



LEGISLATIVE MANAGEMENT

Thursday and Friday, November 12-13, 2020
House Chamber, State Capitol
Bismarck, North Dakota

Representative Chet Pollert, Chairman, called the meeting to order at 9:00 a.m.

Members present: Representatives Chet Pollert, Josh Boschee, Bill Devlin, Karla Rose Hanson, Michael Howe, Lawrence R. Klemin, Mike Lefor, Scott Louser, Karen M. Rohr; Senators Randy Burckhard, Joan Heckaman, Ray Holmberg, Jerry Klein, Erin Oban, Donald Schaible, Ronald Sorvaag, Rich Wardner

Members absent: None

OPENING REMARKS

Chairman Pollert recognized the members of the 66th Legislative Assembly who will not return to serve in the 67th Legislative Assembly and thanked them for their service. He also thanked those legislators who served as interim committee chairmen and legislators and the Legislative Council staff for their work during the interim.

Chairman Pollert called on Mr. John Bjornson, Director, Legislative Council, who welcomed returning and new legislators. Mr. Bjornson said 25 reports from 26 committees will be presented. He said the 140 committee meetings during the interim was slightly lower than the number during the previous interim. He said the committees are recommending 28 bills and 3 resolutions.

BUDGET SECTION

Senator Terry M. Wanzek, Chairman, Budget Section, presented the [committee report](#). He said the Budget Section addressed 39 items and will address additional matters at its December 2020 meeting, including the 2021-23 biennium executive budget recommendation detail.

Senator Wanzek said the Budget Section received reports from the Office of Management and Budget regarding the general fund, oil tax revenue, revised revenue forecasts, and agencies that may request a deficiency appropriation from the 2021 Legislative Assembly.

Senator Wanzek said the Budget Section approved the following capital projects and project planning requests:

- An outdoor track project at North Dakota State University;
- An increase in project authorization for the Dickinson State University Pulver Hall project; and
- The use of up to \$80,000 from the preliminary planning revolving loan fund for a Highway Patrol public safety facility.

Senator Wanzek said excluding requests to use federal coronavirus relief funds, the Budget Section approved 53 Emergency Commission requests to accept and receive additional funding or transfer funding between line items. He said the Budget Section approved the allocation of \$1.25 billion from the federal Coronavirus Relief Fund.

It was moved by Senator Holmberg, seconded by Senator Klein, and carried on a roll call vote that the report of the Budget Section be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

LEGISLATIVE REVENUE ADVISORY COMMITTEE

Senator Ray Holmberg, Chairman, Legislative Revenue Advisory Committee, presented the [committee report](#). He said the committee studied state revenues and state revenue forecasts. He said the committee received a

report from IHS Markit regarding economic forecasting data. He said the committee also received information from state agencies and industry representatives regarding current economic conditions in the state.

In response to a question from Representative Schauer, Senator Holmberg said the preliminary estimated budget shortfall for the 2021-23 biennium is primarily related to a decrease in general fund revenues and oil and gas tax revenues.

It was moved by Senator Holmberg, seconded by Senator Schaible, and carried on a roll call vote that the report of the Legislative Revenue Advisory Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

LEGISLATIVE AUDIT AND FISCAL REVIEW COMMITTEE

Senator Jerry Klein, Chairman, Legislative Audit and Fiscal Review Committee, presented the [committee report](#). He said the committee reviewed the state's financial transactions to ensure the collection of state revenues and the expenditures of state money were in compliance with the law, legislative intent, and sound financial practices. He said the committee reviewed 6 performance audit and evaluation reports and 149 financial or information technology audit reports. He said 27 audit reports were filed with the committee, but were not formally presented. He said the State Auditor forwarded the Department of Commerce audit for the fiscal years ending June 30, 2019 and 2018, and the State Library audit for the fiscal years ending June 30, 2019 and 2018, to the Attorney General due to possible law violations identified in the audit report and the North Dakota State College of Science Division of Workforce Affairs performance audit dated March 26, 2019, to the Cass County State's Attorney due to possible law violations identified in the audit report. The subsequent investigations resulted in no criminal charges being filed.

