

JOURNAL OF THE SENATE

Sixty-second Legislative Assembly

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Bismarck, April 26, 2011

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

The prayer was offered by Senator George Nodland, District 36.

The roll was called and all members were present.

A quorum was declared by the President.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. SORVAAG MOVED that the conference committee report on Engrossed HB 1134 as printed on SJ page 1723 be adopted, which motion prevailed on a voice vote.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KREBSBACH MOVED that the conference committee report on Engrossed HB 1011 as printed on SJ pages 1721-1723 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1011, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1011: A BILL for an Act to provide an appropriation for defraying the expenses of the highway patrol; and to provide for a legislative management study.

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: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Engrossed HB 1011, as amended, passed.

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

MR. PRESIDENT: The House has laid on the table: HB 1289.

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

MR. PRESIDENT: The House has failed to reconsider: SB 2161.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1134.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1011.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1451.

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

MR. SPEAKER: Your signature is respectfully requested on: SB 2042, SB 2129.

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

MR. PRESIDENT: Your signature is respectfully requested on: HB 1011, HB 1044, HB 1126, HB 1134, HB 1248.

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

MR. PRESIDENT: The Speaker has signed: SB 2042, SB 2129.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 1:00 p.m., which motion prevailed.

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

REPORT OF CONFERENCE COMMITTEE

HB 1451, as engrossed: Your conference committee (Sens. Cook, Stenehjem, Dotzenrod and Reps. Carlson, Delzer, Kroeber) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ page 1586, adopt amendments as follows, and place HB 1451 on the Seventh order:

That the Senate recede from its amendments as printed on page 1586 of the House Journal and pages 1349 and 1350 of the Senate Journal and that Engrossed House Bill No. 1451 be amended as follows:

Page 1, line 3, after the third comma insert "6-09.7-05,"

Page 1, line 3, after the fifth comma insert "54-27.2-01,"

Page 1, line 4, after "fund" insert ", the budget stabilization fund,"

Page 1, line 6, replace "a transfer" with "transfers"

Page 1, line 19, replace "state infrastructure" with "strategic investment and improvements"

Page 1, line 21, replace "state infrastructure" with "strategic investment and improvements"

Page 2, line 1, replace "state infrastructure" with "strategic investment and improvements"

Page 2, line 17, replace "state infrastructure" with "strategic investment and improvements"

Page 3, line 12, replace "state infrastructure" with "strategic investment and improvements"

Page 3, after line 14, insert:

"SECTION 4. AMENDMENT. Section 6-09.7-05 of the North Dakota Century Code is amended and reenacted as follows:

6-09.7-05. Establishment and maintenance of adequate guarantee funds
- Use of ~~lands and minerals trust~~strategic investment and improvements fund.

The Bank of North Dakota shall establish and at all times maintain an adequate guarantee reserve fund in a special account in the Bank. The guarantee reserve fund must be maintained from the ~~lands and minerals trust~~strategic investment and improvements fund created by section 15-08.1-08 and any moneys transferred from the ~~lands and minerals trust~~strategic investment and improvements fund to maintain the guarantee reserve fund are available to reimburse lenders for guaranteed loans in default. The securities in which the moneys in the reserve fund may be invested must meet the same requirements as those authorized for investment under the state investment board. The income from such investments must be made available for the costs of administering the state guarantee loan program and income in excess of that required to pay the cost of administering the program shall be deposited in the reserve fund. The amount of reserves for all guaranteed loans must be determined by a formula which will assure, as determined by the Bank, an adequate amount of reserve."

Page 3, line 18, replace "state infrastructure" with "strategic investment and improvements"

Page 3, line 18, after "intent" insert "- Contingent transfer to legacy fund"

Page 3, line 22, replace "state infrastructure" with "strategic investment and improvements"

Page 3, line 24, after "infrastructure" insert "or for initiatives to improve the efficiency and effectiveness of state government"

Page 3, line 28, after the period insert "If the unobligated balance in the fund at the end of any month exceeds three hundred million dollars, twenty-five percent of any revenues received for deposit in the fund in the subsequent month must be deposited instead into the legacy fund. For purposes of this section, "unobligated balance in the fund" means the balance in the fund reduced by appropriations or transfers from the fund authorized by the legislative assembly, guarantee reserve fund requirements under section 6-09.7-05, and any fund balance designated by the board of university and school lands relating to potential title disputes related to certain riverbed leases."

Page 4, line 1, replace "State infrastructure" with "Strategic investment and improvements"

Page 4, line 4, replace "state infrastructure" with "strategic investment and improvements"

Page 4, after line 6, insert:

"SECTION 7. AMENDMENT. Section 54-27.2-01 of the North Dakota Century Code is amended and reenacted as follows:

54-27.2-01. (Effective through June 30, 2009) Budget stabilization fund.

The budget stabilization fund is a special fund in the state treasury. The state investment board shall supervise investment of the budget stabilization fund in accordance with chapter 21-10. Any interest or other budget stabilization fund earnings must be deposited in the fund. Any amounts provided by law for deposit in the fund and any interest or earnings of the fund which would bring the balance in the fund to an amount greater than five percent of the current biennial state general fund budget, as finally approved by the most recently adjourned special or regular session of the legislative assembly, may not be deposited or retained in the fund but must be deposited instead in the state general fund.

(Effective after June 30, 2009) Budget stabilization fund. The budget stabilization fund is a special fund in the state treasury. The state investment board shall supervise investment of the budget stabilization fund in accordance with chapter 21-10. Any interest or other budget stabilization fund earnings must be deposited in the fund. Any amounts provided by law for deposit in the fund and any interest or earnings of the fund which would bring the balance in the fund to an amount greater than ~~ten~~ nine and one-half percent of the current biennial state general fund budget, as finally approved by the most recently adjourned special or regular session of the legislative assembly, may not be deposited or retained in the fund but must be deposited instead in the state general fund."

Page 4, line 12, after "fund" insert ". property tax relief sustainability, strategic investment and improvements fund."

Page 4, line 12, replace "infrastructure" with "disaster relief"

Page 4, replace lines 20 through 25 with "From the revenues designated for deposit in the state general fund under chapters 57-51 and 57-51.1, the state treasurer shall deposit the revenues received each biennium as follows:

1. The first two hundred million dollars into the state general fund;

2. The next three hundred forty-one million seven hundred ninety thousand dollars into the property tax relief sustainability fund;
3. The next one hundred million dollars into the state general fund;
4. The next one hundred million dollars into the strategic investment and improvements fund;
5. The next twenty-two million dollars into the state disaster relief fund; and
6. Any additional revenues into the strategic investment and improvements fund."

Page 4, line 31, replace "state infrastructure" with "strategic investment and improvements"

Page 5, after line 10, insert:

"SECTION 13. TRANSFER. As soon as feasible after June 30, 2011, the state treasurer shall close out the lands and minerals trust fund and transfer any remaining unobligated balance to the strategic investment and improvements fund."

Renumber accordingly

Engrossed HB 1451 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. COOK MOVED that the conference committee report on Engrossed HB 1451 as printed on SJ pages 1730-1732 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1451, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1451: A BILL for an Act to create and enact a new section to chapter 57-51.1 of the North Dakota Century Code, relating to deposit of oil and gas tax revenue; to amend and reenact sections 6-09.6-01.1, 6-09.6-01.2, 6-09.6-03, 6-09.7-05, 15-08.1-08, 15-08.1-09, 54-27.2-01, 57-51.1-07.3, and 61-33-07 of the North Dakota Century Code, relating to the lands and minerals trust fund, the budget stabilization fund, and the oil and gas research fund; to repeal sections 57-51.1-07.2 and 57-51.1-07.4 of the North Dakota Century Code, relating to elimination of the permanent oil tax trust fund; to provide for transfers; to provide an effective date; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Berry; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

NAYS: Bowman; Krebsbach; Lyson; O'Connell

Engrossed HB 1451, as amended, passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

SB 2047, as engrossed: Your conference committee (Sens. Hogue, Cook, Dotzenrod and Reps. Wrangham, Drovdal, S. Meyer) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 900-903 and place SB 2047 on the Seventh order.

Engrossed SB 2047 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. COOK MOVED that the conference committee report on Engrossed SB 2047 as printed on SJ page 1732 be adopted, which motion prevailed on a voice vote.

