee shall forward to the state committee the name and contact information of the district committee chairman.
  - b. ~~Adopting rules and modes of procedure not in conflict with law.~~
  - c. ~~Filling any vacancies in the office of precinct committeeman pursuant to section 16.1-03-05.~~
  - d. ~~Selecting~~The district committee may appoint an executive committee consisting of five or more persons ~~chosen from the district committee. The chairman, vice chairman, treasurer, and secretary of the district committee must be members and the officers of the executive committee consistent with the bylaws of the district committee.~~ That party's nominees for and members of the legislative assembly ~~may also be~~shall serve as members of the executive committee.
- 2-3. ~~If the office of chairman becomes vacant, the vice chairman shall hold the office until the next regular election for the office or until a new chairman is selected by the district committee for the balance of the term, whichever occurs first~~vacancy may be filled as provided by the district party bylaws.
4. The bylaws of the state committee or state party may not include any requirement providing directives or procedures for the method of the

organization of district committees nor may the state committee or state party take any action or impose any requirement regarding district party organization which is not consistent with this chapter.

**SECTION 7. AMENDMENT.** Section 16.1-03-08 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-08. State committee - Membership.**

The state committee of each party consists of the chairman of each of the district committees of the party and any ~~person~~individual provided for in the bylaws of the state committee.

**SECTION 8. AMENDMENT.** Section 16.1-03-11 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-11. State committee - Meetings - Organization--Vacancies.**

The state committee shall meet on or before July first of each odd-numbered year. The committee shall organize by selecting ~~a chairman, vice chairman, secretary, and treasurer~~officers as provided for by the state committee bylaws and by adopting rules and modes of procedure, including rules and procedures regarding the selection of state convention delegates. ~~The party's bylaws must be filed with the secretary of state. The officers elected need not be members of the committee, but they shall become voting members of the committee after their election. Within thirty days following the state committee's organization, the newly elected chairman shall notify the secretary of state of the names of the party officers selected. These officers, with any other persons provided for by the party's bylaws and as the state committee designates, constitute the executive committee of the state committee. If the office of chairman becomes vacant, the vice chairman holds the office until the next regular election for the office or until a new chairman is selected by the state committee for the balance of the term, whichever occurs first. A vacancy in an office of the state committee, other than chairman and a party district chairman, must be filled upon a majority vote of the state committee. The chairman of the state committee may temporarily fill any vacancy existing on the state committee until the state committee convenes to fill the vacancy. The secretary of state must be notified of any changes in membership of the state's committee officers.~~

**SECTION 9. AMENDMENT.** Section 16.1-03-14 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-14. When state party convention held and duties of state**State party convention.

1. ~~The state party conventions must be held in each presidential election year at a place and time designated by the party state committee~~ shall set the place and time of the state party convention to be held in each general election year. The state party convention provided for in this chapter shall ~~Subject to party rules and bylaws, the state party convention may:~~
  - 1- a. Nominate the legal number of ~~candidates~~qualified electors for its party for the offices of presidential electors.
  - 2- b. Elect the required number of delegates and alternates to the national party convention as provided by the party's bylaws or national party rules.
  - 3- ~~Conduct other business as shall come before the convention.~~
    - c. Endorse candidates as provided under subsection 2.
2. The candidate or candidates for endorsement or election must be declared endorsed or elected ~~pursuant to~~under the rules of the party involved, and the chairman and secretary of the convention shall issue

certificates of endorsement as provided in section 16.1-11-06 or certificates of election. The names of the ~~candidates~~qualified electors nominated for presidential electors ~~with the surname of the presidential candidate~~ the party wishes to place on the general election ballot must be certified by the chairman and secretary of the convention to the secretary of state by four p.m. on the sixtieth day before the general election to be placed upon the general election ballot as provided in section 16.1-06-07.1.

**SECTION 10. AMENDMENT.** Section 16.1-03-17 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-03-17. Political party reorganization after apportionment ~~redistricting~~.**

If ~~apportionment~~redistricting of the legislative assembly becomes effective after the organization of political parties as provided in this chapter and before the primary or the general election, the secretary of state shall establish a timetable for the reorganization of the parties as rapidly as possible before the ensuing election. ~~When the timetable is established, the secretary of state shall notify all the county auditors of the timetable and of the details of the legislative apportionment as it affects each county. The secretary of state or county auditor may not require reorganization of precincts in which boundaries are unchanged after apportionment by the board of county commissioners or the governing body of the city pursuant to chapter 16.1-04. Each county auditor shall publish a notice in the official county newspaper containing:~~

1. ~~A statement that legislative apportionment has occurred.~~
2. ~~A description and a map of the new legislative districts and the precincts as established by the governing bodies of the counties and cities in the county, pursuant to section 16.1-04-01.~~
3. ~~The date, time, and places of the precinct caucuses and district committee meetings determined by the secretary of state and the county auditor to be necessary according to the new districts and precincts established.~~

The political parties, in the newly established precincts and districts, shall ~~then~~ proceed to reorganize as closely as possible in conformance with this chapter ~~and in conformance with the timetable established by the secretary of state to assure compliance with primary election filing deadlines.~~

**SECTION 11. AMENDMENT.** Section 16.1-04-01 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-04-01. Precincts - Duties and responsibilities of the board of county commissioners or the governing body of the city.**

1. The board of county commissioners of each county:
  - a. Shall divide the county into precincts and establish the precinct boundaries, except that within the boundaries of any incorporated city, the governing body of the city shall divide the city into precincts and establish their boundaries pursuant to title 40. Any number of townships or parts of townships may be joined into a single precinct provided that no precinct may encompass more than one legislative district.
  - b. May alter the number and size of precincts within the county by combining or dividing precincts. However, the governing body of any incorporated city has the authority to alter the number and size of precincts located within its boundaries. The board of county commissioners may relinquish the jurisdiction provided under ~~subsection 1~~subdivision a over all or any portion of a township or

townships under its jurisdiction to a city for the purpose of establishing a voting precinct if a majority of the governing body of the city agrees to assume such jurisdiction. The governing body of a city, by majority vote, may return jurisdiction granted herein to the county and the county shall accept that jurisdiction.

- 2. No precinct may have a population of more than two thousand five hundred, as determined by the last federal decennial census."

Page 6, after line 10, insert:

**"SECTION 16. REPEAL.** Sections 16.1-03-12 and 16.1-03-19 of the North Dakota Century Code are repealed."

ReNUMBER accordingly

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2016, SB 2021, SB 2022, SB 2023, SB 2024.

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

Page 1, replace line 12 with:

"Salaries and wages	\$35,270,584	\$155,118	\$35,425,702
Accrued leave payments	0	1,479,868	1,479,868"

Page 1, replace lines 20 through 22 with:

"Total all funds	\$70,496,698	\$8,412,489	\$78,909,187
Less estimated income	<u>68,616,806</u>	<u>8,390,133</u>	<u>77,006,939</u>
Total general fund	\$1,879,892	\$22,356	\$1,902,248"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2016 - Job Service North Dakota - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Salaries and wages	\$38,391,976	\$38,391,976	(\$2,966,274)	\$35,425,702
Operating expenses	18,687,700	18,687,700		18,687,700
Capital assets	20,000	20,000		20,000
Grants	8,850,497	8,850,497		8,850,497
Workforce 20/20	1,541,924	1,541,924		1,541,924
Reed Act - Computer modernization	12,407,000	12,407,000		12,407,000
Federal stimulus funds	496,496	496,496		496,496
Accrued leave payments			1,479,868	1,479,868
Total all funds	\$80,395,593	\$80,395,593	(\$1,486,406)	\$78,909,187
Less estimated income	<u>78,479,603</u>	<u>78,479,603</u>	(1,472,664)	<u>77,006,939</u>
General fund	\$1,915,990	\$1,915,990	(\$13,742)	\$1,902,248
FTE	250.76	250.76	0.00	250.76

**Department No. 380 - Job Service North Dakota - Detail of House Changes**

	Corrects Executive Compensation Package <sup>1</sup>	Adjusts State Employee Compensation and Benefits Package <sup>2</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>3</sup>	Total House Changes
Salaries and wages	\$6,950	(\$1,493,356)	(\$1,479,868)	(\$2,966,274)
Operating expenses				
Capital assets				
Grants				
Workforce 20/20				
Reed Act - Computer modernization				



Federal stimulus funds				
Accrued leave payments			1,479,868	1,479,868
Total all funds	\$6,950	(\$1,493,356)	\$0	(\$1,486,406)
Less estimated income	6,881	(1,479,545)	0	(1,472,664)
General fund	\$69	(\$13,811)	\$0	(\$13,742)
FTE	0.00	0.00	0.00	0.00

<sup>1</sup>Funding is added due to a calculation error in the executive compensation package.

<sup>2</sup>This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>3</sup>A portion of salaries and wages funding from the general fund (\$9,313) and from other funds (\$1,470,555) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

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

Page 1, line 2, after "54-59" insert "of the North Dakota Century Code, relating to information technology project planning; to amend and reenact sections 54-59-15 and 54-59-22 of the North Dakota Century Code, relating to acceptance of funds and to agencies exempted from certain services of the information technology department; to authorize a relocation of information technology hardware"

Page 1, replace line 13 with:

"Salaries and wages	\$47,383,177	\$2,546,361	\$49,929,538
Accrued leave payments	0	2,626,084	2,626,084"

Page 2, replace lines 1 through 3 with:

"Total all funds	\$172,217,340	(\$2,445,572)	\$169,771,768
Less estimated income	153,165,136	(4,480,000)	148,685,136
Total general fund	\$19,052,204	\$2,034,428	\$21,086,632"

Page 3, after line 2, insert:

**"SECTION 5. INFORMATION TECHNOLOGY HARDWARE RELOCATION TO SECURE DATA CENTER.** The attorney general, public service commission, and state water commission shall relocate all appropriate information technology hardware to the information technology department secure data center during the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 3, after line 11, insert:

**"SECTION 7. AMENDMENT.** Section 54-59-15 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-15. Acceptance of funds.**

The department may accept federal or other funds, which must be deposited in the information technology operating account or other accounts specified by the office of management and budget and which may be spent subject to legislative appropriation. The department may apply for any public or private grants available for the improvement of information technology.

**SECTION 8. AMENDMENT.** Section 54-59-22 of the North Dakota Century Code is amended and reenacted as follows:

**54-59-22. Required use of electronic mail, file and print server administration, database administration, application server, and hosting services.**

Each state agency and institution, excluding the legislative and judicial branches, and the institutions under the control of the state board of higher education, ~~the public employees retirement system, the retirement and investment office, the attorney general, and any entity exempted by the office of management and budget after advisement by the information technology department,~~ shall obtain electronic mail, file and print server administration, database administration, storage, application server, and hosting services through a delivery system established by the information technology department in conjunction with the office of management and budget. The office of management and budget, after receiving advice from the information technology department, shall establish policies and guidelines for the delivery of services, including the transition from existing systems to functional consolidation, with consideration given to the creation of efficiencies, cost-savings, and improved quality of service."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2021 - Information Technology Department - House Action**

	<b>Executive Budget</b>	<b>Senate Version</b>	<b>House Changes</b>	<b>House Version</b>
Salaries and wages	\$54,437,801	\$54,461,316	(\$4,531,778)	\$49,929,538
Operating expenses	64,834,643	64,834,643		64,834,643
Capital assets	12,500,600	12,500,600		12,500,600
Center for Distance Education	6,072,187	6,072,187		6,072,187
Statewide Longitudinal Data System	1,870,754	1,870,754		1,870,754
Educational Technology Council	1,814,609	1,814,609		1,814,609
EduTech	8,279,530	8,279,530		8,279,530
K-12 wide area network	4,928,177	4,928,177		4,928,177
Geographic Information System	1,460,294	1,460,294		1,460,294
Health Information Technology Office	4,785,991	4,785,991		4,785,991
Criminal Justice Information Sharing	3,269,361	3,869,361		3,869,361
Federal stimulus funds	6,800,000	6,800,000		6,800,000
Accrued leave payments			2,626,084	2,626,084
Total all funds	\$171,053,947	\$171,677,462	(\$1,905,694)	\$169,771,768
Less estimated income	150,290,886	150,311,698	(1,626,562)	148,685,136
General fund	\$20,763,061	\$21,365,764	(\$279,132)	\$21,086,632
FTE	340.30	340.30	0.00	340.30

**Department No. 112 - Information Technology Department - Detail of House Changes**

	<b>Adjusts State Employee Compensation and Benefits Package<sup>1</sup></b>	<b>Provides Separate Line Item for Accrued Leave Payments<sup>2</sup></b>	<b>Total House Changes</b>
Salaries and wages	(\$1,905,694)	(\$2,626,084)	(\$4,531,778)
Operating expenses			
Capital assets			
Center for Distance Education			
Statewide Longitudinal Data			

System			
Educational Technology Council			
EduTech			
K-12 wide area network			
Geographic Information System			
Health Information Technology			
Office			
Criminal Justice Information			
Sharing			
Federal stimulus funds			
Accrued leave payments		2,626,084	2,626,084
Total all funds	(\$1,905,694)	\$0	(\$1,905,694)
Less estimated income	(1,626,562)	0	(1,626,562)
General fund	(\$279,132)	\$0	(\$279,132)
FTE	0.00	0.00	0.00

<sup>1</sup>This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup>A portion of salaries and wages funding from the general fund (\$373,087) and from other funds (\$2,252,997) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

This amendment also:

- Provides for an authorization for relocation of the Attorney General, Public Service Commission, and State Water Commission's information technology hardware to the Information Technology Department secure data center.
- Amends Section 54-59-15, regarding acceptance of federal or other funds.
- Amends Section 54-59-22, removing agency exemptions from certain services of the Information Technology Department.