It was moved by Senator Klein, seconded by Senator Heckaman, and carried on a roll call vote that the report of the Legislative Audit and Fiscal Review Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

HIGHER EDUCATION COMMITTEE

Representative Mark Sanford, Chairman, Higher Education Committee, presented the [committee report](#) and supplemental information ([appendix](#)). He said the committee studied higher education institutions under the control of the State Board of Higher Education, including higher education trends, research, facilities, and the role of higher education in meeting the state's workforce needs. He said the committee received reports from the Higher Education Funding Formula Review Committee regarding the committee's study of the higher education funding formula and the capital building fund program. He said the committee received reports from the State Board of Higher Education regarding North Dakota academic and career and technical education scholarships and the use of capital building fund money and related matching funds.

It was moved by Senator Wardner, seconded by Senator Holmberg and carried on a roll call vote that the report of the Higher Education Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

ENERGY DEVELOPMENT AND TRANSMISSION COMMITTEE

Senator Rich Wardner, Chairman, Energy Development and Transmission Committee, presented the [committee report](#). He said the committee studied the impact of a comprehensive energy policy for the state. He said the committee received reports regarding the Energy Policy Commission's policy recommendations, the North Dakota Transmission Authority's activities, the North Dakota Pipeline Authority's activities, the State Energy Research Center's research activities and accomplishments, a status and final report of the Industrial Commission's study on recycling produced water in oil and gas operations, the Energy and Environmental Research Center's results and recommendations of the underground gas storage pilot project, and the High-Level Radioactive Waste Advisory Council's findings.

It was moved by Senator Wardner, seconded by Senator Oban, and carried on a roll call vote that the report of the Energy Development and Transmission Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

WORKERS' COMPENSATION REVIEW COMMITTEE

Representative Dan Ruby, Chairman, Workers' Compensation Review Committee, presented the [committee report](#). He said the committee reviewed claims of 12 injured workers to determine whether changes should be

made to the state's workers' compensation law. He said the committee received reports from Workforce Safety and Insurance regarding compiled data relating to safety grants issued under North Dakota Century Code Chapter 65-03, and current pilot programs and pilot programs completed within the previous 12 months. He said the committee received quarterly reports from the Office of Administrative Hearings and Workforce Safety and Insurance on statistical information regarding results under the case processing standards and policies.

In response to a question from Representative Boschee, Representative Ruby said the reasons that extend the average number of days for the Office of Administrative Hearings to issue a decision in workers' compensation appeals include the consolidation of files, scheduling conflicts between the parties, and settlement, stipulation, or dismissal talks between the parties.

It was moved by Senator Burckhard, seconded by Senator Klein, and carried on a roll call vote that the report of the Workers' Compensation Review Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

NATURAL RESOURCES COMMITTEE

Senator Robert Erbele, Chairman, Natural Resources Committee, presented the [committee report](#). He said the committee studied access to public and private lands for hunting, trapping, fishing, and related issues, including trespass violations and penalties, and the ability to form a land access database with electronic posting capabilities. He said the committee brought landowners and sportsmen together to address land access issues arising from discussions during the 2019 legislative session. He said the committee directed the Information Technology Department and the Game and Fish Department to establish an electronic posting pilot project for up to three counties. He said the counties selected for the project are Richland, Ramsey, and Slope Counties, and the electronic posting database developed for the pilot project was operational by May 2020. He said more than 79 landowners electronically posted approximately 30,000 acres of land in the electronic posting database.

