

**JOURNAL OF THE SENATE**

**Sixty-seventh Legislative Assembly**

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**Bismarck, April 23, 2021**

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

The prayer was offered by Senator Robert Erbele, District 28.

The roll was called and all members were present.

A quorum was declared by the President.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. KREBSBACH MOVED** that the conference committee report on Engrossed SB 2008 as printed on SJ pages 1629-1630 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2008, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2008:** A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions; and to provide an exemption.

**ROLL CALL**

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

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

Reengrossed SB 2008 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. BEKKEDAHL MOVED** that the conference committee report on Engrossed SB 2006 as printed on SJ pages 1627-1629 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2006, as amended, was placed on the Eleventh order of business.

**SECOND READING OF SENATE BILL**

**SB 2006:** A BILL for an Act to provide an appropriation for defraying the expenses of the North Dakota aeronautics commission; and to provide an exemption.

**ROLL CALL**

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

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

Reengrossed SB 2006 passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. BAKKE MOVED** that the conference committee report on Engrossed HB 1035 as printed on SJ pages 1630-1632 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1035, as amended, was placed on the Fourteenth order of business.

**SECOND READING OF HOUSE BILL**

**HB 1035:** A BILL for an Act to create and enact chapters 27-20.2, 27-20.3, and 27-20.4 of the North Dakota Century Code, relating to the Juvenile Court Act; to amend and reenact subsection 16 of section 11-16-01, section 12.1-32-15, subsections 1 and 3 of section 12.1-41-12, subsection 2 of section 14-02.1-03.1, subsection 2 of section 14-02.1-08, subdivision c of subsection 2 of section 14-07.1-18, section 14-15-11, subsections 1 and 2 of section 15.1-09-33.4, sections 15.1-19-15, 20.1-13.1-01, 20.1-15-01, 26.1-36-20, and 26.1-40-11.1, subsection 2 of section 27-05-30, section 27-20.1-01, paragraph 4 of subdivision n of subsection 2 of section 27-20.1-06, subsection 1 of section 27-20.1-10, subdivision d of subsection 1 of section 27-20.1-11, subsection 3 of section 27-20.1-11, subsection 2 of section 27-20.1-17, section 27-20.1-22, section 27-20.3-05 as created by section 23 of this Act, section 27-20.4-06 as created by section 25 of this Act, subsections 2 and 3 of section 27-21-02, subsection 3 of section 27-21-02.1, section 27-21-09, subsections 2 and 5 of section 27-21-12, section 30.1-27-02, subsection 3 of section 30.1-27-06, section 39-06-32.1, subsection 2 of section 39-20-01, section 39-24.1-01, subsection 5 of section 50-06-05.1, subdivision a of subsection 4 of section 50-06-43.2, subsection 1 of section 50-11.3-01, sections 50-25.1-02 and 50-25.1-06, subsection 4 of section 50-25.1-15, subsection 2 of section 54-12-34, and sections 54-23.4-17 and 62.1-02-01 of the North Dakota Century Code, relating to juvenile justice; to repeal chapter 27-20 and section 27-21-03 of the North Dakota Century Code, relating to the Uniform Juvenile Court Act; to provide a penalty; to provide an appropriation; to provide a legislative management report; 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 45 YEAS, 2 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

**YEAS:** Anderson; Bakke; Bekkedahl; Bell; Burckhard; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Heckaman; Heitkamp; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, D.; Larson, D.; Lee; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Wardner; Weber; Wobbema

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

Engrossed HB 1035, as amended, passed.

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**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. LEE MOVED** that the conference committee report on Engrossed HB 1465 as printed on SJ page 1632 be rejected, which motion prevailed on a voice vote.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. HOGUE MOVED** that the conference committee report on Engrossed HB 1024 as printed on SJ page 1630 be adopted, which motion prevailed on a voice vote.

**MOTION**

**SEN. KLEIN MOVED** that the Senate stand in recess until 12:30 p.m., which motion prevailed.

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

**CONSIDERATION OF MESSAGE FROM THE HOUSE**

**SEN. KLEIN MOVED** that the Senate do not concur in the House amendments to Reengrossed SB 2046 and that a conference committee be appointed to meet with a like

committee from the House, which motion prevailed on a voice vote.

#### APPOINTMENT OF CONFERENCE COMMITTEE

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

**Reengrossed SB 2046:** Sens. K. Roers, Meyer, Vedaa.

#### REPORT OF CONFERENCE COMMITTEE

**SB 2213, as engrossed:** Your conference committee (Sens. Patten, Dever, Piepkorn and Reps. B. Koppelman, Bellew, Kempenich) recommends that the **HOUSE RECEDE** from the House amendments as printed on SJ pages 1312-1313, adopt amendments as follows, and place SB 2213 on the Seventh order:

That the House recede from its amendments as printed on page 1313 of the Senate Journal and page 1437 of the House Journal and that Engrossed Senate Bill No. 2213 be amended as follows:

Page 1, line 14, replace "nine" with "eight"

Page 1, line 14, after "thousand" insert "one hundred"

Page 1, line 22, replace "nine" with "eight"

Page 1, line 23, after "thousand" insert "one hundred"

Page 2, line 2, replace "nine" with "eight"

Page 2, line 2, after "thousand" insert "one hundred"

Renumber accordingly

Engrossed SB 2213 was placed on the Seventh order of business on the calendar.

#### CONSIDERATION OF CONFERENCE COMMITTEE REPORT

**SEN. DEVER MOVED** that the conference committee report on Engrossed SB 2213 be adopted, which motion prevailed on a voice vote.

Engrossed SB 2213, as amended, was placed on the Eleventh order of business.

#### SECOND READING OF SENATE BILL

**SB 2213:** A BILL for an Act to amend and reenact section 57-02-08.8 of the North Dakota Century Code, relating to the property tax credit for disabled veterans; 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 47 YEAS, 0 NAYS, 0 EXCUSED, 0 ABSENT AND NOT VOTING.

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

Reengrossed SB 2213 passed.

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#### REPORT OF CONFERENCE COMMITTEE

**HB 1006, as engrossed:** Your conference committee (Sens. Wanzek, Bekkedahl, Rust and Reps. Howe, Bellew, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1418-1421, adopt amendments as follows, and place HB 1006 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1418-1421 of the House

Journal and pages 1104-1107 of the Senate Journal and that Engrossed House Bill No. 1006 be amended as follows:

Page 1, replace lines 16 through 24 with:

"Salaries and wages	\$22,867,956	(\$273,760)	\$22,594,196
Operating expenses	7,112,460	353,660	7,466,120
Capital assets	6,000	0	6,000
Homestead tax credit	15,800,000	2,200,000	18,000,000
Disabled veterans' tax credit	<u>8,410,200</u>	<u>7,889,800</u>	<u>16,300,000</u>
Total all funds	\$54,196,616	\$10,169,700	\$64,366,316
Less estimated income	<u>125,000</u>	<u>0</u>	<u>125,000</u>
Total general fund	\$54,071,616	\$10,169,700	\$64,241,316
Full-time equivalent positions	123.00	(5.00)	118.00"

Page 2, after line 12, insert:

**"SECTION 4. STATEWIDE LITIGATION FUNDING POOL - PAYMENT OF TAX COMMISSIONER LITIGATION-RELATED EXPENSES.** The tax commissioner may submit litigation-related expenses to the attorney general which the attorney general shall pay from the statewide litigation funding pool for litigation expenses incurred by the tax commissioner, for the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 2, line 18, replace "twenty-three" with "twenty-four"

Page 2, line 18, replace "six" with "two"

Page 2, line 18, replace "forty-one" with "fifty"

Renumber accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1006 - State Tax Commissioner - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$22,867,956	\$22,342,802	\$251,394	\$22,594,196	\$22,841,932	(\$247,736)
Operating expenses	7,112,460	7,466,120		7,466,120	7,466,120	
Capital assets	6,000	6,000		6,000	6,000	
Homestead tax credit	15,800,000	18,000,000		18,000,000	18,000,000	
Disabled veterans' credit	<u>8,410,200</u>	<u>14,000,000</u>	<u>2,300,000</u>	<u>16,300,000</u>	<u>16,300,000</u>	
Total all funds	\$54,196,616	\$61,814,922	\$2,551,394	\$64,366,316	\$64,614,052	(\$247,736)
Less estimated income	<u>125,000</u>	<u>125,000</u>	<u>0</u>	<u>125,000</u>	<u>125,000</u>	<u>0</u>
General fund	\$54,071,616	\$61,689,922	\$2,551,394	\$64,241,316	\$64,489,052	(\$247,736)
FTE	123.00	118.00	0.00	118.00	118.00	0.00