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

Page 1, line 2, after "indigents" insert "; to amend and reenact subsection 1 of section 29-07-01.1 of the North Dakota Century Code, relating to the application fee for indigent defense services; and to provide legislative intent"

Page 1, replace lines 12 through 16 with:

"Commission on legal counsel for indigents	\$11,779,282	\$2,402,080	\$14,181,362
Accrued leave payments	0	<u>116,872</u>	<u>116,872</u>
Total all funds	\$11,779,282	\$2,518,952	\$14,298,234
Less special funds	<u>1,970,852</u>	<u>523,322</u>	<u>2,494,174</u>
Total general fund	\$9,808,430	\$1,995,630	\$11,804,060
Full-time equivalent positions	30.00	3.00	33.00

**SECTION 2. AMENDMENT.** Subsection 1 of section 29-07-01.1 of the North Dakota Century Code is amended and reenacted as follows:

1. Lawyers provided to represent indigent persons must be compensated at a reasonable rate to be determined by the commission on legal counsel for indigents. Expenses necessary for the adequate defense of an indigent person prosecuted in district court, other than for a violation of a home rule county's ordinance, when approved by the commission, must be paid by the state. Expenses necessary for the adequate defense of an indigent person prosecuted for violation of a home rule county's ordinance must be paid by the home rule county. Expenses necessary for the adequate defense of an indigent person prosecuted in municipal court, when approved by the judge, must be paid by the city in which the alleged offense took place. The city shall also pay the expenses in any matter transferred to district court pursuant to section 40-18-06.2 or 40-18-15.1, in any appeal taken to district court from a judgment of conviction in municipal court pursuant to section 40-18-19, and in an appeal or postconviction matter seeking relief from a conviction resulting from violation of a municipal ordinance. A defendant requesting representation by counsel at public expense, or for whom counsel provided at public expense without a request is considered appropriate by the court, shall submit an application for indigent defense services. For an application for indigent defense services in the district court, a nonrefundable application fee of ~~twenty-five~~thirty-five dollars must be paid at the time the application is submitted. The district court may extend the time for payment of the fee or may waive or reduce the fee if the court determines the defendant is financially unable to pay all or part of the fee. If the application fee is not paid before disposition of the case, the fee amount must be added to the amount to be reimbursed under this section. Application fees collected under this subsection must be forwarded for deposit in the indigent defense administration fund established under subsection 4.

**SECTION 3. LEGISLATIVE INTENT - REIMBURSEMENT OF ATTORNEY FEES.** It is the intent of the sixty-third legislative assembly that a defendant who has been charged with a felony and for whom counsel is provided by the commission on legal counsel for indigents pays \$575 for reimbursement of attorney fees."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2022 - Commission on Legal Counsel for Indigent - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Comm. on Legal Counsel for Indigents	\$14,547,802	\$14,560,287	(\$378,925)	\$14,181,362
Accrued leave payments			116,872	116,872
Total all funds	\$14,547,802	\$14,560,287	(\$262,053)	\$14,298,234
Less estimated income	2,501,677	2,502,051	(7,877)	2,494,174
General fund	\$12,046,125	\$12,058,236	(\$254,176)	\$11,804,060
FTE	33.00	33.00	0.00	33.00

**Department No. 188 - Commission on Legal Counsel for Indigent - Detail of House Changes**

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total House Changes
Comm. on Legal Counsel for Indigents	(\$262,053)	(\$116,872)	(\$378,925)
Accrued leave payments		116,872	116,872
Total all funds	(\$262,053)	\$0	(\$262,053)

Less estimated income	(7,877)	0	(7,877)
General fund	(\$254,176)	\$0	(\$254,176)
FTE	0.00	0.00	0.00

<sup>1</sup>This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market equity component from 2 to 4 percent per year for employees below the midpoint of their salary range up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup>A portion of salaries and wages funding from the general fund (\$113,366) and from other funds (\$3,506) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

Sections are added to amend subsection 1 of Section 29-07-01.1 to change the indigent defense application fee from \$25 to \$35 and to add legislative intent that reimbursement for indigent defense costs assessed to indigents charged with a felony be increased from \$525 to \$575.

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

Page 1, replace line 12 with:

"Racing commission	\$447,501	\$98,684	\$546,185
Accrued leave payments	0	3,789	3,789
Total all funds	\$447,501	\$102,473	\$549,974"

Page 1, replace line 14 with:

"Total general fund	\$317,501	\$66,066	\$383,567"
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ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2023 - Racing Commission - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Racing Commission	\$563,967	\$563,967	(\$17,782)	\$546,185
Accrued leave payments			3,789	3,789
Total all funds	\$563,967	\$563,967	(\$13,993)	\$549,974
Less estimated income	166,407	166,407	0	166,407
General fund	\$397,560	\$397,560	(\$13,993)	\$383,567
FTE	2.00	2.00	0.00	2.00

**Department No. 670 - Racing Commission - Detail of House Changes**

Adjusts State Employee Compensation and Benefits	Provides Separate Line Item for Accrued Leave	Total House Changes
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	Package <sup>1</sup>	Payments <sup>2</sup>	
Racing Commission	(\$13,993)	(\$3,789)	(\$17,782)
Accrued leave payments		3,789	3,789
Total all funds	(\$13,993)	\$0	(\$13,993)
Less estimated income	0	0	0
General fund	(\$13,993)	\$0	(\$13,993)
FTE	0.00	0.00	0.00

<sup>1</sup>This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range to up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup>A portion of salaries and wages funding from the general fund (\$3,661) and from other funds (\$128) for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

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

Page 1, replace lines 11 through 13 with:

"Comprehensive tobacco control	\$12,922,614	\$57,513	\$12,980,127
Accrued leave	0	8,391	8,391
Total special funds	\$12,922,614	\$65,904	\$12,988,518
Full-time equivalent positions	5.00	0.00	5.00"

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2024 - Tobacco Prevention & Control Exec Comm - House Action**

	Executive Budget	Senate Version	House Changes	House Version
Comprehensive tobacco control	\$13,016,197	\$19,436,746	(\$6,456,619)	\$12,980,127
Accrued leave payments			8,391	8,391
Total all funds	\$13,016,197	\$19,436,746	(\$6,448,228)	\$12,988,518
Less estimated income	13,016,197	19,436,746	(6,448,228)	12,988,518
General fund	\$0	\$0	\$0	\$0
FTE	5.00	8.00	(3.00)	5.00

**Department No. 305 - Tobacco Prevention & Control Exec Comm - Detail of House Changes**

	Adjusts State Employee Compensation and Benefits Package <sup>1</sup>	Provides Separate Line Item for Accrued Leave Payments <sup>2</sup>	Removes 3 FTE Positions <sup>3</sup>	Decreases Funding for Comprehensive Tobacco Control <sup>4</sup>	Total House Changes
Comprehensive tobacco control	(\$32,150)	(\$8,391)		(\$6,416,078)	(\$6,456,619)
Accrued leave payments		8,391			8,391
Total all funds	(\$32,150)	\$0	\$0	(\$6,416,078)	(\$6,448,228)
Less estimated income	(32,150)	0	0	(6,416,078)	(6,448,228)
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	(3.00)	0.00	(3.00)

<sup>1</sup> This amendment adjusts the state employee compensation and benefits package as follows:

- Reduces the performance component from 3 to 5 percent per year to 2 to 4 percent per year.
- Reduces the market component from 2 to 4 percent per year for employees below the midpoint of their salary range up to 2 percent for employees in the first quartile of their salary range for the first year of the biennium only.
- Removes funding for additional retirement contribution increases.

<sup>2</sup> A portion of comprehensive tobacco control funding from other funds for permanent employees' compensation and benefits is reallocated to an accrued leave payments line item for paying annual leave and sick leave for eligible employees.

<sup>3</sup> This amendment removes 1 FTE field coordinator position, 1 FTE statewide programs manager position, and 1 FTE evaluation program manager position added by the Senate. These positions were included as temporary positions in the executive recommendation.

<sup>4</sup> This amendment removes funding added by the Senate to provide the Centers for Disease Control and Prevention (CDC) recommended level, as adjusted for inflation and estimated population increases.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2108, SB 2125, SB 2229, SB 2251, SB 2323, and SB 2345.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently failed to pass: SB 2364.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2131, SB 2132, and SB 2299, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2131:** Sens. Dever; Anderson; Axness

**SB 2132:** Sens. Andrist; Sorvaag; Dotzenrod

**SB 2299:** Sens. Armstrong; Lyson; Grabinger

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2144, SB 2152, SB 2187, and SB 2205, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2144:** Sens. Laffen; Unruh; Murphy

**SB 2152:** Sens. Unruh; Laffen; Murphy

**SB 2187:** Sens. Anderson; Larsen; Axness

**SB 2205:** Sens. J. Lee; Dever; Axness

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

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

**SB 2032:** Reps. Rohr; B. Koppelman; Mock

**SB 2047:** Reps. Kasper; Becker; Amerman

**SB 2072:** Reps. Headland; Kiefert; Boschee  
**SB 2113:** Reps. Klemin; Maragos; Hogan  
**SB 2126:** Reps. Sukut; Beadle; Gruchalla  
**SB 2163:** Reps. Froseth; Dockter; Haak  
**SB 2207:** Reps. Hatlestad; Trottier; S. Kelsh  
**SB 2298:** Reps. Ruby; Keiser; M. Nelson  
**SB 2325:** Reps. Klein; Dockter; Strinden  
**SB 2330:** Reps. Owens; Klein; S. Kelsh

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

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

**SB 2257:** Reps. Steiner; Boehning; Hogan

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

**MR. PRESIDENT:** The House has concurred in the Senate amendments and subsequently passed: HB 1263 and HCR 3010.

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

**MR. PRESIDENT:** The House does not concur in the Senate amendments to HB 1134, HB 1139, HB 1166, and HB 1440, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1134:** Reps. Drovdal; Froseth; S. Kelsh  
**HB 1139:** Reps. Schatz; Weisz; Oversen  
**HB 1166:** Reps. Owens; Schmidt; Zaiser  
**HB 1440:** Reps. Hofstad; Froseth; S. Kelsh

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

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

**HB 1048:** Sens. Flakoll; Campbell; Sinner

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

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

**HB 1133:** Sens. Armstrong; Sitte; Nelson  
**HB 1171:** Sens. Sorvaag; Klein; Sinner

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently failed to pass: SB 2223.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1075, HB 1180, HB 1348, HB 1352, HB 1362, HB 1397, HB 1399.

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

**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1263, HCR 3010.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2067, SB 2068, SB 2085, SB 2096, SB 2116, SB 2128, SB 2164, SB 2165, SB 2180, SB 2239, SB 2294, SB 2308, SB 2314, SB 2340, SB 2342.

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

**MR. SPEAKER:** The President has signed: SB 2067, SB 2068, SB 2085, SB 2096, SB 2116,



SB 2128, SB 2164, SB 2165, SB 2180, SB 2239, SB 2294, SB 2308, SB 2314, SB 2340, SB 2342.

**MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1075, HB 1180, HB 1348, HB 1352, HB 1362, HB 1397, HB 1399.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 10, 2013: SB 2041, SB 2060, SB 2076, SB 2140, SB 2166, SB 2306.

**COMMUNICATION FROM GOVERNOR JACK DALRYMPLE**

This is to inform you that on April 10, 2013, I have signed the following: SB 2199 and SB 2292.

**MOTION**

**SEN. KLEIN MOVED** that the Senate be on the Fourth, Fifth, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Thursday, April 11, 2013, which motion prevailed.

**REPORT OF STANDING COMMITTEE**

**HB 1019, as reengrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1019 was placed on the Sixth order on the calendar.

Page 1, line 3, remove "and"

Page 1, line 3, after "exemption" insert "; and to declare an emergency"

Page 1, replace lines 15 through 22 with:

"Administration	\$2,484,885	\$235,132	\$2,720,017
Natural resources	12,768,203	9,738,206	22,506,409
Recreation	<u>7,489,091</u>	<u>(1,279,250)</u>	<u>6,209,841</u>
Total all funds	\$22,742,179	\$8,694,088	\$31,436,267
Less estimated income	<u>11,641,532</u>	<u>150,422</u>	<u>11,791,954</u>
Total general fund	\$11,100,647	\$8,543,666	\$19,644,313
Full-time equivalent positions	54.00	1.00	55.00"

Page 2, replace lines 3 and 4 with:

"International Peace Garden	<u>\$773,699</u>	<u>\$2,700,000</u>	<u>\$3,473,699</u>
Total general fund	\$773,699	\$2,700,000	\$3,473,699"

Page 2, replace lines 9 through 11 with:

"Grand total general fund	\$11,874,346	\$11,243,666	\$23,118,012
Grand total special funds	<u>11,641,532</u>	<u>150,422</u>	<u>11,791,954</u>
Grand total all funds	\$23,515,878	\$11,394,088	\$34,909,966"

Page 2, replace lines 17 through 26 with:

"Parks capital projects and deferred maintenance	\$5,269,210	\$3,955,300
Parks equipment	116,000	375,000
Lewis and Clark interpretive center grant	0	3,150,000
Little Missouri state park trail leases	85,000	0
Parks SCORP plan	40,000	0
Parks strategic plans	0	100,000
Community grant program	0	600,000
International Peace Garden capital projects	<u>267,000</u>	<u>2,500,000</u>
Total all funds	\$5,777,210	\$10,680,300
Less estimated income	<u>1,028,000</u>	<u>1,282,800</u>
Total general fund	\$4,749,210	\$9,397,500"



	Adds Funding for Lewis and Clark Interpretive Center Grant <sup>7</sup>	Removes Funding for Walhalla Gorge Property <sup>8</sup>	Total Senate Changes
Administration			\$68,017
Natural resources	3,150,000	(2,800,000)	1,250,056
Recreation			236,390
Accrued leave payments			(181,577)
Total all funds	\$3,150,000	(\$2,800,000)	\$1,372,886
Less estimated income	0	(830,000)	(647,558)
General fund	\$3,150,000	(\$1,970,000)	\$2,020,444
FTE	0.00	0.00	0.00

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed, and the associated funding returned to line items with salaries and wages funding.

<sup>3</sup> Funding removed by the House for purchase of a marina is restored to the executive budget recommendation level.

<sup>4</sup> Funding is added for purchase of a military artifact collection currently on display at Fort Abraham Lincoln State Park.

<sup>5</sup> Funding is added for one-time equipment purchases of picnic tables (\$50,000) and fire rings (\$25,000).

<sup>6</sup> Funding is added to increase the community grant program from \$400,000 included in the executive budget recommendation to \$600,000.

<sup>7</sup> Funding is added for a one-time grant for expansion of the Lewis and Clark interpretive center.

<sup>8</sup> Funding added by the House for the purchase and operation of property in the Walhalla Gorge and Frost Fire area is removed.

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A section is added to provide for an emergency clause for various capital projects.

**House Bill No. 1019 - International Peace Garden - Senate Action**

	Executive Budget	House Version	Senate Changes	Senate Version
International Peace Garden	\$973,699	\$973,699	\$2,500,000	\$3,473,699
Total all funds	\$973,699	\$973,699	\$2,500,000	\$3,473,699
Less estimated income	0	0	0	0
General fund	\$973,699	\$973,699	\$2,500,000	\$3,473,699
FTE	0.00	0.00	0.00	0.00

**Department No. 751 - International Peace Garden - Detail of Senate Changes**

	Adds Funding for Peace Garden Capital Projects <sup>1</sup>	Total Senate Changes
International Peace Garden	\$2,500,000	\$2,500,000
Total all funds	\$2,500,000	\$2,500,000
Less estimated income	0	0
General fund	\$2,500,000	\$2,500,000
FTE	0.00	0.00

<sup>1</sup> Funding is added for capital projects at the International Peace Garden.

A section is added requiring funds for capital projects of the International Peace Garden.

**REPORT OF STANDING COMMITTEE**

**HB 1022, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1022 was placed on the Sixth order on the calendar.**

Page 1, replace lines 13 through 18 with:

"Salaries and wages	\$3,203,114	\$688,843	\$3,891,957
Operating expenses	947,840	25,484	973,324
Contingencies	<u>82,000</u>	<u>0</u>	<u>82,000</u>
Total special funds	\$4,232,954	\$714,327	\$4,947,281
Full-time equivalent positions	18.00	1.00	19.00"

Page 1, remove lines 23 and 24

Page 2, replace lines 1 through 4 with:

"Salaries and wages	\$4,563,507	\$654,586	\$5,218,093
Operating expenses	2,054,383	204,511	2,258,894
Contingencies	<u>250,000</u>	<u>0</u>	<u>250,000</u>
Total special funds	\$6,867,890	\$859,097	\$7,726,987
Full-time equivalent positions	33.00	0.00	33.00"

Page 2, replace line 9 with:

"Grand total special funds	\$11,100,844	\$1,573,424	\$12,674,268"
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Re-number accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1022 - Summary of Senate Action**

Executive Budget	House Version	Senate Changes	Senate Version
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Retirement and Investment Office				
Total all funds	\$4,648,730	\$4,833,019	\$114,262	\$4,947,281
Less estimated income	4,648,730	4,833,019	114,262	4,947,281
General fund	\$0	\$0	\$0	\$0
Public Employees Retirement System				
Total all funds	\$7,715,503	\$7,527,133	\$199,854	\$7,726,987
Less estimated income	7,715,503	7,527,133	199,854	7,726,987
General fund	\$0	\$0	\$0	\$0
Bill total				
Total all funds	\$12,364,233	\$12,360,152	\$314,116	\$12,674,268
Less estimated income	12,364,233	12,360,152	314,116	12,674,268
General fund	\$0	\$0	\$0	\$0

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

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$3,611,563	\$3,706,154	\$185,803	\$3,891,957
Operating expenses	955,167	973,324		973,324
Contingencies	82,000	82,000		82,000
Accrued leave payments		71,541	(71,541)	
Total all funds	\$4,648,730	\$4,833,019	\$114,262	\$4,947,281
Less estimated income	4,648,730	4,833,019	114,262	4,947,281
General fund	\$0	\$0	\$0	\$0
FTE	18.00	19.00	0.00	19.00

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

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total Senate Changes
Salaries and wages	\$114,262	\$71,541	\$185,803
Operating expenses			
Contingencies			
Accrued leave payments		(71,541)	(71,541)
Total all funds	\$114,262	\$0	\$114,262
Less estimated income	114,262	0	114,262
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

### House Bill No. 1022 - Public Employees Retirement System - Senate Action

	Executive Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$5,206,609	\$4,915,022	\$303,071	\$5,218,093
Operating expenses	2,258,894	2,258,894		2,258,894
Contingencies	250,000	250,000		250,000
Accrued leave payments		103,217	(103,217)	
Total all funds	\$7,715,503	\$7,527,133	\$199,854	\$7,726,987
Less estimated income	7,715,503	7,527,133	199,854	7,726,987
General fund	\$0	\$0	\$0	\$0
FTE	33.00	33.00	0.00	33.00

### Department No. 192 - Public Employees Retirement System - Detail of Senate Changes

	Restores Executive Compensation Package <sup>1</sup>	Removes Separate Line Item for Accrued Leave Payments <sup>2</sup>	Total Senate Changes
Salaries and wages	\$199,854	\$103,217	\$303,071
Operating expenses			
Contingencies			
Accrued leave payments		(103,217)	(103,217)
Total all funds	\$199,854	\$0	\$199,854
Less estimated income	199,854	0	199,854
General fund	\$0	\$0	\$0
FTE	0.00	0.00	0.00

<sup>1</sup> Funding reductions made by the House to the state employee compensation and benefits package are restored to the Governor's recommended level.

<sup>2</sup> The accrued leave payments line item added by the House is removed and the associated funding returned to line items with salaries and wages funding.

**REPORT OF STANDING COMMITTEE**

**HB 1029, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1029, as amended, was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1033, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1033, as amended, was placed on the Sixth order on the calendar.

In addition to the amendments adopted by the Senate as printed on page 946 of the Senate Journal, Reengrossed House Bill No. 1033 is further amended as follows:

Page 2, remove lines 13 through 16

ReNUMBER accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1041, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1041, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the Senate as printed on page 880 of the Senate Journal, Engrossed House Bill No. 1041 is amended as follows:

Page 1, line 6, replace "\$361,200" with "\$1,366,000"

Page 1, line 8, remove "for new wards"

Page 1, line 8, remove "The"

Page 1, replace lines 9 and 10 with "To be eligible for funding under this section, a ward must be found to be an incapacitated adult as defined by section 30.1-26-01 and have income at or below one hundred percent of the federal poverty level. A ward with developmental disabilities who is receiving case management services through the department of human services is not eligible for funding under this section."

ReNUMBER accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1099, as engrossed: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1099 was placed on the Sixth order on the calendar.

Page 2, line 10, remove "or temporary employee"

Page 7, line 17, replace the underscored comma with "and"

Page 7, line 18, remove ", temporary full-time employee positions, and temporary part-time"

Page 7, line 19, remove "employee positions"

Page 7, line 19, replace the underscored comma with "and"

Page 7, line 20, remove the underscored comma

Page 7, line 20, remove "The period of time for which"

Page 7, remove lines 21 and 22

Re-number accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1136: Judiciary Committee (Sen. Hogue, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). HB 1136 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to amend and reenact sections 11-18-01, 11-18-05, 35-13-02, 35-17-04, 35-17-07, 35-17-08, 35-20-15.1, 35-20-16, 35-29-02, 35-29-04, 35-29-05, 35-30-02, 35-30-05, 35-30-06, 35-31-02, 35-31-05, 35-31-06, 35-34-04, 35-34-06, 35-35-03, 35-37-04, 41-09-72, 41-09-73, and 41-09-84, subsection 2 of section 41-09-87, sections 41-09-94 and 41-09-96, subsection 3 of section 41-09-135, sections 41-10-01, 41-10-05, 47-16-03, 54-09-08, 54-09-09, 54-09-10, and 54-09-11, subsection 5 of section 57-34-10, subsection 4 of section 57-36-09.5, section 57-38-49, subsection 4 of section 57-39.2-13, subsection 4 of section 57-40.2-16, subsection 3 of section 57-40.3-07.1, subsection 4 of section 57-43.1-17.4, subsection 4 of section 57-43.2-16.3, subsection 4 of section 57-43.3-22, subsection 2 of section 57-51-11, and subsection 4 of section 57-63-10 of the North Dakota Century Code, relating to filing liens and security interests electronically; to repeal section 57-28-29 of the North Dakota Century Code, relating to filing tax liens; to provide for application; to provide for a report to the legislative assembly; and to provide a contingent effective date.

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

**SECTION 1. AMENDMENT.** Section 11-18-01 of the North Dakota Century Code is amended and reenacted as follows:

**11-18-01. Recorder's duties - Recording and filing instruments - Abstracts.**

The recorder shall:

1. Keep a full and true record, in proper books or other storage media provided for that purpose, of each patent, deed, mortgage, bill of sale, security agreement, judgment, decree, lien, certificate of sale, and other instrument required to be filed or admitted to record, if the person offering the instrument for filing or recording pays to the recorder the fees provided by law for the filing or recording.

