

## JOURNAL OF THE SENATE

### Sixty-sixth Legislative Assembly

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Bismarck, April 12, 2019

The Senate convened at 12:30 p.m., with President Sanford presiding.

The prayer was offered by Pastor Keith Ritchie, Cornerstone Church, Bismarck.

The roll was called and all members were present.

A quorum was declared by the President.

#### CONSIDERATION OF AMENDMENTS

**HB 1014, as engrossed: SEN. SORVAAG (Appropriations Committee) MOVED** that the amendments on SJ pages 1454-1470 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 1014:** A BILL for an Act to provide for an appropriation for defraying the expenses of the industrial commission and the agencies under the management of the industrial commission; to create and enact section 6-09.4-28 of the North Dakota Century Code, relating to the infrastructure revolving loan fund debt repayments; to amend and reenact sections 6-09-49, 6-09.4-06, and 6-09.4-10, subsection 6 of section 21-03-07, sections 21-03-19, 54-17-40, 57-15-06.6, and 57-47-02, and subdivision f of subsection 1 of section 57-51-15 of the North Dakota Century Code, relating to the infrastructure revolving loan fund, borrowing and lending authority, reserve funds, expanded bonding authority for counties, the housing incentive fund, and the fund balance of the abandoned oil and gas well plugging and site reclamation fund; to repeal section 61-02-78 of the North Dakota Century Code, relating to a revolving loan fund for water projects; to provide a contingent authorization; to provide for a transfer; to provide a continuing appropriation; to provide a bond issuance limitation; to provide an exemption; to provide for a study; to provide a report; to provide a statement of legislative intent; 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, and has committee recommendation of DO PASS, the roll was called and there were 42 YEAS, 5 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Lemm; Marcellais; Mathern; Meyer; Oban; Oehlke; Patten; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Wardner

**NAYS:** Anderson; Luick; Myrdal; Piepkorn; Unruh

Engrossed HB 1014, as amended, passed and the emergency clause was declared carried.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. BURCKHARD MOVED** that the Senate do concur in the House amendments to SB 2304 as printed on SJ page 1026, which motion prevailed on a voice vote.

SB 2304, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2304:** A BILL for an Act to amend and reenact section 12.1-01-05 and subsection 2 of

section 40-05-06 of the North Dakota Century Code, relating to the effect of state law on city or county ordinances and limits on city fines and penalties.

#### ROLL CALL

The question being on the final passage of the amended bill, which has been read, the roll was called and there were 34 YEAS, 13 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Dotzenrod; Dwyer; Fors; Grabinger; Heckaman; Hogan; Kannianen; Krebsbach; Kreun; Larson, D.; Lee, J.; Lemm; Luick; Marcellais; Mathern; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wardner

**NAYS:** Cook; Davison; Dever; Elkin; Erbele; Hogue; Holmberg; Klein; Larsen, O.; Lee, G.; Meyer; Unruh; Wanzek

Engrossed SB 2304 passed.

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#### CONSIDERATION OF MESSAGE FROM THE HOUSE

**SEN. HOLMBERG MOVED** that the Senate do concur in the House amendments to Engrossed SB 2021 as printed on SJ pages 1365-1366, which motion prevailed on a voice vote.

Engrossed SB 2021, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2021:** A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance; and to provide for a report to the legislative assembly.

#### ROLL CALL

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

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Reengrossed SB 2021 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 2124 as printed on SJ pages 1312-1316, which motion prevailed on a voice vote.

Engrossed SB 2124, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2124:** A BILL for an Act to create and enact five new sections to chapter 50-01.1 and chapter 50-35 of the North Dakota Century Code, relating to creation of human service zones; to amend and reenact sections 11-16-01 and 11-23-01, subdivision c of subsection 1 of section 14-02.1-02.1, sections 14-08.1-01, 14-09-06.3, 14-09-06.4, 14-09-12, 14-09-19, 14-10-05, and 14-15-01, subdivision i of subsection 1 of section 14-15-09, sections 14-15-11, 14-15-12, and 14-15-12.1, subsection 3 of section 14-15-13, sections 23-06-03, 23-41-01, 23-41-06, 25-04-08.1, and 25-04-11, subsection 2 of section 25-04-16, sections 26.1-45-13, 27-20-02, 27-20-11, 27-20-20.1, 27-20-30, and 27-20-30.1, subsection 2 of section 27-20-31, sections 27-20-38, 27-20-44, 27-20-45, 27-20-47, 27-20-49, and

27-20-54, subsection 2 of section 27-21-12, section 30-16-04, subsection 1 of section 30.1-26-01, subsection 3 of section 30.1-28-11, subdivision h of subsection 1 of section 40-01.1-04, sections 50-01-01, 50-01-01.1, 50-01-02, 50-01-04, 50-01-13, 50-01-17, 50-01-17.1, 50-01-17.2, 50-01-17.3, 50-01-17.5, 50-01-19, 50-01-21, 50-01-26, 50-01-27, 50-01-28, 50-01-29, 50-01.1-01, 50-01.1-02, 50-01.1-03, 50-01.1-04, 50-01.2-00.1, 50-01.2-01, 50-01.2-02, 50-01.2-03, 50-01.2-03.2, 50-01.2-04, and 50-01.2-05, subsection 4 of section 50-06-01, sections 50-06-01.4, 50-06-01.9, and 50-06-05.1, subsection 3 of section 50-06-05.3, sections 50-06-05.8, 50-06-06.2, 50-06-06.5, 50-06-06.14, 50-06-12, 50-06-20, 50-06.2-01, 50-06.2-02, 50-06.2-03, 50-06.2-04, 50-06.2-06, 50-09-01, 50-09-02, 50-09-02.2, 50-09-03, 50-09-04, 50-09-06, 50-09-07, and 50-09-08, subsections 2, 3, and 4 of section 50-09-08.2, sections 50-09-08.3, 50-09-08.4, and 50-09-09, subsection 1 of section 50-09-14, sections 50-09-29 and 50-09-30, subsection 2 of section 50-11-00.1, sections 50-11.1-02, 50-11.2-01, 50-11.2-02, 50-24.1-03.1, 50-24.1-03.2, and 50-24.5-01, subsection 1 of section 50-24.5-02, sections 50-24.5-03, 50-24.5-07, 50-24.5-09, and 50-24.7-01, subsection 1 of section 50-24.7-02, sections 50-24.7-03 and 50-24.7-06, subsections 6 and 11 of section 50-25.1-02, sections 50-25.1-04.3, 50-25.2-14, 50-29-01, 50-29-02, 50-29-03, and 54-46-13, subsection 3 of section 57-15-01.1, sections 57-15-06.7 and 57-20-07.1, subsection 3 of section 57-20-07.3, subdivision b of subsection 1 of section 57-55-10, and subsection 16 of section 65-01-02 of the North Dakota Century Code, relating to the establishment and operation of human service zone areas, taxing district levy limitations, and property tax statements; to repeal sections 50-01-03, 50-01.1-02.1, 50-01.2-03.1, and 50-01.2-06, chapter 50-03, and sections 50-06-05.7, 50-06-06.1, 50-06-20.1, 50-06.2-05, and 50-25.1-06.1 of the North Dakota Century Code, relating to administration of county social service boards, the county human services fund, and caseload standards; to provide for a report; to provide a penalty; to provide a contingent appropriation; to provide for the transfer of employees; to provide an effective date; to provide an expiration 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 46 YEAS, 1 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Kannianen

Reengrossed SB 2124 passed and the emergency clause was declared carried.

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#### 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 1268, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1268:** Reps. Weisz; Devlin; Dobervich

#### CONSIDERATION OF MESSAGES FROM THE HOUSE

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to Engrossed SB 2005 as printed on SJ pages 1443-1444, in the House amendments to Engrossed SB 2020, and in the House amendments to Engrossed SB 2022 as printed on SJ pages 1445-1446 and that a conference committee be appointed to meet with a like committee from the House on each of these measures, which motion prevailed on a voice vote.

**APPOINTMENT OF CONFERENCE COMMITTEES**

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

**Engrossed SB 2005:** Sens. Bekkedahl, Dever, Robinson.

**Engrossed SB 2020:** Sens. G. Lee, Sorvaag, Robinson.

**Engrossed SB 2022:** Sens. Poolman, Wanzek, Robinson.

**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 1011, Engrossed HB 1020, Engrossed HB 1025, Engrossed HB 1268, and Engrossed HB 1333, which motion prevailed.

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

**Engrossed HB 1011:** Sens. Krebsbach, G. Lee, Grabinger

**Engrossed HB 1020:** Sens. Erbele, Wanzek, Robinson

**Engrossed HB 1025:** Sens. Dever, Poolman, Mathern

**Engrossed HB 1268:** Sens. Kannianen, J. Lee, Dotzenrod

**Engrossed HB 1333:** Sens. Kreun, Sorvaag, J. Roers

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. COOK MOVED** that the conference committee report on Engrossed SB 2040 as printed on SJ page 1433 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2040, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2040:** A BILL for an Act to amend and reenact section 40-22-18 of the North Dakota Century Code, relating to treatment of property owned by a political subdivision when calculating protests against the formation of a special improvement district.

**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; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Dwyer; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, O.; Larson, D.; Lee, G.; Lee, J.; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

Reengrossed SB 2040 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KREUN MOVED** that the conference committee report on SB 2090 as printed on SJ page 1470 be adopted, which motion prevailed on a voice vote.

SB 2090, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2090:** A BILL for an Act to create and enact sections 61-04-02.2, 61-04-04.3, 61-04-07.2, 61-04-07.3, 61-04-15.2, 61-04-15.3, and 61-04-15.4 of the North Dakota Century Code, relating to permits for the appropriation of water; to amend and reenact sections 61-04-01, 61-04-01.1, 61-04-01.2, 61-04-02, 61-04-03, 61-04-03.1, 61-04-04, and 61-04-04.1, subsections 3, 4, and 5 of section 61-04-05, and sections 61-04-05.1, 61-04-06, 61-04-06.1, 61-04-06.2, 61-04-06.3, 61-04-09, 61-04-11, 61-04-14, 61-04-15, 61-04-23, 61-04-24, 61-04-25, 61-04-26, 61-04-27, 61-04-28, and 61-04-29 of the North Dakota Century Code, relating to the appropriation of water; and to repeal sections 61-04-07, 61-04-15.1, 61-04-17, and 61-04-22 of the North Dakota Century Code, relating to appeals of permit application rejections, change in point of diversion or use, surplus water delivery, and a prescriptive water right.

**ROLL CALL**

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

**YEAS:** Anderson; Bakke; Bekkedahl; Burckhard; Clemens; Cook; Davison; Dever; Dotzenrod; Elkin; Erbele; Fors; Grabinger; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larson, D.; Lee, G.; Lee, J.; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Robinson; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Unruh; Vedaa; Wanzek; Wardner

**NAYS:** Dwyer; Larsen, O.

Engrossed SB 2090 passed.

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

**MR. SPEAKER:** The Senate has amended, subsequently passed, and the emergency clause carried: HB 1014.

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

**MR. PRESIDENT:** The House has amended and subsequently passed: SB 2003.

**HOUSE AMENDMENTS TO REENGROSSED SENATE BILL NO. 2003**

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

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 6 with:

"Salaries and wages	\$41,179,043	\$3,422,237	\$44,601,280
Operating expenses	15,977,281	325,321	16,302,602
Capital assets	2,742,372	331,204	3,073,576
Grants	2,440,000	1,978,440	4,418,440
Litigation fees	150,000	0	150,000
Intellectual property attorney	426,924	15,161	442,085
Medical examinations	660,000	0	660,000
North Dakota lottery	5,336,797	(145,343)	5,191,454
Arrest and return of fugitives	10,000	0	10,000
Gaming commission	7,490	(1)	7,489
Criminal justice information sharing	3,386,645	626,733	4,013,378
Law enforcement	2,901,608	80,676	2,982,284
Human trafficking victims grants	125,000	875,000	1,000,000
Forensic nurse examiners grants	0	250,000	250,000
Total all funds	\$75,343,160	\$7,759,428	\$83,102,588
Less estimated income	30,647,320	7,150,803	37,798,123
Total general fund	\$44,695,840	\$608,625	\$45,304,465
Full-time equivalent positions	237.00	5.00	242.00"

Page 2, replace lines 12 through 27 with:

"SAVIN cost-share program	\$315,000	\$0
Uniform crime reporting rewrite	280,000	0
DOS-based deposit system rewrite	100,000	0
Pipeline protest law enforcement support	200,000	0
Court-ordered payments	15,872,000	0
Forensic nurse examiner grants	150,000	0
Additional income	250,000	0
SAVIN program enhancements	500,000	0
Criminal history improvement project	0	400,000
Capital assets	0	1,851,956
Undercover vehicles	0	150,000

Finger identification system replacement project	0	316,000
Charitable gaming technology system	0	400,000
Total all funds	\$17,667,000	\$3,117,956
Total other funds	17,567,000	2,967,956
Total general fund	\$100,000	\$150,000"

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

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

Page 4, line 12, remove "one hundred"

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

Page 4, remove lines 14 through 20

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

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

Page 6, after line 9, insert:

**"SECTION 12. PROSECUTION WITNESS FEES - LEGISLATIVE INTENT - REPORT TO SIXTY-SEVENTH LEGISLATIVE ASSEMBLY.** The operating expenses line item in section 1 of this Act includes \$150,000 from the general fund for prosecution witness fees. It is the intent of the sixty-sixth legislative assembly that if the funding provided for prosecution witness fees is insufficient, the attorney general reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021. The attorney general shall report to the appropriations committees of the sixty-seventh legislative assembly on the use of funding for prosecution witness fees for the biennium beginning July 1, 2019, and ending June 30, 2021."

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2003 - Attorney General - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$41,179,043	\$45,354,323	(\$753,043)	\$44,601,280
Operating expenses	15,977,281	16,453,262	(150,660)	16,302,602
Capital assets	2,742,372	3,272,336	(198,760)	3,073,576
Grants	2,440,000	4,418,440		4,418,440
Litigation fees	150,000	150,000		150,000
Intellectual property attorney	426,924	444,761	(2,676)	442,085
Medical examinations	660,000	660,000		660,000
North Dakota lottery	5,336,797	5,188,950	2,504	5,191,454
Arrest and return of fugitives	10,000	10,000		10,000
Gaming commission	7,490	7,489		7,489
Criminal justice information sharing	3,386,645	3,631,014	382,364	4,013,378
Law enforcement	2,901,608	2,979,744	2,540	2,982,284
Human trafficking victims grants	125,000	1,625,000	(625,000)	1,000,000
Additional expenses		250,000	(250,000)	
Forensic nurse examiners grants		250,000		250,000
Total all funds	\$75,343,160	\$84,695,319	(\$1,592,731)	\$83,102,588
Less estimated income	30,647,320	38,826,145	(1,028,022)	37,798,123
General fund	\$44,695,840	\$45,869,174	(\$564,709)	\$45,304,465
FTE	237.00	244.00	(2.00)	242.00

Department 125 - Attorney General - Detail of House Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Reduces Funding for the Medicaid Fraud Control Unit Program <sup>2</sup>	Transfers 2 FTE from the Department of Emergency Services <sup>3</sup>	Removes 1 FTE Deputy Fire Marshal Position <sup>4</sup>	Reduces Funding for the Human Trafficking Victims Grant Program <sup>5</sup>	Reduces One-Time Funding for Undercover Vehicles <sup>6</sup>
Salaries and wages	(\$12,015)	(\$571,104)		(\$169,924)		
Operating expenses		(150,660)				
Capital assets		(48,760)				(\$150,000)
Grants						
Litigation fees						
Intellectual property attorney	(2,676)					
Medical examinations						
North Dakota lottery	2,504					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	421		\$381,943			
Law enforcement	2,540					
Human trafficking victims grants					(\$625,000)	
Additional expenses						
Forensic nurse examiners grants						
<b>Total all funds</b>	<b>(\$9,226)</b>	<b>(\$770,524)</b>	<b>\$381,943</b>	<b>(\$169,924)</b>	<b>(\$625,000)</b>	<b>(\$150,000)</b>
Less estimated income	(26,393)	(693,471)	111,766	(169,924)	0	0
<b>General fund</b>	<b>\$17,167</b>	<b>(\$77,053)</b>	<b>\$270,177</b>	<b>\$0</b>	<b>(\$625,000)</b>	<b>(\$150,000)</b>
<b>FTE</b>	<b>0.00</b>	<b>(3.00)</b>	<b>2.00</b>	<b>(1.00)</b>	<b>0.00</b>	<b>0.00</b>

	Removes One-Time Funding for Additional Income from Other Sources <sup>7</sup>	Total House Changes
Salaries and wages		(\$753,043)
Operating expenses		(150,660)
Capital assets		(198,760)
Grants		
Litigation fees		
Intellectual property attorney		(2,676)
Medical examinations		
North Dakota lottery		2,504
Arrest and return of fugitives		
Gaming commission		
Criminal justice information sharing		382,364
Law enforcement		2,540
Human trafficking victims grants		(625,000)
Additional expenses	(\$250,000)	(250,000)
Forensic nurse examiners grants		
<b>Total all funds</b>	<b>(\$250,000)</b>	<b>(\$1,592,731)</b>
Less estimated income	(250,000)	(1,028,022)
<b>General fund</b>	<b>\$0</b>	<b>(\$564,709)</b>
<b>FTE</b>	<b>0.00</b>	<b>(2.00)</b>

<sup>1</sup> Funding of \$8,622 is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020, to provide total salary increases of \$1,415,465, of which \$1,052,155 is from the general fund and \$363,310 is from other funds. The Senate approved salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020, to provide total salary increases of \$1,406,843, of which \$1,033,650 was from the general fund and \$373,193 was from other funds.

This amendment also reduces funding of \$17,848, of which \$1,338 is from the general fund and \$16,510 is from other funds, for health insurance premiums related to the House removing 3 FTE Medicaid Fraud Control Unit positions and 1 FTE Deputy Fire Marshal position previously authorized by the Senate.

<sup>2</sup> Funding of \$770,524, of which \$77,053 is from the general fund and \$693,471 is from federal funds, is reduced for the Medicaid Fraud Control Unit program, to provide total funding of \$1,046,802 for the program, of which \$104,680 is from the general fund and \$942,122 is from federal funds. The Senate approved a total of \$1,817,326 for the program, of which \$181,733 was from the general fund and \$1,635,593 was from federal funds. The

reduction includes the removal of 3 FTE positions, including 1 attorney, 1 auditor, and 1 administrative assistant. The Senate approved 7 FTE positions for the program, including 2 attorneys, 2 auditors, 2 criminal investigators, and 1 administrative assistant.

<sup>3</sup> Funding of \$381,943, of which \$270,177 is from the general fund, \$74,510 is from federal funds, and \$37,256 is from special funds, is transferred from the Adjutant General to the Attorney General, including 2 Criminal Justice Information Sharing FTE positions.

<sup>4</sup> Funding of \$169,924 from the Attorney General's operating fund is removed for 1 FTE Deputy Fire Marshal position. The Senate authorized funding of \$169,924 for the position. The position was unfunded during the 2017-19 biennium.

<sup>5</sup> Funding of \$625,000 from the general fund is reduced for the human trafficking victims grant program, to provide a total of \$1 million from the general fund for the program. The Senate approved a total of \$1,625,000 from the general fund for the program.

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

<sup>7</sup> One-time funding of \$250,000 included in the Senate version is removed by the House for additional federal or other funds received during the 2019-21 biennium. This amount was appropriated by the Senate in a separate section of the bill. This amendment removes that section.