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

MR. PRESIDENT: The House has not adopted the conference committee report on: SB 2276.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: SB 2047.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1451.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1057.

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

MR. SPEAKER: The President has signed: HB 1011, HB 1044, HB 1126, HB 1134, HB 1248.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 3:00 p.m., which motion prevailed.

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

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. FLAKOLL MOVED that the conference committee report on Reengrossed SB 2150 as printed on SJ pages 1685-1721 be adopted, which motion prevailed on a voice vote.

Reengrossed SB 2150, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2150: A BILL for an Act to create and enact a new section to chapter 6-09, a new section to chapter 15.1-09.1, four new sections to chapter 15.1-18.2, two new sections to chapter 15.1-21, and a new section to chapter 15.1-27 of the North Dakota Century Code, relating to required transfers, regional education associations, the professional development advisory committee, North Dakota scholarships, and state aid; to amend and reenact sections 15.1-07-33, 15.1-09.1-02, 15.1-21-02.1, 15.1-21-02.4, 15.1-21-02.5, 15.1-21-02.6, 15.1-21-08, 15.1-21-18, 15.1-21-19, 15.1-22-01, 15.1-22-02, 15.1-27-03, 15.1-27-03.1, 15.1-27-04, 15.1-27-07.2, 15.1-27-11, 15.1-27-23, 15.1-27-35.3, 15.1-36-02, and 15.1-37-01, subsection 1 of section 15.1-37-02, and section 15.1-37-03 of the North Dakota Century Code, relating to technology, regional education associations, curriculum requirements, assessments, scholarships, kindergartens, student consultations, state aid, school construction funding, and early childhood education, care, and services; to repeal section 5 of this Act and sections 15.1-18.2-01, 15.1-18.2-02, 15.1-18.2-03, and 15.1-27-15 of the North Dakota Century Code, relating to professional development and isolated schools; to provide an appropriation; to provide for compensation increases, transition payments, and the distribution of transportation grants, alternative middle school grants, and rapid enrollment growth grants; to provide for legislative management studies and reports; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson;

Schaible; Schneider; Sitte; Sorvaag; Stenehjerm; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed SB 2150 passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

SB 2013, as engrossed: Your conference committee (Sens. Holmberg, Wardner, Robinson and Reps. Monson, R. Kelsch, Williams) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1442-1449, adopt amendments as follows, and place SB 2013 on the Seventh order:

That the House recede from its amendments as printed on pages 1442-1449 of the Senate Journal and pages 1534-1541 of the House Journal and that Engrossed Senate Bill No. 2013 be amended as follows:

Page 1, line 3, after the semicolon insert "to provide an appropriation to the information technology department; to provide an appropriation to the North Dakota university system office;"

Page 1, line 4, replace "alternative education program" with "continuing education"

Page 1, line 4, after "programs" insert "and medicaid matching funds,"

Page 1, line 4, remove "to"

Page 1, line 5, remove "provide a contingent appropriation;"

Page 1, line 10, after the semicolon insert "to provide a statement of legislative intent;"

Page 1, replace line 24 with:

"Operating expenses	30,770,801	(1,087,614)	29,683,187"
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Page 2, replace line 1 with:

"Grants - State school aid	722,725,958	195,733,520	918,459,478"
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Page 2, replace lines 6 and 7 with:

"Grants - Other grants	245,203,721	58,780,672	303,984,393
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Grants - Mill levy reduction	295,000,000	(295,000,000)	0"
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Page 2, replace lines 11 through 13 with:

"Total all funds	\$1,468,777,356	(\$116,008,282)	\$1,352,769,074
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Less estimated income	<u>360,597,766</u>	<u>90,605,657</u>	<u>451,203,423</u>
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Total general fund	\$1,108,179,590	(\$206,613,939)	\$901,565,651"
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Page 3, replace lines 22 through 24 with:

"Grand total general fund	\$1,122,401,382	(\$194,924,744)	\$927,476,638
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Grand total special funds	<u>364,672,954</u>	<u>91,588,177</u>	<u>456,261,131</u>
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Grand total all funds	\$1,487,074,336	(\$103,336,567)	\$1,383,737,769"
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Page 4, remove line 21

Page 4, replace line 24 with:

"Total school for the blind - All funds	\$70,200	\$70,000"
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Page 4, replace lines 26 and 27 with:

"Total school for the blind - General fund	\$70,200	\$70,000
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Grand total - All funds	\$156,055,588	\$557,800"
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Page 4, replace line 29 with:

"Grand total - General fund	\$2,197,200	\$557,800"
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Page 5, after line 3, insert:

"SECTION 3. ONE-TIME FUNDING - EDUCATION JOBS FUNDS. The federal education jobs funding of \$21,517,716 appropriated to the superintendent of public instruction in subdivision 1 of section 1 of this Act is one-time funding for the 2011-13 biennium. The superintendent of public instruction may not request funding from the general fund to replace this one-time funding in its base budget request for the 2013-15 biennium.

SECTION 4. APPROPRIATION - STAGENET CONNECTIVITY - INFORMATION TECHNOLOGY DEPARTMENT. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$131,000, or so much of the sum as may be necessary, to the information technology department for the purpose of completing school district connectivity to STAGEnet, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 5. APPROPRIATION - SCHOLARSHIP PROGRAMS - 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 \$10,000,000, or so much of the sum as may be necessary, to the state board of higher education for the purpose of providing North Dakota academic and career and technical education scholarships, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 5, remove lines 13 through 18

Page 6, after line 7, insert:

"SECTION 10. RESERVED FUNDS - CONTINGENT ADULT EDUCATION LEARNING CENTER GRANTS. The sum of \$500,000, or so much of the sum as may be necessary, made available under section 19 of this Act, must be used by the department of public instruction for providing adult education learning center grants, for the biennium beginning July 1, 2011, and ending June 30, 2013. The department may provide grants of up to \$250,000 during the first year of the biennium only if federal funding available to the state for adult education is less than \$900,000 in federal fiscal year 2012. Funding provided in the first year of the biennium is limited to the difference between federal funding available in federal fiscal year 2012 and \$900,000. The department may use any remaining funds for adult education learning center grants during the second year of the biennium.

SECTION 11. CONTINUING EDUCATION GRANTS - FUNDING - DISTRIBUTION. The sum of \$100,000, or so much of the sum as may be necessary, included in the grants - other grants line item in subdivision 1 of section 1 of this Act is provided for continuing education grants, for the biennium beginning July 1, 2011, and ending June 30, 2013.

1. The superintendent of public instruction shall award grants in amounts up to \$1,200 to eligible recipients in chronological order, based on the date of an individual's application. An eligible recipient must:
 - a. (1) Be licensed to teach by the education standards and practices board;

- (2) Have taught in this state during each of the last three school years; and
 - (3) Be enrolled at an institution of higher education in this state in either a master of education program in educational leadership or a program leading to a specialist diploma in educational leadership;
- b. Be pursuing the requirements for a certificate in career development facilitation; or
 - c. Be pursuing a school counselor credential.
- 2. If any of the amount appropriated for this purpose remains after the superintendent of public instruction has awarded grants to all eligible recipients, the superintendent shall distribute that amount as an additional per student payment on a prorated basis, according to the latest available average daily membership of each school district."

Page 6, remove lines 8 through 16

Page 6, line 17, after the first boldfaced dash insert "**MEDICAID MATCHING -**"

Page 6, line 17, after the second boldfaced period insert:

"1."

Page 6, line 23, after the period insert:

"2."

Page 6, remove lines 29 through 31

Page 7, remove lines 1 through 5

Page 8, remove lines 13 through 31

Page 9, remove lines 1 through 18

Page 11, line 6, after "b." insert "Reserve the next five hundred thousand dollars, which is not subject to the provisions of section 54-44.1-11 and must be used in accordance with section 10 of this Act."

c."

Page 11, line 13, replace "54-44.1-1-11" with "54-44.1-11"

Page 11, after line 13, insert:

"SECTION 21. LEGISLATIVE INTENT - 2013-15 SCHOOL FOR THE DEAF APPROPRIATION BILL. It is the intent of the sixty-second legislative assembly that that the school for the deaf remain under the control of the superintendent of public instruction during the 2011-13 biennium and that the governor include the recommended funding for the school for the deaf in a separate draft appropriations act for introduction to the sixty-third legislative assembly."