#### Department 127 - State Tax Commissioner - Detail of Conference Committee Changes

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for Salaries and Wages <sup>2</sup>	Increases Funding for Tax Credit Programs <sup>3</sup>	Total Conference Committee Changes
Salaries and wages	\$3,657	\$247,737		\$251,394
Operating expenses				
Capital assets				
Homestead tax credit				
Disabled veterans' credit			\$2,300,000	2,300,000
Total all funds	\$3,657	\$247,737	\$2,300,000	\$2,551,394
Less estimated income	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
General fund	\$3,657	\$247,737	\$2,300,000	\$2,551,394
FTE	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022,

with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Funding of \$247,737 from the general fund is added for salaries and wages to provide total anticipated savings of \$1,074,505 related to vacant positions and employee turnover. The Senate anticipated salaries and wages savings relating to vacant positions and employee turnover of \$826,769. The House anticipated salaries and wages savings of \$1,322,242 from vacant positions and employee turnover.

<sup>3</sup> Funding of \$2.3 million from the general fund is added for the disabled veterans' tax credit related to the expansion of the credit in Senate Bill No. 2213, the same as the Senate. The House did not include this increase.

This amendment also:

- Provides the statutory changes to increase the Tax Commissioner's salary, the same as the Senate. The Tax Commissioner's annual salary would increase from the current level of \$120,014 to \$121,814, effective July 1, 2021, and to \$124,250, effective July 1, 2022, to reflect the 1.5 percent and 2 percent salary increase respectively. The House provided for a 1.5 percent annual salary increase.
- Directs the Attorney General to pay litigation-related expenses from the statewide litigation funding pool on behalf of the Tax Commissioner, the same as the Senate. The House did not include this section.
- Removes a section added by the Senate to exclude the sale or exchange of farm machinery as gross income from farming activities for determining eligibility for a farming-related property tax exemption and removes the effective date related to the property tax exemption.

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

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

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

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

#### **SECOND READING OF HOUSE BILL**

**HB 1006:** A BILL for an Act to provide an appropriation for defraying the expenses of the office of the tax commissioner and for payment of state reimbursement under the homestead tax credit and disabled veterans' tax credit; to amend and reenact section 57-01-04 of the North Dakota Century Code, relating to the salary of the state tax commissioner; to provide an exemption; and to provide for a transfer.

#### **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; Bell; Burckhard; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Fors; Heckaman; Heitkamp; Hogan; Hogue; Holmberg; Kannianen; Klein; Krebsbach; Kreun; Larsen, D.; Larsen, O.; Larson, D.; Lee; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Wardner; Weber; Wobbema

Engrossed HB 1006, as amended, passed.

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

**HB 1021, as engrossed:** Your conference committee (Sens. Hogue, Oehlke, Heckaman and Reps. Nathe, Schatz, Boe) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1461-1462, adopt amendments as follows, and place HB 1021 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1461 and 1462 of the

House Journal and page 1132 of the Senate Journal and that Engrossed House Bill No. 1021 be amended as follows:

Page 1, replace lines 10 through 13 with:

"Workforce safety and insurance operations	<u>\$60,887,842</u>	<u>\$12,299,086</u>	<u>\$73,186,928</u>
Total special funds	\$60,887,842	\$12,299,086	\$73,186,928
Full-time equivalent positions	260.14	0.00	260.14"

ReNUMBER accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1021 - Workforce Safety and Insurance - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
WSI operations	\$60,887,842	\$73,159,652	\$27,276	\$73,186,928	\$73,186,928	
Total all funds	\$60,887,842	\$73,159,652	\$27,276	\$73,186,928	\$73,186,928	\$0
Less estimated income	60,887,842	73,159,652	27,276	73,186,928	73,186,928	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	260.14	260.14	0.00	260.14	248.14	12.00

**Department 485 - Workforce Safety and Insurance - Detail of Conference Committee Changes**

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Total Conference Committee Changes
WSI operations	\$27,276	\$27,276
Total all funds	\$27,276	\$27,276
Less estimated income	27,276	27,276
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

The conference committee did not transfer 12 FTE positions to the Information Technology Department for the information technology unification initiative. The Senate transferred the positions. The House did not.

Engrossed HB 1021 was placed on the Seventh order of business on the calendar.

**CONSIDERATION OF CONFERENCE COMMITTEE REPORT**

**SEN. HECKAMAN MOVED** that the conference committee report on Engrossed HB 1021 be adopted, which motion prevailed on a voice vote.

Engrossed HB 1021, as amended, was placed on the Fourteenth order of business.

**SECOND READING OF HOUSE BILL**

**HB 1021:** A BILL for an Act to provide an appropriation for defraying the expenses of workforce safety and insurance; and to provide for a report.

**ROLL CALL**

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

**YEAS:** Anderson; Bakke; Bekkedahl; Bell; Burckhard; Clemens; Conley; Davison; Dever; Dwyer; Elkin; Erbele; Fors; Heckaman; Hogan; Hogue; Holmberg; Kannianen; Klein;

Krebsbach; Kreun; Larson, D.; Lee; Lemm; Luick; Marcellais; Mathern; Meyer; Myrdal; Oban; Oehlke; Patten; Piepkorn; Poolman; Roers, J.; Roers, K.; Rust; Schaible; Sorvaag; Vedaa; Wanzek; Wardner; Weber; Wobbema

**NAYS:** Heitkamp; Larsen, D.; Larsen, O.

Engrossed HB 1021, as amended, passed.

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**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 2046.

**AMENDMENTS TO ENGROSSED SENATE BILL NO. 2046**

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 6-09.4, a new section to chapter 21-10, sections 54-52-02.15, 54-52-02.16, and 54-52.6-02.1, and a new section to chapter 57-38 of the North Dakota Century Code, relating to a legacy sinking and interest fund, a legacy earnings fund, the public employees retirement system main system, membership in the public employees retirement system defined contribution plan, and an income tax relief fund; to amend and reenact section 21-10-12, subsection 4 of section 54-52-01, section 54-52-02.5, subsection 1 of section 54-52-02.9, section 54-52-02.9, subsection 2 of section 54-52-05, subsection 1 of section 54-52-06, and sections 54-52.6-01, 54-52.6-02, and 54-52.6-03 of the North Dakota Century Code, relating to legacy fund definitions and the public employees retirement system retirement plans; to provide for a legislative management study; to provide an appropriation; to provide for a transfer; to provide a statement of legislative intent; to provide for application; to provide an effective date; and to declare an emergency.

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

**SECTION 1.** A new section to chapter 6-09.4 of the North Dakota Century Code is created and enacted as follows:

**Legacy sinking and interest fund - Debt service requirements - Public finance authority.**

There is created in the state treasury the legacy sinking and interest fund. The fund consists of all moneys deposited in the fund under section 3 of this Act. Moneys in the fund may be spent by the public finance authority pursuant to legislative appropriations to meet the debt service requirements for evidences of indebtedness issued by the authority for transfer to the Bank of North Dakota for allocations to infrastructure projects and programs and the clean sustainable energy fund. Any moneys in the fund in excess of the amounts appropriated from the fund to meet the debt service requirements for a biennium may be appropriated by the legislative assembly for other purposes.

**SECTION 2. AMENDMENT.** Section 21-10-12 of the North Dakota Century Code is amended and reenacted as follows:

**21-10-12. Legacy fund –~~Earnings defined~~definitions.**

For the purposes of section 26 of article X of the Constitution of North Dakota, the term "earnings":

1. "Earnings" means net income in accordance with generally accepted accounting principles, excluding any unrealized gains or losses.
2. "Principal" means all moneys in the legacy fund not included in earnings as defined under subsection 1.