It was moved by Senator Klein, seconded by Representative Howe, and carried on a roll call vote that the report of the Natural Resources Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

WATER TOPICS OVERVIEW COMMITTEE

Representative Jim Schmidt, Chairman, Water Topics Overview Committee, presented the [committee report](#). He said the committee focused on three topics--progress on water projects throughout the state, the State Water Commission's financial situation, and the continuity of communications regarding significant water projects and the State Water Commission's operations from one biennium to the next biennium. He said after the decline in resources trust fund revenues, the committee advised the State Water Commission to reduce outlays to water projects and approve only critical projects through the remainder of the interim. He said the committee studied the feasibility and desirability of the water resource boards in each drainage basin forming a joint water resource board to plan and construct water conveyance projects based on basinwide needs. He said the committee received reports from the Garrison Diversion Conservancy District on the Red River Valley Water Supply Project. He said the committee held a joint meeting with the State Water Commission and discussed continued collaboration between the two entities.

In response to a question from Representative Schauer, Representative Schmidt said discussions regarding options for funding water projects without relying on future revenues are ongoing.

It was moved by Representative Rohr, seconded by Senator Schaible, and carried on a roll call vote that the report of the Water Topics Overview Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

HUMAN SERVICES COMMITTEE

Representative Karen M. Rohr, Chairman, Human Services Committee, presented the [committee report](#). She said the committee studied the Olmstead Commission and the implementation of recommendations included in the Human Services Research Institute's report on behavioral health. She said the committee received reports regarding the Autism Spectrum Disorder Task Force, the autism spectrum disorder program pilot project, Medicaid Expansion provider reimbursement rates, the children's health insurance program, the developmental disabilities reimbursement system, the tribal health care coordination fund, the statewide acute psychiatric and residential care needs plan, the nursing facility payment methodology, permanent housing program grants, and the county social and human services project.

It was moved by Representative Rohr, seconded by Senator Burckhard, and carried on a roll call vote that the report of the Human Services Committee be accepted. Representatives Pollert, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

GOVERNMENT FINANCE COMMITTEE

Senator Ronald Sorvaag, Chairman, Government Finance Committee, presented the [committee report](#). He said the committee studied the feasibility and desirability of reducing Lewis and Clark Interpretive Center fees and considered alternatives to address the sustainability of the Parks and Recreation Department's operations of the Lewis and Clark Interpretive Center; the public access and use of real property located between the Missouri River and the Missouri River Correctional Center, owned by the State of North Dakota, under the control of the Department of Corrections and Rehabilitation (DOCR), and the impact of transferring the property to the Parks and Recreation Department; and the provisions of the Century Code relating to state agency fees. He said the committee monitored the status of the general fund and other major funds and received updates on oil and gas development in the state.

It was moved by Senator Sorvaag, seconded by Representative Howe, and carried on a roll call vote that the report of the Government Finance Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

DEPARTMENT OF CORRECTIONS AND REHABILITATION REVIEW COMMITTEE

Representative Jon O. Nelson, Chairman, Department of Corrections and Rehabilitation Review Committee, presented the [committee report](#). He said the committee studied the DOCR, including a review of gender-responsive correctional and rehabilitation facility and service needs, an assessment of existing facilities, and a review of vocational and educational opportunities, workforce development, and medical and behavioral health treatment for those committed to the care, custody, and control of DOCR. He said the committee also studied best practices to reduce offender recidivism, increase educational opportunities, prepare incarcerated offenders to rejoin their communities, establish and implement a community transitional housing program, including independent host homes, and encourage communities to reintegrate previously incarcerated individuals into society.

It was moved by Representative Devlin, seconded by Senator Wardner, and carried on a roll call vote that the report of the Department of Corrections and Rehabilitation Review Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

JUDICIARY COMMITTEE

Representative Lawrence R. Klemin, Chairman, Judiciary Committee, presented the [committee report](#). He said the committee studied the potential adoption of an initiated measure allowing the use of recreational marijuana, including the benefits and detriments of legalizing recreational marijuana, the state's civil commitment laws and procedures under Chapters 25-03.1 and 25-03.2, the state's charitable gaming laws, the implementation and requirements of Article XIV of the Constitution of North Dakota, and the juvenile justice process.