This amendment also:

- Amends a section related to the Attorney General's salary for the 2019-21 biennium.
- Amends a section related to the human trafficking victims grant program to provide a total appropriation of \$1 million from the general fund for the program compared to the Senate version of \$1,625,000 for the program.
- Adds a section identifying \$150,000 in the operating expenses line item for prosecution witness fees, which includes a reallocation of funding in the operating expenses line item to increase prosecution witness fees from \$95,000 to \$150,000 and to decrease other operating expenses by \$55,000. The section provides legislative intent that if the funding provided for prosecution witness fees is insufficient, the Attorney General further reduce other operating expenses to the extent necessary to provide adequate funding for prosecution witness fees for the 2019-21 biennium. The Attorney General is required to report to the appropriations committees of the 67th Legislative Assembly regarding the use of this funding.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2002, SB 2013, SB 2293.

#### HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2002

Page 1, line 4, after the semicolon insert "to authorize a line item transfer during the 2017-19 biennium;"

Page 1, line 5, remove "and"

Page 1, line 5, replace "an exemption" with "exemptions; and to declare an emergency"

Page 1, replace lines 16 through 22 with:

"Salaries and wages	\$4,652,764	\$325,362	\$4,978,126
Operating expenses	2,711,018	298,535	3,009,553
Petition review	8,000	0	8,000
Election reform	<u>1,192,655</u>	<u>11,609,092</u>	<u>12,801,747</u>
Total all funds	\$8,564,437	\$12,232,989	\$20,797,426



Less estimated income	3,044,155	<u>12,387,486</u>	<u>15,431,641</u>
Total general fund	\$5,520,282	(\$154,497)	\$5,365,785"

Page 2, replace lines 9 through 11 with:

"Grand total general fund	\$5,808,732	(\$185,669)	\$5,623,063
Grand total special funds	<u>3,044,155</u>	<u>12,387,486</u>	<u>15,431,641</u>
Grand total all funds	\$8,852,887	\$12,201,817	\$21,054,704"

Page 2, line 26, replace "biennium" with "period"

Page 2, line 26, replace "July 1, 2019" with "with the effective date of this Act"

Page 2, after line 27, insert:

**"SECTION 4. EXEMPTION - LINE ITEM TRANSFER - 2017-19 BIENNIUM.**  
Notwithstanding section 54-16-06, the secretary of state may transfer up to \$140,000 of special funds from the operating expenses line item to the salaries and wages line item contained in section 1 of chapter 2 of the 2017 Session Laws."

Page 3, line 3, replace "eleven" with "ten"

Page 3, line 4, replace "one" with "five"

Page 3, line 4, replace "twenty-two" with "eighty-two"

Page 4, after line 16, insert:

**"SECTION 9. EMERGENCY.** The election reform line in section 1, section 3, and section 4 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2002 - Summary of House Action**

	Base Budget	Senate Version	House Changes	House Version
Secretary of State				
Total all funds	\$8,564,437	\$20,767,508	\$29,918	\$20,797,426
Less estimated income	<u>3,044,155</u>	<u>15,429,648</u>	1,993	<u>15,431,641</u>
General fund	\$5,520,282	\$5,337,860	\$27,925	\$5,365,785
FTE	32.00	32.00	0.00	32.00
Public Printing				
Total all funds	\$288,450	\$257,278	\$0	\$257,278
Less estimated income	<u>0</u>	<u>0</u>	0	<u>0</u>
General fund	\$288,450	\$257,278	\$0	\$257,278
FTE	0.00	0.00	0.00	0.00
Bill total				
Total all funds	\$8,852,887	\$21,024,786	\$29,918	\$21,054,704
Less estimated income	<u>3,044,155</u>	<u>15,429,648</u>	1,993	<u>15,431,641</u>
General fund	\$5,808,732	\$5,595,138	\$27,925	\$5,623,063
FTE	32.00	32.00	0.00	32.00

**Senate Bill No. 2002 - Secretary of State - House Action**

	Base Budget	Senate Version	House Changes	House Version
Operating expenses	\$2,711,018	\$3,009,553		\$3,009,553
Salaries and wages	4,652,764	4,949,335	\$28,791	4,978,126
Petition review	8,000	8,000		8,000
Election reform	<u>1,192,655</u>	<u>12,800,620</u>	1,127	<u>12,801,747</u>
Total all funds	\$8,564,437	\$20,767,508	\$29,918	\$20,797,426
Less estimated income	<u>3,044,155</u>	<u>15,429,648</u>	1,993	<u>15,431,641</u>
General fund	\$5,520,282	\$5,337,860	\$27,925	\$5,365,785
FTE	32.00	32.00	0.00	32.00

**Department 108 - Secretary of State - Detail of House Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Total House Changes
Operating expenses		
Salaries and wages	\$28,791	\$28,791
Petition review		
Election reform	1,127	1,127
<b>Total all funds</b>	<b>\$29,918</b>	<b>\$29,918</b>
Less estimated income	1,993	1,993
General fund	\$27,925	\$27,925
<b>FTE</b>	<b>0.00</b>	<b>0.00</b>

<sup>1</sup> Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020. Changes are made to Section 4 of the bill providing for the Secretary of State's salary increase.

This amendment also:

- Authorizes a line item transfer of \$140,000 of special funds from the operating expenses line item to the salaries and wages line item during the 2017-19 biennium. The Senate version did not include this section.
- Adds a section to provide the election reform line in Section 1, Section 3, and Section 4 of the bill are declared to be an emergency measure. The Senate version did not include this section.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2013**

Page 1, line 3, replace "sections 15-10-38," with "section"

Page 1, line 3, remove the second comma

Page 1, line 4, remove "15.1-37-05, 15.1-37-06, and 15.1-37-08"

Page 1, line 4, remove "a student"

Page 1, line 5, remove "loan forgiveness program for teachers,"

Page 1, line 5, remove the second comma

Page 1, remove line 6

Page 1, line 7, remove "grants, and early childhood education provider data collection"

Page 1, line 8, after the first semicolon insert "to provide for a legislative management study;"

Page 1, remove lines 21 through 24

Page 2, replace lines 1 through 10 with:

"Salaries and wages	\$17,439,176	\$511,859	\$17,951,035
Operating expenses	30,165,005	3,616,942	33,781,947
Integrated formula payments	1,750,204,163	348,398,266	2,098,602,429
Grants - special education	19,300,000	4,700,000	24,000,000
Grants - transportation	55,400,000	1,100,000	56,500,000
Grants - other grants	254,062,705	33,000,000	287,062,705
Grants - program grants	6,210,000	1,470,000	7,680,000
Grants - passthrough grants	2,898,000	(34,236)	2,863,764
PowerSchool	5,500,000	0	5,500,000
Transportation efficiency	30,000	(30,000)	0
National board certification	120,000	(12,000)	108,000
State automated reporting system	<u>0</u>	<u>1,200,000</u>	<u>1,200,000</u>

rewrite			
Total all funds	\$2,141,329,049	\$393,920,831	\$2,535,249,880
Less estimated income	<u>705,727,065</u>	<u>108,026,678</u>	<u>813,753,743</u>
Total general fund	\$1,435,601,984	\$285,894,153	\$1,721,496,137"

Page 2, replace lines 16 through 21 with:

"Salaries and wages	\$4,152,758	\$147,577	\$4,300,335
Operating expenses	1,604,075	17,842	1,621,917
Grants	<u>2,109,028</u>	<u>124,500</u>	<u>2,233,528</u>
Total all funds	\$7,865,861	\$289,919	\$8,155,780
Less estimated income	<u>2,247,560</u>	<u>126,801</u>	<u>2,374,361</u>
Total general fund	\$5,618,301	\$163,118	\$5,781,419"

Page 2, remove lines 27 through 31

Page 3, replace lines 1 and 2 with:

"Salaries and wages	\$7,588,749	\$466,195	\$8,054,944
Operating expenses	2,026,543	(320,957)	1,705,586
Capital assets	158,678	270,000	428,678
Grants	<u>180,000</u>	<u>(140,000)</u>	<u>40,000</u>
Total all funds	\$9,953,970	\$275,238	\$10,229,208
Less estimated income	<u>2,465,444</u>	<u>234,914</u>	<u>2,700,358</u>
Total general fund	\$7,488,526	\$40,324	\$7,528,850"

Page 3, replace lines 8 through 13 with:

"Salaries and wages	\$4,660,995	\$274,296	\$4,935,291
Operating expenses	773,206	42,615	815,821
Capital assets	<u>39,192</u>	<u>260,500</u>	<u>299,692</u>
Total all funds	\$5,473,393	\$577,411	\$6,050,804
Less estimated income	<u>1,079,247</u>	<u>253,568</u>	<u>1,332,815</u>
Total general fund	\$4,394,146	\$323,843	\$4,717,989"

Page 3, replace lines 19 through 21 with:

"Grand total general fund	\$1,453,102,957	\$286,421,438	\$1,739,524,395
Grand total special funds	<u>711,519,316</u>	<u>108,641,961</u>	<u>820,161,277</u>
Grand total all funds	\$2,164,622,273	\$395,063,399	\$2,559,685,672"

Page 4, after line 2, insert:

" State automated reporting system rewrite	0	1,200,000"
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Page 4, replace lines 4 through 8 with:

" Total department of public instruction - all funds	\$191,820,000	\$1,400,000
Total department of public instruction - estimated income	<u>191,820,000</u>	<u>1,200,000</u>
Total department of public instruction -	\$0	\$200,000"

Page 4, replace lines 28 through 30 with:

"Grand total - all funds	\$192,688,500	\$1,950,500
Grand total - estimated income	<u>192,688,500</u>	<u>1,750,500</u>
Grand total - general fund	\$0	\$200,000"

Page 5, line 7, replace "\$379,764,000" with "\$377,764,000"

Page 5, line 13, replace "\$110,000,000" with "\$111,200,000"

Page 5, line 14, after "treasury" insert ", of which \$110,000,000 is"

Page 5, line 14, after "payments" insert "and \$1,200,000 is for a rewrite of the state automated reporting system,"

Page 5, after line 21, insert:

**"SECTION 6. EXEMPTION - COMPUTER SCIENCE TRAINING FOR TEACHERS.** Up to \$3,000,000 of the unexpended amount remaining from the appropriation for integrated formula payments, as authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11 at the end of the 2017-19 biennium, and may be continued into the 2019-21 biennium for the purpose of providing computer science training for teachers.

**SECTION 7. EXEMPTION - ADVANCED PLACEMENT PROGRAMS.** Up to \$600,000 of the unexpended amount remaining from the appropriation for integrated formula payments, as authorized in subdivision 1 of section 1 of chapter 12 of the 2017 Session Laws, is not subject to the provisions of section 54-44.1-11 at the end of the 2017-19 biennium, and may be continued into the 2019-21 biennium for the purpose of providing advanced placement examinations, advanced placement teacher training, and the college ready English and mathematics programs."

Page 6, line 24, replace "nine" with "eleven"

Page 6, line 26, replace "Fifty-one" with "Fifty-two"

Page 7, line 16, replace "Twenty-nine" with "Thirty"

Page 7, line 23, replace "\$2,136,711" with "\$1,500,000"

Page 8, line 13, replace "\$2,215,764" with "\$2,863,764"

Page 8, line 13, remove "for writing projects, an entrepreneur program,"

Page 8, line 14, remove "governor's school, and a mentoring program"

Page 8, line 15, after "distributed" insert "but no more than one-half of the funding may be provided each year of the biennium"

Page 8, line 15, replace "Grantees" with "Annually grantees"

Page 8, line 17, after "report" insert "annually"

Page 8, line 18, remove "before October 1, 2020"

Page 8, line 18, after the period insert "The superintendent may not distribute the grant payment for the second year of the biennium until the grantee submits the annual report for the first year of the biennium."

Page 9, remove lines 26 through 31

Page 10, remove lines 1 through 31

Page 11, remove lines 1 through 9

Page 11, line 15, replace "eighteen" with "ten"

Page 11, line 16, remove "one hundred twenty-six thousand five hundred three dollars"

Page 11, line 17, replace "thereafter" with "one hundred twenty-five thousand eight hundred eighty dollars thereafter"

Page 11, remove lines 18 through 31

Page 12, remove lines 1 through 30

Page 13, replace lines 1 through 23 with:

**"SECTION 19. LEGISLATIVE MANAGEMENT STUDY.** During the 2019-20 interim, the legislative management shall consider studying school transportation, including district routes, expenditures, reimbursement, and possible efficiencies. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-seventh legislative assembly."

Renumber accordingly

### STATEMENT OF PURPOSE OF AMENDMENT:

#### Senate Bill No. 2013 - Summary of House Action

	Base Budget	Senate Version	House Changes	House Version
Department of Public Instruction				
Total all funds	\$2,141,329,049	\$2,542,794,213	(\$7,544,333)	\$2,535,249,880
Less estimated income	705,727,065	814,542,384	(788,641)	813,753,743
General fund	\$1,435,601,984	\$1,728,251,829	(\$6,755,692)	\$1,721,496,137
FTE	91.75	88.75	0.00	88.75
State Library				
Total all funds	\$7,865,861	\$8,123,637	\$32,143	\$8,155,780
Less estimated income	2,247,560	2,367,446	6,915	2,374,361
General fund	\$5,618,301	\$5,756,191	\$25,228	\$5,781,419
FTE	28.75	27.75	0.00	27.75
School for the Deaf				
Total all funds	\$9,953,970	\$10,195,111	\$34,097	\$10,229,208
Less estimated income	2,465,444	2,697,196	3,162	2,700,358
General fund	\$7,488,526	\$7,497,915	\$30,935	\$7,528,850
FTE	45.61	44.61	0.00	44.61
Vision Services - School for the Blind				
Total all funds	\$5,473,393	\$6,030,269	\$20,535	\$6,050,804
Less estimated income	1,079,247	1,330,993	1,822	1,332,815
General fund	\$4,394,146	\$4,699,276	\$18,713	\$4,717,989
FTE	28.50	27.90	0.00	27.90
Bill total				
Total all funds	\$2,164,622,273	\$2,567,143,230	(\$7,457,558)	\$2,559,685,672
Less estimated income	711,519,316	820,938,019	(776,742)	820,161,277
General fund	\$1,453,102,957	\$1,746,205,211	(\$6,680,816)	\$1,739,524,395
FTE	194.61	189.01	0.00	189.01

#### Senate Bill No. 2013 - Department of Public Instruction - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$17,439,176	\$17,941,456	\$9,579	\$17,951,035
Operating expenses	30,165,005	32,169,947	1,612,000	33,781,947
Integrated formula payments	1,750,204,163	2,106,646,054	(8,043,625)	2,098,602,429
Grants - Special education contracts	19,300,000	25,000,000	(1,000,000)	24,000,000
Grants - Transportation	55,400,000	55,900,000	600,000	56,500,000
Grants - Other grants	254,062,705	287,062,705		287,062,705
Grants - Program grants	6,210,000	9,616,711	(1,936,711)	7,680,000
Grants - Passthrough grants	2,898,000	2,849,340	14,424	2,863,764
PowerSchool	5,500,000	5,500,000		5,500,000
Transportation efficiency	30,000			
National board certification	120,000	108,000		108,000
State automated reporting system rewrite			1,200,000	1,200,000
Total all funds	\$2,141,329,049	\$2,542,794,213	(\$7,544,333)	\$2,535,249,880
Less estimated income	705,727,065	814,542,384	(788,641)	813,753,743
General fund	\$1,435,601,984	\$1,728,251,829	(\$6,755,692)	\$1,721,496,137
FTE	91.75	88.75	0.00	88.75

Department 201 - Department of Public Instruction - Detail of House Changes

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for a Pre K-12 Education Vision Steering Committee <sup>2</sup>	Adds Funding for AdvancEd Contract <sup>3</sup>	Increases Funding for Operating Expenses <sup>4</sup>	Reduces Funding for Special Education Contracts <sup>5</sup>	Adjusts Funding for Integrated Formula Payments <sup>6</sup>
Salaries and wages	\$9,579					
Operating expenses		\$300,000	\$312,000	\$1,000,000		
Integrated formula payments						(\$8,043,625)
Grants - Special education contracts					(\$1,000,000)	
Grants - Transportation						
Grants - Other grants						
Grants - Program grants						
Grants - Passthrough grants						
PowerSchool						
Transportation efficiency						
National board certification						
State automated reporting system rewrite						
<b>Total all funds</b>	<b>\$9,579</b>	<b>\$300,000</b>	<b>\$312,000</b>	<b>\$1,000,000</b>	<b>(\$1,000,000)</b>	<b>(\$8,043,625)</b>
Less estimated income	11,359	0	0	0	0	0
General fund	(\$1,780)	\$300,000	\$312,000	\$1,000,000	(\$1,000,000)	(\$8,043,625)
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adjusts the Funding Source for Integrated Formula Payments <sup>7</sup>	Increases Funding for Transportation Grants <sup>8</sup>	Reduces Funding for the Superintendent's Program Grant Pool <sup>9</sup>	Adds Funding for a Leadership Professional Development Program <sup>10</sup>	Removes Funding for Early Childhood Education Grants <sup>11</sup>	Adjusts Funding for Passthrough Grants <sup>12</sup>
Salaries and wages						
Operating expenses						
Integrated formula payments						
Grants - Special education contracts						
Grants - Transportation		\$600,000				
Grants - Other grants						
Grants - Program grants			(\$636,711)	\$200,000	(\$1,500,000)	
Grants - Passthrough grants						\$14,424
PowerSchool						
Transportation efficiency						
National board certification						
State automated reporting system rewrite						
<b>Total all funds</b>	<b>\$0</b>	<b>\$600,000</b>	<b>(\$636,711)</b>	<b>\$200,000</b>	<b>(\$1,500,000)</b>	<b>\$14,424</b>
Less estimated income	(2,000,000)	0	0	0	0	0
General fund	\$2,000,000	\$600,000	(\$636,711)	\$200,000	(\$1,500,000)	\$14,424
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds One-time Funding for the State Automated Reporting System Rewrite <sup>13</sup>	Total House Changes
Salaries and wages		\$9,579
Operating expenses		1,612,000
Integrated formula payments		(8,043,625)
Grants - Special education contracts		(1,000,000)
Grants - Transportation		600,000
Grants - Other grants		
Grants - Program grants		(1,936,711)
Grants - Passthrough grants		14,424
PowerSchool		
Transportation efficiency		
National board certification		
State automated reporting system rewrite	\$1,200,000	1,200,000
<b>Total all funds</b>	<b>\$1,200,000</b>	<b>(\$7,544,333)</b>
Less estimated income		1,200,000
General fund	\$0	(\$6,755,692)
FTE	0.00	0.00

<sup>1</sup> Funding is adjusted to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an

increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

<sup>2</sup> Funding is added for a Pre K-12 Education Vision Steering Committee to support the facilitation of stakeholder groups to continue developing education initiatives.

<sup>3</sup> Funding is added for an increase in the continuous improvement for schools contract with AdvancEd.

<sup>4</sup> Funding for operating expenses is increased to correct an error in the department's budget request relating to its base budget adjustments.

<sup>5</sup> Funding for special education contract grants is reduced to provide a total of \$24 million from the general fund, \$4.7 million more than the 2017-19 biennium. The Senate provided \$25 million from the general fund for special education contract grants.