2. Endorse upon each instrument filed with the recorder for record or otherwise the date and the hour and minute of the day of the filing or recording.
3. When the instrument is recorded or filed, endorse on the instrument the book and page or document number, the date, and the hour and minute of the date when it was recorded or filed with the recorder.
4. Prepare a security agreement abstract whenever any person requests the agreement and pays the required fee.
5. ~~Furnish upon written or telephonic request to persons the information contained in financing statements filed to perfect a security interest pursuant to chapter 41-09 when the collateral is farm products, and to provide written confirmation of the oral information provided upon receipt of a fee which shall be the same as for recording that instrument.~~

**SECTION 2. AMENDMENT.** Section 11-18-05 of the North Dakota Century Code is amended and reenacted as follows:

**11-18-05. Fees of recorder.**

The recorder shall charge and collect the following fees:

1. For recording an instrument affecting title to real estate:
  - a. Deeds, mortgages, and all other instruments not specifically provided for in this subsection, ten dollars for the first page and three dollars for each additional page. In addition, for all documents recorded under this section that list more than five sections of land, a fee of one dollar for each additional section listed which is to be recorded in the tract index. Three dollars of the fee collected for the first page of each instrument recorded under this subdivision must be placed in the document preservation fund.
    - (1) "Page" means one side of a single legal size sheet of paper not exceeding eight and one-half inches [21.59 centimeters] in width and fourteen inches [35.56 centimeters] in length.
    - (2) The printed, written, or typed words must be considered legible by the recorder before the page will be accepted for recording.
    - (3) Each real estate instrument must have a legal description considered to be adequate by the recorder before such instrument will be accepted for recording.
    - (4) A space of at least four inches by three and one-half inches [10.16 by 8.89 centimeters] square must be provided on the first or last page of each instrument for the recorder's recording information. If recording information can only be placed on the reverse side of an instrument, an additional page charge must be levied.
  - b. Instruments satisfying, releasing, assigning, subordinating, continuing, amending, or extending more than one instrument previously recorded in the county in which recording is requested, ten dollars for the first page and three dollars for each additional page plus three dollars for each such additional document number or book and page. In addition, for all documents recorded under this section which list more than five separate sections of land, a fee of one dollar for each additional section listed which is to be recorded in the tract index. Three dollars of the fee collected for the first page of each instrument recorded under this subdivision must be placed in the document preservation fund.



- c. Plats, irregular tracts, or annexations, ten dollars for one lot plus ten cents for each additional lot, with the exception of auditor's lots which must be a single charge of seven dollars.
  - d. All instruments presented for recording after June 30, 2001, must contain a one-inch [2.54-centimeter] top, bottom, or side margin on each page of the instrument for the placement of computerized recording labels. An instrument that does not conform to this margin requirement may be recorded upon payment of an additional fee of ten dollars.
2. For filing any ~~non-central indexing system~~ instrument, ten dollars.
  3. For making certified copies of any recorded instrument or filed ~~non-central indexing system~~ instrument, the charge is five dollars for the first page and two dollars for each additional page. For making a noncertified copy of any recorded instrument or filed ~~non-central indexing system~~ instrument, a fee of not more than one dollar per instrument page. For providing any electronic data extracted from the recorded instrument, a fee of not more than fifty cents per instrument.
  4. ~~For filing, indexing, making, or completing any statement, abstract, or certificate under the Uniform Commercial Code central filing database, the computerized central notice system or the computerized statutory liens database, for receiving printouts, and for other services provided through the computerized system, the fee is the same as that provided in sections 41-09-06 and 54-09-11.~~
  5. The recorder may establish procedures for providing access for duplicating records under the recorder's control. Such records include paper, photostat, microfilm, microfiche, and electronic or computer-generated instruments created by governmental employees.
  - ~~6.5.~~ Duplicate recorders' records stored offsite as a security measure are not accessible for reproduction.

**SECTION 3. AMENDMENT.** Section 35-13-02 of the North Dakota Century Code, as amended by House Bill No. 1340, as approved by the sixty-third legislative assembly, is amended and reenacted as follows:

**35-13-02. Lien statement - Contents - When required - Filing.**

1. The secretary of state shall prescribe ~~one form~~ an electronic system that can be used to obtain a lien under this section and also be entered in the central indexing system. A person entitled to a lien under this chapter who retains possession of the property made, altered, or repaired is not required to file any statement to perfect the lien. If the possession of the property so made, altered, or repaired is relinquished, the person shall file electronically, within ninety days, or if the property is used for agricultural purposes within one hundred twenty days, or in the exploration for or the production of oil or gas within six months, after the materials are furnished or the labor is completed, in the ~~office of the recorder of the county in which the owner or legal possessor of the property resides~~ central indexing system, a ~~verified written statement~~ showing:
  - a. The labor performed.
  - b. The materials furnished.
  - c. The price agreed upon for the labor performed or materials furnished, or, if no price was agreed upon, the reasonable value thereof.

- d. The name and address of the person for whom the labor was performed or to whom the materials were furnished.
  - e. The social security number or, in the case of a debtor doing business other than as an individual, the internal revenue service taxpayer identification number of the person for whom the labor was performed or to whom the materials were furnished.
  - f. The name and address of the person claiming the lien.
  - f.g. A description of the property upon which the lien is claimed.
2. A person filing a ~~verified~~-statement shall within thirty days serve notice of the filing, by registered mail, upon the owner or legal possessor of the property. A person entitled to the lien who fails to file a ~~verified~~-statement within the time limited in this section is deemed to have waived the right to a lien.
  3. A lienholder may file electronically an amendment to add or correct the social security number or internal revenue service taxpayer identification number of the debtor, to correct the spelling of the debtor's or lienholder's name, or to correct or change the address of the debtor or lienholder. The secretary of state shall ~~prescribe a form that may be used~~provide a means to amend electronically the repairman's lien that has been filed pursuant to this section. The amendment of the lien does not affect the priority of the lien.

**SECTION 4. AMENDMENT.** Section 35-17-04 of the North Dakota Century Code is amended and reenacted as follows:

**35-17-04. Procedure to obtain lien - Statement filed - Contents - Waiver.**

Any person entitled to an agister's lien, within ninety days after taking possession of the animal, may file electronically in the ~~office of the recorder in any county in this state or in the office of the secretary of state~~central indexing system, a statement ~~signed by the filer~~ containing the following information:

1. The number of and a description of the animals subject to the lien and the legal description as to the location of the animals.
2. The name and address of the person for whom the animals are kept.
3. The name and address of the lienholder.
4. The price agreed upon for keeping the animals and, if no price was agreed upon, the reasonable value of the services.
5. The social security number or, in the case of a debtor doing business other than as an individual, the internal revenue service taxpayer identification number of the person for whom the animals are kept.

The secretary of state shall ~~prescribe one form that can be used to~~provide a means to obtain electronically a lien under this section or gain protection under the central notice system, or both. If the statement is not filed within ninety days as required by this section, the person entitled to the lien under section 35-17-03 waives the lien.

**SECTION 5. AMENDMENT.** Section 35-17-07 of the North Dakota Century Code is amended and reenacted as follows:

**35-17-07. Amendment of lien.**

A lienholder may file electronically an amendment to correct the social security or internal revenue service taxpayer identification number of the debtor, to correct the spelling of the debtor's or lienholder's name, or to correct or change the address of the debtor or lienholder. The secretary of state shall ~~prescribe a form that~~

~~may be used to provide a means to electronically~~ amend or assign the agister's lien that has been filed pursuant to section 35-17-04. The amendment or assignment of a lien does not affect the priority of the lien.

**SECTION 6. AMENDMENT.** Section 35-17-08 of the North Dakota Century Code is amended and reenacted as follows:

**35-17-08. Fees - Penalty.**

The fee for filing ~~electronically~~ an agister's lien and related documents ~~with the secretary of state or the county recorder in the central notice system~~ is the same as that provided for in section 41-09-96. If a lienholder fails to file ~~electronically~~ a termination statement within sixty days after the lien has been satisfied, the lienholder is liable to the debtor for one hundred dollars.

**SECTION 7. AMENDMENT.** Section 35-20-15.1 of the North Dakota Century Code is amended and reenacted as follows:

**35-20-15.1. Amendment of lien for unpaid earned property or casualty insurance premiums.**

A lienholder may file an amendment to correct the social security or internal revenue service taxpayer identification number of the debtor, to correct the spelling of the debtor's or lienholder's name, or to correct or change the address of the debtor or lienholder. The secretary of state shall ~~prescribe a form that may be used to provide a means to~~ amend ~~electronically~~ or assign the unpaid earned property or casualty insurance premium lien that has been filed under section 35-20-15. The amendment or assignment of a lien does not affect the priority of the lien.

**SECTION 8. AMENDMENT.** Section 35-20-16 of the North Dakota Century Code is amended and reenacted as follows:

**35-20-16. Procedure to obtain unpaid earned property or casualty insurance premium lien - Filing.**

The secretary of state shall ~~prescribe a form that can be used to provide a means to~~ obtain ~~electronically~~ a lien under this section and also be entered in the central indexing system. Any person entitled to an unpaid earned property or casualty insurance premium lien, within ninety days after termination of coverage, shall file in the ~~office of the recorder of the county or counties in which the property covered by the policy is located~~ central indexing system and with any loss payee named in the policy, a ~~verified~~ an electronic statement in ~~writing~~ stating all of the following:

1. The name and address of the policyholder.
2. The name and address of the lienholder.
3. The nature and quantity of insurance coverage provided.
4. The amount of unpaid earned premium.
5. A description of the property covered by the insurance and subject to the lien.
6. That a lien is claimed upon the property described.
7. The name of the county or counties where the property is located.
8. The social security number of the debtor, or in the case of a debtor doing business other than as an individual, the internal revenue service taxpayer identification number of that person.

**SECTION 9. AMENDMENT.** Section 35-29-02 of the North Dakota Century Code is amended and reenacted as follows:

**35-29-02. Place of filing.**

1. Notices of liens, certificates, and other notices affecting federal tax liens or other federal liens must be filed in accordance with this chapter.
2. Notices of liens upon real property for obligations payable to the United States and certificates and notices affecting the liens must be filed in the office of the recorder of central indexing system and associated to the county in which the real property subject to the liens is situated.
3. Notices of federal liens upon personal property, whether tangible or intangible, for obligations payable to the United States and certificates and notices affecting the liens must be filed as follows:
  - a. If the person against whose interest the lien applies is a corporation, limited liability company, or a partnership whose principal executive office is in this state, as these entities are defined in the internal revenue laws of the United States, in the office of the secretary of state.
  - b. If the person against whose interest the lien applies is a trust that is not covered by subdivision a, in the office of the secretary of state.
  - c. If the person against whose interest the lien applies is the estate of a decedent, in the office of the secretary of state.
  - d. In all other cases, in the office of the recorder of the county where the person against whose interest the lien applies resides at the time of filing of the notice of lien.
4. The secretary of state shall provide a means for the United States to file any documentation according to this chapter.

**SECTION 10. AMENDMENT.** Section 35-29-04 of the North Dakota Century Code is amended and reenacted as follows:

**35-29-04. Duties of filing officer.**

1. If a notice of federal lien, a refiling of a notice of federal lien, or a notice of revocation of any certificate described in subsection 2 is presented to a ~~filing officer who is:~~
  - a. The secretary of state, ~~the secretary~~ shall cause the notice to be marked, held, and indexed in accordance with the provisions of section 41-09-90 as if the notice were a financing statement within the meaning of title 41; or
  - b. ~~Any other officer described in section 35-29-02, the officer~~The secretary of state shall endorse thereon the officer's identification and the date and time of receipt and immediately file it alphabetically or enter it in an alphabetical index showing the name and address of the person named in the notice, the date and time of receipt, the title and address of the official or entity certifying the lien, and the total amount appearing on the notice of lien.
2. If a certificate of release, nonattachment, discharge, or subordination of any lien is presented to the secretary of state for filing, the secretary shall do all of the following:
  - a. Cause a certificate of release or nonattachment to be marked, held, and indexed as if the certificate were a termination statement within the meaning of title 41, but the notice of lien to which the certificate relates may not be removed from the files.