Representative Klemin said the committee received a report from the director of the Commission on Legal Counsel for Indigents containing pertinent data on the indigent defense contract system and established public defender offices; a biennial report from the North Dakota Racing Commission addressing the issue of lack of revenue to the general and special funds; a report from the North Dakota Lottery regarding the operation of the lottery; a report from the Department of Human Services on services provided by the DOCR for individuals at the State Hospital who have been committed to the care and custody of the executive director of Department of Human Services; reports from the Attorney General on the status and results of the human trafficking victims treatment and support services grant program and a report relating to civil asset forfeiture cases in the preceding fiscal year; a report from the Task Force on the Prevention of Sexual Abuse of Children with recommendations for state policy relating to data collection; a report from the State Department of Health relating to the implementation of the medical marijuana program; and a report from the juvenile justice commission including policy recommendations to update the Uniform Juvenile Court Act.

It was moved by Representative Klemin, seconded by Representative Hanson, and carried on a roll call vote that the report of the Judiciary Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

TRIBAL TAXATION ISSUES COMMITTEE

Senator Rich Wardner, Member, Tribal Taxation Issues Committee, presented the [committee report](#). He said the committee studied tribal taxation issues, including the tax collection agreements that exist between the tribes and the state, the interaction between tribal sovereignty and state law, consideration of how statutory changes may affect provisions in existing agreements, the amount and manner of revenue sharing under the agreements, the costs and benefits to the state and the tribes if tax compacts are implemented, implementation models used in other states for tax compacts, best practices for negotiating and ratifying tax compacts, the procedure for withdrawal from an agreement and how to handle disputed funds, and methods for sourcing revenue generated from wells located inside or outside of the external boundaries of a reservation in this state when a horizontal lateral enters a spacing unit that is located both inside and outside of the external boundaries of a reservation in this state. He said the committee also studied gaming concerns, tribal health care funding, infrastructure needs, law enforcement issues, and additional issues affecting the tribes, including the impact of the Coronavirus (COVID-19), the federal census, and oil spill concerns. He said the committee also received a report from the DOCR, the Juvenile Court, and the Indian Affairs Commission regarding recommendations on the status, effectiveness, performance, and sustainability of a memorandum of understanding to provide services to juveniles adjudicated in tribal court as required by Senate Bill No. 2153 (2019).

It was moved by Senator Wardner, seconded by Representative Lefor, and carried on a roll call vote that the report of the Tribal Taxation Issues Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

TAXATION COMMITTEE

Representative Jason Dockter, Chairman, Taxation Committee, presented the [committee report](#). He said the committee studied the feasibility and desirability of applying an alternative or additional tax on liquid nicotine and electronic smoking devices; whether the state's charitable gaming laws on taxation are fair, adequate, and appropriate; and options for replacing revenue generated by special assessments with revenue from an alternative local funding source. He said the committee also studied economic development tax incentives pursuant to its statutory responsibility. He said the committee received three reports from the Tax Commissioner, including reports compiling reports from counties and school districts receiving allocations of oil and gas gross production tax revenues describing funds received, expended, and unexpended and a report on statewide property tax increases. He said the committee also received three reports from the Department of Commerce, including a report on renaissance zone progress, a report pertaining to cities that have renaissance zone property included in a tax increment financing district, and a report compiling and summarizing annual state grantor reports and reports of state agencies that awarded business incentives for the previous calendar year.

It was moved by Senator Holmberg, seconded by Representative Devlin, and carried on a roll call vote that the report of the Taxation Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

GOVERNMENT ADMINISTRATION COMMITTEE

Senator Randy Burckhard, Chairman, Government Administration Committee, presented the [committee report](#). He said the committee conducted studies regarding consolidated emergency and interoperable public safety communications system governance and funding options, accessibility of the State Capitol grounds as related to the federal Americans with Disabilities Act of 1990, the feasibility and desirability of developing other allowable revenue generating uses of the Veterans' Home facilities and state and federal veterans' programs, including program eligibility requirements.