<sup>6</sup> Funding for integrated formula payments is reduced for the following changes to the state school aid formula in Senate Bill No. 2265:

	<u>General Fund</u>
Reduces funding to provide a 2 percent increase in the <b>integrated formula payment rate</b> each year of the biennium. The Senate provided a 2 percent increase in the 1st year and 3 percent in the 2nd year.	(\$10,615,923)
Increases funding for a state school aid <b>formula baseline reset</b> .	15,106,628
Adds funding to reduce the deduction of in lieu of revenue relative to <b>sinking and interest mill levies</b> .	12,335,458
Reduces funding provided to transition to <b>on-time funding</b> . The House provided a .50 weighted student unit. The Senate provided 1.0 weighted student unit.	(19,289,658)
Reduces funding for changes to <b>funding for new students</b> in certain school districts.	(7,683,575)
Reduces funding due to an increase in the contribution from property tax related to the <b>phase in of a 60 mill contribution</b> for all schools districts.	(2,032,062)
Increases funding for other changes to the formula, including <b>tuition deductions</b> and <b>adjustment to formula minimums</b> .	4,135,507
Total integrated formula payment reduction	(\$8,043,625)

<sup>7</sup> Increases funding from the general fund and decreases funding from the state tuition fund to provide a total of \$377,764,000 from the state tuition fund for state school aid. Funding from the state tuition fund is reduced due to lower than estimated fines being deposited in the fund.

<sup>8</sup> Funding for transportation grants is increased to provide a total of \$56.5 million from the general fund. This increase of \$1.1 million from the prior biennium will allow reimbursement rates to remain the same as the 2017-19 biennium. The Senate provided \$55.9 million from the general fund for transportation grants.

<sup>9</sup> Funding for the program grant pool is reduced by \$636,711, to provide a total of \$1.5 million from the general fund for the following programs:

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

<sup>10</sup> Funding is added to implement a leadership professional development program.

<sup>11</sup> Funding is removed for early childhood education grants transferred to the Superintendent of Public Instruction from the Department of Commerce. The House did not approve transferring the early childhood service provider grant program from the Department of Commerce to the Superintendent of Public Instruction in Senate Bill No. 2250.

<sup>12</sup> Funding for passthrough grants is adjusted as follows:

	General Fund Increase (Decrease)	Total General Fund
Rural art outreach projects	(\$10,000)	\$350,000
North Central Council for Education Media Services	14,424	238,000
Mentoring program	0	2,125,764
North Dakota Young Entrepreneur education program	(30,000)	0
"We the People" program	0	50,000
National writing projects	10,000	50,000
Governor's School program	(20,000)	0
Cultural heritage and artist in residence grants	50,000	50,000
Total	\$14,424	\$2,863,764

<sup>13</sup> One-time funding is added from the foundation aid stabilization fund to rewrite the state automated reporting system (STARS) application.

This amendment also:

- Amends the section related to funding provided from the state tuition fund to reduce the funding made available from the fund to \$377,764,000;
- Amends the section related to funding provided from the foundation aid stabilization fund to increase the funding made available from the fund to \$111.2 million;
- Adds a section to allow the department to continue \$3 million of funding, remaining in the integrated formula payments line item at the end of the 2017-19 biennium, to the 2019-21 biennium for the purpose of one-time funding of computer science training for teachers;
- Adds a section to allow the department to continue \$600,000 of funding, remaining in the integrated formula payments line item at the end of the 2017-19 biennium, to the 2019-21 biennium for the purpose of advanced placement examinations, advanced placement teacher training, and the college ready English and mathematics program;
- Amends the section related to the distribution of transportation grants to update transportation rates to reflect additional funding;
- Amends the section related to the program grant pool to adjust the total provided;
- Amends the section related to passthrough grants to require grantees to receive one-half of the passthrough grant each year of the biennium and require grantees, as a condition of receiving the grant, to establish performance measures to be reviewed by the Superintendent of Public Instruction. Grantees must report to the Superintendent of Public Instruction regarding performance based on the measures each year of the biennium, with the report for the 1st year of the biennium required before receiving funding for the 2nd year of the biennium;
- Removes the section amending North Dakota Century Code Section 15-10-38 to transfer the teacher loan forgiveness program from the State Board of Higher Education to the Superintendent of Public Instruction. This transfer was included in House Bill No. 1429;
- Amends the section related to the salary of the Superintendent of Public Instruction to provide increases consistent with state employee salary increases;
- Removes the sections amending Sections 15.1-37-05, 15.1-37-06, and 15.1-37-08 to transfer the early childhood education grant program from the Department of Commerce to the Superintendent of Public Instruction due to the defeat of Senate Bill No. 2250 by the House; and
- Adds a section to provide for a study of school district transportation during the 2019-20 interim.



**Senate Bill No. 2013 - State Library - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$4,152,758	\$4,268,192	\$32,143	\$4,300,335
Operating expenses	1,604,075	1,621,917		1,621,917
Grants	2,109,028	2,233,528		2,233,528
Total all funds	\$7,865,861	\$8,123,637	\$32,143	\$8,155,780
Less estimated income	2,247,560	2,367,446	6,915	2,374,361
General fund	\$5,618,301	\$5,756,191	\$25,228	\$5,781,419
FTE	28.75	27.75	0.00	27.75

**Department 250 - State Library - Detail of House Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Total House Changes
Salaries and wages	\$32,143	\$32,143
Operating expenses		
Grants		
Total all funds	\$32,143	\$32,143
Less estimated income	6,915	6,915
General fund	\$25,228	\$25,228
FTE	0.00	0.00

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

**Senate Bill No. 2013 - School for the Deaf - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$7,588,749	\$8,020,847	\$34,097	\$8,054,944
Operating expenses	2,026,543	1,705,586		1,705,586
Capital assets	158,678	428,678		428,678
Grants	180,000	40,000		40,000
Total all funds	\$9,953,970	\$10,195,111	\$34,097	\$10,229,208
Less estimated income	2,465,444	2,697,196	3,162	2,700,358
General fund	\$7,488,526	\$7,497,915	\$30,935	\$7,528,850
FTE	45.61	44.61	0.00	44.61

**Department 252 - School for the Deaf - Detail of House Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Total House Changes
Salaries and wages	\$34,097	\$34,097
Operating expenses		
Capital assets		
Grants		
Total all funds	\$34,097	\$34,097
Less estimated income	3,162	3,162
General fund	\$30,935	\$30,935
FTE	0.00	0.00

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

## Senate Bill No. 2013 - Vision Services - School for the Blind - House Action

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$4,660,995	\$4,914,756	\$20,535	\$4,935,291
Operating expenses	773,206	815,821		815,821
Capital assets	39,192	299,692		299,692
Total all funds	\$5,473,393	\$6,030,269	\$20,535	\$6,050,804
Less estimated income	1,079,247	1,330,993	1,822	1,332,815
General fund	\$4,394,146	\$4,699,276	\$18,713	\$4,717,989
FTE	28.50	27.90	0.00	27.90

## Department 253 - Vision Services - School for the Blind - Detail of House Changes

	Adjusts Funding for Salary Increases <sup>1</sup>	Total House Changes
Salaries and wages	\$20,535	\$20,535
Operating expenses		
Capital assets		
Total all funds	\$20,535	\$20,535
Less estimated income	1,822	1,822
General fund	\$18,713	\$18,713
FTE	0.00	0.00

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

## HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2293

In lieu of the amendments adopted by the House as printed on pages 1262 and 1263 of the House Journal, Engrossed Senate Bill No. 2293 is amended as follows:

Page 1, line 1, remove "a new section to"

Page 1, line 2, replace "chapter 20.1-03" with "a new section to chapter 20.1-13"

Page 1, line 3, replace "surcharges for fishing and waterfowl licenses" with "requiring aquatic nuisance species fees for motorboats"

Page 1, line 4, replace "section" with "sections"

Page 1, line 4, after "20.1-02-16.1" insert "and 20.1-03-12"

Page 1, line 5, after "fund" insert "and aquatic nuisance species fees for motorboats"

Page 1, line 5, replace the second "and" with "to provide a penalty;"

Page 1, line 5, replace "a continuing" with "an"

Page 1, line 5, after "appropriation" insert "; to provide for a transfer; to provide an exemption; and to declare an emergency"

Page 1, line 9, remove "**- Continuing appropriation**"

Page 1, line 11, after "transfers" insert "and deposits"

Page 1, line 11, replace "sections 2 and 3" with "section 20.1-02-16.1 and section 4"

Page 1, line 12, remove "All moneys in the fund are appropriated to the game and fish department for use in aquatic"

Page 1, remove line 13

Page 1, line 17, remove "1."

Page 2, replace lines 1 through 7 with:

**"SECTION 3. AMENDMENT.** Section 20.1-03-12 of the North Dakota Century Code is amended and reenacted as follows:

**20.1-03-12. Schedule of fees for licenses and permits.**

The fees collected under this section for licenses and permits must be deposited with the state treasurer and credited to the game and fish fund, except aquatic nuisance species fees must be deposited with the state treasurer and credited to the aquatic nuisance species program fund. Forty-five dollars of each nonresident big game hunting license fee must be used for the private land initiative. The various license and permit fees are as follows:

1. For a resident, age sixteen and over, small game hunting license, ten dollars.
2. For a nonresident small game hunting license, one hundred dollars.
3. For a resident big game hunting license, thirty dollars, except the fee for a licensee under age sixteen is ten dollars, except as provided in a gubernatorial proclamation issued pursuant to section 20.1-08-04.1.
4. Except for a nonresident who participates on the same basis as a resident in a lottery for deer licenses remaining after the second lottery for residents under subsection 4 of section 20.1-03-11, for a nonresident big game hunting license, two hundred fifty dollars, and for a nonresident bow license, two hundred fifty dollars, and a nonrefundable five dollar application fee must accompany any lottery license fee under this subsection, except as provided in a gubernatorial proclamation issued pursuant to section 20.1-08-04.1. For a nonresident who participates on the same basis as a resident in a lottery for deer licenses remaining after the second lottery for residents, fifty dollars.
5. For a resident fur-bearer license, fifteen dollars.
6. For a resident fishing license, sixteen dollars, except that for a resident sixty-five years or over, a resident totally or permanently disabled, or a resident disabled veteran who has a fifty percent service-connected disability as determined by the department of veterans' affairs or has an extra-schedular rating to include individual unemployability that brings the veteran's total disability ratio to fifty percent, the license fee is five dollars.
7. For a nonresident fishing license, forty-five dollars.
8. For a resident husband and wife fishing license, twenty-two dollars.
9. For a nonresident nongame hunting license, fifteen dollars.
10. For a resident wild turkey permit, fifteen dollars.
11. For an annual general game license, three dollars.
12. For a license to a nonresident buyer or shipper of green furs, or that person's agent, the amount that the nonresident buyer or shipper of green furs would pay for a nonresident buyer or shipper of green furs license or comparable license in that person's state of residence, or fifty dollars, whichever is greater.
13. For a license to a resident buyer or shipper of green furs, eight dollars for each place of business maintained by that person within this state.

14. For a license to a resident traveling agent, buyer, or shipper of green furs, twenty dollars.
15. For an annual license to practice taxidermy, twenty-five dollars.
16. For a permit to ship, by a person having a resident hunting license, during the respective open seasons, not to exceed in any one season twenty-five game birds, to points within this state other than that person's home or to points outside this state, three dollars.
17. For a permit to make collections of protected birds and animals for scientific purposes, ten dollars.
18. For a motorboat certificate of number and license: Each motorboat under sixteen feet [4.88 meters] in length, and all canoes, regardless of length, powered by a motor, eighteen dollars. Each motorboat sixteen feet [4.88 meters] in length and over but shorter than twenty feet [6.1 meters] in length, excluding canoes, thirty-six dollars. Each motorboat twenty feet [6.1 meters] in length or over excluding canoes, forty-five dollars.
19. For the taking of undesirable fish from the waters of this state pursuant to section 20.1-06-05, fifteen dollars for each hoop-net or trap, and fifteen dollars for each seine of fifty feet [15.24 meters] or any fraction thereof.
20. For a resident paddlefish tag annual license, ten dollars per tag.
21. For a nonresident paddlefish tag annual license, twenty-five dollars and fifty cents per tag.
22. For an annual resident license to sell minnows or other live bait at wholesale, fifty dollars.
23. For an annual license to sell minnows or other live bait at retail, fifteen dollars, except the fee is seventy-five dollars if white suckers are sold.
24. For an annual license to operate a private fish hatchery, seventy-five dollars.
25. For a resident commercial frog license, fifty dollars.
26. For a nonresident commercial frog license, two hundred dollars.
27. For a resident frog license, three dollars.
28. For a resident husband and wife frog license, five dollars.
29. For a shooting preserve operating permit, one hundred dollars, plus thirty cents per acre [.40 hectare] for each acre [.40 hectare].
30. For a nonresident waterfowl hunting license, one hundred dollars.
31. For a nonresident husband and wife fishing license, sixty dollars.
32. For a nonresident short-term three-day fishing license, twenty-five dollars.
33. For a nonresident fur-bearer and nongame hunting license, forty dollars.
34. For a combination license, fifty dollars.
35. For a white-tailed deer license sold to certified guides or outfitters and provided by them to nonresidents, two hundred fifty dollars.
36. For a resident swan license, ten dollars.

37. For a nonresident swan license, thirty dollars.
38. For a resident sandhill crane license, ten dollars.
39. For a nonresident sandhill crane license, thirty dollars.
40. For a resident commercial clam license, one hundred dollars.
41. For a nonresident commercial clam license, one thousand dollars.
42. For a commercial clam dealer's permit, two thousand dollars. In addition, the applicant shall submit to the director a surety bond in the sum of two thousand dollars.
43. For an annual class B nonresident license to sell minnows or other live bait at wholesale, two hundred fifty dollars.
44. For a bighorn sheep license issued to a nonresident, five hundred dollars.
45. For a nonresident reciprocal trapping license, three hundred fifty dollars.
46. For a nonresident spring white goose license, fifty dollars.
47. For a resident certificate fee, one dollar, and for a nonresident certificate fee, two dollars. An agent may not charge a service fee for issuing a resident or nonresident certificate fee.
48. For a nonresident short-term ten-day fishing license, thirty-five dollars.
49. For a nonresident wild turkey permit, eighty dollars.
50. For a statewide nonresident waterfowl hunting license, one hundred fifty dollars.
51. For an annual class A nonresident license to sell minnows or other live bait at wholesale, five hundred dollars.
52. For a resident early Canada goose season license, five dollars.
53. For a nonresident early Canada goose season license, fifty dollars.
54. For a resident disabled veteran combined general game, habitat stamp, small game, and fur-bearer license, three dollars.
55. For each motorboat licensed in this state, an aquatic nuisance species fee of fifteen dollars valid concurrent with motorboat licensure.
56. For each motorboat operated on waters of this state and not licensed in this state, an aquatic nuisance species fee of fifteen dollars for the calendar year in which it is paid.

Page 2, replace lines 8 through 17, with:

**"SECTION 4.** A new section to chapter 20.1-13 of the North Dakota Century Code is created and enacted as follows:

**Operation of motorboat without payment of aquatic nuisance species fee prohibited - Penalty.**

1. For each motorboat operated on waters of this state, an aquatic nuisance species fee must be paid.
  - a. For each motorboat licensed in this state, the fee is due at the time of motorboat licensure.

- b. For each motorboat operated on waters of this state and exempt from licensure in this state, the owner shall pay the fee and, after payment of the fee, must be issued an aquatic nuisance species sticker from the department. The sticker must be attached to the motorboat in a manner prescribed by the department so the sticker is clearly visible.
2. Fees collected under this section must be deposited with the state treasurer and credited to the aquatic nuisance species program fund.
3. A person who violates this section is guilty of a class 2 noncriminal offense.

**SECTION 5. APPROPRIATION - 2017-19 BIENNIUM - TRANSFER - EXEMPTION.** There is appropriated out of any moneys in the state game and fish fund in the state treasury, not otherwise appropriated, the sum of \$467,100, or so much of the sum as may be necessary, to the game and fish department for the purpose of administering aquatic nuisance species education, inspection, and monitoring programs, for the period beginning with the effective date of this Act, and ending June 30, 2019. The funding provided in this section is not subject to section 54-44.1-11 and may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021. The game and fish department is authorized two full-time equivalent positions for this purpose. The game and fish department shall transfer moneys deposited in the aquatic nuisance species program fund must be transferred to the state game and fish fund to repay any moneys expended from the state game and fish fund under this section.

**SECTION 6. APPROPRIATION - AQUATIC NUISANCE SPECIES PROGRAM FUND.** There is appropriated out of any moneys in the aquatic nuisance species program fund in the state treasury, not otherwise appropriated, the sum of \$1,300,000, or so much of the sum as may be necessary, to the game and fish department for use in aquatic nuisance species education, inspection, and monitoring programs under chapter 20.1-17, for the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 7. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

This amendment:

- Provides a 2017-19 biennium appropriation of \$467,100 from the game and fish fund and adds 2 FTE positions for aquatic nuisance species programs.
- Removes a continuing appropriation for the aquatic nuisance species program fund.
- Provides a \$1,300,000 appropriation from the aquatic nuisance species program fund to the Game and Fish Department for use in aquatic nuisance species education, inspection, and monitoring programs under Chapter 20.1-17.
- Removes language added by the Senate that allows investment income of the game and fish fund to be deposited in the aquatic nuisance species program fund.
- Adds a \$15 aquatic nuisance species fee to motorboat registrations and requires the fee to be deposited in the aquatic nuisance species program fund.
- Transfers funds from the aquatic nuisance species fund to the game and fish fund to reimburse the fund for the appropriation provided for aquatic nuisance species programs.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has amended, subsequently passed, and the emergency clause carried: SB 2020.

**HOUSE AMENDMENTS TO ENGROSSED SENATE BILL NO. 2020**

Page 1, line 5, replace "and" with "to provide conditions on appropriations;"

Page 1, line 5, replace "a statement" with "statements"

Page 1, line 5, after "intent" insert "; and to declare an emergency"

Page 1, line 10, replace "biennium" with "period"

Page 1, line 10, replace "July 1, 2019" with "with the effective date of this Act"

Page 1, replace lines 14 through 24 with:

"Salaries and wages	\$19,659,298	\$172,688	\$19,831,986
Operating expenses	58,044,691	11,711,062	69,755,753
Capital assets	124,819,442	56,119,316	180,938,758
Project carryover	274,867,897	33,465,921	308,333,818
New projects	169,782,147	(169,782,147)	0
Water supply - grants	0	128,000,000	128,000,000
Rural water supply - grants	0	37,200,000	37,200,000
Fargo area flood control including the Fargo Moorhead diversion	0	66,500,000	66,500,000
Mouse River flood control	0	82,500,000	82,500,000
Flood control projects other than Fargo area flood control including the Fargo Moorhead diversion	0	48,000,000	48,000,000
General water - grants	0	<u>27,093,776</u>	<u>27,093,776</u>
Total special funds	\$647,173,475	\$320,980,616	\$968,154,091
Full-time equivalent positions	93.00	(3.00)	90.00"

Page 2, replace lines 6 and 7 with:

"Line of credit - Bank of North Dakota	\$75,000,000	\$75,000,000
Payoff of outstanding debt	0	<u>25,900,000</u>
Total special funds	\$75,000,000	\$100,900,000"

Page 2, line 11, replace "biennium" with "period"

Page 2, line 11, replace "July 1, 2019" with "with the effective date of this Act"

Page 2, line 14, replace "and new projects" with ", water supply - grants, rural water supply - grants, Fargo area flood control including the Fargo Moorhead diversion, Mouse River flood control, flood control projects other than Fargo area flood control including the Fargo Moorhead diversion, and general water - grants"

Page 2, after line 29, insert:

**"SECTION 5. CONDITION ON FARGO AREA FLOOD CONTROL LINE**

**ITEM.** The \$66,500,000 appropriated to the state water commission for Fargo area flood control including the Fargo Moorhead diversion in section 1 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2021, may be used only for Fargo area flood control projects including the Fargo Moorhead area diversion, and the appropriation of those funds is conditioned on having no other funds appropriated in section 1 being expended on Fargo area flood control including the Fargo Moorhead diversion. This condition does not prohibit the use of funds appropriated for project carryover in section 1 of this Act for Fargo area flood control projects, subject to section 7 of this Act.