- b. Cause a certificate of discharge or subordination to be marked, held, and indexed as if the certificate were a release of collateral within the meaning of title 41.
3. If a refiled notice of federal lien referred to in subsection 1 or any certificate or notice referred to in subsection 2 is presented for filing to ~~any other filing officer specified in section 35-29-02~~, the ~~officer~~secretary of state shall permanently attach the refiled notice or the certificate to the original notice of lien and enter the refiled notice or the certificate with the date of filing in any alphabetical lien index on the line where original notice of lien is entered.
4. ~~Upon request of any~~Any person, the filing officer shall issue the officer's ~~certificate showing~~ may search the central indexing system to determine whether there is on file, on the date and hour stated therein, any notice of lien or certificate or notice affecting any lien filed under this chapter or chapter 35-28 as it existed prior to enactment of this chapter, naming a particular person, and if a notice or certificate is on file, giving the date and hour of filing of each notice or certificate. ~~The fee for a certificate is one dollar and twenty five cents for each notice or certificate reported therein. Upon request, the filing officer shall furnish a copy of any notice of federal lien, or notice or certificate affecting a federal lien, for a fee of one dollar, plus seventy five cents for the second and each succeeding page.~~
5. The secretary of state shall fulfill any of the functions described in this section by electronic means with the same legal effect as if the function had been completed on a physical document.

**SECTION 11. AMENDMENT.** Section 35-29-05 of the North Dakota Century Code is amended and reenacted as follows:

**35-29-05. Fees.**

1. The fee for filing and indexing each notice of lien is:
  - a. ~~For a lien on real estate, ten dollars, plus three dollars for the second and each succeeding page.~~
  - b. ~~For a lien on tangible and intangible personal property, ten dollars, plus five dollars to record if filed with a county recorder.~~
  - c. ~~For all other notices, including a certificate of discharge, nonattachment, or subordination, ten dollars, plus ten dollars if filed toward a lien on real estate with a county recorder.~~
  - d. ~~For a nonstandard statement when presented for filing, an additional fee of five dollars plus one dollar per page, and if filed on a real estate lien with a county recorder, an additional ten dollars plus three dollars for the second and each succeeding page.~~
  - e. ~~For a certificate of release, five dollars, which must be paid at the time the lien is filed~~in the central indexing system is established according to section 41-09-96. Fees to record liens with a county recorder are the same as provided for under section 11-18-05.
2. The officer may not file or record an instrument under this chapter unless the person offering the instrument for filing or recording has first paid the requisite filing or recording fee.

**SECTION 12. AMENDMENT.** Section 35-30-02 of the North Dakota Century Code is amended and reenacted as follows:

**35-30-02. Procedure to obtain lien.**

1. To obtain an agricultural processor's lien, the person entitled to the lien, within ninety days after the processing is completed, shall file electronically a statement signed by the filer in the office of the recorder ~~in any county in this state or in the office of the secretary of state~~ central indexing system. The statement must contain the following information:
  - a. The name and address of the person for whom the processing was done.
  - b. The name and address of the processor.
  - c. A description of the crops or agricultural products and their amount, if known, subject to the lien together with a reasonable description, including the county as to the location where the crops or agricultural products were grown and the year the crop is to be harvested or was harvested.
  - d. The price agreed upon for processing, or if no price was agreed upon, the reasonable value of the processing.
  - e. The social security number or, in the case of a debtor doing business other than as an individual, the internal revenue service taxpayer identification number of the person for whom the processing was done.
  - f. A description of the processing services and the first date the services were furnished.
2. ~~The secretary of state and the office of the recorder in any county in this state with which a statement signed by the filer under subsection 1 is submitted for filing shall reject the statement unless proof of mailing of notification of the lien to the debtor's last-known address by registered or certified mail with return receipt requested is filed with the statement.~~
3. The secretary of state shall ~~prescribe one form that can be used~~ provide an electronic means to obtain a lien under this section or gain protection under the central notice system, or both. Before a processor's lien is filed, a billing statement for the services performed must include notice to the agricultural producer that if the amount due to the agricultural processor is not satisfied a lien may be filed.

**SECTION 13. AMENDMENT.** Section 35-30-05 of the North Dakota Century Code is amended and reenacted as follows:

**35-30-05. Amendment of lien.**

A lienholder may file electronically an amendment to correct the social security or internal revenue service taxpayer identification number of the debtor, to correct the spelling of the debtor's or lienholder's name, or to correct or change the address of the debtor or lienholder. The secretary of state shall ~~prescribe a form that may be used~~ provide an electronic means to amend or assign the agricultural processor's lien that has been filed pursuant to section 35-30-02. The amendment or assignment of a lien does not affect the priority of the lien.

**SECTION 14. AMENDMENT.** Section 35-30-06 of the North Dakota Century Code is amended and reenacted as follows:

**35-30-06. Fees - Penalty.**

The fee for filing electronically an agricultural processor's lien and related documents ~~with the secretary of state or the county recorder in the central indexing system~~ is the same as that provided for in section 41-09-96. If a lienholder fails to file

a termination statement within sixty days after the lien has been satisfied, the lienholder is liable to the debtor for one hundred dollars.

**SECTION 15. AMENDMENT.** Section 35-31-02 of the North Dakota Century Code is amended and reenacted as follows:

**35-31-02. Procedure to obtain lien.**

To obtain an agricultural supplier's lien, except an agricultural supplier's lien for furnishing petroleum products, the person entitled to the lien, within one hundred twenty days after the supplies are furnished or the services performed, shall file electronically a statement signed by the filer in the office of the recorder of any county in this state or in the office of the secretary of state central notice system. To obtain an agricultural supplier's lien for furnishing and delivering petroleum products, the person entitled to the lien, within one hundred fifty days after the petroleum products are furnished or delivered, shall file electronically a statement signed by the filer in the office of the recorder of any county in the state or in the office of the secretary of state central notice system. The statement must contain the following information:

1. The name and address of the person to whom the supplies were furnished.
2. The name and address of the supplier.
3. A description of the crops, agricultural products, or livestock and their amount or number, if known, subject to the lien together with a reasonable description, including the county as to the location of the crops, agricultural products, or livestock and the year the crop is to be harvested or was harvested.
4. A description and value of the supplies and the first date furnished.
5. The social security number or, in the case of a debtor doing business other than as an individual, the internal revenue service taxpayer identification number of the person to whom the supplies were furnished.

The secretary of state shall ~~prescribe one form that can be used~~ provide an electronic means to obtain a lien under this section or gain protection under the central notice system, or both. Before a supplier's lien is filed, a billing statement for the supplies furnished must include notice to the agricultural producer that if the amount due to the agricultural supplier is not satisfied a lien may be filed.

**SECTION 16. AMENDMENT.** Section 35-31-05 of the North Dakota Century Code is amended and reenacted as follows:

**35-31-05. Amendment of lien.**

A lienholder may file electronically an amendment to correct the social security or internal revenue service taxpayer identification number of the debtor, to correct the spelling of the debtor's or lienholder's name, or to correct or change the address of the debtor or lienholder. The secretary of state shall ~~prescribe a form that may be used~~ provide an electronic means to amend or assign the agricultural supplier's lien that has been filed pursuant to section 35-31-02. The amendment or assignment of a lien does not affect the priority of the lien.

**SECTION 17. AMENDMENT.** Section 35-31-06 of the North Dakota Century Code is amended and reenacted as follows:

**35-31-06. Fees - Penalty.**

The fee for filing an agricultural supplier's lien and related documents ~~with the secretary of state or the county recorder in the central notice system~~ is the same as that provided for in section 41-09-96. If a lienholder fails to file a termination

statement within sixty days after the lien has been satisfied, the lienholder is liable to the debtor for one hundred dollars.

**SECTION 18. AMENDMENT.** Section 35-34-04 of the North Dakota Century Code is amended and reenacted as follows:

**35-34-04. Vessel lien.**

1. In the case of a vessel, the child support agency may file electronically a notice of lien ~~with the secretary of state in the central indexing system~~ if the value of the vessel is estimated to be at least twice the cost of establishing the lien. The notice must contain a description of the make, model designation, and serial number of the vessel, including its identification or registration number, if any, and the name, social security number, and last-known address of the obligor. The notice of lien must state that the child support obligation is past due and that a copy of the notice of lien has been served on the obligor by first-class mail at the obligor's last-known address.
2. Upon filing of the notice of lien in accordance with this section, the notice of lien must be indexed ~~by the secretary of state~~ in the central indexing system and may be enforced and foreclosed in the same manner as a security agreement under the provisions of title 41.
3. The secretary of state shall remove and destroy the lien notification statement in the same manner as provided for other liens in section 11-18-14 for the recorder.
4. The child support agency may file electronically an amendment to correct the spelling of the obligor's name, to correct the obligor's social security number, or to correct or change the address of the obligor.

**SECTION 19. AMENDMENT.** Section 35-34-06 of the North Dakota Century Code is amended and reenacted as follows:

**35-34-06. Lien on other personal property.**

1. In the case of untitled personal property other than an account maintained in a financial institution, the child support agency may establish a lien on such personal property by filing electronically a notice of lien ~~with the office of the recorder in the county in which the personal property may be found, with the secretary of state, in the central indexing system~~ or with a third party who is in possession of the personal property. The notice must particularly describe the property to be subjected to the lien and the name and last-known address of the obligor. The notice of lien must state that the child support obligation is past due and that a copy of the notice of lien has been served on the obligor by first-class mail at the obligor's last-known address.
2. The information filed ~~with a recorder or with the secretary of state~~ under this section must be included in the computerized central indexing system maintained by the secretary of state under section 54-09-09 and must be accessible to the public on the same terms and conditions that apply to access other statutory lien information maintained in the computerized central indexing system.
3. Upon filing of the notice of lien in accordance with this section, the lien attaches to and is perfected against all personal property described in the notice.

**SECTION 20. AMENDMENT.** Section 35-35-03 of the North Dakota Century Code is amended and reenacted as follows:



**35-35-03. Filing officer may reject lien - Filing officer to accept notice of invalid lien - Filing officer not liable.**

1. Any filing officer may reject for filing or recording any nonconsensual common-law lien.
2. If a nonconsensual common-law lien has been accepted for filing or recording, the filing officer shall accept for filing any ~~sworn~~ notice of invalid lien ~~signed and submitted~~ electronically by the person against whom such a lien was filed or that person's attorney. The notice must be captioned "Notice of Invalid Lien" and must state the name and address of the person on whose behalf the notice is filed, the name and address of the lien claimant, and a clear reference to the document or documents the person believes constitute a nonconsensual common-law lien. The notice must be filed in such a manner that any search of the records which reveals the lien the notice refers to will also reveal the notice of invalid lien. The filing officer shall mail or deliver electronically a copy of the notice of invalid lien to the lien claimant at the lien claimant's last-known address within one business day.
3. A filing officer, county, or the state may not be held liable for filing a nonconsensual common-law lien, or for filing a ~~sworn~~ notice of invalid lien pursuant to this section.
4. A fee may not be charged for the filing of a notice of invalid lien against a field nonconsensual common-law lien.

**SECTION 21. AMENDMENT.** Section 35-37-04 of the North Dakota Century Code is amended and reenacted as follows:

**35-37-04. Perfection of lien - Verified notice - Effect of instruments - Effective date of lien.**

1. If the proceeds for oil or gas which are required to be paid are not paid to the interest owner when due, the interest owner may perfect the security interest and lien by filing electronically a ~~form~~ UCC-1A in the central indexing system and recording the lien in the real estate records in the office of the county recorder of the county in which the well is located. If the oil and gas owner's lien is not filed within ninety days from the date of production, the security interest is not perfected and does not give the interest owner priority over a perfected security interest in the same oil, gas, or proceeds of the oil or gas.
2. ~~All instruments that are presented to a county recorder for filing in accordance with subsection 1 are effective as financing statements even though the signature of the debtor may not appear on the lien.~~ Liens must be filed electronically in the central indexing system and recorded in the real estate records of the county according to sections 11-18-01 and 11-18-05. Liens may be terminated in the same manner as financing statements.
3. Upon perfection by filing, the security interest and lien of the interest owner takes priority over the rights of all persons whose rights or claims arise or attach thereafter to the oil or gas unpaid for, or the proceeds of oil or gas if the oil or gas has been sold, including those that arise or attach between the time the security interest and lien attaches and the time of filing. The security interest and lien created pursuant to this chapter do not have priority over the security interest and lien rights previously created and perfected or an operating agreement or other voluntary agreement for the development and operation of the property.