Page 11, line 21, replace "3, 17, and 18" with "6, 18, and 19"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2013 - Summary of Conference Committee Action

	Budget	Version	Committee Changes	Committee Version	Version	to House
Information Technology Department						
Total all funds	\$0	\$0	\$131,000	\$131,000	\$0	\$131,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$131,000	\$131,000	\$0	\$131,000
Department of Public Instruction						
Total all funds	\$1,694,573,163	\$1,694,606,663	(\$341,837,589)	\$1,352,769,074	\$1,352,769,074	\$0
Less estimated income	792,508,423	792,993,423	(341,790,000)	451,203,423	451,203,423	0
General fund	\$902,064,740	\$901,613,240	(\$47,589)	\$901,565,651	\$901,565,651	\$0
University System Office						
Total all funds	\$0	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$0
Less estimated income	0	0	0	0	10,000,000	(10,000,000)
General fund	\$0	\$0	\$10,000,000	\$10,000,000	\$0	\$10,000,000
State Library						
Total all funds	\$7,398,585	\$7,398,585	\$0	\$7,398,585	\$7,398,585	\$0
Less estimated income	2,134,610	2,134,610	0	2,134,610	2,134,610	0
General fund	\$5,263,975	\$5,263,975	\$0	\$5,263,975	\$5,263,975	\$0
School for the Deaf						
Total all funds	\$8,806,779	\$8,806,779	\$0	\$8,806,779	\$8,806,779	\$0
Less estimated income	2,088,007	2,088,007	0	2,088,007	2,088,007	0
General fund	\$6,718,772	\$6,718,772	\$0	\$6,718,772	\$6,718,772	\$0
Vision Services - School for the Blind						
Total all funds	\$4,915,331	\$4,632,331	\$0	\$4,632,331	\$4,632,331	\$0
Less estimated income	835,091	835,091	0	835,091	835,091	0
General fund	\$4,080,240	\$3,797,240	\$0	\$3,797,240	\$3,797,240	\$0
Bill total						
Total all funds	\$1,715,693,858	\$1,715,444,358	(\$331,706,589)	\$1,383,737,769	\$1,383,606,769	\$131,000
Less estimated income	797,566,131	798,051,131	(341,790,000)	456,261,131	466,261,131	(10,000,000)
General fund	\$918,127,727	\$917,393,227	\$10,083,411	\$927,476,638	\$917,345,638	\$10,131,000

Senate Bill No. 2013 - Information Technology Department - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Complete Connectivity to STAGEnet			\$131,000	\$131,000		\$131,000
Total all funds	\$0	\$0	\$131,000	\$131,000	\$0	\$131,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$131,000	\$131,000	\$0	\$131,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

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

	Adds Funding for STAGEnet ¹	Total Conference Committee Changes
Complete Connectivity to STAGEnet	\$131,000	\$131,000
Total all funds	\$131,000	\$131,000
Less estimated income	0	0
General fund	\$131,000	\$131,000
FTE	0.00	0.00

¹ This amendment provides funding to complete school district connectivity to STAGEnet. This funding was not provided by the House or the Senate.

Senate Bill No. 2013 - Department of Public Instruction - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$14,409,300	\$14,409,300		\$14,409,300	\$14,409,300	
Operating expenses	29,651,187	29,751,187	(68,000)	29,683,187	29,683,187	
Grants - State school aid	919,459,478	919,459,478	(1,000,000)	918,459,478	912,759,478	5,700,000
Grants - Special education contracts	16,000,000	16,000,000		16,000,000	16,000,000	
Grants - Transportation	48,500,000	48,500,000		48,500,000	48,500,000	
Grants - Other education	302,730,482	302,963,982	1,020,411	303,984,393	309,384,393	(5,400,000)
Grants - Mill levy reduction	341,790,000	341,790,000	(341,790,000)			
ATCS review panel	300,000				300,000	(300,000)
Education jobs fund	21,517,716	21,517,716		21,517,716	21,517,716	
Transportation efficiency	30,000	30,000		30,000	30,000	
National board certification	185,000	185,000		185,000	185,000	
Total all funds	\$1,694,573,163	\$1,694,606,663	(\$341,837,589)	\$1,352,769,074	\$1,352,769,074	\$0
Less estimated income	792,508,423	792,993,423	(341,790,000)	451,203,423	451,203,423	0
General fund	\$902,064,740	\$901,613,240	(\$47,589)	\$901,565,651	\$901,565,651	\$0
FTE	99.75	99.75	0.00	99.75	99.75	0.00

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

	Increases Funding for Grants ¹	Increases Funding for Adult Education Grants ²	Adjusts State School Aid ³	Adjusts Funding for Alternative Education Program Grants ⁴	Decreases Funding for the Professional Development Advisory Committee ⁵	Removes Funding for Mill Levy Reduction Grants ⁶
Salaries and wages						
Operating expenses					(68,000)	
Grants - State school aid			(1,000,000)			
Grants - Special education contracts						
Grants - Transportation						
Grants - Other education	120,000	1,060,411		(160,000)		
Grants - Mill levy reduction						(341,790,000)
ATCS review panel						
Education jobs fund						
Transportation efficiency						
National board certification						
Total all funds	\$120,000	\$1,060,411	(\$1,000,000)	(\$160,000)	(\$68,000)	(\$341,790,000)
Less estimated income	0	0	0	0	0	(341,790,000)
General fund	\$120,000	\$1,060,411	(\$1,000,000)	(\$160,000)	(\$68,000)	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

	Total Conference Committee Changes
Salaries and wages	
Operating expenses	(68,000)
Grants - State school aid	(1,000,000)
Grants - Special education contracts	
Grants - Transportation	
Grants - Other education	1,020,411
Grants - Mill levy reduction	(341,790,000)
ATCS review panel	
Education jobs fund	
Transportation efficiency	
National board certification	
Total all funds	(\$341,837,589)
Less estimated income	(341,790,000)
General fund	(\$47,589)
FTE	0.00

¹ Funding for general fund grants is increased, the same as the House version, as follows:

	Increase	Total Provided
Atlantic Brucke/Atlantic Forum	\$30,000	\$105,000
North Central Council for School Television	40,000	485,000
Governor's School	<u>50,000</u>	<u>460,000</u>
Total	\$120,000	\$1,050,000

² Funding for adult education learning center grants is increased to provide a total of \$3,110,411 from the general fund, the same as the House version.

In addition, Section 59 of Chapter 175 of the 2009 Session Laws is amended to provide that, after reserving the first \$8 million of 2009-11 biennium unobligated state school aid for per student payments during the 2011-13 biennium, the next \$500,000 is reserved for adult education learning center grants. The \$500,000 is available to the department for additional adult education learning center grants if federal funding for adult education received by the department is less than \$900,000 in any year of the 2011-13 biennium. The department may only spend up to \$250,000 of these funds during the first year of the biennium. The House also included this provision.

³ State school aid is adjusted to reflect the following changes to the weighting factors and per student payment rates adopted by the conference committee on Senate Bill 2150:

- \$2,300,000 - Increase relating to an increase in the formula weighting factor for special education. The executive recommendation included, and the House and Senate versions approved an increase in the special education weighting factor from .07 to .073 for the 2011-13 biennium. The conference committee provided an increase from .073 to .079 during the second year of the biennium.
- (\$3,300,000) - Decrease relating to changes to the per student payment rates provided in the conference committee report on Senate Bill No. 2150 compared to the Senate version of Senate Bill No. 2150.

⁴ Funding for alternative education program grants added by the Senate is adjusted to provide a total of \$300,000. The executive recommendation did not include the alternative education program grants, and the House included legislative intent regarding the grants in Senate Bill No. 2150, but funding for the grants was not included in the House version of Senate Bill No. 2013.

⁵ Funding is reduced to reflect a limit on the number of meetings of the Professional Development Advisory Committee in Senate Bill No. 2150, the same as the House version.

⁶ Funding for mill levy reduction grants from the property tax sustainability fund included in the executive recommendation is removed, the same as the House. Funding is provided from the general fund in House Bill No. 1047.

This amendment removes:

- Section 5 relating to mill levy reduction grants, the same as the House.
- Section 8 relating to alternative education program grants, the same as the House. The distribution of the alternative middle school grants is provided in Senate Bill No. 2150.
- Section 10 relating to the teacher of the year program, the same as the House.
- Section 16 relating to a contingent appropriation for school district deferred maintenance and physical plant improvement grants, the same as the House.