**SECTION 3.** A new section to chapter 21-10 of the North Dakota Century Code is created and enacted as follows:

**Legacy earnings fund - State treasurer - Transfers.**

1. There is created in the state treasury the legacy earnings fund. The fund consists of all moneys transferred to the fund under subsection 2 and all interest and earnings upon moneys in the fund.
2. Any legacy fund earnings transferred to the general fund at the end of each biennium in accordance with section 26 of article X of the Constitution of North Dakota must be immediately transferred by the state treasurer to the legacy earnings fund.
3. For each biennium subsequent to the biennium in which the legacy fund earnings are transferred under subsection 2, the amount available for appropriation from the legacy earnings fund is six percent of the five-year average value of the legacy fund assets as reported by the state investment board. The average value of the legacy fund assets must be calculated using the value of the assets at the end of each fiscal year for the five-year period ending with the most recently completed even-numbered fiscal year.
4. On July first of each odd-numbered year, from the amount available for appropriation or transfer from the legacy earnings fund for the biennium, the state treasurer shall transfer funding in the following order:
  - a. The first one hundred million dollars to the legacy sinking and interest fund under section 1 of this Act.
  - b. The next forty million dollars to the clean sustainable energy fund.
  - c. The next forty million dollars to the public employees retirement system main system plan under chapter 54-52, but only if the public employees retirement system main system plan's actuarial funded ratio as reported for the most recently completed even-numbered fiscal year is less than ninety percent. If the public employees retirement system main system plan's actuarial funded ratio is ninety percent or more and then subsequently decreases below ninety percent, the state treasurer may not resume the transfers under this subdivision unless the main system plan's actuarial funded ratio is less than seventy percent.
  - d. Any remaining funds for other purposes as designated by the legislative assembly.
5. If the amounts transferred under subsection 2 exceed the amount available for appropriation under subsection 3, the state treasurer shall transfer the excess, within thirty days, as follows:
  - a. Forty percent to the strategic investment and improvements fund to be used in accordance with the provisions of section 15-08.1-08;
  - b. Forty percent to the legacy fund to become part of the principal; and
  - c. Twenty percent to the income tax relief fund under section 12 of this Act.

**SECTION 4. AMENDMENT.** Subsection 4 of section 54-52-01 of the North Dakota Century Code is amended and reenacted as follows:

4. "Eligible employee" means all permanent employees who are participating members before January 1, 2023, and who meet all of the eligibility requirements set by this chapter and who are eighteen years or more of age, and includes appointive and elective officials under sections 54-52-02.5, 54-52-02.11, and 54-52-02.12 who are participating members before January 1, 2023, and nonteaching employees of the superintendent of public instruction, including the superintendent of

public instruction, who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.13, and employees of the state board for career and technical education who elect to transfer from the teachers' fund for retirement to the public employees retirement system under section 54-52-02.14. Eligible employee does not include nonclassified-state employees who elect to become members of the retirement plan established under chapter 54-52-6 are first employed after December 31, 2022, and are not participating members, but does include employees of the judicial branch supreme court judges and district court judges, employees eligible to participate in a law enforcement retirement plan, employees of a participating political subdivision, and employees of the board of higher education and state institutions under the jurisdiction of the board who are not participating in the teachers' insurance and annuity association of America - college retirement equities fund retirement plan.

**SECTION 5. AMENDMENT.** Section 54-52-02.5 of the North Dakota Century Code is amended and reenacted as follows:

**54-52-02.5. Newly elected and appointed state officials.**

After December 31, 1999, a person and before January 1, 2023, an individual elected or appointed to a state office for the first time must, from and after the date that person individual qualifies and takes office, be a participating member of the public employees retirement system unless that person individual makes an election at any time during the first six months after the date the person takes office to participate in the retirement plan established under chapter 54-52.6. After December 31, 2022, an individual elected or appointed to a state office, from and after the date the individual qualifies and takes office, must be a participating member of the retirement plan established under chapter 54-52.6 unless the individual is a participating member under this chapter. As used in this section, the phrase "for the first time" means a person an individual appointed, who, after December 31, 1999, does not hold office as an appointed official at the time of that person's individual's appointment.

**SECTION 6. AMENDMENT.** Subsection 1 of section 54-52-02.9 of the North Dakota Century Code is amended and reenacted as follows:

1. Within one hundred eighty days of beginning employment, a temporary employee may elect to participate in the public employees retirement system and receive credit for service after enrollment.
  - a. Monthly, the state temporary employee shall pay to the fund an amount equal to eight twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2012, and with an additional two percent increase, beginning with the reporting period of January 2013, and with an additional increase of two percent, beginning with the monthly reporting period of January 2014.
  - b. Monthly, the political subdivision temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014 and with an additional one percent increase beginning with the reporting period of January 2022.

**SECTION 7. AMENDMENT.** Section 54-52-02.9 of the North Dakota Century Code is amended and reenacted as follows:

**54-52-02.9. Participation by temporary employees.**

1. ~~Within~~Before January 1, 2023, within one hundred eighty days of beginning employment, a state temporary employee may elect to participate in the public employees retirement system under this chapter and receive credit for service after enrollment. Within one hundred eighty days of beginning employment, a participating political subdivision temporary employee may elect to participate in the public employees retirement system under this chapter and receive credit for service after enrollment.
  - a. Monthly, the state temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014.
  - b. Monthly, the political subdivision temporary employee shall pay to the fund an amount equal to twelve and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2014 and with an additional one percent increase beginning with the reporting period of January 2022.
2. If the temporary employee first enrolled:
  - a. Before January 1, 2020, in addition the temporary employee shall pay the required monthly contribution to the retiree health benefit fund established under section 54-52.1-03.2. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2.
  - b. After December 31, 2019, the temporary employee shall pay to the fund an additional amount equal to one and fourteen hundredths percent times the temporary employee's present monthly salary.
3. An employer may not pay the temporary employee's contributions. A temporary employee who is a participating member before January 1, 2023, may continue to participate as a temporary employee in the public employees retirement system until termination of employment or reclassification of the temporary employee as a permanent employee. A temporary employee may not purchase any additional credit, including additional credit under section 54-52-17.4 or past service under section 54-52-02.6.

**SECTION 8.** Section 54-52-02.15 of the North Dakota Century Code is created and enacted as follows:

**54-52-02.15. Public employees retirement system main system - Political subdivisions - Legislative management.**

1. Effective July 1, 2021, the board shall maintain a plan for political subdivisions that participate in the public employees retirement system main system which is separate from the main plan maintained for the state.
2. During the 2021-22 interim, the legislative management, in consultation with the public employees retirement system, shall prepare for submission to the sixty-eighth legislative assembly legislation to statutorily separate the plan for political subdivisions that participate so the plan funds are not held in trust with the other plans in the public employees retirement system main system.

**SECTION 9.** Section 54-52-02.16 of the North Dakota Century Code is created and enacted as follows:

**Public employees retirement system main system - State employees.**

Effective January 1, 2023, the public employees retirement system main plan maintained for the state is closed to new participating members. This section does not impact the main plan maintained for participating political subdivisions, law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or teachers' insurance and annuity association of America - college retirement equities fund retirement plan.

**SECTION 10. AMENDMENT.** Subsection 2 of section 54-52-05 of the North Dakota Century Code is amended and reenacted as follows:

2. Each participating member must be assessed and required to pay monthly ~~four~~<sup>six</sup> percent of the monthly salary or wage paid to the member, and such assessment must be deducted and retained out of such salary in equal monthly installments commencing with the first month of employment. ~~Member~~
  - a. ~~State participating member contributions increase by one percent of the monthly salary or wage paid to the member beginning with the monthly reporting period of January 2012, and with an additional increase of one percent, beginning with the monthly reporting period of January 2013, and with an additional increase of one percent, beginning with the monthly reporting period of January 2014.~~
  - b. Political subdivision participating member contributions increase by one percent of the monthly salary or wage paid to the member beginning with the monthly reporting period of January 2014 and with an additional increase of one-half of one percent beginning with the monthly reporting period of January 2022.

**SECTION 11. AMENDMENT.** Subsection 1 of section 54-52-06 of the North Dakota Century Code is amended and reenacted as follows:

1. Each governmental unit shall contribute an amount equal to ~~four~~<sup>six</sup> and twelve-hundredths percent of the monthly salary or wage of a participating member. ~~Governmental~~
  - a. ~~State governmental unit contributions increase by one percent of the monthly salary or wage of a participating member beginning with the monthly reporting period of January 2012; with an additional increase of one percent, beginning with the reporting period of January 2013; and with an additional increase of one percent, beginning with the monthly reporting period of January 2014.~~
  - b. Political subdivision governmental unit contributions increase by one percent of the monthly salary or wage of a participating member beginning with the monthly reporting period of January 2014 and with an additional increase of one-half of one percent beginning with the monthly reporting period of January 2022.
  - c. For a participating member who first enrolls after December 31, 2019, the governmental unit shall contribute an additional amount equal to one and fourteen-hundredths percent of the monthly salary or wage of the participating member.