**SECTION 22. AMENDMENT.** Section 41-09-72 of the North Dakota Century Code is amended and reenacted as follows:

**41-09-72. (9-501) Filing office.**

1. Except as otherwise provided in subsection 2, if the local law of this state governs perfection of a security interest or agricultural lien, the office in which to file a financing statement to perfect the security interest or agricultural lien is:
  - a. The office designated for the filing or recording of a record of a mortgage on the related real property, if:
    - (1) The collateral is as-extracted collateral or timber to be cut; or
    - (2) The financing statement is filed as a fixture filing and the collateral is goods that are or are to become fixtures; or
  - b. The office of the recorder in any county in this state or in the office of the secretary of state, in all other cases, including a case in which the collateral is goods that are or are to become fixtures and the financing statement is not filed as a fixture filing.
2. The office in which to file a financing statement to perfect a security interest in collateral, including fixtures, of a transmitting utility is the office of the secretary of state. The financing statement also constitutes a fixture filing as to the collateral indicated in the financing statement which is or is to become fixtures.
3. The secretary of state shall provide an electronic means for filing any record required or permitted to be filed by this title. This may include use of business-to-business methods using a common data format and must include a web-based application. Any record that is not filed electronically must be rejected.

**SECTION 23. AMENDMENT.** Section 41-09-73 of the North Dakota Century Code is amended and reenacted as follows:

**41-09-73. (9-502) (Effective through June 30, 2013) Contents of financing statement - Record of mortgage as financing statement - Time of filing financing statement - Amending financing statement.**

1. Subject to subsection 2, a financing statement is sufficient only if the statement:
  - a. Provides the name of the debtor;
  - b. Provides the name of the secured party or a representative of the secured party;
  - c. Indicates the collateral covered by the financing statement;
  - d. If it is a financing statement that is to be filed to gain protection under the central notice system, includes a reasonable description of the property, including the county in which the property is located, and any other additional information required by the Food Security Act of 1985 [Pub. L. 99-198; Stat. 1535; 7 U.S.C. 1631], as prescribed by the secretary of state, and, to be sufficient a financing statement must include the name and address of the secured party; and unless electronically filed, the signatures of the debtor and secured parties;
  - e. Provides a mailing address for the secured party; and
  - f. Provides a mailing address for the debtor.
2. Except as otherwise provided in subsection 2 of section 41-09-72, to be sufficient, a financing statement that covers as-extracted collateral or

- timber to be cut, or which is filed as a fixture filing and covers goods that are or are to become fixtures, must satisfy subsection 1 and also:
- a. Indicate that it covers this type of collateral;
  - b. Indicate that it is to be filed for record in the real property records;
  - c. Provide a description of the real property to which the collateral is related sufficient to give constructive notice of a mortgage under the law of this state if the description were contained in a record of the mortgage of the real property; and
  - d. If the debtor does not have an interest of record in the real property, provide the name of a record owner.
3. A record of a mortgage is effective, from the date of recording, as a financing statement filed as a fixture filing or as a financing statement covering as-extracted collateral or timber to be cut only if:
- a. The record indicates the goods or accounts that it covers;
  - b. The goods are or are to become fixtures related to the real property described in the record or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut;
  - c. The record satisfies the requirements for a financing statement in this section other than an indication that it is to be filed in the real property records; and
  - d. The record is duly recorded.
4. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches.
5. A financing statement filed to gain protection under the central notice system must be amended within three months of a material change to reflect that change. The amended financing statement must be signed by both the debtor and secured party and filed in the same manner as the original financing statement. An electronically filed amendment does not need to be signed.
6. Any social security number or federal tax identification number submitted on a financing statement filed pursuant to this chapter as a central indexing filing prior to January 1, 2012, is an exempt record as defined by subsection 5 of section 44-04-17.1 and may not be disclosed as part of any search under section 41-09-94 or 41-09-96 or as part of a copy of the record. After December 31, 2011, a debtor's social security number or federal tax identification number may not be filed pursuant to this chapter in the filing office with the central indexing system and may not be recorded in the real property records.

**(Effective after June 30, 2013) Contents of financing statement - Record of mortgage as financing statement - Time of filing financing statement - Amending financing statement.**

1. Subject to subsection 2, a financing statement is sufficient only if the statement:
  - a. Provides the name and social security number or internal revenue service taxpayer identification number of the debtor;
  - b. Provides the name of the secured party or a representative of the secured party;

- c. Indicates the collateral covered by the financing statement;
  - d. If it is a financing statement that is to be filed to gain protection under the central notice system, includes a reasonable description of the property, including the county in which the property is located, and any other additional information required by the Food Security Act of 1985 [Pub. L. 99-198; Stat. 1535; 7 U.S.C. 1631], as prescribed by the secretary of state, and, to be sufficient a financing statement must include the name and address of the secured party; and unless electronically filed, the signatures of the debtor and secured parties;
  - e. Provides a mailing address for the secured party; and
  - f. Provides a mailing address for the debtor.
2. Except as otherwise provided in subsection 2 of section 41-09-72, to be sufficient, a financing statement that covers as-extracted collateral or timber to be cut, or which is filed as a fixture filing and covers goods that are or are to become fixtures, must satisfy subsection 1 and also:
- a. Indicate that it covers this type of collateral;
  - b. Indicate that it is to be filed for record in the real property records;
  - c. Provide a description of the real property to which the collateral is related sufficient to give constructive notice of a mortgage under the law of this state if the description were contained in a record of the mortgage of the real property; and
  - d. If the debtor does not have an interest of record in the real property, provide the name of a record owner.
3. A record of a mortgage is effective, from the date of recording, as a financing statement filed as a fixture filing or as a financing statement covering as-extracted collateral or timber to be cut only if:
- a. The record indicates the goods or accounts that it covers;
  - b. The goods are or are to become fixtures related to the real property described in the record or the collateral is related to the real property described in the record and is as-extracted collateral or timber to be cut; and
  - c. The record satisfies the requirements for a financing statement in this section, but:
    - (1) The record need not indicate that it is to be filed in the real property records; and
    - (2) The record sufficiently provides the name of a debtor who is an individual if the record provides the individual name of the debtor or the surname and first personal name of the debtor, even if the debtor is an individual to whom subdivision d of subsection 1 of section 41-09-74 applies; and
  - d. ~~The record is duly recorded.~~
4. A financing statement may be filed before a security agreement is made or a security interest otherwise attaches.
5. A financing statement filed to gain protection under the central notice system must be amended within three months of a material change to reflect that change. The amended financing statement must be signed by both the debtor and secured party and filed in the same manner as the

original financing statement. An electronically filed amendment does not need to be signed.

6. Any social security number or ~~federal tax~~internal revenue service taxpayer identification number submitted on a financing statement filed pursuant to this chapter as a central indexing filing ~~prior to January 1, 2012,~~ is an exempt record as defined by subsection 5 of section 44-04-17.1 and may not be disclosed as part of any search under section 41-09-94 or 41-09-96 or as part of a copy of the record. ~~After December 31, 2011, a debtor's social security number or federal tax~~internal revenue service taxpayer identification number ~~may not be filed pursuant to this chapter in the filing office with the central indexing system and may not be recorded in the real property records as provided for under section 11-18-23.2.~~

**SECTION 24. AMENDMENT.** Section 41-09-84 of the North Dakota Century Code is amended and reenacted as follows:

**41-09-84. (9-513) Termination statement - Remedies - Fees.**

1. If a financing statement covering consumer goods is filed after December 31, 1973, then within one month or within ten days following written demand by the debtor after there is no outstanding secured obligation and no commitment to make advances, incur obligations, or otherwise give value, the secured party shall file ~~with each filing officer with whom the financing statement was filed~~electronically in the central indexing system, a termination statement to the effect that the secured party no longer claims a security interest under the financing statement, which must be identified by file number. In other cases when there is no outstanding secured obligation and no written commitment between the secured party and the debtor to make advances, incur obligations, or otherwise give value, the secured party, unless requested by the debtor in writing to continue the filing, ~~must send to each filing officer with whom the financing statement was filed,~~shall file electronically a termination statement to the effect that the secured party no longer claims a security interest under the financing statement nor under the central notice system, which shall be identified by file number. If the affected secured party fails to file a termination statement as required by this subsection within sixty days of when the secured obligation is fully satisfied, and the debtor has not requested in writing that the filing be continued, then under section 41-09-120 the secured party is liable to the debtor for one hundred dollars and for any loss caused to the debtor by such failure. The debtor's written request for a filing to be continued may be made at any time and be effective under this section. If the affected secured party fails to file a termination statement within ten days after proper written demand by the debtor, then under section 41-09-120 the secured party is liable to the debtor for one hundred dollars and for any loss caused to the debtor by such failure.
2. Except as otherwise provided in section 41-09-81, upon the filing of a termination statement ~~with the filing office~~, the financing statement to which the termination statement relates ceases to be effective. Except as provided in section 41-09-81, for purposes of subsection 7 of section 41-09-90, subsection 1 of section 41-09-93, and subsection ~~32~~ of section 41-09-94, the electronic filing with the filing office of a termination statement relating to a financing statement that indicates that the debtor is a transmitting utility also causes the effectiveness of the financing statement to lapse.
3. The fee for filing and indexing a termination statement, ~~including sending or delivering the financing statement,~~ is five dollars. ~~For any financing statement filed after April 8, 1991, the fee must be paid at the time is~~ included in the fee for filing the financing statement ~~is paid.~~

**SECTION 25. AMENDMENT.** Subsection 2 of section 41-09-87 of the North Dakota Century Code is amended and reenacted as follows:

2. Filing does not occur with respect to a record that a filing office refuses to accept because:
  - a. The record is not communicated by a method or medium of communication authorized by the filing office;
  - b. An amount equal to or greater than the applicable filing fee is not tendered;
  - c. The filing office is unable to index the record because:
    - (1) In the case of an initial financing statement, the record does not provide a name for the debtor;
    - (2) In the case of an amendment or correction statement, the record:
      - (a) Does not identify the initial financing statement as required by section 41-09-83 or 41-09-89, as applicable; or
      - (b) Identifies an initial financing statement whose effectiveness has lapsed under section 41-09-86;
    - (3) In the case of an initial financing statement that provides the name of a debtor identified as an individual or an amendment that provides a name of a debtor identified as an individual which was not previously provided in the financing statement to which the record relates, the record does not identify the debtor's last name; or
    - (4) In the case of a record filed or recorded in the filing office described in subdivision a of subsection 1 of section 41-09-72, the record does not provide a sufficient description of the real property to which it relates;
  - d. In the case of an initial financing statement or an amendment that adds a secured party of record, the record does not provide a name and mailing address for the secured party of record;
  - e. In the case of an initial financing statement or an amendment that provides a name of a debtor which was not previously provided in the financing statement to which the amendment relates, the record does not:
    - (1) Provide a mailing address for the debtor;
    - (2) Indicate whether the debtor is an individual or an organization; or
    - (3) If the financing statement indicates that the debtor is an organization, provide:
      - (a) A type of organization for the debtor;
      - (b) A jurisdiction of organization for the debtor; or
      - (c) An organizational identification number for the debtor or indicate that the debtor has none;
  - f. In the case of an assignment reflected in an initial financing statement under subsection 1 of section 41-09-85 or an amendment

filed under subsection 2 of section 41-09-85, the record does not provide a name and mailing address for the assignee; ~~or~~

- g. In the case of a continuation statement, the record is not filed within the six-month period prescribed by subsection 4 of section 41-09-86; or
- h. The record does not contain the social security number or the internal revenue service taxpayer identification number of the debtor.