It was moved by Senator Burckhard, seconded by Senator Holmberg, and carried on a roll call vote that the report of the Government Administration Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

INFORMATION TECHNOLOGY COMMITTEE

Representative Corey Mock, Chairman, Information Technology Committee, presented the [committee report](#). He said the committee received reports from the Information Technology Department regarding information technology unification, blockchain, cybersecurity, use of COVID-19 pandemic federal relief funding, the department's business plan and annual report, large information technology projects, prioritization of computer software projects for the 2021-23 biennium, the statewide interoperable radio network project, elementary and secondary information technology initiatives, bonuses provided to department employees, department employees working out of state,

health information technology initiatives, and the statewide longitudinal data system. He said the committee received reports from representatives of the North Dakota University System regarding higher education information technology projects and services. He said the committee received information from the Office of Management and Budget regarding contracts limiting liability of the state and from the Emergency Services Communications Coordinating Committee regarding emergency services communications.

Representative Mock said the committee conducted a study of the Information Technology Department's run-grow-transform model and the information technology unification initiative. He said the committee conducted a study of the potential benefit value of blockchain technology implementation and utilization in state government.

In response to a question from Representative Jones, Representative Mock said the Information Technology Department is preparing the department's 2021-23 biennium information technology strategic plan, which likely will include detail regarding the department's cybersecurity goals, including the department's request for an additional 29 full-time equivalent cybersecurity positions.

In response to a question from Representative Schauer, Representative Mock said many large information technology projects were delayed due to the COVID-19 pandemic, including the statewide interoperable radio network project. He said the project was delayed due to employee and contractor travel, equipment and supplies delivery, and tower construction constraints.

It was moved by Senator Oban, seconded by Senator Sorvaag, and carried on a roll call vote that the report of the Information Technology Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

ADMINISTRATIVE RULES COMMITTEE

Representative Bill Devlin, Chairman, Administrative Rules Committee, presented the [committee report](#). He said the committee reviewed all state administrative rulemaking actions from January 2019 through October 2020, covering 2,285 pages of rules and 1,950 rules sections. He said both the number of sections reviewed and the number of pages of rules were lower than the comparable amount from the previous biennial period, primarily due to extensive rules adopted by the Department of Environmental Quality in 2018. He said the committee did not void any rules but repealed obsolete rules and amended other rules when agreement was reached with the agency.

In response to a question from Representative Klemin, Representative Devlin said while the North Dakota Ethics Commission is required to comply with the notice, hearing, and other requirements of Chapter 28-32, the commission is not an executive branch agency or an administrative agency. He said because the commission's authority for rulemaking is derived from the Constitution of North Dakota, not the Legislative Assembly, the Administrative Rules Committee does not review the commission's rules.

It was moved by Representative Devlin, seconded by Senator Klein, and carried on a roll call vote that the report of the Administrative Rules Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

LEGACY FUND EARNINGS COMMITTEE

Adam Mathiak, Senior Fiscal Analyst, Legislative Council, presented the [Legacy Fund Earnings Committee report](#). He said the committee studied the history and status of the legacy fund and the potential uses of legacy fund earnings. He said the committee received information on the state budget; other sovereign wealth funds, including the Alaska permanent fund; and the potential concerns for the current process of administering the legacy fund earnings. He said the committee also received comments regarding proposed uses of legacy fund earnings.

It was moved by Senator Holmberg, seconded by Representative Rohr, and carried on a roll call vote that the report of the Legacy Fund Earnings Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

The committee recessed until Friday, November 13, 2020, at 9:00 a.m.

AGRICULTURE AND TRANSPORTATION COMMITTEE

Representative Dennis Johnson, Chairman, Agriculture and Transportation Committee, presented the [committee report](#). He said the committee studied how the state's central indexing system can be used to provide notification to a secured lender when a super priority lien is filed on the collateral of a secured lender. He said the committee

studied agricultural issues in the state, including grain buyers, roving grain buyers, grain brokers, and grain handling facilities under Title 60. He said the committee also studied current methods using the electric vehicle infrastructure coalition led by the Department of Transportation to collaborate with the North Dakota utility industry and electric vehicle stakeholder groups to design a jointly owned public and private network of electric vehicle infrastructure to support both commercial and noncommercial vehicles. He said the committee also studied the feasibility and desirability of creating a road train pilot program. He said the committee received reports from the Department of Transportation, the Advisory Committee on Sustainable Agriculture, the State Board of Agricultural Research and Education, the Federal Environmental Law Impact Review Committee, and the Department of Environmental Quality.