**SECTION 12. AMENDMENT.** Section 54-52.6-01 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-01. Definition of terms.**

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

1. "Board" means the public employees retirement system board.
2. "Deferred member" means a person who elected to receive deferred vested retirement benefits under chapter 54-52.
3. "Eligible employee" means a permanent state employee, ~~except an employee of the judicial branch or an employee of the board of higher education and state institutions under the jurisdiction of the board, who is eighteen years or more of age and who is in a position not classified by North Dakota human resource management services.~~ If a participating member loses permanent employee status and becomes a temporary employee, the member may still participate in the defined contribution retirement plan. The term does not include a supreme court judge or a district court judge, an employee eligible to participate in a law enforcement retirement plan, an employee of a political subdivision, or an employee of the board of higher education and state institutions under the jurisdiction of the board of higher education who is participating in the teachers' insurance and annuity association of America - college retirement equities fund retirement plan.
4. "Employee" means any person employed by the state, whose compensation is paid out of state funds, or funds controlled or administered by the state or paid by the federal government through any of its executive or administrative officials.
5. "Employer" means the state of North Dakota.
6. "Participating member" means an eligible employee who ~~elects to participate~~participates in the defined contribution retirement plan established under this chapter.
7. "Permanent employee" means a state employee whose services are not limited in duration and who is filling an approved and regularly funded position and is employed twenty hours or more per week and at least five months each year.
8. "Temporary employee" means a state employee who is not eligible to participate as a permanent employee, who is at least eighteen years old and not actively contributing to another employer-sponsored pension fund.
9. "Wages" and "salaries" means earnings in eligible employment under this chapter reported as salary on a federal income tax withholding statement plus any salary reduction or salary deferral amounts under 26 U.S.C. 125, 401(k), 403(b), 414(h), or 457. "Salary" does not include fringe benefits such as payments for unused sick leave, personal leave, vacation leave paid in a lump sum, overtime, housing allowances, transportation expenses, early retirement, incentive pay, severance pay, medical insurance, workforce safety and insurance benefits, disability insurance premiums or benefits, or salary received by a member in lieu of previously employer-provided fringe benefits under an agreement between an employee and a participating employer. Bonuses may be considered as salary under this section if reported and annualized pursuant to rules adopted by the board.

**SECTION 13. AMENDMENT.** Section 54-52.6-02 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-02. Election.**

1. The board shall provide an opportunity for each eligible employee who is first employed before January 1, 2023, and who is a member of the public employees retirement system on September 30, 2001, and who has not made a written election under this section June 30, 2023, to transfer to the defined contribution retirement plan before October 1,

- ~~2001, to elect by electing in writing to terminate membership in the public employees retirement system and elect to become a participating member under this chapter. Except as provided in section 54-52.6-03, an election made by an eligible employee under this section is irrevocable. The board shall accept written elections under this section from eligible employees during the period beginning on July 1, 1999, and ending 12:01 a.m. December 14, 2001. An eligible employee who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. An eligible employee who makes and files a written election transfers to the defined contribution plan under this section ceases to be a member of the public employees retirement system effective twelve midnight December 31, 2001; and becomes a participating member in the defined contribution retirement plan under this chapter effective 12:01 a.m. January 1, 2002; and waives all of that person's rights to a pension, annuity, retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective December 31, 2001. This section does not affect a person's right to health benefits or retiree health benefits under chapter 54-52.1. An eligible employee who is first employed and entered upon the payroll of that person's employer after September 30, 2001, may make an election to participate in the defined contribution retirement plan established under this chapter at any time during the first six months after the date of employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend beyond the original six-month decision window period beginning July 3, 2023, and ending 5:00 p.m. December 29, 2023.~~
2. If an individual who is a deferred member of the public employees retirement system on ~~September 30, 2001~~December 31, 2022, is re-employed and by virtue of that employment is again eligible for membership in the public employees retirement system under chapter 54-52, the individual may elect in writing to remain a member of the public employees retirement system or if eligible to participate in the defined contribution retirement plan established under this chapter to terminate membership in the public employees retirement system and become a participating member in the defined contribution retirement plan established under this chapter. An election made by a deferred member under this section is irrevocable. The board shall accept written elections under this section from a deferred member during the period beginning on the date of the individual's re-employment and ending upon the expiration of six months after the date of that re-employment. If the board, in its sole discretion, determines that the employee was not adequately notified of the employee's option to participate in the defined contribution retirement plan, the board may provide the employee a reasonable time within which to make that election, which may extend beyond the original six-month decision window. A deferred member who makes and files a written election to remain a member of the public employees retirement system retains all rights and is subject to all conditions as a member of that retirement system. A deferred member who does not make a written election or who does not file the election during the period specified in this section continues to be a member of the public employees retirement system. A deferred member who makes and files a written election to terminate membership in the public employees retirement system ceases to be a member of the public employees retirement system effective on the last day of the payroll period that includes the date of the election; becomes a participating member in the defined contribution retirement plan under this chapter effective the first day of the payroll immediately following the date of the election; and waives all of that person's rights to a pension, an annuity, a retirement allowance, insurance benefit, or any other benefit under the public employees retirement system effective the last day of the payroll

that includes the date of the election. This section does not affect any right to health benefits or retiree health benefits to which the deferred member may otherwise be entitled.

3. An eligible employee who elects to participate in the retirement plan established under this chapter must remain a participant even if that employee returns to the classified service or becomes employed by a political subdivision that participates in the public employees retirement system. The contribution amount must be as provided in this chapter, regardless of the position in which the employee is employed. Notwithstanding the irrevocability provisions of this chapter, if a member who elects to participate in the retirement plan established under this chapter becomes a supreme or district court judge, becomes a member of the highway patrol, becomes employed in a position subject to teachers' fund for retirement membership, or becomes an employee of the board of higher education or state institution under the jurisdiction of the board who is eligible to participate in an alternative retirement program established under subsection 6 of section 15-10-17, the member's status as a member of the defined contribution retirement plan is suspended, and the member becomes a new member of the retirement plan for which that member's new position is eligible. The member's account balance remains in the defined contribution retirement plan, but no new contributions may be made to that account. The member's service credit and salary history that were forfeited as a result of the member's transfer to the defined contribution retirement plan remain forfeited, and service credit accumulation in the new retirement plan begins from the first day of employment in the new position. If the member later returns to employment that is eligible for the defined contribution plan, the member's suspension must be terminated, the member again becomes a member of the defined contribution retirement plan, and the member's account resumes accepting contributions. At the member's option, and pursuant to rules adopted by the board, the member may transfer any available balance as determined by the provisions of the alternate retirement plan into the member's account under this chapter.
4. After consultation with its actuary, the board shall determine the method by which a participating member or deferred member may make a written election under this section. If the participating member or deferred member is married at the time of the election, the election is not effective unless the election is signed by the individual's spouse. However, the board may waive this requirement if the spouse's signature cannot be obtained because of extenuating circumstances.
5. If the board receives notification from the internal revenue service that this section or any portion of this section will cause the public employees retirement system or the retirement plan established under this chapter to be disqualified for tax purposes under the Internal Revenue Code, then the portion that will cause the disqualification does not apply.
6. A participating member who becomes a temporary employee may still participate in the defined contribution retirement plan upon filing an election with the board within one hundred eighty days of transferring to temporary employee status. The participating member may not become a member of the defined benefit plan as a temporary employee. The temporary employee electing to participate in the defined contribution retirement plan shall pay monthly to the fund an amount equal to eight and twelve hundredths percent times the temporary employee's present monthly salary. The amount required to be paid by a temporary employee increases by two percent times the temporary employee's present monthly salary beginning with the monthly reporting period of January 2012, and with an additional increase of two percent, beginning with the monthly reporting period of January 2013, and with an additional increase of two percent, beginning with the monthly reporting period of January 2014. The temporary employee shall also pay the required

monthly contribution to the retiree health benefit fund established under section 54-52.1-03.2. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2. An employer may not pay the temporary employee's contributions. A temporary employee may continue to participate as a temporary employee until termination of employment or reclassification of the temporary employee as a permanent employee.