**SECTION 26. AMENDMENT.** Section 41-09-94 of the North Dakota Century Code is amended and reenacted as follows:

**41-09-94. (9-523) Information from filing office - Sale or license of records.**

1. ~~If a~~Any person that files a written record requests ~~may request~~ electronically an acknowledgment of the filing, ~~the filing office a filing.~~ The central indexing system shall send ~~provide~~ to the person detailed information and an image of the record, if not filed electronically, showing the number assigned to the record pursuant to subdivision a of subsection 1 of section 41-09-90 and the date and time of the filing of the record. However, if the person furnishes a copy of the record to the filing office, ~~the filing office may instead:~~
  - a. ~~Note upon the copy the number assigned to the record pursuant to subdivision a of subsection 1 of section 41-09-90 and the date and time of the filing of the record; and~~
  - b. ~~Send the copy to the person.~~
2. ~~If a person files a record other than a written record, the filing office shall communicate to the person an acknowledgment that provides:~~
  - a. ~~The information in the record;~~
  - b. ~~The number assigned to the record pursuant to subdivision a of subsection 1 of section 41-09-90; and~~
  - c. ~~The date and time of the filing of the record.~~
3. ~~The filing office~~central indexing system shall communicate ~~or otherwise make available in a record~~electronically the following information to any person that requests it:
  - a. Whether there is on file on a date and time specified by the ~~filing office~~central indexing system, ~~but not a date earlier than three business days before the filing office receives the request, any verified statement of an agricultural lien created under chapter 35-17, 35-30, or 35-31 or any financing statement that:~~
    - (1) Designates a particular debtor or, if the request so states, designates a particular debtor at the address specified in the request;
    - (2) Has not lapsed under section 41-09-86 with respect to all secured parties of record; and
    - (3) Effective January 1, 2002, if the request so states, has lapsed under section 41-09-86 and a record of which is maintained by the ~~filing office~~central indexing system under subsection 1 of section 41-09-93;
  - b. ~~The date and time of filing of each verified statement and each financing statement; and~~

- c. ~~The information provided in each verified statement and each financing statement.~~
- 4. ~~In complying with its duty under subsection 3, the filing office may communicate information in any medium. However, if requested, the filing office shall communicate information by issuing a written certificate.~~
- 5.3. ~~The filing office~~ If a request to the central indexing system cannot be automatically accepted, the secretary of state shall perform the acts required by subsections 1 through 4 at the time and in the manner prescribed by filing office rule, but and 2 ~~not later than two business days after the filing office~~ central indexing system ~~receives the request.~~
- 6.4. ~~At least weekly, the secretary of state shall offer to sell or license to the public on a nonexclusive basis, in bulk, copies~~ detailed information of all records filed in it under this part, in every medium from time to time filed within the central indexing system.

**SECTION 27. AMENDMENT.** Section 41-09-96 of the North Dakota Century Code is amended and reenacted as follows:

**41-09-96. (9-525) Fees.**

- 1. ~~The fee for filing and indexing an original statement under this title is fifteen~~ forty-five ~~dollars plus one dollar per additional page. When a nonstandard statement is presented for filing, an additional fee of five dollars must be paid. An additional fee may not be charged for the same statement to gain protection under the central notice system.~~
- 2. ~~The fee for filing and indexing an amendment, including continuations, assignments, releases, or correction statements under this title is ten~~ forty-five ~~dollars plus one dollar per additional page. An additional fee may not be charged for the same document to gain protection under the central notice system.~~
- 3. ~~A fee may not be charged for responding to a~~ central indexing system response to an electronic request for information:
  - a. ~~Information from the filing office~~ central indexing system ~~communicating whether there is on file any financing statement or verified statement naming a particular debtor.~~
  - b. ~~Information on specific filings on a particular debtor.~~
  - c. ~~Copies of each filing on a particular debtor.~~
  - d. ~~Certified copies of filings on a particular debtor.~~
- 4. ~~The fee for a filing office~~ central indexing response providing information on specific filings ~~on submitted by a particular debtor~~ secured party ~~is seven~~ five hundred ~~dollars per debtor for the first five entries, plus two dollars for each additional five entries or fraction thereafter.~~
- 5. ~~The fee for a filing office providing copies of each filing for a particular debtor is seven dollars per debtor plus two dollars per page for each page over three pages.~~
- 6. ~~The fee for a filing office providing certified copies of filings on a particular debtor is ten dollars plus two dollars per page for attachments.~~
- 7. ~~Any fees collected by the secretary of state pursuant to this chapter and all other filings entered into the central indexing system must be deposited in the general fund in the state treasury, except~~ with the exception of the fees collected under subsection 64 of section 41-09-94, subsection 4 of this section, and a portion of the filing fees specifically



identified in section 54-09-11, which must be deposited in the secretary of state's general services operating fund.

**SECTION 28. AMENDMENT.** Subsection 3 of section 41-09-135 of the North Dakota Century Code is amended and reenacted as follows:

3. The filing of a continuation statement after this Act takes effect does not continue the effectiveness of the financing statement filed before this Act takes effect. However, upon the timely filing of a continuation statement after this Act takes effect, no later than is required by section 41-09-86, and in accordance with the law of the jurisdiction governing perfection as provided in this chapter as amended by this Act, the effectiveness of a financing statement filed in the same office in that jurisdiction before this Act takes effect continues for the period provided by the law of that jurisdiction.

**SECTION 29. AMENDMENT.** Section 41-10-01 of the North Dakota Century Code is amended and reenacted as follows:

**41-10-01. Definitions.**

As used in this chapter:

1. "Authorized", when used with reference to a financing statement record, means that the financing statement record was filed by a person authorized to do so as provided in sections 41-09-80 and 41-09-130.
2. "Debtor" means a natural person whose name was provided in a financing statement record as an individual debtor or one of the types of persons listed in section 41-09-76.
3. "Filing office" or "filing officer" refers to the ~~appropriate office or office~~central indexing system, which must be provided by the secretary of state, where a financing statement record is to be filed electronically as provided by section 41-09-72, ~~including the county recorder, the secretary of state, and other designated filing officers.~~
4. "Financing statement record" means an initial financing statement, an amendment that adds collateral covered by a financing statement, and an amendment that adds a debtor to a financing statement as such terms are used in this title.

**SECTION 30. AMENDMENT.** Section 41-10-05 of the North Dakota Century Code is amended and reenacted as follows:

**41-10-05. Venue.**

An action under this chapter may be brought in any district court ~~in the county in which the financing statement record is presented for filing or~~ in a county where any of the persons who may bring an action under this chapter reside.

**SECTION 31. AMENDMENT.** Section 47-16-03 of the North Dakota Century Code is amended and reenacted as follows:

**47-16-03. Filing farm lease containing reservation of title to crop - Waiver of rights on failure to file.**

1. When a lease of a farm contains a provision reserving title in the lessor to any part of the crops in excess of the rental share of the lessor until the stated conditions of the lease have been complied with by the lessee, such lease must be filed in the office of the recorder in the county in which the land described therein is located if notice by a real estate recording is sought, and must be filed electronically in the central indexing system if recording in the central notice system is sought, prior to July first in the year in which the crops are raised to render such

reservation of title effective as to subsequent purchasers or encumbrancers of any part of the grain over and above the lessor's rental share produced upon the land.

2. The failure to file such lease or contract in accordance with this section constitutes a waiver by the lessor of all rights reserved by that person over and above that person's rental share in such crops as against any subsequent purchaser or encumbrancer of the lessee.
3. The secretary of state ~~may prescribe a form which shall provide an~~ electronic system that includes the pertinent information from the lease that may be filed in the central notice system. A lessor may file this ~~form~~ with the recorder's electronic statement and obtain the same rights under this section as if the lessor had filed the lease.
4. The fee required to file and index this notice of lease is:
  - a. As provided in section 11-18-05, if the notice of lease is only a real estate recording;
  - b. As provided in section ~~41-09-06~~ 41-09-96, if the notice of lease is filed only to gain protection under the central notice system; or
  - c. As provided in section 11-18-05, if ~~the notice of lease is both a real estate recording and filed to gain protection under the central notice system. An additional fee may not be charged for the same~~ statement a real estate recording is sought and according to section 41-09-96 if electronically filed to gain protection under the central notice system.

**SECTION 32. AMENDMENT.** Section 54-09-08 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-08. Secretary of state's general services operating fund.**

The secretary of state's general services operating fund is a special fund in the state treasury. Moneys in the fund are to be used pursuant to legislative appropriations for the provision of services under section 16.1-02-15, subsection ~~64~~ of section 41-09-94, subsection 4 of section 41-09-96, subsection ~~87~~ of section 54-09-04, and sections 10-35-33, 54-09-10, and 54-09-11. At the close of each biennium, the secretary of state shall transfer any unobligated balance remaining in the fund exceeding seventy-five thousand dollars to the general fund.

**SECTION 33. AMENDMENT.** Section 54-09-09 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-09.**

**Computerized central indexing system - Rules.**

1. The secretary of state shall maintain a computerized central indexing system that contains the information filed ~~with the office of the secretary of state or with any of the offices of the recorder in this state~~ pursuant to sections 35-13-02, 35-17-04, 35-20-16, 35-30-02, 35-31-02, 35-34-04, 35-34-06, 41-09-72, ~~57-28-29, 57-38-49, 57-39.2-13, 57-40.2-16, 57-40.3-07.1, 57-43.1-17.4, 57-43.2-16.3, and 57-51-11.~~ ~~The system must connect each recorder's office to the secretary of state's office through the information technology department.~~ The system must allow access to financing statement information by equipment that conforms to requirements determined by the information technology department. The system must have safeguards to allow access to information that is in the system relating to security interests or liens and to prevent unauthorized alteration or deletion of that information and to allow access to other information in the system as prescribed by the secretary of state.

2. Within two working days of receipt of a financing statement, continuation statement, amendment, or termination statement filed electronically pursuant to chapter 41-09 or a statement filed electronically pursuant to section 35-13-02, 35-17-04, 35-20-16, 35-30-02, or 35-31-02, the recorder or secretary of state shall file the information contained in the statement must be filed in the computerized central indexing system. A computer printout of information from the system is prima facie evidence of the existence or nonexistence of the filing of a financing statement or lien. The secretary of state shall ~~prescribe one form~~ provide an electronic means that can be used to perfect a security interest in farm products or gain protection under the central notice system, or both.
3. The secretary of state may adopt rules necessary to implement this section and sections 54-09-10 and 54-09-11.

**SECTION 34. AMENDMENT.** Section 54-09-10 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-10. Secretary of state to compile lists for crops and livestock - Distribution of lists.**

1. From the computerized central indexing system, the secretary of state or a designee shall produce ~~each month one~~ electronically a list for crops and ~~one~~ list for livestock that each contain the information as filed ~~on the forms~~ pursuant to section 41-09-72. The secretary of state shall also include on the lists the information filed for crops and livestock pursuant to sections 35-17-04, 35-30-02, and 35-31-02. The lists must be in alphabetical order according to the last name of, or in numerical order according to the social security number of, the person engaged in farming operations. The lists may be prepared in categories according to county, regions as designated by the secretary of state, or on a statewide basis. If requested, the lists must be in printed form. Each list must conspicuously note the effective date of the list.
2. The secretary of state shall distribute ~~monthly by mail or deliver~~ electronically the lists prepared pursuant to subsection 1, ~~at least five business days in advance of the effective date of each of the lists.~~ If requested, the secretary of state shall mail ~~or deliver electronically~~ the lists to any person making a request at a fee as provided in section 54-09-11.
3. Upon a verbal request of any person, the secretary of state, ~~or a designee of the secretary of state, or a recorder~~ shall verbally provide information contained on a list generated through the computerized central indexing system if the collateral is crops or livestock. The requesting party may request electronically a certificate ~~from the secretary of state or the recorder and the secretary of state or the recorder shall~~ from the central indexing system to confirm the information given. Direct computer access is equivalent to oral confirmation, and a computer printout constitutes the written confirmation of the secretary of state, if use of this method of confirmation does not cause the central indexing system to lose federal certification. A computer printout from the computerized central indexing system constitutes the certificate of the secretary of state ~~or the recorder~~ as to whether there is on file, on the date and hour stated on the computer printout, a financing statement.