**SECTION 6. CONDITION ON OTHER SECTION 1 LINE ITEMS.**

The \$593,320,273 appropriated to the state water commission for salaries and wages, operating expenses, capital assets, water supply - grants, rural water supply - grants, Mouse River flood control, flood control projects other than Fargo area flood control including the Fargo Moorhead diversion, and general water - grants in section 1 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2021, may be used only for salaries and wages, operating expenses, capital assets, water supply - grants, rural water supply - grants, Mouse River flood control, flood control projects other than Fargo area flood control including the Fargo Moorhead diversion, and general water - grants, respectively, and the appropriation

of those funds is conditioned on the funds not being expended on Fargo area flood control projects including the Fargo Moorhead diversion.

**SECTION 7. CONDITION ON PROJECT CARRYOVER FUNDS.** The \$308,333,818 appropriated to the state water commission for project carryover in section 1 of this Act for the period beginning with the effective date of this Act, and ending June 30, 2021, may be used only for project carryover, and the appropriation of those funds is conditioned on having no more than the amount the state water commission approved for Fargo area flood control including the Fargo Moorhead diversion by April 1, 2019, expended from the project carryover funds on Fargo area flood control including the Fargo Moorhead diversion.

**SECTION 8. CONDITION ON APPROPRIATIONS.** The \$66,500,000 appropriated to the state water commission for Fargo area flood control including the Fargo Moorhead diversion in section 1 of this Act and the amount the state water commission approved for Fargo area flood control including the Fargo Moorhead diversion by April 1, 2019, which amount is included in project carryover funds appropriated in section 1 of this Act, may not be used for any work under Plan B for the Fargo Moorhead diversion project; except for constructing or repairing levees and dikes and purchasing land, easements, and options or rights of first refusal to purchase land, necessary for flood control; until:

1. The federal court injunction on Plan B is modified to allow construction of Plan B to continue;
2. The Congress of the United States appropriates federal funds for construction of Plan B;
3. The state engineer approves the mitigation plan for Plan B;
4. The office of state engineer issues all necessary permits the state engineer requires for Plan B; and
5. The Minnesota state legislature appropriates funds for construction of Plan B."

Page 3, replace lines 7 through 16 with:

**"SECTION 10. FARGO FLOOD CONTROL PROJECT DOWNSTREAM IMPACT MITIGATION.** The Fargo Moorhead metropolitan flood risk management project operations may not cause a downstream federal emergency management agency accredited flood protection system in North Dakota to lose its accreditation. The metropolitan flood diversion authority shall take reasonable measures to mitigate downstream impacts to accredited flood protection systems, existing as of April 1, 2019, located in North Dakota bordering the Red River resulting from the operations of the Fargo Moorhead diversion. For purposes of this section, negative downstream impacts to accredited flood protection systems are caused when the water surface profile passing through such systems is raised by more than one-tenth of one foot for the one hundred year event or when the ability of the accredited flood protection system to protect against a two hundred year or five hundred year event is compromised. The metropolitan flood diversion authority shall collaborate with the state engineer and accredited flood protection systems in North Dakota to implement this requirement.

**SECTION 11. LEGISLATIVE INTENT - MOUSE RIVER FLOOD CONTROL PROJECT FUNDING.** Except for funding provided during bienniums prior to the 2017-19 biennium, it is the intent of the sixty-sixth legislative assembly that the state provide no more than \$193,000,000 of state funding for Mouse River flood control projects within the city limits of Minot. It is the intent of the sixty-sixth legislative assembly that the \$193,000,000 be made available during the 2017-19, 2019-21, 2021-23, and 2023-25 bienniums. It is the intent of the sixty-sixth legislative assembly that of the \$193,000,000, the state provide \$57,713,284 during the 2017-19 biennium and that the \$135,286,716 yet to be designated by the state for the Mouse River flood control projects, within the city limits of Minot, be provided during the 2019-21, 2021-23, and 2023-25 bienniums.



**SECTION 12. LEGISLATIVE INTENT - RED RIVER VALLEY WATER SUPPLY PROJECT - REPORT TO LEGISLATIVE MANAGEMENT - APPLICATION.**

It is the intent of the sixty-sixth legislative assembly that the state water commission provide, in the form of a grant, up to \$13,000,000, to the Garrison Diversion Conservancy District for the Red River valley water supply project, to initiate construction of phase one prioritized project features identified in accordance with subsections 2 and 3 of section 14 of this Act, for the period beginning with the effective date of this Act, and ending June 30, 2021. The Garrison Diversion Conservancy District shall report on a regular basis to the legislative management's water topics overview committee during the 2019-20 interim regarding the progress of the Red River valley water supply project. The provisions of section 13 of this Act do not apply to the funding referenced in this section.

**SECTION 13. LEGISLATIVE INTENT - RED RIVER VALLEY WATER SUPPLY PROJECT.**

It is the intent of the sixty-sixth legislative assembly that the state water commission provide no more than \$30,000,000 to the Garrison Diversion Conservancy District for the Red River valley water supply project during the 2019-21 biennium and 2021-23 biennium and that the state funding be provided at a sixty percent state cost-share."

Page 4, after line 27, insert:

**"SECTION 16. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**Senate Bill No. 2020 - State Water Commission - House Action**

	Base Budget	Senate Version	House Changes	House Version
Salaries and wages	\$19,659,298	\$19,833,131	(\$1,145)	\$19,831,986
Operating expenses	58,044,691	43,855,753	25,900,000	69,755,753
Capital assets	124,819,442	147,938,758	33,000,000	180,938,758
Project carryover	274,867,897	308,333,818		308,333,818
New projects	169,782,147			
Flood control - Grants		145,000,000	(145,000,000)	
General water - Grants		35,255,000	(8,161,224)	27,093,776
Rural water supply - Grants		30,000,000	7,200,000	37,200,000
Water supply - Grants		115,000,000	13,000,000	128,000,000
Fargo area flood control			66,500,000	66,500,000
Mouse River flood control			82,500,000	82,500,000
Other flood control projects			48,000,000	48,000,000
Total all funds	\$647,173,475	\$845,216,460	\$122,937,631	\$968,154,091
Less estimated income	647,173,475	845,216,460	122,937,631	968,154,091
General fund	\$0	\$0	\$0	\$0
FTE	93.00	90.00	0.00	90.00

Department 770 - State Water Commission - Detail of House Changes

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for Capital Assets <sup>2</sup>	Adds Funding for Water Supply - Grants <sup>3</sup>	Adds Funding for Rural Water Supply - Grants <sup>4</sup>	Removes Flood Control - Grants Line Item <sup>5</sup>	Adds Funding for Fargo Area Flood Control Including the Fargo Moorhead Diversion <sup>6</sup>
Salaries and wages	(\$1,145)					
Operating expenses						
Capital assets		\$33,000,000				
Project carryover						
New projects						
Flood control - Grants					(\$145,000,000)	
General water - Grants						
Rural water supply - Grants				\$7,200,000		
Water supply - Grants			\$13,000,000			
Fargo area flood control						\$66,500,000
Mouse River flood control						
Other flood control projects						
<b>Total all funds</b>	<b>(\$1,145)</b>	<b>\$33,000,000</b>	<b>\$13,000,000</b>	<b>\$7,200,000</b>	<b>(\$145,000,000)</b>	<b>\$66,500,000</b>
Less estimated income	(1,145)	33,000,000	13,000,000	7,200,000	(145,000,000)	66,500,000
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Mouse River Flood Control <sup>7</sup>	Adds Funding for Other Flood Control Projects <sup>8</sup>	Reduces Funding for General Water - Grants <sup>9</sup>	Adds Funding to Payoff Outstanding Debt <sup>10</sup>	Total House Changes
Salaries and wages					(\$1,145)
Operating expenses				\$25,900,000	25,900,000
Capital assets					33,000,000
Project carryover					
New projects					
Flood control - Grants					(145,000,000)
General water - Grants			(\$8,161,224)		(8,161,224)
Rural water supply - Grants					7,200,000
Water supply - Grants					13,000,000
Fargo area flood control					66,500,000
Mouse River flood control	\$82,500,000				82,500,000
Other flood control projects		\$48,000,000			48,000,000
<b>Total all funds</b>	<b>\$82,500,000</b>	<b>\$48,000,000</b>	<b>(\$8,161,224)</b>	<b>\$25,900,000</b>	<b>\$122,937,631</b>
Less estimated income	82,500,000	48,000,000	(8,161,224)	25,900,000	122,937,631
General fund	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is added to provide for employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and an increase of 2.5 percent on July 1, 2020. The Senate provided funding for salary increases of 2 percent on July 1, 2019, and 3 percent on July 1, 2020.

<sup>2</sup> The House increased capital assets by \$33 million to provide additional funding for state-owned water projects within the capital assets line item to provide total capital assets funding of \$180,938,758. The Senate version included capital assets of \$147,938,758.

<sup>3</sup> The House increased water supply - grants by \$13 million to provide additional funding for municipal water supply projects to provide a total of \$128 million in the water supply - grants line item. The Senate version included capital assets of \$115 million.

<sup>4</sup> The House increased rural water supply - grants by \$7.2 million to provide additional funding for rural water supply projects to provide a total of \$37.2 million in the rural water supply - grants line item. The Senate version included capital assets of \$30 million.

<sup>5</sup> The House removed the flood control - grants line item to specifically identify funding for flood control projects. The Senate version included \$145 million in the flood control - grants line item.

<sup>6</sup> The House identified \$66.5 million in funding for the Fargo area flood control, including the Fargo Moorhead diversion. The Senate version included funding for Fargo area flood control

in the flood control - grants line item.

<sup>7</sup> The House identified \$82.5 million in funding for the Mouse River flood control project. The Senate version included funding for Mouse River flood control in the flood control - grants line item.

<sup>8</sup> The House identified \$48 million in funding for flood control projects other than Fargo area flood control, including the Fargo Moorhead diversion. The Senate version included funding for other flood control projects in the flood control - grants line item.

<sup>9</sup> The House identified \$27,093,776 in funding for general water projects. The Senate version included \$35,255,000 of funding for the general water - grants line item.

<sup>10</sup> The House provided one-time funding of \$25,900,000 in the operating expenses line item to pay off outstanding debt of the State Water Commission. The Senate version did not include this item.

This amendment also:

- Applies conditions on the Fargo area flood control, including the Fargo Moorhead diversion line item, to identify the \$66.5 million appropriated to the State Water Commission in the Fargo area flood control including the Fargo Moorhead diversion line item of the bill, is to be used only for Fargo area flood control, including the Fargo Moorhead diversion, and the appropriation of those funds is conditioned on having no other funds appropriated in Section 1 of the bill being expended on Fargo area flood control, including the Fargo Moorhead diversion. The condition does not prohibit the use of funds appropriated for project carryover for Fargo area flood control projects. The Senate version did not include this section.
- Applies conditions on other Section 1 line items to identify \$593,320,273 appropriated to the State Water Commission for salaries and wages, operating expenses, capital assets, water supply - grants, rural water supply - grants, Mouse River flood control, flood control projects other than Fargo area flood control including the Fargo Moorhead diversion, and general water - grants, may be used only for these purposes, and the appropriation of these funds are conditioned on the funds not being expended on Fargo area flood control projects including the Fargo Moorhead diversion. The Senate version did not include this section.
- Applies conditions on project carryover funds to identify \$308,333,818 appropriated to the State Water Commission for project carryover and provides that the funds may be used only for project carryover. The appropriation of these funds is conditioned on having no more than the amount the State Water Commission approved for Fargo area flood control including the Fargo Moorhead diversion by April 1, 2019, expended from the project carryover funds on Fargo area flood control including the Fargo Moorhead diversion. The Senate version did not include this section.
- Applies conditions on the Fargo area flood control, including the Fargo Moorhead diversion line item and funds within the project carryover line item, to limit the use of funds allocated to the Fargo Moorhead flood control project until the project has received a federal appropriation, an appropriation from the state of Minnesota, necessary permits from the State Engineer's office, and federal courts have approved construction on plan B of the project.
- Provides that the Fargo flood control project must not cause a downstream Federal Emergency Management Agency certified flood protection system in North Dakota to lose certification and requires the Fargo Moorhead Diversion Authority to take reasonable measures to mitigate downstream impacts to currently certified flood protection systems in North Dakota bordering the Red River resulting from the operations of the Fargo flood control project.
- Provides legislative intent that the state provide no more than \$193 million of state funding for Mouse River flood control projects within the city limits of Minot during the 2017-19, 2019-21, 2021-23, and 2023-25 bienniums and that the state provided \$57,713,284 during the 2017-19 biennium, and the remaining to be designated over the 2019-21, 2021-23, and 2023-25 bienniums. The Senate version did not include this section.

- Provides legislative intent that the State Water Commission provide, in the form of a grant, up to \$13 million to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project, to initiate construction of Phase I prioritized project features, to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project during the 2019-21 biennium. The Senate version did not include this section.
- Provides legislative intent that the State Water Commission provide, in the form of a grant, up to \$30 million to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project during the 2019-21 biennium and that the State Water Commission provide state funding at a 60 percent state cost-share after June 30, 2021. The Senate version provided for a grant up to \$50 million to the Garrison Diversion Conservancy District for the Red River Valley Water Supply Project during the 2019-21 biennium and that the State Water Commission provide state funding at an 80 percent state cost-share after June 30, 2021.
- Declares the bill to be an emergency measure. The Senate version did not include this section.

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

**MR. SPEAKER:** The Senate has concurred in the House amendments and subsequently passed: SB 2021, SB 2124, and SB 2304.

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2005, SB 2020, and SB 2022, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2005:** Sens. Bekkedahl; Dever; Robinson

**SB 2020:** Sens. G. Lee; Sorvaag; Robinson

**SB 2022:** Sens. Poolman; Wanzek; Robinson

**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 2094:** Reps. Rohr; Porter; Dobervich

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

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

**HB 1011:** Sens. Krebsbach; G. Lee; Grabinger

**HB 1020:** Sens. Erbele; Wanzek; Robinson

**HB 1025:** Sens. Dever; Poolman; Mathern

**HB 1268:** Sens. Kannianen; J. Lee; Dotzenrod

**HB 1333:** Sens. Kreun; Sorvaag; J. Roers

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Mock to replace Rep. Howe on the Conference Committee on HB 1012.

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

**MR. PRESIDENT:** The Speaker has appointed Rep. Paur to replace Rep. Paulson on the Conference Committee on HB 1453.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2040, SB 2090.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2264, SCR 4017.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** Your signature is respectfully requested on: HB 1388.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The Speaker has signed: SB 2264, SCR 4017.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The President has signed: SB 2264, SCR 4017.

**MESSAGE TO THE HOUSE FROM THE SENATE (SHANDA MORGAN, SECRETARY)**  
**MR. SPEAKER:** The President has signed: HB 1388.

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

The following bill was delivered to the Governor for approval on April 12, 2019: SB 2264.

#### **COMMUNICATION FROM GOVERNOR DOUG BURGUM**

This is to inform you that on April 11, 2019, I have signed the following: SB 2036, SB 2046, SB 2047, SB 2061, SB 2073, SB 2106, SB 2110, SB 2113, SB 2120, SB 2121, SB 2162, SB 2176, SB 2181, SB 2185, SB 2268, SB 2273, SB 2278, SB 2281, SB 2340, and SB 2362.

**MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)**  
**MR. PRESIDENT:** The House has overridden the Governor's veto on SB 2055. The vote was 89 YEAS, 3 NAYS, 2 ABSENT AND NOT VOTING.

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

The following resolution was delivered to the Secretary of State for filing on April 12, 2019: SCR 4017.

#### **MOTION**

**SEN. KLEIN MOVED** that the Senate be on the Fourth, Fifth, Thirteenth, and Sixteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 1:00 p.m., Monday, April 15, 2019, which motion prevailed.