7. A former participating member who has accepted a retirement distribution pursuant to section 54-52.6-13 and who subsequently becomes employed by an entity different from the employer with which the member was employed at the time the member retired but which does participate in any state-sponsored retirement plan may, before re-enrolling in the defined contribution retirement plan, elect to permanently waive future participation in the defined contribution retirement plan, whatever plan in which the new employing entity participates, and the retiree health program and maintain that member's retirement status. Neither the member nor the employer are required to make any future retirement contributions on behalf of that employee.

**SECTION 14.** Section 54-52.6-02.1 of the North Dakota Century Code is created and enacted as follows:

**54-52.6-02.1. Membership.**

1. Except as otherwise provided, all eligible employees who are not participating in the public employees retirement system under chapter 54-52 are participating members. This subsection does not impact the public employees retirement system main plan maintained for participating political subdivisions, law enforcement plan, judges' plan, highway patrol plan, teachers' fund for retirement plan, or teachers' insurance and annuity association of America - college retirement equities fund retirement plan.
2. Effective January 1, 2023, a temporary employee may elect, within one hundred eighty days of beginning employment, to participate in the defined contribution plan under this chapter. The temporary employee electing to participate in the defined contribution retirement plan shall pay monthly to the fund an amount equal to fourteen and twelve-hundredths percent. This contribution must be recorded as a member contribution pursuant to section 54-52.1-03.2. An employer may not pay the temporary employee's contributions. A temporary employee may continue to participate as a temporary employee in the public employees retirement system until termination of employment.

**SECTION 15. AMENDMENT.** Section 54-52.6-03 of the North Dakota Century Code is amended and reenacted as follows:

**54-52.6-03. Transfer of accumulated fund balances.**

For an individual who elects to terminate membership in the public employees retirement system under chapter 54-52, the board shall transfer a lump sum amount from the retirement fund to the participating member's account in the defined contribution retirement plan under this chapter. However, if the individual terminates employment prior to receiving the lump sum transfer under this section, the election made under section 54-52.6-02 is ineffective and the individual remains a member of the public employees retirement system under chapter 54-52 and retains all the rights and benefits provided under that chapter. The board shall calculate the amount to be transferred ~~for persons employed before October 1, 2001,~~ using the two following formulas, and shall transfer the greater of the two amounts obtained:

1. ~~The~~For a vested or a nonvested individual, an estimate of the actuarial present value of the individual's accumulated benefit obligation under the public employees retirement system based on the assumption that the

individual will retire under the earliest applicable normal retirement age, plus interest from January 1, 2004~~2024~~, to the date of transfer, at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election; or

2. ~~The~~For a nonvested individual, an estimate of the actual employer contribution made, less vested employer contributions made pursuant to section 54-52-11.1, plus compound interest at the rate of one-half of one percent less than the actuarial interest assumption at the time of the election plus the employee account balance.

~~The board shall calculate the amount to be transferred for persons employed after September 30, 2001, using only the formula contained in subsection 2.~~

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

**Income tax relief fund.**

There is created in the state treasury the income tax relief fund. The fund consists of all moneys deposited in the fund under section 3 of this Act. Moneys in the fund may be spent pursuant to legislative appropriations for individual and corporate income tax relief.

**SECTION 17. PUBLIC EMPLOYEES RETIREMENT SYSTEM - ESTIMATE OF ACCUMULATED BALANCE TRANSFER.** For the period beginning January 2, 2023, and ending December 29, 2023, upon the request of an individual who is eligible for termination of membership in the public employees retirement system under chapter 54-52 as provided for in subsection 1 of section 54-52.6-02, the public employees retirement system shall estimate the individual's accumulated balance transfer amount by calculating the actuarial present value of the individual's accumulated benefit obligation under the public employees retirement system based on the assumption that the individual will retire under the earliest applicable normal retirement age.

**SECTION 18. APPROPRIATION - TRANSFER - GENERAL FUND TO PUBLIC EMPLOYEES RETIREMENT SYSTEM FUND.** There is appropriated out of any moneys in the general fund in the state treasury, not otherwise appropriated, the sum of \$100,000,000, which the office of management and budget shall transfer on January 1, 2023, to the public employees retirement system main system plan for state employees for the purpose of reducing the unfunded actuarial liability of the state share of the public employees retirement system main system plan for state employees for the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 19. LEGISLATIVE INTENT - OTHER USES OF LEGACY FUND EARNINGS.** It is the intent of the sixty-seventh legislative assembly that the sixty-eighth legislative assembly consider additional allocations from the legacy earnings fund, including allocations to the highway tax distribution fund, value-added agricultural programs, the innovation loan fund to support technology advancement, state building maintenance and improvements, and for other one-time initiatives and projects, including initiatives and projects to diversify the state's economy, to improve the efficiency and effectiveness of state government, and to reduce ongoing general fund appropriations of state agencies.

**SECTION 20. LEGISLATIVE MANAGEMENT STUDY - PUBLIC EMPLOYEES RETIREMENT SYSTEM RETIREMENT PLANS.**

1. During the period July 1, 2021, through November 1, 2021, the legislative management shall study the public employees retirement system retirement plans, including:
  - a. Identifying a strategy for the main system plan for political subdivisions reaching full funding within thirty years and considering the governance of this plan;

- b. Reviewing the financial status of the plans under chapter 54-52; and
  - c. Contracting for actuarial analyses of the plans under chapter 54-52 to determine the feasibility and desirability of remaining open as defined benefit plans versus closing and moving to a defined contribution plan.
2. By November 1, 2021, the legislative management shall be prepared to report its findings and recommendations, together with any legislation required to implement the recommendations, for introduction to the special session of the sixty-seventh legislative assembly.

**SECTION 21. APPLICATION.** In implementing section 8 of this Act, effective July 1, 2021, for all current active and retired members of the public employees retirement system main plan, the public employees retirement system board shall calculate separate data on the actuarial accrued liability, actuarial value of assets, and unfunded actuarial liability for the main system plan for state employees and the plan for political subdivisions.

**SECTION 22. EFFECTIVE DATE.** Sections 1, 2, 3, and 16 of this Act become effective on August 1, 2021. Sections 4, 5, 7, 12, 13, 14, 15, and 17 of this Act become effective on January 1, 2023.

**SECTION 23. EMERGENCY.** This Act is declared to be an emergency measure."

Renumber accordingly

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

**MR. SPEAKER:** The Senate does not concur in the House amendments to SB 2046, and the President has appointed as a conference committee to act with a like committee from the House on:

**SB 2046:** Sens. K. Roers; Meyer; Vedaa

**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 2139:** Reps. Steiner; Headland; Dockter

**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 2245:** Reps. J. Nelson; Kempenich; Brandenburg

**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 1380, and the Speaker has appointed as a conference committee to act with a like committee from the Senate on:

**HB 1380:** Reps. Delzer; Vigesaa; Boe

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

**MR. SPEAKER:** The Senate has not adopted the conference committee report on: HB 1465.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report on: HB 1024.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2006, SB 2008.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: SB 2213.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1006, HB 1021.

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

**MR. SPEAKER:** The Senate has adopted the conference committee report and subsequently passed: HB 1035.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1006, HB 1021.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: HB 1010, HB 1253.

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

**MR. PRESIDENT:** The House has adopted the conference committee report and subsequently passed: SB 2002, SB 2006, SB 2008, SB 2043.

**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 1003, HB 1018.

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

**MR. SPEAKER:** Your signature is respectfully requested on: SB 2016.

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

**MR. PRESIDENT:** The Speaker has signed: SB 2015, SB 2019, SB 2144, SB 2247, SB 2272, SB 2319.

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

**MR. SPEAKER:** The President has signed: SB 2015, SB 2019, SB 2144, SB 2247, SB 2272, SB 2319.

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

**MR. PRESIDENT:** The Speaker has signed: HB 1020.

**DELIVERY OF ENROLLED BILLS AND RESOLUTIONS**

The following bills were delivered to the Governor for approval on April 23, 2021: SB 2015, SB 2019, SB 2144, SB 2247, SB 2272, SB 2319.