**SECTION 35. AMENDMENT.** Section 54-09-11 of the North Dakota Century Code is amended and reenacted as follows:

**54-09-11. Fees.**

1. The secretary of state shall establish fees for ~~placing data in the computerized central indexing system; for obtaining computer access to the computerized central indexing system, to the computerized Uniform Commercial Code central filing database, or to the computerized~~

- statutory liens database; for receiving printouts; for direct access to all or parts of the central indexing system; for lists sold or licensed under subsection 6 of section 41-09-94; for any other list provided by the secretary of state; for any programming charges specifically incurred to provide information requested by persons which is related to the central indexing system; and for other services provided through the computerized system.
2. ~~The~~ A fee may not be required for furnishing information on a verbal request pursuant to subsection 3 of section 54-09-10 ~~is seven dollars,~~ and the fee for furnishing a certificate under subsection 3 of section 54-09-10 ~~is seven~~ fifteen dollars.
  3. The secretary of state shall establish the fee for furnishing lists ~~under subsection 4 of section 54-09-10~~ from the central indexing system based on actual costs to produce the lists for distribution.
  4. Fees collected by the secretary of state under ~~subsections 1 and 3 and this section,~~ under subsection ~~64~~ of section 41-09-94, ~~and~~ subsection 4 of section 41-09-96, and ten dollars from each filing entered into the central indexing system must be deposited in the secretary of state's general services operating fund. Fees collected by the secretary of state under ~~subsection 2~~ must be deposited in the general fund in the state treasury ~~this section must be used for the programming and maintenance of the central indexing system.~~
  5. ~~The secretary of state may adopt rules regarding what portion of the filing fees and search fees collected by the recorder under section 41-09-96 must be submitted to the secretary of state for deposit into the secretary of state's general operating fund to meet the cost of the provision of services required under sections 54-09-09 and 54-09-10 shall pay ten dollars to the county recorder of the county of residence for the first debtor listed on each statement filed pursuant to section 35-13-02, 35-17-04, 35-20-16, 35-30-02, 35-31-02, or 41-09-72. The payment must be made monthly from the general fund in the state treasury.~~

**SECTION 36. AMENDMENT.** Subsection 5 of section 57-34-10 of the North Dakota Century Code is amended and reenacted as follows:

5. Any mortgagee, purchaser, judgment creditor, or lien claimant acquiring any interest in, or lien on, any property situated in the state, prior to the tax commissioner filing in the central indexing system maintained by the secretary of state a notice of the lien provided for in subsection 4, takes free of, or has priority over, the lien. The tax commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. the next day following the indexing of the notice. The tax commissioner shall index any notice of lien with no payment of fees or costs to the secretary of state.

**SECTION 37. AMENDMENT.** Subsection 4 of section 57-36-09.5 of the North Dakota Century Code is amended and reenacted as follows:

4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next day following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 38. AMENDMENT.** Section 57-38-49 of the North Dakota Century Code is amended and reenacted as follows:

**57-38-49. Preservation of lien.**

Any mortgagee, purchaser, judgment creditor, or lien claimant acquiring any interest in, or lien on, any property situated in the state, prior to the commissioner filing in the central indexing system maintained by the secretary of state a notice of the lien provided for in section 57-38-48, takes free of, or has priority over, the lien. The commissioner shall index in the central indexing system the following data:

1. The name of the taxpayer.
2. The name "State of North Dakota" as claimant.
3. The date and time the notice of lien was indexed.
4. The amount of the lien.
5. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed. The commissioner shall index any notice of lien with no payment of fees or costs to the secretary of state.

**SECTION 39. AMENDMENT.** Subsection 4 of section 57-39.2-13 of the North Dakota Century Code is amended and reenacted as follows:

4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 40. AMENDMENT.** Subsection 4 of section 57-40.2-16 of the North Dakota Century Code is amended and reenacted as follows:

4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 41. AMENDMENT.** Subsection 3 of section 57-40.3-07.1 of the North Dakota Century Code is amended and reenacted as follows:

3. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed. The commissioner is exempt from the payment of fees otherwise provided by law for the indexing or the satisfaction of the lien.

**SECTION 42. AMENDMENT.** Subsection 4 of section 57-43.1-17.4 of the North Dakota Century Code is amended and reenacted as follows:

4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.

- e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 43. AMENDMENT.** Subsection 4 of section 57-43.2-16.3 of the North Dakota Century Code is amended and reenacted as follows:

- 4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 44. AMENDMENT.** Subsection 4 of section 57-43.3-22 of the North Dakota Century Code is amended and reenacted as follows:

- 4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. next following the indexing of the notice. Any notice of lien filed by the commissioner ~~with a recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 45. AMENDMENT.** Subsection 2 of section 57-51-11 of the North Dakota Century Code is amended and reenacted as follows:

- 2. Any judgment creditor, or lien claimant acquiring any interest in, or lien on, any property situated in this state, prior to the commissioner filing in the central indexing system maintained by the secretary of state, a notice of the lien provided for in this section, takes free of, or has priority over, the lien. The commissioner shall index in the central indexing system the following data:
  - a. The name of the taxpayer.
  - b. The name "State of North Dakota" as claimant.

- c. The date and time the notice of lien was indexed.
- d. The amount of the lien.
- e. The internal revenue service taxpayer identification number or social security number of the taxpayer.

The notice of lien is effective as of eight a.m. of the first day following the indexing of the notice. A notice of lien filed by the commissioner ~~with a recorder~~ before August 1, 1997, may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 46. AMENDMENT.** Subsection 4 of section 57-63-10 of the North Dakota Century Code is amended and reenacted as follows:

- 4. The commissioner shall index in the central indexing system the following data:
  - a. The name of the facility.
  - b. The name "State of North Dakota" as claimant.
  - c. The date and time the notice of lien was indexed.
  - d. The amount of the lien.
  - e. The internal revenue service taxpayer identification number of the facility or the social security number of the owner, officer, or manager of the facility.

The notice of lien is effective as of eight a.m. the next day following the indexing of the notice. A notice of lien filed by the commissioner ~~with the recorder~~ may be indexed in the central indexing system without changing its original priority as to property in the county where the lien was filed.

**SECTION 47. REPEAL.** Section 57-28-29 of the North Dakota Century Code is repealed.

**SECTION 48. APPLICATION.** During the 2013-15 biennium, the secretary of state shall provide an electronic means for the central indexing system to accept an amendment to a statement filed before July 1, 2014, pursuant to section 35-13-02, 35-17-04, 35-20-16, 35-30-02, 35-31-02, 35-34-04, 41-09-72, 57-38-49, 57-39.2-13, 57-40.2-16, 57-40.3-07.1, 57-43.1-17.4, or 57-43.2-16. Before July 1, 2015, a secured party or lienholder may amend a filing under this section without a fee if the amendment is limited in scope to correcting the name of the debtor as required under section 41-09-135, or adding or correcting the social security or internal revenue service taxpayer identification number of the debtor, or both.

**SECTION 49. SECRETARY OF STATE REPORT TO LEGISLATIVE ASSEMBLY.** The secretary of state shall report to the sixty-fourth legislative assembly regarding the change in filing fees provided under this Act, including a comparison of the revenue collected under the new fee system versus the revenues collected under the previous fee system.

**SECTION 50. CONTINGENT EFFECTIVE DATE.** Sections 1 through 27 and sections 29 through 47 of this Act become effective August 1, 2015, or earlier if the secretary of state makes a report to the legislative management and to the information technology committee certifying that the information technology components of the electronic filing system are ready for implementation of those provisions of this Act, in which case those sections become effective ninety days following the completion of the certificate requirement."



**REPORT OF STANDING COMMITTEE**

**HB 1167, as engrossed: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1167 was placed on the Sixth order on the calendar.

Page 1, line 8, replace "interest" with "net"

Page 1, line 8, replace "and dividends and does not include" with "in accordance with generally accepted accounting principles, excluding"

Page 1, line 8, remove "on"

Page 1, line 9, replace "investments" with "or losses"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1205, as engrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1205, as amended, was placed on the Sixth order on the calendar.

In lieu of the amendments adopted by the Senate as printed on pages 969 and 970 of the Senate Journal, Engrossed House Bill No. 1205 is amended as follows:

Page 1, line 2, after "number" insert "license"

Page 4, after line 5, insert:

**"SECTION 4. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,500, or so much of the sum as may be necessary, to the adjutant general to be divided equally between the veterans' cemetery trust fund and the veterans' cemetery maintenance fund, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1211, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **DO PASS** (12 YEAS, 1 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1211 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1233, as reengrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1233 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1290, as reengrossed: Finance and Taxation Committee (Sen. Cook, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Reengrossed HB 1290 was placed on the Sixth order on the calendar.

Page 1, line 1, after "A BILL" replace the remainder of the bill with "to provide for a legislative management study of controlling the growth in property tax levies.

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

**SECTION 1. LEGISLATIVE MANAGEMENT STUDY - CONTROLLING GROWTH OF PROPERTY TAX LEVIES.** During the 2013-14 interim, the legislative management shall consider studying controlling the growth of property tax levies, with emphasis on consideration of the following:

1. In recent years, the legislative assembly has diverted an enormous amount of state funds to benefit political subdivisions and provide property tax relief to taxpayers and an analysis should be made of whether the level of property tax relief received by taxpayers has been commensurate with the amount of state funds distributed.
2. The legislative assembly has provided for state assumption of funding for some social service functions previously funded by counties. Analysis is needed to determine the additional cost to the state of these functions in each county and compare that amount to the actual reduction in property taxes passed through to taxpayers in each county.
3. Consideration is needed of whether voter approval through referral or levy and budget restrictions should play a greater role in local taxing decisions.
4. Consideration is needed of the feasibility of establishing more restrictive statutory property tax limits to manage the growth of property taxes.

The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly."

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1294: Judiciary Committee (Sen. Hogue, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1294 was placed on the Sixth order on the calendar.

Page 1, line 1, replace "sections" with "section"

Page 1, line 1, remove ", 57-51.2-01, subsection 3 of section"

Page 1, line 2, remove "57-51.2-02, and section 57-51.2-04"

Page 1, line 3, remove "and the three affiliated tribes oil and gas agreement"

Page 1, line 8, remove the overstrike over "governor"

Page 1, line 8, remove "legislative management"

Page 1, line 8, remove the overstrike over "governor's"

Page 1, line 8, remove "legislative management's"

Page 1, line 13, remove the overstrike over "4."

Page 1, line 14, after the first "the" insert "The"

Page 1, line 14, remove the overstrike over "chairman and vice chairman of the legislative management or the"

Page 1, remove the overstrike over lines 15 and 16

Page 1, line 20, replace "1." with "2."

Page 1, line 22, replace "2." with "3."

Page 2, line 3, replace "3." with "4."

Page 2, line 10, replace "4." with "5."

Page 2, line 12, replace "5." with "6."

Page 2, line 14, replace "6." with "7."

Page 2, line 15, remove the overstrike over "governor"

Page 2, line 15, remove "legislative management"

Page 2, line 16, remove the overstrike over "management"

Page 2, line 16, remove "assembly"

Page 2, line 18, replace "7." with "8."

Page 2, line 19, remove the overstrike over "governor"

Page 2, line 19, remove "legislative management"

Page 2, line 22, replace "8." with "9."

Page 2, line 23, remove the overstrike over "governor"

Page 2, line 23, remove "legislative management"

Page 2, remove lines 25 through 30

Page 3, remove lines 1 through 13

Renumber accordingly

#### REPORT OF STANDING COMMITTEE

**HB 1296: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **DO PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). HB 1296 was placed on the Fourteenth order on the calendar.

#### REPORT OF STANDING COMMITTEE

**HB 1306, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (13 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1306, as amended, was placed on the Sixth order on the calendar.

In addition to the amendments adopted by the Senate as printed on pages 987 and 988 of the Senate Journal, Reengrossed House Bill No. 1306 is further amended as follows:

Page 1, line 2, after the semicolon insert "to provide for a legislative management study; to provide an appropriation;"

Page 4, after line 20, insert:

**"SECTION 2. LEGISLATIVE MANAGEMENT STUDY - VETERANS' BENEFITS.** During the 2013-14 interim, the legislative management shall consider studying statutory changes that would benefit North Dakota veterans. The study must include possible changes to state income tax and property tax laws, the provision of veteran-focused incentives, assistance with obtaining and maintaining benefits, and assistance with obtaining and maintaining various life-enhancing services. In addition, the study must include current state and federal benefits available to North Dakota veterans. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-fourth legislative assembly.

**SECTION 3. APPROPRIATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$50,000, or so much of the sum as may be necessary, to the department of veterans' affairs for the purpose of training service dogs to assist North Dakota veterans having posttraumatic stress disorder, for the biennium beginning July 1, 2013, and ending June 30, 2015."

Page 4, line 21, replace "This" with "Section 1 of this"

Renumber accordingly

**REPORT OF STANDING COMMITTEE**

**HB 1325, as engrossed: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **DO NOT PASS** (5 YEAS, 2 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1325 was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HB 1356, as reengrossed and amended: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **DO NOT PASS** (8 YEAS, 5 NAYS, 0 ABSENT AND NOT VOTING). Reengrossed HB 1356, as amended, was placed on the Fourteenth order on the calendar.

**REPORT OF STANDING COMMITTEE**

**HCR 3029, as engrossed: Government and Veterans Affairs Committee (Sen. Dever, Chairman)** recommends **DO PASS** (4 YEAS, 3 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HCR 3029 was placed on the Fourteenth order on the calendar.

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

**William R. Horton, Secretary**