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

**HB 1003, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1003 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "three new subsections to"

Page 1, line 3, replace "section 15-10-63" with "sections 15-10-48.1 and 15-18.2-04.1"

Page 1, line 4, replace "and capital project authorization" with ", matching grants for the university of North Dakota school of law, and a cost of living factor for state aid to institutions"

Page 1, line 4, after "sections" insert "15-10-48,"

Page 1, line 4, after the comma insert "15-10-50,"

Page 1, line 9, after the semicolon insert "to authorize the industrial commission to issue and sell evidences of indebtedness for capital projects;"

Page 1, line 10, after "transfer" insert "; to provide for the conveyance of real property"

Page 1, remove line 24

Page 2, replace lines 1 through 22 with:

"Capital assets - bond payments	\$6,605,326	(\$1,645,878)	\$4,959,448
Competitive research programs	6,027,750	(342,000)	5,685,750
NASA EPSCoR	0	342,000	342,000
System governance	8,163,238	324,629	8,487,867

Title II	1,006,472	(1,006,472)	0
Core technology services	61,527,347	758,781	62,286,128
Student financial assistance grants	21,917,306	2,000,000	23,917,306
Professional student exchange program	3,699,342	0	3,699,342
Academic and technical education scholarships	12,016,749	0	12,016,749
Scholars program	1,807,115	0	1,807,115
Native American scholarship	555,323	0	555,323
Tribally controlled community college grants	600,000	400,000	1,000,000
Education incentive programs	2,863,393	(2,103,393)	760,000
Student mental health	284,400	0	284,400
Veterans' assistance grants	277,875	0	277,875
Shared campus services	500,000	0	500,000
Dual-credit instructor assistance	200,000	(200,000)	0
Education challenge fund	0	12,500,000	12,500,000
Tier III capital building fund pool	0	9,000,000	9,000,000
Total all funds	\$128,051,636	\$20,027,667	\$148,079,303
Less estimated income	<u>26,412,106</u>	<u>2,590,100</u>	<u>29,002,206</u>
Total general fund	\$101,639,530	\$17,437,567	\$119,077,097
Full-time equivalent positions	149.40	(0.50)	148.90"

Page 2, remove lines 27 through 31

Page 3, replace lines 1 and 2 with:

"Operations	\$101,670,034	(\$2,948,759)	\$98,721,275
Capital assets	1,922,561	0	1,922,561
Capital building fund	0	851,386	851,386
Total all funds	\$103,592,595	(\$2,097,373)	\$101,495,222
Less estimated income	<u>72,991,998</u>	<u>(2,542,596)</u>	<u>70,449,402</u>
Total general fund	\$30,600,597	\$445,223	\$31,045,820
Full-time equivalent positions	358.35	(34.42)	323.93"

Page 3, replace lines 7 through 13 with:

"Operations	\$36,449,048	\$1,100,743	\$37,549,791
Capital assets	362,667	3,000,000	3,362,667
Capital building fund	0	354,750	354,750
Total all funds	\$36,811,715	\$4,455,493	\$41,267,208
Less estimated income	<u>24,111,092</u>	<u>4,220,172</u>	<u>28,331,264</u>
Total general fund	\$12,700,623	\$235,321	\$12,935,944
Full-time equivalent positions	129.61	(11.51)	118.10"

Page 3, replace lines 18 through 24 with:

"Operations	\$26,954,133	\$6,640,714	\$33,594,847
Capital assets	1,261,968	0	1,261,968
Capital building fund	0	275,894	275,894
Total all funds	\$28,216,101	\$6,916,608	\$35,132,709
Less estimated income	<u>19,855,598</u>	<u>4,210,581</u>	<u>24,066,179</u>
Total general fund	\$8,360,503	\$2,706,027	\$11,066,530
Full-time equivalent positions	100.75	(0.27)	100.48"

Page 3, remove lines 29 through 31

Page 4, replace lines 1 through 4 with:

"Operations	\$864,554,974	\$7,993,510	\$872,548,484
School of law	0	19,425,648	19,425,648
Capital assets	4,411,566	140,000,000	144,411,566
Capital building fund	0	8,723,602	8,723,602
Total all funds	\$868,966,540	\$176,142,760	\$1,045,109,300
Less estimated income	<u>728,870,450</u>	<u>166,538,829</u>	<u>895,409,279</u>

Total general fund	\$140,096,090	\$9,603,931	\$149,700,021
Full-time equivalent positions	2,218.07	(85.90)	2,132.17"

Page 4, replace lines 9 through 15 with:

"Operations	\$732,673,267	\$13,602,304	\$746,275,571
Capital assets	7,799,104	79,800,000	87,599,104
Capital building fund	<u>0</u>	<u>5,799,192</u>	<u>5,799,192</u>
Total all funds	\$740,472,371	\$99,201,496	\$839,673,867
Less estimated income	<u>611,881,329</u>	<u>95,077,555</u>	<u>706,958,884</u>
Total general fund	\$128,591,042	\$4,123,941	\$132,714,983
Full-time equivalent positions	1,895.66	(25.50)	1,870.16"

Page 4, replace lines 20 through 26 with:

"Operations	\$91,682,610	\$4,016,447	\$95,699,057
Capital assets	1,012,379	30,000,000	31,012,379
Capital building fund	<u>0</u>	<u>1,001,390</u>	<u>1,001,390</u>
Total all funds	\$92,694,989	\$35,017,837	\$127,712,826
Less estimated income	<u>57,605,613</u>	<u>33,591,545</u>	<u>91,197,158</u>
Total general fund	\$35,089,376	\$1,426,292	\$36,515,668
Full-time equivalent positions	345.04	(34.31)	310.73"

Page 4, remove line 31

Page 5, replace lines 1 through 7 with:

"Operations	\$47,135,592	\$1,425,402	\$48,560,994
Capital assets	409,078	0	409,078
Capital building fund	0	537,724	537,724
Theodore Roosevelt digitization	<u>0</u>	<u>750,000</u>	<u>750,000</u>
Total all funds	\$47,544,670	\$2,713,126	\$50,257,796
Less estimated income	<u>29,737,827</u>	<u>1,376,906</u>	<u>31,114,733</u>
Total general fund	\$17,806,843	\$1,336,220	\$19,143,063
Full-time equivalent positions	168.90	44.36	213.26"

Page 5, replace lines 12 through 18 with:

"Operations	\$44,197,761	\$3,521,794	\$47,719,555
Capital assets	358,992	0	358,992
Capital building fund	<u>0</u>	<u>480,058</u>	<u>480,058</u>
Total all funds	\$44,556,753	\$4,001,852	\$48,558,605
Less estimated income	<u>30,307,148</u>	<u>1,830,841</u>	<u>32,137,989</u>
Total general fund	\$14,249,605	\$2,171,011	\$16,420,616
Full-time equivalent positions	210.53	(1.26)	209.27"

Page 5, replace lines 23 through 29 with:

"Operations	\$100,710,275	\$1,614,798	\$102,325,073
Capital assets	1,099,620	0	1,099,620
Capital building fund	<u>0</u>	<u>1,145,602</u>	<u>1,145,602</u>
Total all funds	\$101,809,895	\$2,760,400	\$104,570,295
Less estimated income	<u>62,058,916</u>	<u>2,614,686</u>	<u>64,673,602</u>
Total general fund	\$39,750,979	\$145,714	\$39,896,693
Full-time equivalent positions	441.65	(34.07)	407.58"

Page 6, replace lines 3 through 9 with:

"Operations	\$48,444,336	(\$267,408)	\$48,176,928
Capital assets	455,823	0	455,823
Capital building fund	<u>0</u>	<u>618,274</u>	<u>618,274</u>
Total all funds	\$48,900,159	\$350,866	\$49,251,025
Less estimated income	<u>28,470,657</u>	<u>(1,878,565)</u>	<u>26,592,092</u>
Total general fund	\$20,429,502	\$2,229,431	\$22,658,933
Full-time equivalent positions	202.75	(22.07)	180.68"

Page 6, replace lines 14 through 20 with:

"Operations	\$17,168,111	\$4,266,912	\$21,435,023
Capital assets	114,007	2,500,000	2,614,007
Capital building fund	<u>0</u>	<u>212,128</u>	<u>212,128</u>
Total all funds	\$17,282,118	\$6,979,040	\$24,261,158
Less estimated income	<u>9,629,173</u>	<u>6,896,742</u>	<u>16,525,915</u>
Total general fund	\$7,652,945	\$82,298	\$7,735,243
Full-time equivalent positions	84.30	(2.01)	82.29"

Page 6, replace lines 25 through 30 with:

"Operations	\$205,926,712	\$5,369,938	\$211,296,650
Health care workforce initiative	<u>0</u>	<u>10,676,150</u>	<u>10,676,150</u>
Total all funds	\$205,926,712	\$16,046,088	\$221,972,800
Less estimated income	<u>154,078,620</u>	<u>4,958,391</u>	<u>159,037,011</u>
Total general fund	\$51,848,092	\$11,087,697	\$62,935,789
Full-time equivalent positions	435.75	49.57	485.32"

Page 7, replace lines 4 through 9 with:

"Operations	\$14,958,447	\$264,889	\$15,223,336
Capital assets	<u>118,728</u>	<u>0</u>	<u>118,728</u>
Total all funds	\$15,077,175	\$264,889	\$15,342,064
Less estimated income	<u>10,650,748</u>	<u>14,652</u>	<u>10,665,400</u>
Total general fund	\$4,426,427	\$250,237	\$4,676,664
Full-time equivalent positions	27.00	0.00	27.00"

Page 7, replace lines 14 through 16 with:

"Grand total general fund	\$613,242,154	\$53,280,910	\$666,523,064
Grand total special funds	<u>1,866,661,275</u>	<u>319,499,839</u>	<u>2,186,161,114</u>
Grand total all funds	\$2,479,903,429	\$372,780,749	\$2,852,684,178"

Page 7, remove lines 21 through 31

Page 8, replace lines 1 and 2 with:

"Capital projects - other funds	\$168,505,000	\$255,300,000
Education challenge grants	2,000,000	12,500,000
Tier II and tier III capital building funds	0	29,000,000
Theodore Roosevelt digitization	0	750,000
University of North Dakota research digital initiative	0	2,500,000
North Dakota state university research digital initiative	0	2,500,000
Institution operations distributions	2,000,000	0
Dickinson state university operations and debt repayment	8,284,626	0
Two-year campus study	40,000	0
Valley City state university integrated carbon project	22,500,000	0
Minot state university projects	2,284,000	0
Midwestern higher education compact dues	<u>230,000</u>	<u>0</u>
Total all funds	\$205,843,626	\$302,550,000
Total other funds	<u>193,289,000</u>	<u>285,300,000</u>
Total general fund	\$12,554,626	\$17,250,000"

Page 8, after line 7, insert:

**"SECTION 3. APPROPRIATION - 2017-19 BIENNIUM - WILLISTON STATE COLLEGE.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$491,850, or so much of the sum as may be necessary, to Williston state college for institution operations, for the period beginning with the effective date of this Act, and ending June 30, 2019. In accordance with section 54-44.1-11, any unexpended funds from this appropriation may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021.



**SECTION 4. APPROPRIATION - 2017-19 BIENNIUM - STATE BOARD OF HIGHER EDUCATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$250,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of providing matching grants for clinical legal education, including indigent legal services, and for the recruitment and retention of faculty at the university of North Dakota school of law, for the period beginning with the effective date of this Act, and ending June 30, 2019. In accordance with section 54-44.1-11, any unexpended funds from this appropriation may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 5. APPROPRIATION - 2017-19 BIENNIUM - STATE BOARD OF HIGHER EDUCATION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$3,000,000, or so much of the sum as may be necessary, to the state board of higher education for campus workforce initiative projects, including the Bismarck state college polytechnic and Dickinson state university dual-mission transitions, for the period beginning with the effective date of this Act, and ending June 30, 2019. In accordance with section 54-44.1-11, any unexpended funds from this appropriation may be continued into the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 13, after line 26, insert:

**"SECTION 7. AMENDMENT.** Section 15-10-48 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-48. Advancement of academics - Matching grants - University of North Dakota and North Dakota state university.**

1. a. Subject to legislative appropriations, each biennium during the period beginning July first of each odd-numbered year and ending December thirty-first of each even-numbered year, the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundations of the university of North Dakota and North Dakota state university for projects dedicated exclusively to the advancement of academics.
- b. To be eligible for a matching grant, an institution must demonstrate that:
  - (1) Its foundation has raised at least fifty thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award up to two ~~hundred thousand~~million dollars in matching grants to each institution.
- d. Projects at the university of North Dakota school of medicine and health sciences are not eligible to receive a grant under this section.
2. a. If any available dollars have not been awarded by the board before January first of each odd-numbered year, in accordance with subsection 1, either the university of North Dakota or North Dakota state university may apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as an original application.
- c. The board shall consider each application submitted under this subsection in chronological order.

- d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
3. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with administrative expenses incurred in the grant review process.

**SECTION 8.** Section 15-10-48.1 of the North Dakota Century Code is created and enacted as follows:

**15-10-48.1. Clinical legal education, including indigent legal services, and faculty recruitment and retention - Matching grants - University of North Dakota school of law.**

1. a. Subject to legislative appropriations, each biennium the state board of higher education shall award one dollar in matching grants for every two dollars raised by the institutional foundation of the university of North Dakota for projects dedicated exclusively to clinical legal education, including indigent legal services, or the recruitment and retention of faculty at the school of law.
- b. To be eligible for a matching grant, the institution must demonstrate:
  - (1) Its foundation has raised at least twenty-five thousand dollars in cash or monetary pledges for a qualifying project; and
  - (2) The project has been approved by the grant review committee established in section 15-10-51.
- c. The board may award up to two hundred fifty thousand dollars in matching grants under this section.
- d. If the remaining dollars are insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.
2. The state board of higher education shall retain up to one-quarter of one percent of any grant awarded under this section to assist with the administrative expenses incurred in the grant review process."

Page 14, line 16, overstrike "two hundred thousand dollars in matching grants to"

Page 14, overstrike line 17 and insert immediately thereafter ":

- (1) One million two hundred thousand dollars each to Bismarck state college, Minot state university, and the North Dakota state college of science;
- (2) One million dollars each to Dickinson state university, Mayville state university, and Valley City state university; and
- (3) Five hundred thousand dollars each to Dakota college at Bottineau, Lake Region state college, and Williston state college."

Page 14, line 28, after "3." insert:

- "a. The board may award an additional four hundred thousand dollars in matching grants to institutions that have been awarded the entire allocation allowed under subsection 1 and apply for an additional matching grant.
- b. An application submitted under this subsection must meet the same criteria as in the original application.

- c. The board shall consider each application submitted under this subsection in chronological order.
- d. If the funding provided under this subsection is insufficient to provide a matching grant in the amount of one dollar for every two dollars raised by the institutional foundation, the board shall award a lesser amount.

4."

Page 15, remove lines 1 through 31

Page 16, replace lines 1 through 4 with:

**"SECTION 10. AMENDMENT.** Section 15-10-50 of the North Dakota Century Code is amended and reenacted as follows:

**15-10-50. Liability for pledged amount.**

If in accordance with section 15-10-48, 15-10-48.1, or 15-10-49, the state board of higher education provides grant funds to an institution, on the basis of a monetary pledge, and if the amount forthcoming is less than the amount pledged, the institutional foundation is liable to the institution for any shortfall."

Page 17, line 26, overstrike "10.5" and insert immediately thereafter "13.3"

Page 18, after line 9, insert:

**"SECTION 12.** Section 15-18.2-04.1 of the North Dakota Century Code is created and enacted as follows:

**15-18.2-04.1. Cost of living factor - Determination.**

For each institution under its control, the state board of higher education shall multiply the product determined under section 15-18.2-04 by a cost of living factor of:

1. 1.0 if the institution is located in a county with a median household income, when divided by the North Dakota average household income results in a quotient of less than 1.35; or
2. 1.1 if the institution is located in a county with a median household income, when divided by the North Dakota average household income results in a quotient of 1.35 or more."

Page 18, line 15, overstrike "15-18.2-04" and insert immediately thereafter "15-18.2-04.1"

Page 18, line 16, replace "\$60.70" with "\$60.87"

Page 18, line 18, replace "\$90.48" with "\$90.98"

Page 18, line 20, replace "\$96.52" with "\$96.99"

Page 21, line 29, replace "biennium" with "period"

Page 21, line 29, remove "July 1,"

Page 21, line 30, replace "2019" with "with the effective date of this Act"

Page 22, after line 12, insert:

**"SECTION 23. SALE OF PROPERTY AUTHORIZED.** The state of North Dakota, by and through the state board of higher education, may sell and convey certain real property known as gallery apartments, lots 1, 2, and 3, block 13, university heights addition, and lots 1, 2, 3, 4, 5, and 6, block 1, university heights 2<sup>nd</sup>

addition, in the records of the city of Grand Forks. The state of North Dakota, by and through the state board of higher education, may sell and convey certain real property located at 1225 Stanford Road, lots 1 and 2, block 5, University Heights Addition, in the records of the city of Grand Forks. If any of the real property authorized to be conveyed under this section is conveyed, the terms of the conveyance must be determined jointly by the state board of higher education or a designee of the board and the commissioner of university and school lands. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfers authorized by this section.

**SECTION 24. PROJECT AUTHORIZATIONS.** The industrial commission, acting as the North Dakota building authority, shall arrange for the funding of the projects authorized in this section, declared to be in the public interest, through the issuance of evidences of indebtedness under chapter 54-17.2, beginning with the effective date of this Act, and ending June 30, 2021. The industrial commission shall issue evidences of indebtedness under this section with the condition that lease rental payments need not begin until July 1, 2021. The authority of the industrial commission to issue evidences of indebtedness under this section ends June 30, 2021, but the industrial commission may continue to exercise all other powers granted to it under chapter 54-17.2 and this Act and comply with any covenants entered before that date. The proceeds of the evidences of indebtedness are included in the appropriation in subdivision 5 of section 1, beginning with the effective date of this Act, and ending June 30, 2021, for the following projects:

University of North Dakota - deferred maintenance projects	<u>\$15,000,000</u>
Total special funds	\$15,000,000

The university of North Dakota is responsible for the repayment of any evidences of indebtedness issued under this section from institution operations funding or other local funds."

Page 22, replace lines 23 through 25 with:

"University of North Dakota - memorial union	\$80,000,000
University of North Dakota - parking lot projects	10,000,000
North Dakota state university - university village phase II	37,600,000
Dakota college at Bottineau - dining facility	<u>2,500,000</u>
Total special funds	\$130,100,000"

Page 23, line 3, remove "and \$8,648,555 from a one percent per year increase in tuition"

Page 23, replace lines 5 through 18 with:

	<u>"Bank of North Dakota</u>
Bismarck state college	\$425,693
Lake Region state college	177,375
Williston state college	137,947
University of North Dakota	4,361,801
North Dakota state university	2,899,596
North Dakota state college of science	500,695
Dickinson state university	268,862
Mayville state university	240,029
Minot state university	572,801
Valley City state university	309,137
Dakota college at Bottineau	<u>106,064</u>
Total	\$10,000,000"

Page 23, line 20, remove "and for each one dollar generated from the"

Page 23, line 21, remove "one percent per year increase in tuition"

Page 24, line 17, replace "two dollars" with "one dollar"

Page 24, line 26, remove "Lake Region state college is authorized to use up to \$3,000,000 from its"

Page 24, line 27, replace "capital building fund line item for the precision agriculture center project." with "the following projects are authorized to use funding from the corresponding institution's capital building fund line item:

Lake Region state college - precision agriculture center	\$3,000,000
North Dakota state college of science - Hektner Student Center	6,708,000
Minot state university - dome wellness emergency generators	1,130,335
Valley City state university - life safety projects	2,529,323
Dakota college at Bottineau - Nelson Science Center	<u>1,177,758</u>
Total	\$14,545,416"

Page 24, after line 31, insert:

**"SECTION 29. TRANSFER - BANK OF NORTH DAKOTA PROFITS - RESEARCH DIGITAL INITIATIVE.** The industrial commission shall transfer to the university of North Dakota a total of \$2,500,000, or so much of the sum as may be necessary, and to North Dakota state university a total of \$2,500,000, or so much of the sum as may be necessary, from the current earnings and accumulated undivided profits of the Bank of North Dakota during the biennium beginning July 1, 2019, and ending June 30, 2021, as requested by the commissioner of higher education. The estimated income line items in subdivisions 5 and 6 of section 1 include \$2,500,000 each for the university of North Dakota and North Dakota state university for the campus research digital initiative."

Page 25, line 5, replace "three" with "four"

Page 25, line 14, replace "three" with "four"

Page 26, line 1, after "6." insert "This section does not apply to differentiated tuition rates charged for higher cost programs.

7."