**COMMUNICATION FROM GOVERNOR DOUG BURGUM**

This is to inform you that on April 22, 2021, I have signed the following: SB 2244.

**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 8:00 a.m., Monday, April 26, 2021, which motion prevailed.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1253, as engrossed:** Your conference committee (Sens. Vedaa, Meyer, Marcellais and Reps. Kasper, Louser, Schneider) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1687-1689, adopt amendments as follows, and place HB 1253 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1687-1689 of the House Journal and pages 1393-1395 of the Senate Journal and that Engrossed House Bill No. 1253 be amended as follows:

Page 1, line 4, after "reenact" insert "section 15.1-09-15,"

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

Page 1, line 4, after the second comma insert "subsection 5 of section 16.1-01-04.1, sections"

Page 1, line 6, after the third comma insert "and"

Page 1, line 6, after the fourth comma insert "the new section to chapter 16.1-01 of the North Dakota Century Code, as created by section 1 of House Bill No. 1256, as approved by the sixty-seventh legislative assembly, sections"

Page 1, line 14, after the third comma insert "16.1-11.1-02,"

Page 1, line 18, after the seventh comma insert "16.1-15-17,"

Page 2, after line 6, insert:

**"SECTION 2. AMENDMENT.** Section 15.1-09-15 of the North Dakota Century Code is amended and reenacted as follows:

**15.1-09-15. School district election - Declaration of winner.**

On the ~~sixth~~thirteenth day after the election, the school board shall meet to canvass all election returns and shall declare the result of an election and, in the case of a tie, within three days from the determination of a winner. However, if the election is held under an agreement with a city or county pursuant to sections 15.1-09-22 and 15.1-09-24, the returns must be canvassed and the winners declared as set out in the agreement. The individual receiving the highest number of votes for an office must be declared elected. The board shall record the result of the election."

Page 3, after line 30, insert:

**"SECTION 6. AMENDMENT.** Subsection 5 of section 16.1-01-04.1 of the North Dakota Century Code is amended and reenacted as follows:

5. If an individual is not able to show a valid form of identification but asserts qualifications as an elector in the precinct in which the individual desires to vote, the individual may mark a ballot that must be securely set aside in a sealed envelope designed by the secretary of state. After the ballot is set aside, the individual may show a valid form of identification to either a polling place election board member if the individual returns to the polling place before the polls close, or to an employee of the office of the election official responsible for the administration of the election before the meeting of the canvassing board occurring on the ~~sixth~~thirteenth day after the election. Each ballot set aside under this subsection must be presented to the members of the canvassing board for proper inclusion or exclusion from the tally."

Page 10, after line 26, insert:

**"SECTION 16. AMENDMENT.** Section 1 of House Bill No. 1256, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

**SECTION 1.** A new section to chapter 16.1-01 of the North Dakota Century Code is created and enacted as follows:

**Use of nonpublic funds prohibited - Penalty.**

1. The state and political subdivisions may not solicit, accept, or use any grants or donations from private persons for elections operations or administration except:
  - a. The use of privately owned facilities for polling places;
  - b. Food for poll workers; and
  - c. Other nonmonetary donations that are not used to prepare, process, mark, collect, or tabulate ballots or votes.
2. An individual who knowingly violates subsection 1 is guilty of a class A misdemeanor."

Page 17, line 12, remove "Have printed on the ballot "The word 'endorsed' following or under a candidate's""

Page 17, remove lines 13 through 15

Page 17, line 18, replace "g." with "f."

Page 17, line 22, replace "h." with "g."

Page 25, line 8, after "signature" insert ", a notification the signature on this affidavit will be compared to the signature on the affidavit on the envelope in which the absentee ballot must be placed"

Page 27, line 21, replace "voter who is blind, visually impaired, or print disabled" with "qualified elector living with a disability that prevents the elector from reading or marking the ballot without assistance"

Page 27, line 21, after "and" insert "who"

Page 28, after line 17, insert "The signature on this affidavit will be compared to the signature on the affidavit included in the application for the absentee ballot."

Page 50, line 9, after the period insert "The word 'endorsed' or 'petition' will appear after or under the name of a candidate for statewide or legislative district office. The word 'endorsed' in this context means the candidate was endorsed by the political party indicated. The word 'petition' in this context means the candidate circulated a petition for signatures to be included on the ballot."

Page 50, line 23, after the first "a" insert "statewide or legislative district"

Page 50, line 26, after "a" insert "statewide or legislative district"

Page 53, after line 17, insert:

**"SECTION 66. AMENDMENT.** Section 16.1-11.1-02 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-11.1-02. Application for mail ballots.**

The county auditor shall mail an application form for a mail ballot to each individual active voter listed in the central voter file for the county and each qualified individual eligible to vote in the state for the first time on one date no sooner than the fiftieth day before the election and no later than the fortieth day before the election. The county auditor, for two consecutive weeks after the date on which the mail ballot applications are mailed, shall publish in the official newspaper of the county an application form for a mail ballot and a notice that additional mail ballot applications may be obtained from the election official. The application form for a mail ballot must be in substantially the form provided in section 16.1-07-06."

Page 53, line 28, replace "individual" with "active voter"

Page 53, line 29, after "mail" insert "and each qualified individual eligible to vote in the state for the first time"

Page 64, line 11, remove "A voter may take up to thirty minutes to mark and cast the ballot after"

Page 64, remove lines 12 through 20

Page 66, line 6, overstrike "shall" and insert immediately thereafter "must"

Page 70, after line 17, insert:

**"SECTION 97. AMENDMENT.** Section 16.1-15-17 of the North Dakota Century Code is amended and reenacted as follows:

**16.1-15-17. Time of county canvassing board meeting - Oath required - Reconsideration of canvass.**

On the ~~sixth~~thirteenth day following each election, the county canvassing board shall meet and, after taking the oath of office, shall proceed to open and publicly canvass the returns. After the initial meeting of the board as provided in this section, any two or more members may call a meeting of the board and upon approval of a majority of the members, the board shall recanvass the results of the election or any portion thereof and may correct any previous canvass or certification or both in regard to the election. Any correction of any previous certification of election results as provided in this section must be immediately dispatched to the secretary of state who shall call a meeting of the state canvassing board as provided in section 16.1-15-35 for the purpose of recanvassing and, if necessary, correcting any previous certification of the election results."

ReNUMBER accordingly

Engrossed HB 1253 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1003, as engrossed:** Your conference committee (Sens. Bekkedahl, Holmberg, Mathern and Reps. Kempenich, Howe, Mock) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1484-1492, adopt amendments as follows, and place HB 1003 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1484-1492 of the House Journal and pages 1192-1201 of the Senate Journal and that Engrossed House Bill No. 1003 be amended as follows:

Page 1, line 1, after "general" insert "; to provide an appropriation to the department of human services"

Page 1, line 2, after "reenact" insert "the new section to chapter 53-06.1, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly and"

Page 1, line 3, after "general" insert "and charitable gaming tax revenue distributions"

Page 1, line 4, remove "and"

Page 1, line 4, after "report" insert "; to provide for a legislative management study; and to declare an emergency"

Page 1, remove lines 13 through 24

Page 2, replace lines 1 through 7 with:

"Salaries and wages	\$45,954,981	\$4,340,368	\$50,295,349
Operating expenses	15,588,646	844,392	16,433,038
Capital assets	804,380	934,841	1,739,221

Grants	4,418,440	(515,000)	3,903,440
Human trafficking victims grants	1,400,000	(298,121)	1,101,879
Forensic nurse examiners grants	250,000	691	250,691
Statewide litigation funding pool	0	4,650,000	4,650,000
Litigation fees	150,000	(22,500)	127,500
Intellectual property attorney	442,085	(442,085)	0
Medical examinations	660,000	0	660,000
North Dakota lottery	5,191,454	63,390	5,254,844
Arrest and return of fugitives	10,000	(1,500)	8,500
Gaming commission	7,489	0	7,489
Criminal justice information sharing	3,631,121	443,847	4,074,968
Law enforcement	<u>2,982,284</u>	<u>66,643</u>	<u>3,048,927</u>
Total all funds	\$81,490,880	\$10,064,966	\$91,555,846
Less estimated income	<u>35,886,284</u>	<u>13,022,844</u>	<u>48,909,128</u>
Total general fund	\$45,604,596	(\$2,957,878)	\$42,646,718
Full-time equivalent positions	245.00	8.00	253.00"

Page 2, replace lines 18 through 22 with:

"Statewide litigation funding pool	0	4,650,000
Additional income	<u>250,000</u>	<u>0</u>
Total all funds	\$3,417,956	\$6,936,706
Total other funds	<u>3,217,956</u>	<u>6,936,706</u>
Total general fund	\$200,000	\$0"

Page 2, after line 29, insert:

**"SECTION 4. APPROPRIATION - 2019-21 BIENNIUM - SEXUAL ASSAULT EVIDENCE COLLECTION KIT TRACKING SYSTEM - DRUG ANALYZERS - EXEMPTION - ONE-TIME FUNDING.** There is appropriated from federal funds, not otherwise appropriated, the sum of \$355,000, or so much as the sum as may be necessary, to the attorney general, of which \$255,000 is for the development and implementation of a sexual assault evidence collection kit tracking system and \$100,000 is for drug analyzers with federal funding received from the department of transportation, for the period beginning with the effective date of this Act, and ending June 30, 2021. 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, 2021, and ending June 30, 2023. This funding is considered a one-time funding item.