This amendment does not include a section added by the House which would have reduced the 2009-11 contingent supplemental transportation aid payment by \$2.5 million, from \$5 million to \$2.5 million.

Sections are added to the bill relating to:

- The distribution of continuing education grants, the same as the House.
- The distribution of unobligated 2009-11 state school aid reserved for adult education learning center grants.
- A separate budget bill for the North Dakota School for the Deaf for the 2013 legislative session rather than in the appropriation bill for the Department of Public Instruction, the same as the House.
- One-time funding from federal education jobs funding. This was not included in the Senate or House versions.

In addition, Section 9 of the bill relating to the gifted and talented program and Medicaid matching funds is amended to more clearly distinguish distribution, and Section 18 of the bill relating to an amendment of Section 59 of Chapter 175 of the 2009 Session Laws is amended to reserve an additional \$500,000 of unobligated 2009-11 state school aid for 2011-13 adult education learning center grants, the same as the House.

Senate Bill No. 2013 - University System Office - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
North Dakota Scholarship Program					\$10,000,000	(\$10,000,000)
North Dakota scholarship program			10,000,000	10,000,000		10,000,000
Total all funds	\$0	\$0	\$10,000,000	\$10,000,000	\$10,000,000	\$0
Less estimated income	0	0	0	0	10,000,000	(10,000,000)
General fund	\$0	\$0	\$10,000,000	\$10,000,000	\$0	\$10,000,000
FTE	0.00	0.00	0.00	0.00	0.00	0.00

Department No. 215 - University System Office - Detail of Conference Committee Changes

	Provides Funding for the North Dakota Scholarship Program ¹	Total Conference Committee Changes
North Dakota Scholarship Program		
North Dakota scholarship program	10,000,000	10,000,000
Total all funds	\$10,000,000	\$10,000,000
Less estimated income	0	0
General fund	\$10,000,000	\$10,000,000
FTE	0.00	0.00

¹ This amendment adds a section providing \$10 million for North Dakota academic and career and technical education scholarships from the general fund. The Senate approved a continuing appropriation from the lands and minerals trust fund to provide for these scholarships and the House removed the continuing appropriation to provide a biennial appropriation from the lands and minerals trust fund.

Senate Bill No. 2013 - State Library - Conference Committee Action

The conference committee did not change the Senate version for the State Library, the same as the House.

Senate Bill No. 2013 - School for the Deaf - Conference Committee Action

The conference committee did not change the Senate version for the School for the Deaf, the same as the House.

Senate Bill No. 2013 - Vision Services - School for the Blind - Conference Committee Action

The conference committee did not change the Senate version for North Dakota Vision Services - School for the Blind, the same as the House.

Engrossed SB 2013 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. HOLMBERG MOVED that the conference committee report on Engrossed SB 2013 as printed on SJ pages 1734-1741 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2013, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2013: A BILL for an Act to provide an appropriation for defraying the expenses of the department of public instruction, the school for the deaf, North Dakota vision services - school for the blind, and the state library; to provide an appropriation to the information technology department; to provide an appropriation to the North Dakota university system office; to provide for the distribution of funding for regional education association grants, continuing education grants, gifted and talented programs and medicaid matching funds, and other grants; to amend and reenact section 15.1-02-02 of the North Dakota Century Code, relating to the salary of the superintendent of public instruction; to repeal section 15.1-13-33 of the North Dakota Century Code, relating to the national board certification fund; to provide an exemption; to provide for a transfer; to amend and reenact sections 54 and 59 of chapter 175 of the 2009 Session Laws, relating to funds appropriated for transportation and state school aid; to provide a statement of legislative intent; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglen; Wanzek; Wardner; Warner

Reengrossed SB 2013 passed and the emergency clause was declared carried.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2013, SB 2150.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1001, HB 1206.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently failed to pass: SB 2047.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: Your signature is respectfully requested on: HB 1451.

MESSAGE TO THE HOUSE FROM THE SENATE (WILLIAM R. HORTON, SECRETARY)
MR. SPEAKER: The President has signed: HB 1451.

MESSAGE TO THE SENATE FROM THE HOUSE (BUELL J. REICH, CHIEF CLERK)
MR. PRESIDENT: The Speaker has signed: HB 1047.

MOTION

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

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

CORRECTION AND REVISION OF THE JOURNAL

MR. PRESIDENT: Your **Committee on Correction and Revision of the Journal (Sen. Andrist, Chairman)** has carefully examined the Journal of the Seventy-fourth and Seventy-fifth Days and recommends that it be corrected as follows and when so corrected, recommends that it be approved:

Page 1616, remove lines 14 through 16

Page 1617, line 34, replace "to hs" with "to his"

Page 1617, line 49, replace "Interin" with "Interim"

Page 1636, line 14, remove "amended"

Page 1680, line 12, after "benefits:" insert "there is"

Page 1683, line 8, replace "Porter" with "Pollert"

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

REPORT OF CONFERENCE COMMITTEE

HB 1001, as engrossed: Your conference committee (Sens. Christmann, Holmberg, O'Connell and Reps. Thoreson, Klein, Kroeber) recommends that the **HOUSE ACCEDE** to the Senate amendments as printed on HJ pages 1599-1606 and place HB 1001 on the Seventh order.

Engrossed HB 1001 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. CHRISTMANN MOVED that the conference committee report on Engrossed HB 1001 as printed on SJ page 1742 be adopted, which motion prevailed on a voice vote.

REPORT OF CONFERENCE COMMITTEE

HB 1057, as engrossed: Your conference committee (Sens. Hogue, Oehlke, Triplett and Reps. Owens, Streytle, S. Kelsh) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1331-1332, adopt amendments as follows, and place HB 1057 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1331 and 1332 of the House Journal and pages 1062 and 1063 of the Senate Journal and that Engrossed House Bill No. 1057 be amended as follows:

Page 1, line 1, remove "to create and enact a new subsection to section 57-38-57 of the North Dakota"

Page 1, line 2, remove "Century Code, relating to angel fund investment disclosure;"

Page 1, line 4, after the first "provide" insert "for"

Page 1, line 4, after the first semicolon insert "and"

Page 1, line 4, remove "; and to provide"

Page 1, line 5, remove "an expiration date"

Page 1, line 11, overstrike "incorporated in" and insert immediately thereafter "a domestic organization created under the laws of"

Page 1, line 13, overstrike "invested" and insert immediately thereafter "remitted"

Page 1, line 13, overstrike "in" and insert immediately thereafter "to"

Page 1, line 15, after the period insert "The aggregate lifetime credits under this section that may be obtained by an individual, married couple, passthrough entity and its affiliates, or other taxpayer is one hundred fifty thousand dollars. The investment used to calculate the credit under this section may not be used to calculate any other income tax deduction or credit allowed by law."

Page 1, line 21, overstrike "four" and insert immediately thereafter "seven"

Page 2, line 5, after "three" insert "primary sector companies that are"

Page 2, line 10, after the underscored period insert "Early-stage and mid-stage entities do not include those that have more than twenty-five percent of their revenue from income-producing real estate."

Page 3, line 1, replace "paid for the investment" with "remitted"

Page 3, line 3, replace "on which full consideration" with "the payment"

Page 3, after line 4, insert:

"j. Within thirty days after the end of a calendar year, the angel fund shall file with the tax commissioner a report showing the name and principal place of business of each enterprise in which the angel fund has an investment."

Page 3, line 5, after "4." insert "The tax commissioner may disclose to the legislative management the reported information described under paragraphs 2 and 3 of subdivision i of subsection 3 and the reported information described under subdivision j of subsection 3."

5."

Page 3, line 11, overstrike "5." and insert immediately thereafter "6."

Page 3, line 14, replace "6."" with "7.""

Page 3, line 18, replace "If" with "For the first two taxable years beginning after December 31, 2010, if"

Page 3, line 19, replace "7" with "8"

Page 3, line 23, replace "If" with "For the first two taxable years beginning after December 31, 2010, if"

Page 3, line 24, replace "7" with "8"

Page 3, line 29, replace "7" with "8"

Page 3, line 30, replace "7." with "8."