In response to a question from Senator Burckhard, Representative Johnson said the committee discussed safety issues related to a potential road train pilot program. He said the committee received testimony from representatives of the Department of Transportation and the Highway Patrol regarding safety concerns that may arise if a pilot program is approved.

It was moved by Senator Klein, seconded by Representative Boschee, and carried on a roll call vote that the report of the Agriculture and Transportation Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

EDUCATION POLICY COMMITTEE

Representative David Monson, Chairman, Education Policy Committee, presented the [committee report](#). He said the committee studied dual-credit, advanced placement, and distance education courses including a review of early enrollment placement testing and the qualifications for dual-credit and advanced placement courses. He said the study included a review of the costs and amounts of funding necessary to provide all students access to dual-credit, advanced placement, and distance education courses, as well as the types of courses available and the delivery methods necessary to provide all students with access. He said the committee studied the feasibility and desirability of creating a teacher incentive for leadership program. He said the committee studied provisions of the Century Code relating to the provision of elementary and secondary education to recommend changes to any laws found to be irrelevant, duplicative, inconsistent, or unclear. He said the committee also studied the impact of students who experience behavioral health crisis or who engage in intense and aggressive behavior for communication purposes. He said the committee also received numerous reports from the Superintendent of Public Instruction, the Education Standards and Practices Board, and the Kindergarten Through Grade Twelve Education Coordination Council.

It was moved by Representative Klemin, seconded by Representative Devlin, and carried on a roll call vote that the report of the Education Policy Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

EDUCATION FUNDING FORMULA REVIEW COMMITTEE

Senator Donald Schaible, Chairman, Education Funding Formula Review Committee, presented the [committee report](#). He said the committee studied the K-12 education funding formula, including the components, adjustments, and weighting factors of the formula. He said the study of the K-12 education funding formula included a review of current state school aid funding levels and the status of state school aid, including the cost to continue state school aid in the 2021-23 biennium; school district hold harmless calculations, including minimum and maximum adjustments; excess ending fund balance deductions; and other local revenue deductions, including school district mill levies and in lieu of property tax revenue. He said the study also included information regarding the impact of the COVID-19 pandemic on school district ending fund balances and federal funds provided to mitigate the impact of the COVID-19 pandemic on K-12 education.

Senator Schaible said the committee also studied school transportation, including district routes, expenditures, reimbursements, and possible efficiencies. He said the study of school transportation included a review of the history of school transportation funding and reimbursement; transportation funding formulas repealed in 2003; current transportation reimbursement practices; transportation costs eligible for reimbursement; reimbursement rates and funding; demand for transportation services; and transportation challenges. He said the study also reviewed the results of a performance audit of transportation grant reimbursement by the Department of Public Instruction and the impact of the COVID-19 pandemic on school district transportation costs and reimbursement.

Senator Schaible said the committee received required reports from the Superintendent of Public Instruction regarding the financial condition of schools and school district employee compensation. He said the committee also received reports from the Superintendent regarding a study assigned to the Department of Public Instruction, the

Indian Affairs Commission, and the Kindergarten Through Grade Twelve Education Coordination Council pursuant to Section 24 of Senate Bill No. 2265 (2019), regarding the effect of impact aid on the funding formula of reservation schools; from the Department of Public Instruction regarding special education contract costs and challenges of the special education contract system and student placement, federal Every Student Succeeds Act reports on per student expenditures by school district, the impact of funding made available to school districts through the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act, the impact of on-time funding factors on the state school aid formula, the impact of distance learning on school districts' ability to fulfill school calendar hour requirements and the impact of distance learning on school districts' state school aid calculation; and other reports from the Center for Distance Education, Department of Career and Technical Education, and other education stakeholders regarding the impact of the COVID-19 pandemic on enrollments, K-12 tuition calculations, open enrollment, tuition agreements, agency-placed students, graded elementary and rural districts, air base tuition, and the Wyoming model for students educated outside their resident district.