**SECTION 5. TRANSFER - LAWSUIT SETTLEMENT PROCEEDS - OPIOID ADDICTION PREVENTION AND TREATMENT PROGRAM - APPROPRIATION - DEPARTMENT OF HUMAN SERVICES - ONE-TIME FUNDING - REPORT.** The office of management and budget shall transfer up to \$2,000,000 from opioid-related lawsuit settlement proceeds deposited in the attorney general refund fund to the department of human services which is appropriated to the department of human services for the purpose of defraying the expenses of an opioid addiction prevention and treatment program during the biennium beginning July 1, 2021, and ending June 30, 2023. The department of human services shall consult with the attorney general on the use of funding for the program. The attorney general shall notify the legislative council and office of management and budget of any lawsuit settlement proceeds that become available for transfer to the department of human services for this program. This funding is considered a one-time funding item."

Page 3, after line 5, insert:

**"SECTION 7. ESTIMATED INCOME - EXEMPTION - USE OF GAMING TAX ALLOCATION FUND - TRANSFER - LITIGATION POOL TO STATE AGENCIES - ONE-TIME FUNDING.** The statewide litigation funding pool line item in section 1 of this Act includes \$1,650,000 from the gaming tax allocation fund. Notwithstanding section 53-06.1-12, the attorney general shall transfer this funding to eligible state agencies for litigation expenses during the biennium beginning July 1, 2021, and ending June 30, 2023, after the distribution of gaming tax revenue grants provided for in section 17 of this Act. The attorney general may not use

funding from the litigation pool to pay judgments under section 32-12-04. This funding is considered a one-time funding item.

**SECTION 8. ESTIMATED INCOME - CHARITABLE GAMING TECHNOLOGY SYSTEM - CHARITABLE GAMING OPERATING FUND.** The estimated income line item in section 1 of this Act includes \$475,000 from the charitable gaming operating fund for defraying expenses related to the continued development and implementation of the charitable gaming technology system."

Page 3, line 8, replace "\$1,101,834" with "\$1,101,879"

Page 3, line 19, replace "\$250,674" with "\$250,691"

Page 3, line 31, after "FUND" insert "**- REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND**"

Page 4, line 1, replace "\$1,133,232 from the attorney general refund fund" with "\$1,374,989"

Page 4, line 2, replace "\$1,007,326 is" with "\$1,249,083 is from the attorney general refund fund"

Page 4, line 3, after "is" insert "from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund"

Page 4, line 7, replace "\$2,266,464" with "\$2,577,624"

Page 4, line 9, after "proceeds" insert "and \$1,416,728 is derived from March 2021 lawsuit settlement proceeds, and \$251,812 of funding in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund"

Page 4, line 11, replace "\$2,266,464" with "\$2,577,624"

Page 4, line 12, after "fund" insert "and \$251,812 in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund and any investment earnings on the funding be retained in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund,"

Page 4, line 13, replace "7" with "11"

Page 4, after line 14, insert:

**"SECTION 13. AMENDMENT.** The new section to chapter 53-06.1 of the North Dakota Century Code, as created by section 1 of House Bill No. 1212, as approved by the sixty-seventh legislative assembly, is amended and reenacted as follows:

**Charitable gaming operating fund - Attorney general - State treasurer--  
Continuing appropriation - Allocations - Transfer to the general fund.**

1. There is created in the state treasury the charitable gaming operating fund. The fund consists of all gaming taxes, monetary fines, and interest and penalties collected under this chapter.
2. Excluding moneys in the charitable gaming operating fund appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming, all other the attorney general shall allocate remaining moneys in the charitable gaming operating fund are appropriated to the attorney general on a continuing basis for quarterly allocations basis as follows:
  - a. Ten thousand dollars to the gambling disorder prevention and treatment fund.
  - b. Five Subject to legislative appropriations, five percent of the total moneys deposited in the charitable gaming operating fund to cities

and counties in proportion to the taxes collected under section 53-06.1-12 from licensed organizations conducting games within each city, for sites within city limits, or within each county, for sites outside city limits. If a city or county allocation is less than two hundred dollars, that city or county is not entitled to receive a payment for the quarter and the undistributed amount must be included in the total amount to be distributed to other cities and counties for the quarter.

3. On or before June thirtieth of each odd-numbered year, the attorney general shall certify to the state treasurer the amount of accumulated funds in the charitable gaming operating fund which exceed the amount appropriated by the legislative assembly for administrative and operating costs associated with charitable gaming for the subsequent biennium. The state treasurer shall transfer the certified amount from the charitable gaming operating fund to the general fund prior to the end of each biennium."

Page 4, line 20, replace "sixty-eight" with "sixty-nine"

Page 4, line 20, overstrike "three" and insert immediately thereafter "one"

Page 4, line 20, replace "thirty-three" with "sixty-two"

Page 4, after line 25, insert:

**"SECTION 16. EXEMPTION - CONTINGENT FEE ARRANGEMENT.**

Notwithstanding section 54-12-08.1, the attorney general may contract for legal services compensated by a contingent fee arrangement for ongoing multistate technology litigation during the period beginning with the effective date of this Act and ending June 30, 2023.

**SECTION 17. EXEMPTION - GAMING TAX REVENUE GRANTS.**

Notwithstanding section 53-06.1-12, the attorney general may distribute gaming tax revenue grants to cities and counties relating to the seventh and eighth quarters of the 2019-21 biennium through October 31, 2021."

Page 4, after line 28, insert:

**"SECTION 19. EXEMPTION - REDUCED CIGARETTE IGNITION PROPENSITY AND FIREFIGHTER PROTECTION ACT ENFORCEMENT FUND.**

Notwithstanding subsection 6 of section 18-13-03, the attorney general may invest \$125,906 from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases to fire marshal office positions during the biennium beginning July 1, 2021, and ending June 30, 2023."

Page 5, after line 4, insert:

**"SECTION 21. EXEMPTION - STATEWIDE AUTOMATED VICTIM INFORMATION AND NOTIFICATION PROGRAM.**

The amount appropriated to the attorney general from other funds for the statewide automated victim information and notification system as contained in sections 1 and 8 of chapter 3 of the 2017 Session Laws and continued into the 2019-21 biennium, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the legal case management system during the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 22. EXEMPTION - INFORMATION TECHNOLOGY EQUIPMENT.**

The amount appropriated to the attorney general from the general fund for the purchase of information technology equipment as contained in section 1 of chapter 28 of the 2019 Session Laws, is not subject to the provisions of section 54-44.1-11. Any unexpended funds from this appropriation are available to the attorney general for the purchase of information technology equipment, during the biennium beginning July 1, 2021, and ending June 30, 2023.

**SECTION 23. LEGISLATIVE INTENT - GAMING DIVISION.** It is the intent of the sixty-seventh legislative assembly that the expenses of the attorney general's gaming division be paid from gaming tax revenues.