Page 3, line 30, replace "A" with "For the first two taxable years beginning after December 31, 2010, a"

Page 3, line 31, after "section" insert "for investment in an angel fund established after July 31, 2011."

Page 4, line 2, after the underscored period insert "The cumulative credits transferred by all investors in an angel fund may not exceed fifty percent of the aggregate credits under this section during the life of the angel fund under subsection 6."

Page 5, line 12, after "to" insert "establish necessary administrative provisions for the credit under this section, including provisions to"

Page 5, remove lines 14 through 18

Page 5, line 20, remove "the status"

Page 5, replace line 21 with "the number of in-state and out-of-state investors, amount of investment, and amount of tax credits accrued, claimed, and transferred by each individual angel fund."

Page 5, line 22, remove "- **EXPIRATION DATE**"

Page 5, line 22, replace "Section 1 of this" with "This"

Page 5, line 23, remove "the first four"

Page 5, line 23, remove ", and is thereafter ineffective"

Page 5, remove line 24

Renumber accordingly

Engrossed HB 1057 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. OEHLKE MOVED that the conference committee report on Engrossed HB 1057 as printed on SJ pages 1742-1744 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1057, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1057: A BILL for an Act to amend and reenact section 57-38-01.26 of the North Dakota Century Code, relating to the angel fund investment tax credit; to provide for a report to the legislative management; and to provide an effective date.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

NAYS: Stenehjem

Engrossed HB 1057, as amended, passed.

REPORT OF CONFERENCE COMMITTEE

HB 1206, as engrossed: Your conference committee (Sens. Klein, Wardner, Schneider and Reps. Keiser, Hofstad, S. Kelsh) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1517-1519, adopt amendments as follows, and place HB 1206 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1517-1519 of the House Journal and pages 1317-1320 of the Senate Journal and that Engrossed House Bill No. 1206 be amended as follows:

Page 1, line 2, replace "grant repayment by the authority" with "appropriations; to provide for loans and loan repayment"

Page 2, line 2, after the underscored period insert "The western area water supply authority shall consider in the process of locating industrial water depots the location of private water sellers so as to minimize the impact on private water sellers."

Page 2, line 11, replace the first underscored comma with "or"

Page 2, line 11, remove ", or bond revenue"

Page 2, line 13, remove "or bond"

Page 2, line 14, remove "revenue"

Page 2, line 14, remove the underscored comma

Page 2, line 14, remove "any bonds or refunding bonds issued under this chapter remain"

Page 2, line 15, replace "outstanding or a grant of up to thirty million dollars" with "the twenty-five million dollar zero interest loan"

Page 2, line 20, after the second underscored comma insert "BDW water system association."

Page 2, line 21, replace "Each" with "The governing body of each"

Page 2, line 22, after "board" insert "who are water users of the member entity"

Page 2, line 22, replace "that" with "the governing body of the"

Page 2, line 23, after the underscored period insert "In addition, the state engineer or designee is a voting member on the authority's board of directors. Directors have a term of one year and may be reappointed."

Page 2, line 24, replace "2." with "2."

Page 2, line 30, after the underscored comma insert "except for the state engineer or designee."

Page 5, line 24, remove "Issue and sell revenue bonds, including notes, certificates, leases, or other evidences"

Page 5, remove lines 25 through 31

Page 6, remove lines 1 through 16

Page 6, line 17, remove "17."

Page 6, line 19, replace "bonds" with "obligations"

Page 6, line 21, replace "18." with "13."

Page 6, line 24, replace "19." with "14."

Page 6, line 25, remove "other than bonded indebtedness"

Page 6, line 27, replace "20." with "15."

Page 6, remove lines 29 and 30

Page 7, remove lines 1 and 2

Page 7, line 3, replace "22." with "16."

Page 7, line 4, replace "23." with "17."

Page 7, line 9, replace "24." with "18."

Page 7, line 17, replace "25." with "19."

Page 7, line 22, replace "26." with "20."

Page 7, line 27, replace "report to" with "comply with the policy of"

Page 7, line 27, replace "on the" with "as the policy relates to"

Page 7, line 27, after the second underscored comma insert "and"

Page 7, line 28, replace the first underscored comma with "of the project. The policy must include provisions for insurance, including general liability insurance, in adequate amounts. The authority shall report to and consult with the state water commission regarding the"

Page 7, line 28, remove the second underscored comma

Page 7, line 31, replace "concurrence" with "approval"

Page 8, line 1, remove "bonds issued by the authority utilize section 61-40-17 or a"

Page 8, line 2, replace "grant of up to thirty million dollars" with "the twenty-five million dollar zero interest loan"

Page 8, remove lines 6 through 31

Page 9, remove lines 1 through 31

Page 10, remove lines 1 through 31

Page 11, remove lines 1 through 17

Page 11, line 18, replace "61-40-15." with "61-40-07."

Page 11, line 18, replace "ditches, canals, tramways, and transmission lines" with "pipelines and appurtenant facilities"

Page 11, line 26, replace "61-40-16." with "61-40-08."

Page 11, line 26, after "to" insert "judicially"

Page 11, line 26, remove "judicially"

Page 11, line 27, remove ". issuing bonds."

Page 12, remove lines 1 through 26

Page 12, line 27, replace "60-40-18." with "61-40-09."

Page 12, line 29, remove ". if the legislative assembly has appropriated"

Page 12, line 30, remove "moneys to restore the reserve fund for the obligation in default under this chapter."

Page 13, line 3, after the first "authority" insert "and the liabilities of the authority. In addition, the state assumes the powers of the authority. If the authority is in default in the payment of the principal of or interest on the obligation to the Bank of North Dakota"

for a loan for which the Bank of North Dakota is the source of funds for the loan, the state water commission shall request funding from the legislative assembly to repay the principal and interest due"

Page 13, after line 9, insert:

"SECTION 2. LOANS FROM BANK OF NORTH DAKOTA AND STATE WATER COMMISSION. The Bank of North Dakota shall provide a loan of \$50,000,000 to the western area water supply authority for construction of the project. The terms and conditions of the loan must be negotiated by the western area water supply authority and the Bank of North Dakota. However, the term of the loan is a maximum of seven years after June 30, 2014. The state water commission shall make available from funding appropriated to the commission for the 2011-13 biennium \$25,000,000 as a zero interest loan to the western area water supply authority, and the Bank of North Dakota shall manage this loan. The maximum term of this loan is five years from the completion of the \$10,000,000 loan from the resources trust fund.

SECTION 3. APPROPRIATION. There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$25,000,000 or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of providing a loan to the western area water supply authority for a maximum term of eight years from the completion of the \$50,000,000 loan from the Bank of North Dakota and at five percent interest per year, for the biennium beginning July 1, 2011, and ending June 30, 2013.

SECTION 4. APPROPRIATION. There is appropriated out of any moneys in the resources trust fund in the state treasury, not otherwise appropriated, the sum of \$10,000,000, or so much of the sum as may be necessary, to the Bank of North Dakota for the purpose of providing a loan to the western area water supply authority for a maximum term of two years from the completion of the \$25,000,000 loan from the general fund and at five percent interest per year, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 13, line 10, replace "**STATE WATER COMMISSION GRANT**" with "**LOAN FUNDING AND**"

Page 13, line 10, replace "**OBLIGATION**" with "**PRIORITY**"

Page 13, line 10, remove "After"

Page 13, replace lines 11 through 14 with "Funding from sections 2, 3, and 4 of this Act must be structured so that funding is provided, as needed, first from the \$25,000,000 zero interest loan from the state water commission, second from the \$50,000,000 loan from the Bank of North Dakota, third from the \$25,000,000 loan from the general fund, and last from the \$10,000,000 loan from the resources trust fund. Repayment of loans must be structured so that repayment is first of the \$50,000,000 loan from the Bank of North Dakota, second of the \$25,000,000 loan from the general fund for deposit of the principal in the general fund and interest in the resources trust fund, third from the \$10,000,000 loan from the resources trust fund for deposit in the resources trust fund, and last of the \$25,000,000 zero interest loan from the state water commission for deposit in the resources trust fund. The western area water supply authority shall repay the loans for the project from revenues from the project, and the authority may prepay loans within the priority without penalty. Upon repayment of the state water commission zero interest loan, the authority shall provide five percent of the net profits to the state water commission for deposit by the state treasurer in the resources trust fund until June 30, 2040.