Page 26, remove lines 7 through 18

Page 26, line 19, replace "14, 16, 18, 19, 20, 21, and 22" with "3, 4, 5, 18, 20, 22, 23, 24, 25, 26, 27, and 28"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1003 - Summary of Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
University System Office				
Total all funds	\$128,051,636	\$137,139,110	\$10,940,193	\$148,079,303
Less estimated income	<u>26,412,106</u>	<u>28,962,716</u>	39,490	<u>29,002,206</u>
General fund	\$101,639,530	\$108,176,394	\$10,900,703	\$119,077,097
FTE	149.40	148.90	0.00	148.90
Bismarck State College				
Total all funds	\$103,592,595	\$100,824,502	\$670,720	\$101,495,222
Less estimated income	<u>72,991,998</u>	<u>69,929,126</u>	520,276	<u>70,449,402</u>
General fund	\$30,600,597	\$30,895,376	\$150,444	\$31,045,820
FTE	358.35	323.93	0.00	323.93
Lake Region State College				
Total all funds	\$36,811,715	\$41,390,022	(\$122,814)	\$41,267,208
Less estimated income	<u>24,111,092</u>	<u>28,516,764</u>	(185,500)	<u>28,331,264</u>
General fund	\$12,700,623	\$12,873,258	\$62,686	\$12,935,944
FTE	129.61	118.10	0.00	118.10
Williston State College				
Total all funds	\$28,216,101	\$29,729,665	\$5,403,044	\$35,132,709
Less estimated income	<u>19,855,598</u>	<u>19,717,935</u>	4,348,244	<u>24,066,179</u>
General fund	\$8,360,503	\$10,011,730	\$1,054,800	\$11,066,530

FTE	100.75	100.48	0.00	100.48
University of North Dakota				
Total all funds	\$868,966,540	\$1,019,612,441	\$25,496,859	\$1,045,109,300
Less estimated income	728,870,450	872,789,252	22,620,027	895,409,279
General fund	\$140,096,090	\$146,823,189	\$2,876,832	\$149,700,021
FTE	2,218.07	2,132.17	0.00	2,132.17
UND Medical Center				
Total all funds	\$205,926,712	\$221,782,733	\$190,067	\$221,972,800
Less estimated income	154,078,620	158,846,944	190,067	159,037,011
General fund	\$51,848,092	\$62,935,789	\$0	\$62,935,789
FTE	435.75	485.32	0.00	485.32
North Dakota State University				
Total all funds	\$740,472,371	\$841,887,616	(\$2,213,749)	\$839,673,867
Less estimated income	611,881,329	709,543,285	(2,584,401)	706,958,884
General fund	\$128,591,042	\$132,344,331	\$370,652	\$132,714,983
FTE	1,895.66	1,870.16	0.00	1,870.16
State College of Science				
Total all funds	\$92,694,989	\$97,843,036	\$29,869,790	\$127,712,826
Less estimated income	57,605,613	61,504,318	29,692,840	91,197,158
General fund	\$35,089,376	\$36,338,718	\$176,950	\$36,515,668
FTE	345.04	310.73	0.00	310.73
Dickinson State University				
Total all funds	\$47,544,670	\$49,955,579	\$302,217	\$50,257,796
Less estimated income	29,737,827	31,413,599	(298,866)	31,114,733
General fund	\$17,806,843	\$18,541,980	\$601,083	\$19,143,063
FTE	168.90	213.26	0.00	213.26
Mayville State University				
Total all funds	\$44,556,753	\$48,544,353	\$14,252	\$48,558,605
Less estimated income	30,307,148	32,213,980	(75,991)	32,137,989
General fund	\$14,249,605	\$16,330,373	\$90,243	\$16,420,616
FTE	210.53	209.27	0.00	209.27
Minot State University				
Total all funds	\$101,809,895	\$104,947,947	(\$377,652)	\$104,570,295
Less estimated income	62,058,916	65,266,608	(593,006)	64,673,602
General fund	\$39,750,979	\$39,681,339	\$215,354	\$39,896,693
FTE	441.65	407.58	0.00	407.58
Valley City State University				
Total all funds	\$48,900,159	\$47,919,475	\$1,331,550	\$49,251,025
Less estimated income	28,470,657	26,887,399	(295,307)	26,592,092
General fund	\$20,429,502	\$21,032,076	\$1,626,857	\$22,658,933
FTE	202.75	180.68	0.00	180.68
Dakota College at Bottineau				
Total all funds	\$17,282,118	\$18,451,501	\$5,809,657	\$24,261,158
Less estimated income	9,629,173	10,753,741	5,772,174	16,525,915
General fund	\$7,652,945	\$7,697,760	\$37,483	\$7,735,243
FTE	84.30	82.29	0.00	82.29
Forest Service				
Total all funds	\$15,077,175	\$15,307,224	\$34,840	\$15,342,064
Less estimated income	10,650,748	10,665,400	0	10,665,400
General fund	\$4,426,427	\$4,641,824	\$34,840	\$4,676,664
FTE	27.00	27.00	0.00	27.00
Bill total				
Total all funds	\$2,479,903,429	\$2,775,335,204	\$77,348,974	\$2,852,684,178
Less estimated income	1,866,661,275	2,127,011,067	59,150,047	2,186,161,114
General fund	\$613,242,154	\$648,324,137	\$18,198,927	\$666,523,064
FTE	6,767.76	6,609.87	0.00	6,609.87

House Bill No. 1003 - North Dakota University System - General Fund Summary

	Base Budget	House Version	Senate Changes	Senate Version
University System Office	\$101,639,530	\$108,176,394	\$10,900,703	\$119,077,097
Bismarck State College	30,600,597	30,895,376	150,444	31,045,820
Lake Region State College	12,700,623	12,873,258	62,686	12,935,944
Williston State College	8,360,503	10,011,730	1,054,800	11,066,530
University of North Dakota	140,096,090	146,823,189	2,876,832	149,700,021
UND Medical Center	51,848,092	62,935,789		62,935,789
North Dakota State University	128,591,042	132,344,331	370,652	132,714,983
State College of Science	35,089,376	36,338,718	176,950	36,515,668
Dickinson State University	17,806,843	18,541,980	601,083	19,143,063
Mayville State University	14,249,605	16,330,373	90,243	16,420,616
Minot State University	39,750,979	39,681,339	215,354	39,896,693
Valley City State University	20,429,502	21,032,076	1,626,857	22,658,933
Dakota College at Bottineau	7,652,945	7,697,760	37,483	7,735,243
Forest Service	4,426,427	4,641,824	34,840	4,676,664
<b>Total general fund</b>	<b>\$613,242,154</b>	<b>\$648,324,137</b>	<b>\$18,198,927</b>	<b>\$666,523,064</b>

Detail of Senate Changes to the General Fund

	Adjusts Funding for University System Office <sup>1</sup>	Provides Funding Formula Adjustments <sup>2</sup>	Adjusts Special Funds <sup>3</sup>	Establishes a School of Law Line Item <sup>4</sup>	Adds One-Time Funding for Research Digital Initiative <sup>5</sup>	Adds One-Time Funding for Theodore Roosevelt Digitization <sup>6</sup>
University System Office	\$10,900,703					
Bismarck State College		\$150,444				
Lake Region State College		62,686				
Williston State College		1,054,800				
University of North Dakota		2,876,832				
UND Medical Center						
North Dakota State University		370,652				
State College of Science		176,950				
Dickinson State University		101,083				\$500,000
Mayville State University		90,243				
Minot State University		215,354				
Valley City State University		1,626,857				
Dakota College at Bottineau		37,483				
Forest Service						
<b>Total general fund</b>	<b>\$10,900,703</b>	<b>\$6,763,384</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$500,000</b>

	Adds Funding for Capital Projects <sup>7</sup>	Adjusts Funding for Capital Building Funds <sup>8</sup>	Adjusts Forest Service Funding <sup>9</sup>	Total the General Fund Changes
University System Office				\$10,900,703
Bismarck State College				150,444
Lake Region State College				62,686
Williston State College				1,054,800
University of North Dakota				2,876,832
UND Medical Center				
North Dakota State University				370,652
State College of Science				176,950
Dickinson State University				601,083
Mayville State University				90,243
Minot State University				215,354
Valley City State University				1,626,857
Dakota College at Bottineau				37,483
Forest Service			\$34,840	34,840
<b>Total general fund</b>	<b>\$0</b>	<b>\$0</b>	<b>\$34,840</b>	<b>\$18,198,927</b>

House Bill No. 1003 - North Dakota University System - Other Funds Summary

	Base Budget	House Version	Senate Changes	Senate Version
University System Office	\$26,412,106	\$28,962,716	\$39,490	\$29,002,206
Bismarck State College	72,991,998	69,929,126	520,276	70,449,402
Lake Region State College	24,111,092	28,516,764	(185,500)	28,331,264
Williston State College	19,855,598	19,717,935	4,348,244	24,066,179
University of North Dakota	728,870,450	872,789,252	22,620,027	895,409,279
UND Medical Center	154,078,620	158,846,944	190,067	159,037,011
North Dakota State University	611,881,329	709,543,285	(2,584,401)	706,958,884
State College of Science	57,605,613	61,504,318	29,692,840	91,197,158
Dickinson State University	29,737,827	31,413,599	(298,866)	31,114,733
Mayville State University	30,307,148	32,213,980	(75,991)	32,137,989
Minot State University	62,058,916	65,266,608	(593,006)	64,673,602
Valley City State University	28,470,657	26,887,399	(295,307)	26,592,092
Dakota College at Bottineau	9,629,173	10,753,741	5,772,174	16,525,915
Forest Service	10,650,748	10,665,400		10,665,400
Total other funds	\$1,866,661,275	\$2,127,011,067	\$59,150,047	\$2,186,161,114

Detail of Senate Changes to Other Funds

	Adjusts Funding for University System Office <sup>1</sup>	Provides Funding Formula Adjustments <sup>2</sup>	Adjusts Special Funds <sup>3</sup>	Establishes a School of Law Line Item <sup>4</sup>	Adds One-Time Funding for Research Digital Initiative <sup>5</sup>	Adds One-Time Funding for Theodore Roosevelt Digitization <sup>6</sup>
University System Office	\$39,490					
Bismarck State College			\$1,347,972			
Lake Region State College			88,026			
Williston State College			4,508,162			
University of North Dakota			1,789,883		\$2,500,000	
UND Medical Center			190,067			
North Dakota State University			1,518,219		2,500,000	
State College of Science			229,432			
Dickinson State University			121,052			
Mayville State University			277,783			
Minot State University			304,220			
Valley City State University			115,105			
Dakota College at Bottineau			3,417,746			
Forest Service						
Total other funds	\$39,490	\$0	\$13,907,667	\$0	\$5,000,000	\$0

	Adds Funding for Capital Projects <sup>7</sup>	Adjusts Funding for Capital Building Funds <sup>8</sup>	Adjusts Forest Service Funding <sup>9</sup>	Total Other Funds Changes
University System Office				\$39,490
Bismarck State College		(\$827,696)		520,276
Lake Region State College		(273,526)		(185,500)
Williston State College		(159,918)		4,348,244
University of North Dakota	\$25,000,000	(6,669,856)		22,620,027
UND Medical Center				190,067
North Dakota State University		(6,602,620)		(2,584,401)
State College of Science	30,000,000	(536,592)		29,692,840
Dickinson State University		(419,918)		(298,866)
Mayville State University		(353,774)		(75,991)
Minot State University		(897,226)		(593,006)
Valley City State University		(410,412)		(295,307)
Dakota College at Bottineau	2,500,000	(145,572)		5,772,174
Forest Service				
Total other funds	\$57,500,000	(\$17,297,110)	\$0	\$59,150,047



House Bill No. 1003 - North Dakota University System - All Funds Summary

	Base Budget	House Version	Senate Changes	Senate Version
University System Office	\$128,051,636	\$137,139,110	\$10,940,193	\$148,079,303
Bismarck State College	103,592,595	100,824,502	670,720	101,495,222
Lake Region State College	36,811,715	41,390,022	(122,814)	41,267,208
Williston State College	28,216,101	29,729,665	5,403,044	35,132,709
University of North Dakota	868,966,540	1,019,612,441	25,496,859	1,045,109,300
UND Medical Center	205,926,712	221,782,733	190,067	221,972,800
North Dakota State University	740,472,371	841,887,616	(2,213,749)	839,673,867
State College of Science	92,694,989	97,843,036	29,869,790	127,712,826
Dickinson State University	47,544,670	49,955,579	302,217	50,257,796
Mayville State University	44,556,753	48,544,353	14,252	48,558,605
Minot State University	101,809,895	104,947,947	(377,652)	104,570,295
Valley City State University	48,900,159	47,919,475	1,331,550	49,251,025
Dakota College at Bottineau	17,282,118	18,451,501	5,809,657	24,261,158
Forest Service	15,077,175	15,307,224	34,840	15,342,064
<b>Total all funds</b>	<b>\$2,479,903,429</b>	<b>\$2,775,335,204</b>	<b>\$77,348,974</b>	<b>\$2,852,684,178</b>
FTE	6,767.76	6,609.87	0.00	6,609.87

Detail of Senate Changes to All Funds

	Adjusts Funding for University System Office <sup>1</sup>	Provides Funding Formula Adjustments <sup>2</sup>	Adjusts Special Funds <sup>3</sup>	Establishes a School of Law Line Item <sup>4</sup>	Adds One-Time Funding for Research Digital Initiative <sup>5</sup>	Adds One-Time Funding for Theodore Roosevelt Digitization <sup>6</sup>
University System Office	\$10,940,193					
Bismarck State College		\$150,444	\$1,347,972			
Lake Region State College		62,686	88,026			
Williston State College		1,054,800	4,508,162			
University of North Dakota		2,876,832	1,789,883		\$2,500,000	
UND Medical Center			190,067			
North Dakota State University		370,652	1,518,219		2,500,000	
State College of Science		176,950	229,432			
Dickinson State University		101,083	121,052			\$500,000
Mayville State University		90,243	277,783			
Minot State University		215,354	304,220			
Valley City State University		1,626,857	115,105			
Dakota College at Bottineau		37,483	3,417,746			
Forest Service						
<b>Total all funds</b>	<b>\$10,940,193</b>	<b>\$6,763,384</b>	<b>\$13,907,667</b>	<b>\$0</b>	<b>\$5,000,000</b>	<b>\$500,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Adds Funding for Capital Projects <sup>7</sup>	Adjusts Funding for Capital Building Funds <sup>8</sup>	Adjusts Forest Service Funding <sup>9</sup>	Total All Funds Changes
University System Office				\$10,940,193
Bismarck State College		(\$827,696)		670,720
Lake Region State College		(273,526)		(122,814)
Williston State College		(159,918)		5,403,044
University of North Dakota	\$25,000,000	(6,669,856)		25,496,859
UND Medical Center				190,067
North Dakota State University		(6,602,620)		(2,213,749)
State College of Science	30,000,000	(536,592)		29,869,790
Dickinson State University		(419,918)		302,217
Mayville State University		(353,774)		14,252
Minot State University		(897,226)		(377,652)
Valley City State University		(410,412)		1,331,550
Dakota College at Bottineau	2,500,000	(145,572)		5,809,657
Forest Service			\$34,840	34,840
<b>Total all funds</b>	<b>\$57,500,000</b>	<b>(\$17,297,110)</b>	<b>\$34,840</b>	<b>\$77,348,974</b>
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding for the North Dakota University System office is adjusted as detailed in the schedules below:

The following schedule details funding adjustments for system governance:

**System Governance**

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary adjustment	(\$1,055)	\$589	(\$466)
Western Interstate Commission for Higher Education dues	<u>45,000</u>	<u>0</u>	<u>45,000</u>
Total	\$43,945	\$589	\$44,534

The following schedule details funding adjustments for core technology services:

### Core Technology Services

	<u>General Fund</u>	<u>Other Funds</u>	<u>Total</u>
Salary adjustment	\$56,758	\$38,901	\$95,659

The following schedule details funding adjustments in other line items in the University System office budget:

### Other Line Items

	<u>General Fund Adjustments to Other Line Items</u>		
	<u>House</u>	<u>Senate</u>	<u>Senate</u>
	<u>Version</u>	<u>Adjustments</u>	<u>Version</u>
Competitive research programs	\$6,027,750	(\$342,000)	\$5,685,750
NASA EPSCoR	0	342,000	342,000
Challenge grants	2,200,000	10,300,000	12,500,000
Tribal college grants	<u>500,000</u>	<u>500,000</u>	<u>1,000,000</u>
Total	\$8,727,750	\$10,800,000	\$19,527,750

<sup>2</sup> The following adjustments are made to institution general fund appropriations through the higher education funding formula:

	<u>Credit Hour</u>	<u>Salary</u>	<u>School of</u>	<u>Cost of</u>	<u>Total</u>
	<u>Completion</u>	<u>Adjustment</u>	<u>Law Adjustment</u>	<u>Living</u>	
	<u>Adjustment</u>			<u>Adjustment</u>	
Bismarck State College	\$0	\$150,444	\$0	\$0	\$150,444
Lake Region State College	0	62,686	0	0	62,686
Williston State College	0	56,013	0	998,787	1,054,800
University of North Dakota (UND)	0	642,150	2,234,682	0	2,876,832
North Dakota State University	0	370,652	0	0	370,652
North Dakota State College of Science	0	176,950	0	0	176,950
Dickinson State University	0	101,083	0	0	101,083
Mayville State University	0	90,243	0	0	90,243
Minot State University	0	215,354	0	0	215,354
Valley City State University	1,443,717	183,140	0	0	1,626,857
Dakota College at Bottineau	0	37,483	0	0	37,483
Total	\$1,443,717	\$2,086,198	\$2,234,682	\$998,787	\$6,763,384

<sup>3</sup> The following adjustments are made to institution other funds appropriations:

	<u>Salary</u>	<u>Updated Other</u>	<u>Total</u>
	<u>Adjustment</u>	<u>Funds Estimate</u>	
Bismarck State College	\$258,585	\$1,089,387	\$1,347,972
Lake Region State College	88,026	0	88,026
Williston State College	65,468	4,442,694	4,508,162
UND	1,789,883	0	1,789,883
UND School of Medicine	190,067	0	190,067
North Dakota State University	1,518,219	0	1,518,219
North Dakota State College of Science	229,432	0	229,432
Dickinson State University	121,052	0	121,052
Mayville State University	277,783	0	277,783
Minot State University	304,220	0	304,220
Valley City State University	115,105	0	115,105
Dakota College at Bottineau	<u>59,159</u>	<u>3,358,587</u>	<u>3,417,746</u>
Total	\$5,016,999	\$8,890,668	\$13,907,667

<sup>4</sup> Funding is transferred from UND's operations line item to the school of law line item, including \$11,016,618 from the general fund and \$8,409,030 from other funds.

<sup>5</sup> One-time funding of \$5 million is added from Bank of North Dakota profits, including \$2.5 million each for UND and North Dakota State University, for the research digital initiative.

<sup>6</sup> One-time funding of \$500,000 from the general fund is added to provide a total of \$750,000 from the general fund for the digitization of documents at the Theodore Roosevelt Center.

<sup>7</sup> One-time funding is added for the following capital building projects:

	<u>Other Funds</u>
UND parking lot projects (revenue bonds)	\$10,000,000
UND deferred maintenance (appropriation bonds)	15,000,000
North Dakota State College of Science workforce career academy (gifts, donations, and nonstate grants)	30,000,000
Dakota College at Bottineau dining facility (revenue bonds)	<u>2,500,000</u>
Total	\$57,500,000

<sup>8</sup> The 1 percent tuition increase component of the Tier II capital building fund program is removed as follows:

	<u>1 Percent Tuition</u>		
	<u>Increase</u>	<u>Institution Match</u>	<u>Total</u>
Bismarck State College	(\$413,848)	(\$413,848)	(\$827,696)
Lake Region State College	(136,763)	(136,763)	(273,526)
Williston State College	(79,959)	(79,959)	(159,918)
UND	(3,334,928)	(3,334,928)	(6,669,856)
North Dakota State University	(3,301,310)	(3,301,310)	(6,602,620)
North Dakota State College of Science	(268,296)	(268,296)	(536,592)
Dickinson State University	(209,959)	(209,959)	(419,918)
Mayville State University	(176,887)	(176,887)	(353,774)
Minot State University	(448,613)	(448,613)	(897,226)
Valley City State University	(205,206)	(205,206)	(410,412)
Dakota College at Bottineau	<u>(72,786)</u>	<u>(72,786)</u>	<u>(145,572)</u>
Total	(\$8,648,555)	(\$8,648,555)	(\$17,297,110)

<sup>9</sup> Funding for the Forest Service is adjusted to provide employee salary increases of 2 percent on July 1, 2019, with a minimum monthly increase of \$120 and a maximum monthly increase of \$200, and 2.5 percent on July 1, 2020. The House provided funding for a 2 percent salary increase on July 1, 2019, and a 2 percent salary increase on July 1, 2020.