It was moved by Senator Schaible, seconded by Senator Burckhard, and carried on a roll call vote that the report of the Education Funding Formula Review Committee be accepted. Representatives Pollert, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

COMMERCE COMMITTEE

Representative Scott Louser, Chairman, Commerce Committee, presented the [committee report](#). He said the committee studied the future administration and regulation of the unmanned aircraft systems in North Dakota and received two reports from the Department of Commerce, including a report on the development of the beyond visual line of sight unmanned aircraft system program and a report on the status of the Northern Plains Unmanned Aircraft Systems test site. He said the committee studied the protections, enforcement, and remedies regarding the disclosure of consumers' personal data. He said the committee studied the regulation of sewage treatment system installation, maintenance, testing, and repair. He said the committee studied the distribution of food in rural communities in the state and how the system can be improved. He said the committee also received reports from the State Board of Higher Education regarding the skilled workforce student loan repayment program and the skilled workforce scholarship program.

In response to a question from Representative Schauer, Representative Louser said the committee acknowledged Congress may be slow to enact federal data privacy legislation, but the committee received testimony that the Uniform Law Commission has begun the process of drafting a uniform law on the issue.

It was moved by Representative Louser, seconded by Senator Schaible, and carried on a roll call vote that the report of the Commerce Committee be accepted. Representatives Pollert, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

EMPLOYEE BENEFITS PROGRAMS COMMITTEE

Representative Mike Lefor, Chairman, Employee Benefits Programs Committee, presented the [committee report](#). He said the committee studied the feasibility and desirability of the Public Employees Retirement System (PERS) entering a separate contract for prescription drug coverage under the uniform group insurance plan. He said the committee contracted with a consultant to assist in conducting the study. He said the committee recommends one bill draft to give PERS flexibility if it moves to a self-insured plan for prescription drug benefits.

Representative Lefor said the committee completed its statutory duties, including taking jurisdiction over proposed legislative measures affecting retirement, health insurance, and retiree health insurance programs of public employees. He said before introduction of a bill that impacts the retirement programs or health insurance plans and before a standing committee acts on an amendment that impacts the retirement programs or health insurance plans, the Employee Benefits Programs Committee must provide a report on the bill or amendment. He said the committee also reviewed the actuarial reports for the PERS System and for the Teachers' Fund for Retirement; approved terminology adopted by the Board of Trustees of the Teachers' Fund for Retirement and adopted by the PERS Board to comply with federal requirements; and received reports from Human Resource Management Services on bonuses to recruit or retain employees in hard-to-fill positions, service awards to employees in the classified service, employer-paid costs of training or educational courses to employees in the classified service, and payment of membership dues for professional organizations and membership dues for services clubs.

In response to a question by Representative Magrum, Representative Lefor said the committee did not address the effect of PERS retirees returning to part-time PERS employment.

It was moved by Representative Lefor, seconded by Senator Burckhard, and carried on a roll call vote that the report of the Employee Benefits Programs Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

HEALTH CARE COMMITTEE

Representative George Keiser, Chairman, Health Care Committee, presented the [committee report](#). He said the committee was assigned four studies--studying ways the state may be able to positively affect the current trend of health insurance premium rates increasing, the feasibility and desirability of state guaranteed issue provisions for health insurance, the delivery of health insurance in the state, and the State Department of Health licensing process for health facility construction and renovation projects. He said the committee received six reports from agencies and recommended three bill drafts.

In response to a question from Representative Magrum, Representative Keiser said Medicaid Expansion has been integral to the financial success of critical access hospitals.