SECTION 6. SECOND PHASE ANTICIPATED FUNDING. At the request of the western area water supply authority, the state water commission shall consider a loan of \$40,000,000 from the resources trust fund for inclusion within the state water commission's budget. The state water commission shall consult and work cooperatively with the water-related topics overview committee in setting the priority of the loan within the budget."

Renumber accordingly

Engrossed HB 1206 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. KLEIN MOVED that the conference committee report on Engrossed HB 1206 as printed on SJ pages 1744-1748 be adopted.

REQUEST

SEN. TRIPLETT REQUESTED a verification vote, which request was granted.

The question being on the motion to adopt the conference committee report on Engrossed HB 1206, the conference committee report on Engrossed HB 1206 was adopted on a verification vote.

Engrossed HB 1206, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1206: A BILL for an Act to create and enact chapter 61-40 of the North Dakota Century Code, relating to a western area water supply authority; to provide appropriations; to provide for loans and loan repayment; 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 39 YEAS, 8 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

YEAS: Andrist; Berry; Bowman; Christmann; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Grindberg; Heckaman; Holmberg; Kilzer; Klein; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sorvaag; Taylor; Uglem; Wanzek; Wardner; Warner

NAYS: Burckhard; Cook; Freborg; Hogue; Krebsbach; Sitte; Stenehjem; Triplett

Engrossed HB 1206, as amended, passed and the emergency clause was declared carried.

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

MR. SPEAKER: The Senate has adopted the conference committee report on: HB 1001.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1057.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: HB 1206.

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

MR. PRESIDENT: The House has adopted the conference committee report and subsequently passed: HB 1015, HB 1229.

MOTION

SEN. CHRISTMANN MOVED that the Senate stand in recess until 7:00 p.m., which motion prevailed.

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

REPORT OF CONFERENCE COMMITTEE

SB 2004, as engrossed: Your conference committee (Sens. Grindberg, Holmberg, Robinson and Reps. Dahl, Thoreson, Glassheim) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1115-1116, adopt amendments as follows, and place SB 2004 on the Seventh order:

That the House recede from its amendments as printed on pages 1115 and 1116 of the Senate Journal and pages 1205 and 1206 of the House Journal and that Engrossed Senate Bill No. 2004 be amended as follows:

Page 2, line 5, replace "shall" with "may"

Page 2, line 9, after "review" insert ", if conducted,"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2004 - Summary of Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
State Auditor						
Total all funds	\$9,571,330	\$9,571,330	\$0	\$9,571,330	\$9,571,330	\$0
Less estimated income	2,427,522	2,427,522	0	2,427,522	2,427,522	0
General fund	\$7,143,808	\$7,143,808	\$0	\$7,143,808	\$7,143,808	\$0
Legislative Council						
Total all funds	\$0	\$100,000	\$0	\$100,000	\$0	\$100,000
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$100,000	\$0	\$100,000	\$0	\$100,000
Bill total						
Total all funds	\$9,571,330	\$9,671,330	\$0	\$9,671,330	\$9,571,330	\$100,000
Less estimated income	2,427,522	2,427,522	0	2,427,522	2,427,522	0
General fund	\$7,143,808	\$7,243,808	\$0	\$7,243,808	\$7,143,808	\$100,000

Senate Bill No. 2004 - Legislative Council - Conference Committee Action

This amendment changes Section 3 relating to the performance review of the State Auditor's office.

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

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. GRINDBERG MOVED that the conference committee report on Engrossed SB 2004 as printed on SJ pages 1748-1749 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2004, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2004: A BILL for an Act to provide an appropriation for defraying the expenses of the state auditor; to provide an appropriation to the legislative council; and to amend and reenact section 54-10-10 of the North Dakota Century Code, relating to the salary of the state auditor.

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: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed SB 2004 passed.

REPORT OF CONFERENCE COMMITTEE

SB 2016, as engrossed: Your conference committee (Sens. Grindberg, Holmberg, Warner and Reps. Klein, Brandenburg, Kroeber) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1292-1295, adopt amendments as follows, and place SB 2016 on the Seventh order:

That the House recede from its amendments as printed on pages 1292-1295 of the Senate Journal and pages 1447-1450 of the House Journal and that Engrossed Senate Bill No. 2016 be amended as follows:

Page 1, line 4, after the semicolon insert "to provide legislative intent;"

Page 1, replace lines 17 and 18 with:

"Capital assets	223,670	331,082	554,752
Grants	449,514	60,000	509,514"

Page 2, replace lines 13 and 14 with:

"Radio communications	<u>0</u>	<u>3,735,000</u>	<u>3,735,000</u>
Total all funds	\$58,379,929	\$93,418,963	\$151,798,892"

Page 2, replace line 16 with:

"Total general fund	\$5,829,060	\$7,087,356	\$12,916,416"
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Page 2, replace lines 21 through 23 with:

"Grand total general fund	\$21,789,867	\$7,563,688	\$29,353,555
Grand total special funds	<u>119,888,101</u>	<u>110,716,277</u>	<u>230,604,378</u>
Grand total all funds	\$141,677,968	\$118,279,965	\$259,957,933"

Page 3, replace line 11 with:

"State radio tower package	0	1,500,000"
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Page 3, replace lines 14 and 15 with:

"Armory grants	0	60,000
Extraordinary repairs	<u>0</u>	<u>325,381</u>
Total all funds	\$135,719,117	\$5,818,428"

Page 3, replace line 17 with:

"Total general fund	\$18,935,347	\$5,318,428"
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Page 3, after line 21, insert:

"SECTION 3. APPROPRIATION - FLOOD-RELATED COSTS. There is appropriated from special funds derived from federal funds or other income the sum of \$22,500,000, or so much of the sum as may be necessary, to the adjutant general for the purpose of defraying expenses relating to 2011 flood disasters, for the period beginning with the effective date of this Act through June 30, 2013."

Page 3, line 30, replace ", subject to emergency commission approval, any additional funds" with "out of any moneys"

Page 4, line 1, replace "as determined necessary by" with "not otherwise appropriated, the sum of \$3,500,000, or so much of the sum as may be necessary, to"

Page 4, line 1, after "for" insert "the purpose of providing the required state share of funding for"

Page 4, line 2, replace "of" with "associated with presidential-declared"

Page 4, line 16, replace "and" with ", the"

Page 4, line 16, after the second "study" insert ", and for a new state radio tower site near Wales"

Page 4, line 18, replace "these studies" with "the next generation 911 study and the state radio tower study and for state radio tower enhancements or additions"

Page 5, after line 29, insert:

"SECTION 10. LEGISLATIVE INTENT - STATE RADIO TOWER PACKAGE.

It is the intent of the sixty-second legislative assembly that the adjutant general work with other public agencies and private sector entities to maximize the number of state radio tower enhancements or additions that may be implemented within the funding appropriated in subdivision 2 of section 1 of this Act, for the biennium beginning July 1, 2011, and ending June 30, 2013."

Page 5, line 30, replace "Section 4" with "Sections 3 and 5"

Page 5, line 30, replace "is" with "are"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

Senate Bill No. 2016 - Summary of Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Adjutant General						
Total all funds	\$82,159,041	\$82,159,041	\$26,000,000	\$108,159,041	\$85,659,041	\$22,500,000
Less estimated income	65,721,902	65,721,902	26,000,000	91,721,902	69,221,902	22,500,000
General fund	\$16,437,139	\$16,437,139	\$0	\$16,437,139	\$16,437,139	\$0
Department of Emergency Services						
Total all funds	\$151,704,462	\$152,298,892	(\$500,000)	\$151,798,892	\$151,798,892	
Less estimated income	138,482,476	138,882,476	0	138,882,476	138,882,476	
General fund	\$13,221,986	\$13,416,416	(\$500,000)	\$12,916,416	\$12,916,416	\$0
Bill total						
Total all funds	\$233,863,503	\$234,457,933	\$25,500,000	\$259,957,933	\$237,457,933	\$22,500,000
Less estimated income	204,204,378	204,604,378	26,000,000	230,604,378	208,104,378	22,500,000
General fund	\$29,659,125	\$29,853,555	(\$500,000)	\$29,353,555	\$29,353,555	\$0