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### House Bill No. 1003 - Other Changes - Senate Action

This amendment also:

- Adds a 2017-19 biennium appropriation of \$491,850 from the general fund for Williston State College due to a funding formula error.
- Adds a 2017-19 biennium appropriation of \$250,000 from the general fund for a UND School of Law challenge grant program.
- Adds a 2017-19 biennium appropriation of \$3 million from the general fund for campus workforce initiative projects.
- Removes 3 sections added by the House relating to facility space and maintenance reserves.
- Provides for the sale of certain properties owned by UND.
- Provides appropriation bond authority for UND deferred maintenance projects.
- Provides revenue bond authority for UND parking lot projects and the Dakota College at Bottineau dining facility project.
- Reduces the matching requirement for Tier III capital building fund money to provide for a dollar-to-dollar match.
- Provides authority to use capital building fund money for additional capital projects.
- Adjusts the tuition rate increase limitation to limit certain resident undergraduate tuition rate increases to 4 percent per year.

### REPORT OF STANDING COMMITTEE

**HB 1018, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1018 was placed on the Sixth order on the calendar.

Page 1, line 2, after the first semicolon insert "to create and enact two new sections to chapter 54-60, a new section to chapter 57-38, and a new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code, relating to a beyond visual line of sight unmanned aircraft system program, fund, and income tax credit;"

Page 1, line 2, remove "of the"

Page 1, line 3, remove "unmanned aircraft systems industry"

Page 1, remove lines 14 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$12,995,788	\$221,498	\$13,217,286
Operating expenses	15,477,622	3,620,581	19,098,203
Grants	48,910,416	9,328,111	58,238,527
Discretionary funds	2,200,000	1,000,000	3,200,000
Agricultural products utilization commission	3,152,915	(3,152,915)	0
North Dakota trade office	2,000,000	(400,000)	1,600,000
Partner programs	1,939,845	(377,314)	1,562,531
Entrepreneurship grants and vouchers	1,950,000	1,498,467	3,448,467
Intermodal container shipping fees	0	1,300,000	1,300,000
Total all funds	\$88,626,586	\$13,038,428	\$101,665,014
Less estimated income	<u>58,283,906</u>	<u>(360,613)</u>	<u>57,923,293</u>
Total general fund	\$30,342,680	\$13,399,041	\$43,741,721
Full-time equivalent positions	66.40	(4.60)	61.80"

Page 2, replace lines 8 through 17 with:

"Flood impact grants/loans	\$5,201,752	\$0
Unmanned aircraft system	2,000,000	2,225,000
Base retention grants	600,000	250,000
Enhanced use lease grant	3,000,000	3,000,000
Workforce grants to tribally controlled community colleges	500,000	500,000
Census 2020 program	0	1,000,000
Workforce safety grant	0	1,000,000
Entrepreneurship grants and vouchers	0	2,500,000
Sculpture maintenance grants	0	250,000
Nonresident nurse employment recruitment	0	800,000
Intermodal container transportation shipping fees	0	1,300,000
Total all funds	\$11,301,752	\$12,825,000
Less estimated income	<u>10,301,752</u>	<u>3,800,000</u>
Total general fund	\$1,000,000	\$9,025,000"

Page 2, replace lines 22 through 25 with:

**"SECTION 3. EXEMPTION.** The amount of \$2,200,000 appropriated in the discretionary funds line item in section 1 of chapter 43 of the 2017 Session Laws, of which \$1,200,000 was from the general fund and \$1,000,000 was from the research North Dakota fund, is not subject to section 54-44.1-11 and any unexpended funds from this appropriation are available for discretionary uses during the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 2, line 26, after "amount" insert "of \$2,000,000"

Page 2, line 26, after "appropriated" insert "from the strategic investment and improvements fund"

Page 2, after line 29, insert:

**"SECTION 5. EXEMPTION.** The amount of \$1,500,000 appropriated from the general fund for the early childhood education grant program in section 1 of chapter 43 of the 2017 Session Laws is not subject to section 54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, after line 2, insert:

**"SECTION 7. EXEMPTION.** The amount of \$950,000 appropriated from the general fund in the operating expenses line item for the operation intern program in section 1 of chapter 43 of the 2017 Session Laws and transferred to the internship fund in section 7 of chapter 43 of the 2017 Session Laws is not subject to section

54-44.1-11 and any unexpended funds from this program are available for the program during the biennium beginning July 1, 2019, and ending June 30, 2021."

Page 3, line 13, after the boldfaced hyphen insert "**ONE-TIME FUNDING - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND -**"

Page 3, line 14, replace "\$948,467" with "\$3,448,467"

Page 3, line 15, after "fund" insert ", \$2,500,000 is from the strategic investment and improvements fund,"

Page 3, line 15, replace "special funds" with "the economic development fund"

Page 3, line 17, after the period insert "The \$2,500,000 from the strategic investment and improvements fund is considered a one-time funding item."

Page 3, after line 23, insert:

**"SECTION 10. BASE RETENTION GRANT PROGRAM - ONE-TIME FUNDING.** The grants line item in section 1 of this Act includes \$250,000 from the general fund for the base retention grant program. The department of commerce shall develop guidelines for awarding grants under this section. Grants awarded under this program may be provided to one or more communities with an air force base or air national guard facilities. The grant program must award cost reimbursement grants and may not award direct grants. The department shall consult with the North Dakota commission on military promotion and strategic sustainment regarding approval of grant awards. This funding is considered a one-time funding item."

Page 3, line 24, replace "Section" with "The grants line item in section"

Page 3, line 29, replace "**SYSTEMS**" with "**SYSTEM**"

Page 3, line 31, replace "\$27,000,000" with "\$28,000,000"

Page 4, line 2, replace "systems" with "system"

Page 4, replace lines 6 through 23 with:

**"SECTION 13.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Beyond visual line of sight unmanned aircraft system program - Requirements - Report to legislative management.**

The department may establish and administer a beyond visual line of sight unmanned aircraft system program for the design, purchase, implementation, and operating costs of a beyond visual line of sight unmanned aircraft system. The department shall require any entity receiving funding for this program to provide quarterly payments to the state treasurer equal to three percent of the entity's gross income associated with the beyond visual line of sight unmanned aircraft system as reported in the entity's prior year financial statements. The state treasurer shall deposit fifty percent of any payments received in the state general fund and fifty percent in the beyond visual line of sight unmanned aircraft system fund. The department shall provide semi-annual reports to the legislative management regarding the development of the beyond visual line of sight unmanned aircraft systems program and the total amount deposited by the state treasurer in the state general fund and the beyond visual line of sight unmanned aircraft system fund.

**SECTION 14.** A new section to chapter 54-60 of the North Dakota Century Code is created and enacted as follows:

**Beyond visual line of sight unmanned aircraft system fund.**

There is created in the state treasury a special fund known as the beyond visual line of sight unmanned aircraft system fund. The fund consists of moneys deposited by the state treasurer from entities receiving funding from the department of commerce for the beyond visual line of sight unmanned aircraft system program. Interest earned on moneys in the fund must be credited to the fund. Moneys in the fund may be used, subject to legislative appropriations, to defray the expenses of the beyond visual line of sight unmanned aircraft system program.

**SECTION 15.** A new section to chapter 57-38 of the North Dakota Century Code is created and enacted as follows:

**Income tax credit for beyond visual line of sight unmanned aircraft system payments.**

A taxpayer that received funding under section 12 of this Act is entitled to a credit against tax liability determined under section 57-38-30 or 57-38-30.3 equal to the amount the taxpayer remitted to the state treasurer under section 13 of this Act during the taxable year. The credit under this section may not exceed the taxpayer's liability as determined under this chapter for the taxable year. A passthrough entity entitled to the credit under this section must be considered to be the taxpayer for purposes of this section, and the amount of the credit allowed must be determined at the passthrough entity level. The amount of the credit determined at the passthrough entity level must be passed through to the partners, shareholders, or members in proportion to their respective interests in the passthrough entity.

**SECTION 16.** A new subdivision to subsection 7 of section 57-38-30.3 of the North Dakota Century Code is created and enacted as follows:

Beyond visual line of sight unmanned aircraft system payment credit under section 15 of this Act."

Page 4, line 25, replace "SYSTEMS" with "SYSTEM"

Page 4, line 28, replace "systems" with "system"

Page 4, line 29, replace "systems" with "system"

Page 5, line 1, replace "systems" with "system"

Page 5, line 2, replace "systems" with "system"

Page 5, after line 5, insert:

**"SECTION 18. LEGISLATIVE MANAGEMENT STUDY - MOTION PICTURE INCENTIVES.** During the 2019-20 interim, the legislative management shall consider studying motion picture incentives. The study must include a review of upper Midwest and neighboring states' statutes on motion picture incentives to assess their successes and challenges; an analysis of the economic impact that would benefit communities through food, lodging, supplies, and transportation; an assessment of existing industry infrastructure in the state and opportunities for growth; and an identification of unique geographic, seasonal, regulatory, and topographical assets the state has for the motion picture industry. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-seventh legislative assembly.

**SECTION 19. SCULPTURE MAINTENANCE GRANTS - ONE-TIME FUNDING.** The grants line item in section 1 of this Act includes \$250,000 from the general fund for the purpose of providing grants, on a reimbursement basis, to maintain the structure and appearance of metal sculptures located adjacent to highways in North Dakota. Grant funds may be awarded only for sculptures with current land leases. Grant funds may be awarded only to the extent that matching funds on a dollar-for-dollar basis are provided from private or other nonstate sources. Matching funds may include in-kind payments for labor and materials. The

department of commerce shall establish guidelines to require a privately funded maintenance plan to be established for future maintenance cost of metal sculptures adjacent to highways in North Dakota. This funding is considered a one-time funding item.

**SECTION 20. NONRESIDENT NURSE EMPLOYMENT RECRUITMENT PROGRAM - ONE-TIME FUNDING.** The grants line item in section 1 of this Act includes \$800,000 from the general fund for the purpose of establishing a non-resident nurse employment recruitment program. The department of commerce shall provide up to \$4,000 in incentives for each nonresident licensed nurse who signs a written agreement to work at least four years in a North Dakota licensed health care facility. Any licensed health care facility receiving funds from this program must provide two dollars of incentive matching funds for each one dollar provided by the department. This funding is considered a one-time funding item.

**SECTION 21. TRANSFER - ESTIMATED INCOME - BEGINNING FARMER REVOLVING LOAN FUND - ONE-TIME FUNDING.** As requested by the commissioner of the department of commerce, the Bank of North Dakota shall transfer from the beginning farmer revolving loan fund to the department of commerce the sum of \$1,300,000, or so much of the sum as may be necessary, included in the estimated income line item in section 1 of this Act for paying intermodal container transportation shipping fees in the event intermodal containers are unable to be shipped, resulting in fees for the transport of containers to new locations for the biennium beginning July 1, 2019, and ending June 30, 2021. This funding is considered a one-time funding item.

**SECTION 22. APPROPRIATION - 2017-19 BIENNIUM - NORTH DAKOTA GORGE GRANT - EXEMPTION.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$750,000, or so much of the sum as may be necessary, to the department of commerce for the purpose of providing grants, on a reimbursement basis, to an organization dedicated to preserving a North Dakota gorge for the period beginning with the effective date of this Act, and ending June 30, 2019. Grant funds may be awarded only for expenditures related to the purchase and maintenance of outdoor recreation equipment, the improvement and maintenance of real property, enhancing public access to natural resources, and addressing public safety hazards in a North Dakota gorge. Grant funds may be awarded only to the extent that matching funds on a dollar-for-dollar basis are provided from private or other non-state sources. Matching funds may include in-kind payments for labor and materials. The funding provided in this section is considered a one-time funding item. The funding provided under this section is not subject to section 54-44.1-11 and any unexpended funds may be continued and are available for the program during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 23. EFFECTIVE DATE.** Sections 15 and 16 of this Act are effective for taxable years beginning after December 31, 2018."

Page 5, line 6, replace "9 and 10" with "12, 13, 14, 15, 16, and 22"

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1018 - Department of Commerce - Senate Action

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$12,995,788	\$13,165,570	\$51,716	\$13,217,286
Operating expenses	15,477,622	16,721,919	2,376,284	19,098,203
Grants	48,910,416	53,589,811	4,648,716	58,238,527
Discretionary funds	2,200,000		3,200,000	3,200,000
Ag. Products Utilization Commission	3,152,915	673,965	(673,965)	
North Dakota Trade Office	2,000,000	1,600,000		1,600,000
Partner programs	1,939,845	1,562,531		1,562,531
Entrepreneurship grants and vouchers	1,950,000	948,467	2,500,000	3,448,467
Intermodal container shipping fees			1,300,000	1,300,000
Total all funds	\$88,626,586	\$88,262,263	\$13,402,751	\$101,665,014
Less estimated income	58,283,906	54,784,595	3,138,698	57,923,293

General fund	\$30,342,680	\$33,477,668	\$10,264,053	\$43,741,721
FTE	66.40	61.80	0.00	61.80

### Department 601 - Department of Commerce - Detail of Senate Changes

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Removes Funding for APUC <sup>2</sup>	Adds Funding for State Marketing Initiatives <sup>3</sup>	Restores Funding for Early Childhood Education Grants <sup>4</sup>	Adds Funding for Discretionary Funds <sup>5</sup>	Adds One-Time Funding for UAS Programs <sup>6</sup>
Salaries and wages	\$51,716					
Operating expenses			\$2,000,000	\$151,284		\$225,000
Grants				1,348,716		2,000,000
Discretionary funds					\$3,200,000	
Ag. Products Utilization Commission		(\$673,965)				
North Dakota Trade Office Partner programs						
Entrepreneurship grants and vouchers						
Intermodal container shipping fees						
<b>Total all funds</b>	<b>\$51,716</b>	<b>(\$673,965)</b>	<b>\$2,000,000</b>	<b>\$1,500,000</b>	<b>\$3,200,000</b>	<b>\$2,225,000</b>
Less estimated income	12,663	(673,965)	0	0	0	0
<b>General fund</b>	<b>\$39,053</b>	<b>\$0</b>	<b>\$2,000,000</b>	<b>\$1,500,000</b>	<b>\$3,200,000</b>	<b>\$2,225,000</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

  

	Adds One-Time Funding for Entrepreneurship Grants and Vouchers <sup>7</sup>	Adds One-Time Funding for Base Retention Grants <sup>8</sup>	Adds One-Time Funding for Sculpture Maintenance Grants <sup>9</sup>	Adds One-Time Funding for a Nonresident Nurse Program <sup>10</sup>	Adds One-Time Funding for Intermodal Container Shipping Fees <sup>11</sup>	Total Senate Changes
Salaries and wages						\$51,716
Operating expenses						2,376,284
Grants		\$250,000	\$250,000	\$800,000		4,648,716
Discretionary funds						3,200,000
Ag. Products Utilization Commission						(673,965)
North Dakota Trade Office Partner programs						
Entrepreneurship grants and vouchers	\$2,500,000					2,500,000
Intermodal container shipping fees					\$1,300,000	1,300,000
<b>Total all funds</b>	<b>\$2,500,000</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$800,000</b>	<b>\$1,300,000</b>	<b>\$13,402,751</b>
Less estimated income	2,500,000	0	0	0	1,300,000	3,138,698
<b>General fund</b>	<b>\$0</b>	<b>\$250,000</b>	<b>\$250,000</b>	<b>\$800,000</b>	<b>\$0</b>	<b>\$10,264,053</b>
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding of \$51,716, of which \$39,053 is from the general fund and \$12,663 is from other funds, is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020. The House approved 2019-21 biennium salary increases of 2 percent each year.

<sup>2</sup> Funding of \$673,965 is removed from the Agricultural Products Utilization Commission (APUC) fund to transfer the APUC program to the Agriculture Commissioner.

<sup>3</sup> Funding of \$2 million is added from the general fund for operating expenses related to state marketing initiatives of the Department of Commerce Division of Tourism to provide a total of \$6,801,678 for operating expenses of the Division of Tourism, of which \$6,259,678 is from the general fund and \$542,000 is from the Department of Tourism fund. The House approved \$4,801,678 for operating expenses of the Division of Tourism, of which \$4,259,678 is from the general fund and \$542,000 is from the Department of Tourism fund.

<sup>4</sup> Funding of \$1.5 million is restored for the early childhood education grants program, also known as the prekindergarten community grant program. The House transferred funding for this program to the Department of Public Instruction.



<sup>5</sup> Funding of \$3.2 million is added from the general fund for discretionary funds. The House did not provide funding for discretionary funds. The 2017 Legislative Assembly appropriated \$2.2 million for discretionary funds, of which \$1.2 million was from the general fund and \$1 million was from the Research North Dakota fund.

<sup>6</sup> One-time funding of \$2,225,000 is added from the general fund for unmanned aircraft system programs, of which \$225,000 is for operating expenses of the Northern Plains Unmanned Aircraft Systems Test Site and \$2 million is for enhanced use lease grants. This results in total one-time appropriations from the general fund of \$2,225,000 for the Northern Plains Unmanned Aircraft Systems Test Site and \$3 million for enhanced use lease grants. The House approved one-time appropriations from the general fund of \$2 million for the Northern Plains Unmanned Aircraft Systems Test Site and \$1 million for enhanced use lease grants.

<sup>7</sup> One-time funding of \$2,500,000 is added from the strategic investment and improvements fund for the entrepreneurship grants and vouchers program to provide total funding of \$3,448,467, which includes ongoing funding of \$740,956 from the general fund and \$207,511 of ongoing funding from the economic development fund. The House provided \$948,467 of ongoing funding for the program, of which \$740,956 is from the general fund and \$207,511 is from the economic development fund.

<sup>8</sup> One-time funding of \$250,000 is added from the general fund for base retention grants. The House did not provide funding for this program.

<sup>9</sup> One-time funding of \$250,000 is added from the general fund for sculpture maintenance grants. The House did not provide funding for sculpture maintenance grants.

<sup>10</sup> One-time funding of \$800,000 is added from the general fund for a nonresident nurse employment recruitment program. The House did not provide funding for this program.

<sup>11</sup> One-time funding of \$1.3 million is added from the Bank of North Dakota's beginning farmer revolving loan fund for intermodal container transportation shipping fees for the transportation of containers to new locations. The House did not provide funding for intermodal container transportation shipping fees.

This amendment also:

- Removes a section allowing the Department of Commerce to continue unexpended 2017-19 funding for the Agricultural Products Utilization Commission.
- Adds a section allowing the Department of Commerce to continue unexpended 2017-19 funding for discretionary funds into the 2019-21 biennium.
- Adds a section allowing the Department of Commerce to continue unexpended 2017-19 funding for the early childhood education grant program into the 2019-21 biennium.
- Adds a section allowing the Department of Commerce to continue unexpended 2017-19 funding for Operation Intern into the 2019-21 biennium.
- Adjusts the amounts identified for the entrepreneurship grants and vouchers program.
- Adds a section identifying funding provided for the base retention grant program. The grants must be awarded on a reimbursement basis and the Department of Commerce is required to consult with the North Dakota Commission on Military Promotion and Strategic Sustainment regarding approval of grant awards.
- Amends a section to increase a 2017-19 biennium appropriation to the Department of Commerce for operating expenses of the beyond visual line of sight unmanned aircraft systems program from \$27 million to \$28 million.
- Replaces a section added by the House relating to the beyond visual line of sight unmanned aircraft systems program with a section to create a new section to North Dakota Century Code Chapter 54-60 to establish a beyond visual line of sight unmanned aircraft system program, to require an entity receiving funding under this program to provide quarterly payments to the State Treasurer based on the entity's annual gross income associated with beyond visual line of sight unmanned aircraft systems with 50 percent deposited in the state general fund and 50 percent in a

newly created beyond visual line of sight unmanned aircraft system fund, to provide for reports to the Legislative Management, and to declare the section an emergency measure.