It was moved by Senator Holmberg, seconded by Representative Rohr, and carried on a roll call vote that the report of the Health Care Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

LEGISLATIVE PROCEDURE AND ARRANGEMENTS COMMITTEE

Senator Rich Wardner, Chairman, Legislative Procedure and Arrangements Committee, presented the [committee report](#). He said the committee was responsible for making arrangements for the 2021 legislative session. He said the committee recommends several changes from past legislative sessions in preparation for a legislative session during the COVID-19 pandemic. He said the changes include installation of technology allowing legislators to participate remotely in all aspects of the legislative session if necessary, the public to testify remotely, and individuals to transmit testimony and other documents electronically. He said the committee recommends several amendments to legislative rules to accomplish the changes. He said the committee worked with the Office of Management and Budget to continue the process of making the Capitol complex compliant with the Americans with Disabilities Act of 1990. He said members of the Legislative Assembly will have new work spaces and larger committee rooms to provide for social distancing. He said the committee recommends changes in legislative compensation for the 2021-23 biennium.

It was moved by Senator Wardner, seconded by Senator Holmberg, and carried on a roll call vote that the report of the Legislative Procedure and Arrangements Committee be accepted. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

COMMITTEE WORK

Vice Chairman Holmberg assumed the duties as the presiding officer.

It was moved by Representative Pollert and seconded by Senator Wardner that the Legislative Management request the Attorney General represent the interests of the Legislative Branch in the lawsuit brought by the Governor against the Legislative Assembly.

Representative Boschee said the minority caucus stands firmly behind the rights of the legislative branch and the rights of North Dakota citizens to decide who will represent them. He said the decision regarding the vacant District 8 seat should not be made by a single individual. He said the decision regarding the vacant seat lies with District 8, regardless of any preferences the minority and majority parties might have for filling the seat.

Representative Lefor said the actions taken by the Governor clearly raise a separation of powers issue. He said he is not aware of any situation that would result in the governor selecting the individual seated by the Legislative Assembly. He said the right to fill the vacant seat lies with District 8.

The motion carried on a roll call vote. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

OTHER BUSINESS

Chairman Pollert called for consideration of consent, pursuant to Section 15-10-51, to the appointment of Ms. Jill Louters to the Higher Education Grant Review Committee.

It was moved by Senator Heckaman, seconded by Senator Holmberg, and carried on a roll call vote that the Legislative Management consent to the appointment by the State Board of Higher Education of Ms. Jill Louters to the Higher Education Grant Review Committee. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

Chairman Pollert called on Mr. Bjornson for a presentation of the reports received from various state agencies regarding the actual fiscal impact of the 2018 ballot measures. Mr. Bjornson said the law requires state agencies that would be impacted by a ballot measure to provide a statement of the estimated fiscal impact of the measure before the election in which the measure would appear on the ballot. He said the law requires the reporting agencies to provide the Legislative Management with a subsequent report listing the actual fiscal impact of the measure 1 year after the measure takes effect. He said the fiscal impact report provided by the Office of Management and Budget on Measure No. 1, which established the North Dakota Ethics Commission, indicated a negative fiscal impact of \$164,864. He said the fiscal impact report provided by the Secretary of State on Measure No. 2, which provided a constitutional amendment clarifying that only a citizen may vote, indicated the measure did not have a fiscal impact. He said the fiscal impact report provided by the Department of Transportation on Measure No. 3, which provided for special license plates for emergency volunteers, indicated a negative fiscal impact of \$443,000.

It was moved by Representative Rohr, seconded by Senator Klein, and carried on a roll call vote that the Legislative Management accept the reports on the actual fiscal impact of the 2018 ballot measures. Representatives Pollert, Boschee, Devlin, Hanson, Howe, Klemin, Lefor, Louser, and Rohr and Senators Burckhard, Heckaman, Holmberg, Klein, Oban, Schaible, Sorvaag, and Wardner voted "aye." No negative votes were cast.

No further business appearing, Chairman Pollert adjourned the meeting at 12:15 p.m.

John Bjornson
Director

ATTACH:1