Senate Bill No. 2016 - Adjutant General - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$5,153,886	\$5,153,886		\$5,153,886	\$5,153,886	
Operating expenses	4,062,891	4,062,891		4,062,891	4,062,891	
Capital assets	614,752	614,752	(60,000)	554,752	554,752	
Grants	449,514	449,514	60,000	509,514	509,514	
Civil Air Patrol	243,353	243,353		243,353	243,353	
Tuition, recruiting, and retention	2,407,500	2,407,500		2,407,500	2,407,500	
Air Guard contract	10,989,323	10,989,323		10,989,323	10,989,323	
Army Guard contract	56,110,757	56,110,757		56,110,757	56,110,757	
Reintegration program	1,550,149	1,550,149		1,550,149	1,550,149	
Veterans' Cemetery	576,916	576,916		576,916	576,916	
Additional state disaster relief funding			3,500,000	3,500,000	3,500,000	
Funding for flood-related			22,500,000	22,500,000		22,500,000

disasters						
Total all funds	\$82,159,041	\$82,159,041	\$26,000,000	\$108,159,041	\$85,659,041	\$22,500,000
Less estimated income	65,721,902	65,721,902	26,000,000	91,721,902	69,221,902	22,500,000
General fund	\$16,437,139	\$16,437,139	\$0	\$16,437,139	\$16,437,139	\$0
FTE	179.00	179.00	0.00	179.00	179.00	0.00

Department No. 540 - Adjutant General - Detail of Conference Committee Changes

	Reduces Capital Assets for Extraordinary Repairs ¹	Adds Funding for Grants to Armories ²	Adds State Disaster Relief Fund Spending Authority ³	Appropriates Funding for Flood-Related Disasters ⁴	Total Conference Committee Changes
Salaries and wages					
Operating expenses					
Capital assets	(60,000)				(60,000)
Grants		60,000			60,000
Civil Air Patrol					
Tuition, recruiting, and retention					
Air Guard contract					
Army Guard contract					
Reintegration program					
Veterans' Cemetery					
Additional state disaster relief funding			3,500,000		3,500,000
Funding for flood-related disasters				22,500,000	22,500,000
Total all funds	(\$60,000)	\$60,000	\$3,500,000	\$22,500,000	\$26,000,000
Less estimated income	0	0	3,500,000	22,500,000	26,000,000
General fund	(\$60,000)	\$60,000	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00

¹ Funding provided for one-time extraordinary repairs is reduced by \$60,000, from \$385,381 to \$325,381. This reduction was included in the House version of the bill, but not the Senate version.

² Funding is added for grants to the 18 municipal-owned armories to be distributed proportionately based on rental rates. This addition was included in the House version of the bill, but not the Senate version.

³ The amendment changes Section 4 to limit the Adjutant General's additional spending authority from the state disaster relief fund to \$3.5 million to provide the state share of funding for expenses associated with presidential-declared state disasters pursuant to Section 37-17.1-27. The House limited the funding to the state share of funding to match federal funds for expenses associated with presidential-declared state disasters pursuant to Section 37-17.1-27.

⁴ This amendment appropriates \$22.5 million of federal funds to the Adjutant General for expenses relating to the 2011 flood disaster. This funding was not appropriated in either the House or Senate versions of the bill.

The conference committee amendment does not include a new section to Chapter 37-17.1 added by the House requiring written confirmation of federal disaster funding prior to a political subdivision contracting for the related construction or repair projects.

Senate Bill No. 2016 - Department of Emergency Services - Conference Committee Action

	Executive Budget	Senate Version	Conference Committee Changes	Conference Committee Version	House Version	Comparison to House
Salaries and wages	\$11,363,744	\$11,363,744		\$11,363,744	\$11,363,744	

Operating expenses	9,335,592	9,930,022		9,930,022	9,930,022	
Capital assets	2,327,347	2,427,347		2,427,347	2,427,347	
Grants	71,419,771	71,419,771		71,419,771	71,419,771	
2009 flood disaster	52,923,008	52,923,008		52,923,008	52,923,008	
Radio communications	4,335,000	4,235,000	(500,000)	3,735,000	3,735,000	
Total all funds	\$151,704,462	\$152,298,892	(\$500,000)	\$151,798,892	\$151,798,892	\$0
Less estimated income	138,482,476	138,882,476	0	138,882,476	138,882,476	0
General fund	\$13,221,986	\$13,416,416	(\$500,000)	\$12,916,416	\$12,916,416	\$0
FTE	63.00	63.00	0.00	63.00	63.00	0.00

Department No. 542 - Department of Emergency Services - Detail of Conference Committee Changes

	Reduces Funding for State Radio Tower Enhancements ¹	Total Conference Committee Changes
Salaries and wages		
Operating expenses		
Capital assets		
Grants		
2009 flood disaster		
Radio communications	(500,000)	(500,000)
Total all funds	(\$500,000)	(\$500,000)
Less estimated income	0	0
General fund	(\$500,000)	(\$500,000)
FTE	0.00	0.00

¹ One-time funding provided for State Radio tower enhancements is reduced by \$500,000, from \$2 million to \$1.5 million, the same as the House version.

The amendment provides that unexpended amounts appropriated in the 2009-11 biennium relating to a new State Radio tower site near Wales may continue into the 2011-13 biennium for new State Radio tower enhancements or additions. This authority was not included in the House or Senate versions of the bill.

A section of legislative intent is added to provide that the Adjutant General work with public and private sector entities to maximize the number of State Radio tower enhancements or additions that may be implemented within the funding provided. This section was also included in the House version.

Engrossed SB 2016 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. GRINDBERG MOVED that the conference committee report on Engrossed SB 2016 as printed on SJ pages 1750-1753 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2016, as amended, was placed on the Eleventh order of business.

SECOND READING OF SENATE BILL

SB 2016: A BILL for an Act to provide an appropriation for defraying the expenses of the office of the adjutant general; to provide appropriations; to provide for transfers; to provide exemptions; to amend and reenact section 37-17.3-08 of the North Dakota Century Code, relating to state radio fees; to provide legislative intent; and to declare an emergency.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele;

Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Murphy; Nelson; Nething; Nodland; O'Connell; Oehlke; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Triplett; Uglem; Wanzek; Wardner; Warner

Reengrossed SB 2016 passed and the emergency clause was declared carried.

REPORT OF CONFERENCE COMMITTEE

HB 1229, as engrossed: Your conference committee (Sens. G. Lee, Luick, Heckaman and Reps. R. Kelsch, Wall, Hunskor) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1177-1178, adopt amendments as follows, and place HB 1229 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1177 and 1178 of the House Journal and page 890 of the Senate Journal and that Engrossed House Bill No. 1229 be amended as follows:

Page 1, line 1, after "A BILL" replace the remainder of the bill with "for an Act to create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to health curriculum content.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. A new section to chapter 15.1-21 of the North Dakota Century Code is created and enacted as follows:

Health curriculum - Content.

Beginning July 1, 2012, each school district and nonpublic school shall ensure that the portion of its health curriculum which is related to sexual health includes instruction pertaining to the risks associated with adolescent sexual activity and the social, psychological, and physical health gains to be realized by abstaining from sexual activity before and outside of marriage."

Re-number accordingly

Engrossed HB 1229 was placed on the Seventh order of business on the calendar.

CONSIDERATION OF CONFERENCE COMMITTEE REPORT

SEN. LUICK MOVED that the conference committee report on Engrossed HB 1229 as printed on SJ page 1754 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1229, as amended, was placed on the Fourteenth order of business.

SECOND READING OF HOUSE BILL

HB 1229: A BILL for an Act to create and enact a new section to chapter 15.1-21 of the North Dakota Century Code, relating to health curriculum content.

ROLL CALL

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

YEAS: Andrist; Berry; Bowman; Burckhard; Christmann; Cook; Dever; Dotzenrod; Erbele; Fischer; Flakoll; Freborg; Grindberg; Heckaman; Hogue; Holmberg; Kilzer; Klein; Krebsbach; Laffen; Larsen; Lee, G.; Lee, J.; Luick; Lyson; Marcellais; Mathern; Miller; Nething; Nodland; O'Connell; Olafson; Robinson; Schaible; Schneider; Sitte; Sorvaag; Stenehjem; Taylor; Uglem; Wanzek; Wardner; Warner

NAYS: Murphy; Nelson; Oehlke; Triplett

Engrossed HB 1229, as amended, passed.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: SB 2004.