- Adds a section to Chapter 54-60 to create a beyond visual line of sight unmanned aircraft system fund. This section is declared to be an emergency measure.
- Adds a section to Chapter 57-38 to create a new income tax credit for entities that have received funding from the Department of Commerce for the beyond visual line of sight unmanned aircraft system program effective for taxable years beginning after December 31, 2018. This section is declared to be an emergency measure.
- Adds a subdivision to subsection 7 of Section 57-38-30.3 authorizing a taxpayer to claim the beyond visual line of sight unmanned aircraft system payment credit effective for taxable years beginning after December 31, 2018. This section is declared to be an emergency measure.
- Adds a section to provide for a Legislative Management study of motion picture incentives.
- Adds a section identifying one-time funding from the general fund for providing sculpture maintenance grants.
- Adds a section identifying one-time funding from the general fund for a nonresident nurse employment recruitment program.
- Adds a section authorizing the transfer of up to \$1.3 million to the Department of Commerce from the Bank of North Dakota's beginning farmer revolving loan fund and appropriates the funds for intermodal container transportation shipping fees for the transportation of containers to new locations.
- Adds a section providing a 2017-19 biennium general fund appropriation of \$750,000 for North Dakota gorge preservation grants.

#### REPORT OF STANDING COMMITTEE

**HB 1021, as engrossed: Appropriations Committee (Sen. Holmberg, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (14 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1021 was placed on the Sixth order on the calendar.

Page 1, line 2, remove "and"

Page 1, line 2, after "report" insert "; to provide for a transfer; to provide an exemption; and to provide for a legislative management study"

Page 1, remove lines 12 through 24

Page 2, replace lines 1 and 2 with:

"Salaries and wages	\$59,359,772	\$22,014,729	\$81,374,501
Operating expenses	69,552,998	33,804,366	103,357,364
Capital assets	8,295,000	(4,041,883)	4,253,117
Center for distance education	9,079,116	(9,079,116)	0
Statewide longitudinal data system	4,310,561	76,584	4,387,145
Educational technology council	1,121,472	(1,121,472)	0
Edutech	9,752,767	(106,994)	9,645,773
K-12 wide area network	4,534,278	633,692	5,167,970
Geographic information system	1,147,716	1,054,913	2,202,629
Health information technology office	5,315,509	(436,363)	4,879,146
Statewide interoperable radio network	<u>13,700,000</u>	<u>(1,370,000)</u>	<u>12,330,000</u>
Total all funds	\$186,169,189	\$41,428,456	\$227,597,645
Less estimated income	<u>165,636,855</u>	<u>33,395,479</u>	<u>199,032,334</u>
Total general fund	\$20,532,334	\$8,032,977	\$28,565,311
Full-time equivalent positions	344.30	57.70	402.00"

Page 2, replace lines 8 through 14 with:

"Electronic payment processing system	\$375,000	\$0
Health information network expansion	43,555,133	0
Statewide interoperable network loan	15,000,000	0

Cybersecurity	0	11,400,000
Legacy lift project	0	2,000,000
Statewide land parcel project	0	1,150,000
Total all funds	\$58,930,133	\$14,550,000
Less estimated income	<u>58,930,133</u>	<u>3,150,000</u>
Total general fund	\$0	\$11,400,000"

Page 2, after line 18, insert:

**"SECTION 3. EXCEPTION - LINE ITEM TRANSFERS.** Notwithstanding section 54-16-04, the director of the office of management and budget shall make transfers of funds between line items in section 1 of this Act for the information technology department as may be requested by the chief information officer as determined necessary for the development and implementation of information technology projects. The department shall notify the legislative council of any transfers made pursuant to this section.

**SECTION 4. ESTIMATED INCOME - STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - INFORMATION TECHNOLOGY PROJECTS.** The estimated income line item in section 1 of this Act includes the sum of \$3,150,000 from the strategic investment and improvements fund for information technology projects, of which \$2,000,000 is for a legacy lift project and \$1,150,000 is for a geographic information system statewide land parcel project.

**SECTION 5. EXEMPTION.** The sum of \$43,555,133 of federal and other funds appropriated to the information technology department for the development of the health information network and care coordination project in chapter 46 of the 2017 Session Laws is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available for the completion of the health information network and care coordination project during the biennium beginning July 1, 2019, and ending June 30, 2021.

**SECTION 6. LEGISLATIVE MANAGEMENT STUDY - DEVELOPMENT OF A LAND ACCESS DATABASE.** During the 2019-20 interim, the legislative management shall consider studying access to land for hunting and trapping and the development of a land access database. If selected by the legislative management, the study must be conducted by a new committee established by the legislative management to study access to public and private lands for hunting, trapping, and related issues, including the development of a hunters access database with the capability for landowners to provide electronic information regarding the availability of the landowner's property for hunters and trappers. The voting members of the committee must consist of the following, who must be appointed by the legislative management:

1. Two members representing agriculture organizations;
2. Two members representing sportsmen organizations; and
3. Five members of the legislative assembly, one of whom must be selected by the committee as chairman of the committee, including:
  - a. One member of the majority party in the house of representatives;
  - b. One member of the minority party in the house of representatives;
  - c. One member of the majority party in the senate;
  - d. One member of the minority party in the senate; and
  - e. One member from either party in either chamber.

The nonvoting members of the committee are:

1. A representative of the North Dakota association of counties;

2. The agriculture commissioner or the commissioner's designee;
3. The director of the game and fish department or the director's designee; and
4. The chief information officer or the officer's designee.

A member of the committee who is not a state employee is entitled to reimbursement for mileage and expenses as provided by law for state officers and employees, to be paid by the legislative council. A state employee who is a member of the committee is entitled to receive that employee's regular salary and is entitled to reimbursement for mileage and expenses to be paid by the employing agency. A member of the committee who is a member of the legislative assembly is entitled to receive per diem compensation at the rate provided under section 54-35-10 for each day performing official duties of the committee. The legislative council shall pay the per diem compensation and reimbursement for travel and expenses as provided by law for any member of the committee who is a member of the legislative assembly. The committee may establish a prototype hunters access database in select counties prior to August 1, 2020. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-seventh legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Information Technology Department - Senate Action**

	Base Budget	House Version	Senate Changes	Senate Version
Salaries and wages	\$59,359,772	\$59,559,558	\$21,814,943	\$81,374,501
Operating expenses	69,552,998	89,091,647	14,265,717	103,357,364
Capital assets	8,295,000	4,253,117		4,253,117
Center for Distance Education	9,079,116			
Statewide longitudinal data system	4,310,561	4,383,351	3,794	4,387,145
Educational Technology Council	1,121,472			
EduTech	9,752,767	9,620,038	25,735	9,645,773
K-12 wide area network	4,534,278	5,165,952	2,018	5,167,970
Geographic information system	1,147,716	1,052,028	1,150,601	2,202,629
Health information technology office	5,315,509	4,876,840	2,306	4,879,146
Statewide Interoperability Radio Network	13,700,000	12,330,000		12,330,000
<b>Total all funds</b>	<b>\$186,169,189</b>	<b>\$190,332,531</b>	<b>\$37,265,114</b>	<b>\$227,597,645</b>
Less estimated income	165,636,855	167,162,949	31,869,385	199,032,334
General fund	\$20,532,334	\$23,169,582	\$5,395,729	\$28,565,311
FTE	344.30	303.00	99.00	402.00

**Department 112 - Information Technology Department - Detail of Senate Changes**

	Adds Funding for Salary and Benefit Increases <sup>1</sup>	Adds Funding for FTE Cybersecurity Positions <sup>2</sup>	Restores Funding for Salaries and Wages <sup>3</sup>	Adds Funding for IT Unification <sup>4</sup>	Adds One-Time Funding for Cybersecurity <sup>5</sup>	Adds One-Time Funding for IT Projects <sup>6</sup>
Salaries and wages	\$1,047,804	\$740,415	\$1,215,501	\$18,811,223		
Operating expenses		130,590		8,835,127	\$3,300,000	\$2,000,000
Capital assets						
Center for Distance Education						
Statewide longitudinal data system	3,794					
Educational Technology Council						
EduTech	25,735					
K-12 wide area network	2,018					
Geographic information system	601					1,150,000
Health information technology office	2,306					
Statewide Interoperability Radio Network						
<b>Total all funds</b>	<b>\$1,082,258</b>	<b>\$871,005</b>	<b>\$1,215,501</b>	<b>\$27,646,350</b>	<b>\$3,300,000</b>	<b>\$3,150,000</b>
Less estimated income	1,073,035	0	0	27,646,350	0	3,150,000
General fund	\$9,223	\$871,005	\$1,215,501	\$0	\$3,300,000	\$0
FTE	0.00	3.00	0.00	96.00	0.00	0.00

	Total Senate Changes
Salaries and wages	\$21,814,943
Operating expenses	14,265,717
Capital assets	
Center for Distance Education	
Statewide longitudinal data system	3,794
Educational Technology Council	
EduTech	25,735
K-12 wide area network	2,018
Geographic information system	1,150,601
Health information technology office	2,306
Statewide Interoperability Radio Network	
Total all funds	\$37,265,114
Less estimated income	31,869,385
General fund	\$5,395,729
FTE	99.00

<sup>1</sup> Funding of \$1,082,258, of which \$9,223 is from the general fund and \$1,073,035 is from other funds, is added for 2019-21 biennium salary increases of 2 percent with a minimum monthly increase of \$120 and a maximum monthly increase of \$200 on July 1, 2019, and 2.5 percent on July 1, 2020. Of the amount added from other funds, \$328,977 of special funds relates to increases in health insurance premiums for FTE included in the information technology unification initiative.

<sup>2</sup> Funding of \$871,005 is added from the general fund for 3 FTE cybersecurity positions, of which \$740,415 is for salaries and wages and \$130,590 is for operating expenses to provide a total of 8 FTE cybersecurity positions. The House approved 5 cybersecurity positions.

<sup>3</sup> Funding of \$1,215,501 from the general fund is restored for salaries and wages removed by the House relating to underfunding salaries and wages.

<sup>4</sup> Funding of \$27,646,350 of special funds and 96.00 FTE positions are transferred from the Department of Trust Lands (2 FTE), Department of Human Services (48 FTE), Adjutant General - Department of Emergency Services (4 FTE), Parks and Recreation Department (1 FTE), and Department of Transportation (41 FTE) to the Information Technology Department for the information technology unification initiative. Of the \$27,646,350, \$18,266,327 is for the FTE positions, \$544,896 is for temporary salaries, and \$8,835,127 is for related operating expenses.

<sup>5</sup> One-time funding of \$3,300,000 is added from the general fund for cybersecurity operating expenses to provide a total one-time appropriation of \$11,400,000 from the general fund. The House approved a one-time appropriation of \$8,400,000.

<sup>6</sup> One-time funding of \$3,150,000 is added from the strategic investment and improvements fund for a legacy lift project (\$2,000,000) and a geographic information system statewide land parcel project (\$1,150,000). The House did not provide funding for these projects.

This amendment also:

- Adds a section to allow the Office of Management and Budget to transfer funds between line items in Section 1 as requested by the Chief Information Officer.
- Adds a section identifying \$3,150,000 of one-time funding from the strategic investment and improvements fund for information technology projects, of which \$2,000,000 is for a legacy lift project and \$1,150,000 is for a geographic information system statewide land parcel project.
- Adds a section providing an exemption for the \$43,555,133 of federal and other funds appropriated to the Information Technology Department by the 2017 Legislative Assembly for the development of the health information network and care coordination project.
- Adds a section to provide for a Legislative Management study regarding access to lands for hunting and trapping and the development of a land access database.

#### REPORT OF STANDING COMMITTEE

**HB 1320: Energy and Natural Resources Committee (Sen. Unruh, Chairman)**

recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HB 1320 was placed on the Sixth order on the calendar.

Page 1, line 1, after "Act" insert "to create and enact a new section to chapter 61-33 of the North Dakota Century Code, relating to determinations of navigability;"

Page 1, line 2, after the first comma insert "section 61-33-01, subdivision e of subsection 3 of section 61-33.1-03,"

Page 1, line 3, after "to" insert "sovereign land management definitions and"

Page 1, line 4, after "requirements" insert "; and to provide for a state engineer review of determinations of navigability"

Page 3, after line 2, insert:

**"SECTION 4. AMENDMENT.** Section 61-33-01 of the North Dakota Century Code is amended and reenacted as follows:

**61-33-01. Definitions.**

As used in this chapter, unless the context otherwise requires:

1. "Board" means the sovereign lands advisory board.
2. "Board of university and school lands" means that entity created by section 15-01-01.
3. "Navigable waters" means waters that were in fact navigable at the time of statehood, and that are used, were used, or were susceptible of being used in their ordinary condition as highways for commerce over which trade and travel were or may have been conducted in the customary modes of trade on water.
4. "Sovereign lands" means those areas, including beds and islands, lying within the ordinary high water mark of navigable lakes and streams. Lands established to be riparian accretion or reliction lands pursuant to section 47-06-05 are considered to be above the ordinary high water mark and are not sovereign lands.
- 4.5. "State engineer" means the person appointed by the state water commission pursuant to section 61-03-01.

**SECTION 5.** A new section to chapter 61-33 of the North Dakota Century Code is created and enacted as follows:

**Navigability determinations.**

1. Before making a determination that a body of water or portion of a body of water is navigable, the state engineer shall:
  - a. Develop and deliver to the state water commission a preliminary finding regarding the navigability of the body of water or portion of a body of water and the legal rationale for the preliminary finding; and
  - b. Consult with the state water commission in an open meeting and demonstrate the public need and purpose for the determination to be made.
2. After completing the requirements of subsection 1, the state engineer may proceed with making a final determination of navigability by:

- a. Providing reasonable public notice of the preliminary finding, legal rationale for the preliminary finding, and opportunity for the public to provide comments for no less than sixty days. The notice must:
- (1) Include the address and electronic mail address to which public comments may be sent and the deadline by which public comments must be received;
  - (2) Clearly identify the specific body of water or portion of a body of water for which the finding of navigability is sought;
  - (3) State the state engineer will hold a public hearing regarding the preliminary finding before a final determination of navigability is made, and provide the date, time, and location of the public hearing;
  - (4) Be provided to the governing body of each soil conservation district, water resource district, and county adjacent to the body of water or portion of a body of water for which the preliminary finding was made;
  - (5) Be published in the official county newspaper for each county adjacent to the body of water or portion of a body of water for which the preliminary finding was made; and
  - (6) Briefly state the purpose of the hearing and describe the impact or effect a determination of navigability will have on the property rights of persons who own property adjacent to the body of water or portion of a body of water for which the determination of navigability may be made; and
- b. Holding a public hearing regarding the preliminary finding.
3. After completing the requirements of subsection 2 and making a determination of navigability, the state engineer shall prepare a report regarding the determination, including summaries of the information provided to the state water commission, the public hearings held, and the public comments received. The state engineer shall provide the report to the state water commission, send the report by certified mail to any person that appeared at the public hearing required under subsection 2 or provided written comments by the deadline, make the report available to the public, including on the website for the office of the secretary of state, and provide public notice of the report's availability. The report is final on the date it is provided to the state water commission.
4. A determination of navigability may be appealed directly to a court of competent jurisdiction in accordance with sections 28-32-42 through 28-32-46 and sections 28-32-50 and 28-32-51.

**SECTION 6. AMENDMENT.** Subdivision e of subsection 3 of section 61-33.1-03 of the North Dakota Century Code is amended and reenacted as follows:

- e. ~~Subsection 3 of section~~Section 61-33-01 and section 47-06-05, which provide all accretions are presumed to be above the ordinary high water mark and are not sovereign lands. Accreted lands may be determined to be within the ordinary high water mark of the historical Missouri riverbed channel based on clear and convincing evidence. Areas of low-lying and flat lands where the ordinary high water mark may be impracticable to determine due to inconclusive aerial photography or inconclusive vegetation analysis must be presumed to be above the ordinary high water mark and owned by the riparian landowner."

**"SECTION 8. REVIEWS OF NAVIGABILITY DETERMINATIONS DURING 2019-20 INTERIM.** During the 2019-20 interim, the state engineer may review any determinations of navigability of a body of water or portion of a body of water made solely by the state engineer before the effective date of this Act. However, if a court of competent jurisdiction has determined a body of water or portion of a body of water is navigable or non-navigable, the state engineer does not need to review any state agency determination regarding the body of water or portion of a body of water. If the state engineer elects not to review any determinations of navigability of a body of water or portion of a body of water made solely by the state engineer before the effective date of this Act during the 2019-20 interim, those determinations must be vacated without prejudice to a subsequent determination of navigability under section 5 of this Act. In conducting the reviews under this section, the state engineer shall comply with the requirements in section 5 of this Act."

Renumber accordingly

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

**SB 2100, as engrossed:** Your conference committee (Sens. J. Roers, Kreun, Piepkorn and Reps. Zubke, Bosch, Mitskog) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ page 1104 and place SB 2100 on the Seventh order.

Engrossed SB 2100 was placed on the Seventh order of business on the calendar.

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

**SB 2146, as reengrossed:** Your conference committee (Sens. Burckhard, Anderson, Kannianen and Reps. Schobinger, Meier, Holman) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1089-1090 and place SB 2146 on the Seventh order.

Reengrossed SB 2146 was placed on the Seventh order of business on the calendar.

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

**SB 2342, as engrossed:** Your conference committee (Sens. Cook, J. Roers, Piepkorn and Reps. Heinert, Bosch, Lefor) recommends that the **SENATE ACCEDE** to the House amendments as printed on SJ pages 1279-1280 and place SB 2342 on the Seventh order.

Engrossed SB 2342 was placed on the Seventh order of business on the calendar.

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

**HCR 3010: Government and Veterans Affairs Committee (Sen. Davison, Chairman)** recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO NOT PASS** (7 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). HCR 3010 was placed on the Sixth order on the calendar.

Page 1, line 1, after "III" insert "and section 16 of article IV"

Page 1, line 2, remove "initiated measures for"

Page 1, after line 3, insert:

"This measure would require at least fifty-five percent of the members of each house of the legislative assembly to approve a constitutional amendment to be placed on the ballot at the next general election."

Page 1, line 4, remove "an initiated measure for"

Page 1, line 5, replace "sixty" with "at least fifty-five"

Page 1, line 8, replace "amendment" with "amendments"

Page 1, line 8, after "III" insert "and section 16 of article IV"



Page 1, line 16, after the period insert "An initiated measure to amend the constitution may be placed on the ballot only at a general election."

Page 1, line 16, replace "sixty" with "fifty-five"

Page 1, after line 19, insert:

**"SECTION 2. AMENDMENT.** Section 16 of article IV of the Constitution of North Dakota is amended and reenacted as follows:

**Section 16.** Any amendment to this constitution may be proposed in either house of the legislative assembly, and if agreed to upon a roll call by ~~a majority~~ at least fifty-five percent of the members elected to each house, must be submitted to the electors ~~and if a majority~~ at the following general election. If at least fifty-five percent of the votes cast thereon the constitutional amendment are in the affirmative, the amendment is a part of this constitution."

Renumber accordingly

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

**Shanda Morgan, Secretary**