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

MR. SPEAKER: The Senate has adopted the conference committee report and subsequently passed: HB 1229.

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

MR. SPEAKER: The Senate has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2016.

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

MR. PRESIDENT: The House has adopted the conference committee report, subsequently passed, and the emergency clause carried: SB 2013, SB 2150.

COMMUNICATION FROM GOVERNOR JACK DALRYMPLE

This is to inform you that on April 26, 2011, I have signed the following: SB 2043, SB 2050, SB 2067, SB 2085, SB 2086, SB 2096, SB 2098, SB 2104, SB 2107, SB 2108, SB 2138, SB 2145, SB 2147, SB 2155, SB 2158, SB 2163, SB 2169, SB 2171, SB 2173, SB 2182, SB 2185, SB 2193, SB 2195, SB 2206, SB 2210, SB 2213, SB 2215, SB 2218, SB 2219, SB 2222, SB 2223, SB 2237, SB 2241, SB 2243, SB 2245, SB 2249, SB 2251, SB 2253, SB 2255, SB 2259, SB 2263, SB 2265, SB 2268, SB 2271, SB 2275, SB 2279, SB 2285, SB 2287, SB 2293, SB 2295, SB 2302, SB 2305, SB 2317, SB 2323, SB 2336, SB 2346, SB 2351, SB 2361, and SB 2367.

MOTION

SEN. CHRISTMANN MOVED that the Senate be on the Fourth, Fifth, Seventh, and Thirteenth orders of business and at the conclusion of those orders, the Senate stand adjourned until 8:00 a.m., Wednesday, April 27, 2011, which motion prevailed.

REPORT OF CONFERENCE COMMITTEE

HB 1015, as engrossed: Your conference committee (Sens. Christmann, Wanzek, O'Connell and Reps. Wieland, Pollert, Metcalf) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1414-1417, adopt amendments as follows, and place HB 1015 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1414-1417 of the House Journal and pages 1169-1171 of the Senate Journal and that Engrossed House Bill No. 1015 be amended as follows:

Page 1, line 2, remove "to provide for a legislative management study;"

Page 1, line 3, after the semicolon insert "to provide for borrowing authority;"

Page 1, replace line 13 with:

"Adult services	\$143,087,868	\$19,399,630	\$162,487,498"
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Page 1, replace line 15 with:

"Total all funds	\$168,594,699	\$21,477,370	\$190,072,069"
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Page 1, replace lines 17 and 18 with:

"Total general fund	\$142,657,006	\$16,908,913	\$159,565,919
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Full-time equivalent positions	735.29	59.00	794.29"
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Page 2, remove lines 12 through 31

Page 3, replace lines 1 and 2 with:

"SECTION 3. BORROWING AUTHORITY - BANK OF NORTH DAKOTA - APPROPRIATION. The department of corrections and rehabilitation may borrow the sum of \$1,100,000, or so much of the sum as may be necessary, from the Bank of North Dakota, which is appropriated to the department of corrections and rehabilitation for the purpose of defraying the expenses of the penitentiary expansion project, for the period beginning July 1, 2011, and ending June 30, 2013.

SECTION 4. DEPARTMENT OF CORRECTIONS AND REHABILITATION - HOUSING CONTRACT. The department of corrections and rehabilitation shall contract with an organization to house women inmates sentenced to the department for the biennium beginning July 1, 2011, and ending June 30, 2013. At the conclusion of the 2011-13 biennium, if the agreed-upon contract amount differs from the actual expenditures of the organization for the biennium beginning July 1, 2011, and ending June 30, 2013, the variance must be disclosed and reported to the department of corrections and rehabilitation."

Page 3, line 5, after the period insert "Reports to the budget section must include any amounts borrowed under the provisions of section 3 of this Act and the purpose of the loan."

Page 3, line 8, replace "forty-nine" with "forty-seven"

ReNUMBER accordingly

STATEMENT OF PURPOSE OF AMENDMENT:

House Bill No. 1015 - Summary of Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Office of Management and Budget						
Total all funds	\$0	\$0	\$0	\$0	\$1,100,000	(\$1,100,000)
Less estimated income	0	0	0	0	0	0
General fund	\$0	\$0	\$0	\$0	\$1,100,000	(\$1,100,000)
DOCR						
Total all funds	\$192,110,423	\$189,678,905	\$1,493,164	\$191,172,069	\$190,152,069	\$1,020,000
Less estimated income	30,506,150	30,506,150	1,100,000	31,606,150	30,506,150	1,100,000
General fund	\$161,604,273	\$159,172,755	\$393,164	\$159,565,919	\$159,645,919	(\$80,000)
Bill total						
Total all funds	\$192,110,423	\$189,678,905	\$1,493,164	\$191,172,069	\$191,252,069	(\$80,000)
Less estimated income	30,506,150	30,506,150	1,100,000	31,606,150	30,506,150	1,100,000
General fund	\$161,604,273	\$159,172,755	\$393,164	\$159,565,919	\$160,745,919	(\$1,180,000)

House Bill No. 1015 - Office of Management and Budget - Conference Committee Action

This amendment removes the appropriation included in the Senate version of \$1.1 million from the general fund to the Office of Management and Budget (OMB) for a transfer to the State Penitentiary land fund.

House Bill No. 1015 - DOCR - Conference Committee Action

	Executive Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Adult Services	\$164,525,852	\$162,094,334	\$393,164	\$162,487,498	\$162,567,498	(\$80,000)
Youth Services	27,584,571	27,584,571		27,584,571	27,584,571	
Borrowing Authority			1,100,000	1,100,000		1,100,000
Total all funds	\$192,110,423	\$189,678,905	\$1,493,164	\$191,172,069	\$190,152,069	\$1,020,000
Less estimated income	30,506,150	30,506,150	1,100,000	31,606,150	30,506,150	1,100,000
General fund	\$161,604,273	\$159,172,755	\$393,164	\$159,565,919	\$159,645,919	(\$80,000)
FTE	802.29	795.29	(1.00)	794.29	794.29	0.00

Department No. 530 - DOCR - Detail of Conference Committee Changes

	Restores Funding for Contract Housing ¹	Restores FTE Position ²	Removes New FTE Positions ³	Restores Funding for Utilities ⁴	Restores Funding for Operating Expenses ⁵	Adds Funding for Penitentiary Expansion Project ⁶
Adult Services	\$220,000	\$45,279	(\$80,898)	\$100,000	\$108,783	
Youth Services						
Borrowing Authority						1,100,000
Total all funds	\$220,000	\$45,279	(\$80,898)	\$100,000	\$108,783	\$1,100,000
Less estimated income	0	0	0	0	0	1,100,000
General fund	\$220,000	\$45,279	(\$80,898)	\$100,000	\$108,783	\$0
FTE	0.00	1.00	(2.00)	0.00	0.00	0.00

	Total Conference Committee Changes
Adult Services	\$393,164
Youth Services	
Borrowing Authority	1,100,000
Total all funds	\$1,493,164
Less estimated income	1,100,000
General fund	\$393,164
FTE	(1.00)

¹ This amendment restores \$220,000 for contract housing. The House removed \$1 million. The Senate restored \$300,000.

² This amendment restores 1 FTE system mechanic position and related operating expenses which were removed by the House, the same as the Senate version.

³ This amendment removes 2 FTE correctional officer II positions and related operating expenses included in the executive recommendation, the same as the Senate version.

⁴ Funding for utilities for the prison expansion removed by the House is restored, the same as the Senate version.

⁵ Funding of \$108,783 for operating expenses for Adult Services is restored, the same as the Senate version. The House removed \$229,693.

⁶ A section is added to authorize the Department of Corrections and Rehabilitation to borrow and spend up to \$1.1 million from the Bank of North Dakota for the Penitentiary expansion project. The Senate provided that OMB transfer \$1.1 million from the general fund to the State Penitentiary land fund.

Sections are added providing criteria for a contract with an organization to provide housing for female inmates and authorizing the department to borrow money from the Bank of North Dakota for the Penitentiary expansion project. Sections relating to the Heart of America Correctional and Treatment Center and for a study of the Missouri River Correctional Center are removed. The Senate also removed these sections.

Engrossed HB 1015 was placed on the Seventh order of business on the calendar.

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

William R. Horton, Secretary