**SECTION 24. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT ATTORNEYS.** During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating attorney and legal-related positions in state government. The study must include an analysis of the number of attorney and legal-related positions in state government, the agency to which the positions are assigned, the type of work performed by the positions, and any efficiencies that may be gained through the consolidation of these positions into the attorney general's office. The study must include consultation with the attorney general and any agency with attorney and legal-related positions in state government for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 25. LEGISLATIVE MANAGEMENT STUDY - STATE GOVERNMENT LITIGATION FUNDING.** During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of consolidating litigation-related funding in state government. The study must include an analysis of litigation-related funding in state government agency budgets, including the purpose and source of funding for the litigation and any efficiencies that may be gained through the consolidation of the litigation funding into the attorney general's office. The study must include consultation with the attorney general and any agency with litigation-related funding appropriated for the 2021-23 biennium. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 26. LEGISLATIVE MANAGEMENT STUDY - CHARITABLE GAMING LAWS.** During the 2021-22 interim, the legislative management shall consider studying laws regarding the state's charitable gaming taxation and use of net proceeds for eligible organizations. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 27. LEGISLATIVE MANAGEMENT STUDY - GAMING ADDICTION AND SUPPORT.** During the 2021-22 interim, the legislative management shall consider studying the economic and societal impacts of gambling addiction in the state. The study must include a review of the trend of gambling addiction since the expansion of electronic pull tab gambling in the state, state funding provided for gambling addiction and disorder prevention and treatment, and support programs for individuals and families affected by gambling addiction. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 28. EMERGENCY.** Sections 4 and 16 of this Act are declared to be an emergency measure."

ReNUMBER accordingly

#### STATEMENT OF PURPOSE OF AMENDMENT:

#### House Bill No. 1003 - Summary of Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Attorney General						
Total all funds	\$81,490,880	\$87,025,682	\$4,780,164	\$91,805,846	\$90,913,114	\$892,732
Less estimated income	35,886,284	43,350,046	5,809,082	49,159,128	48,509,128	650,000
General fund	\$45,604,596	\$43,675,636	(\$1,028,918)	\$42,646,718	\$42,403,986	\$242,732
FTE	245.00	248.00	5.00	253.00	252.00	1.00
DHS - Other						

Total all funds	\$0	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$0
Less estimated income	0	0	2,000,000	2,000,000	2,000,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00
Bill total						
Total all funds	\$81,490,880	\$87,025,682	\$6,780,164	\$93,805,846	\$92,913,114	\$892,732
Less estimated income	35,886,284	43,350,046	7,809,082	51,159,128	50,509,128	650,000
General fund	\$45,604,596	\$43,675,636	(\$1,028,918)	\$42,646,718	\$42,403,986	\$242,732
FTE	245.00	248.00	5.00	253.00	252.00	1.00

House Bill No. 1003 - Attorney General - Conference Committee Action

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$45,954,981	\$48,782,813	\$1,512,536	\$50,295,349	\$50,095,187	\$200,162
Operating expenses	15,588,646	15,675,772	757,266	16,433,038	16,390,468	42,570
Capital assets	804,380	1,739,221		1,739,221	1,739,221	
Grants	4,418,440	3,663,440	240,000	3,903,440	3,903,440	
Litigation fees	150,000	127,500		127,500	127,500	
Intellectual property attorney	442,085					
Medical examinations	660,000	660,000		660,000	660,000	
North Dakota lottery	5,191,454	5,253,531	1,313	5,254,844	5,254,844	
Arrest and return of fugitives	10,000	8,500		8,500	8,500	
Gaming commission	7,489	7,489		7,489	7,489	
Criminal justice information sharing	3,631,121	3,801,923	273,045	4,074,968	4,074,968	
Law enforcement	2,982,284	2,702,985	345,942	3,048,927	3,048,927	
Human trafficking victims grants	1,400,000	1,101,834	45	1,101,879	1,101,879	
Forensic nurse examiners grants	250,000	250,674	17	250,691	250,691	
Additional income		250,000		250,000	250,000	
Statewide litigation funding pool		3,000,000	1,650,000	4,650,000	4,000,000	650,000
Total all funds	\$81,490,880	\$87,025,682	\$4,780,164	\$91,805,846	\$90,913,114	\$892,732
Less estimated income	35,886,284	43,350,046	5,809,082	49,159,128	48,509,128	650,000
General fund	\$45,604,596	\$43,675,636	(\$1,028,918)	\$42,646,718	\$42,403,986	\$242,732
FTE	245.00	248.00	5.00	253.00	252.00	1.00

Department 125 - Attorney General - Detail of Conference Committee Changes

	Adjusts Funding for Salary and Benefit Increases <sup>1</sup>	Adds Funding for Salary Equity Increases <sup>2</sup>	Adjusts Funding for the Gaming Division <sup>3</sup>	Adds Funding for Gaming Grants to Political Subdivisions <sup>4</sup>	Adds Funding for Gaming Division Positions <sup>5</sup>	Adds Funding for a Data Scientist Position <sup>6</sup>
Salaries and wages	\$33,376	\$241,757			\$611,147	\$200,162
Operating expenses					108,627	42,570
Capital assets						
Grants				\$240,000		
Litigation fees						
Intellectual property attorney						
Medical examinations						
North Dakota lottery	1,313					
Arrest and return of fugitives						
Gaming commission						
Criminal justice information sharing	1,156					
Law enforcement	2,204					
Human trafficking victims grants	45					
Forensic nurse examiners grants	17					
Additional income						
Statewide litigation funding pool						
Total all funds	\$38,111	\$241,757	\$0	\$240,000	\$719,774	\$242,732
Less estimated income	47,509	241,757	1,710,042	240,000	719,774	0
General fund	(\$9,398)	\$0	(\$1,710,042)	\$0	\$0	\$242,732
FTE	0.00	0.00	0.00	0.00	3.00	1.00

	Adjusts Funding for Salaries and Operating Expenses <sup>2</sup>	Restores Intellectual Property Attorney <sup>3</sup>	Adds One-Time Funding for Statewide Litigation <sup>4</sup>	Total Conference Committee Changes
Salaries and wages		\$426,094		\$1,512,536
Operating expenses	\$584,373	21,696		757,266
Capital assets				
Grants				240,000
Litigation fees				
Intellectual property attorney				
Medical examinations				
North Dakota lottery				1,313
Arrest and return of fugitives				
Gaming commission				
Criminal justice information sharing	271,889			273,045
Law enforcement	343,738			345,942
Human trafficking victims grants				45
Forensic nurse examiners grants				17
Additional income				
Statewide litigation funding pool			\$1,650,000	1,650,000
Total all funds	\$1,200,000	\$447,790	\$1,650,000	\$4,780,164
Less estimated income	1,200,000	0	1,650,000	5,809,082
General fund	\$0	\$447,790	\$0	(\$1,028,918)
FTE	0.00	1.00	0.00	5.00

<sup>1</sup> Salaries and wages funding is adjusted for 2021-23 biennium salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100 and 2 percent on July 1, 2022, the same as provided by the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250. Of these amounts, \$50,000 is reduced from the general fund and \$50,000 is added from gaming tax revenues deposited in the charitable gaming operating fund for salary increases related to Gaming Division positions.

<sup>2</sup> Funding of \$241,757 is added from the Attorney General refund fund for salary equity increases for 55 FTE Bureau of Criminal Investigation (BCI) positions and 2 FTE Medicaid Fraud Control Unit (MFCU) positions to provide a total of \$1,249,083 of salary equity increases for these FTE positions from the Attorney General refund fund, which is derived from lawsuit settlement proceeds, the same as provided by the Senate. The House provided \$1,007,326 from the Attorney General refund fund for these FTE positions.

An additional \$125,906 of salary equity funding is provided for 8 FTE Fire Marshal office positions from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, the same as provided by the Senate. The House provided the \$125,906 for the Fire Marshal office positions from the Attorney General refund fund.

<sup>3</sup> Funding from the general fund of \$1,710,042 is replaced with funding from gaming tax revenues deposited in the charitable gaming operating fund for Gaming Division expenses, including \$1,669,103 in the salaries and wages line item, \$37,599 in the operating expenses line item, and \$3,340 in the gaming commission line item. The Senate provided the funding would be from the gaming tax allocation fund. The House did not adjust funding for the Gaming Division.

<sup>4</sup> Funding of \$240,000 is added from the charitable gaming operating fund to provide a total of \$750,000 for grants to political subdivisions. The Senate added this funding from the gaming tax allocation fund. The House did not add funding for gaming grants.

<sup>5</sup> Funding of \$719,774 is added from the gaming tax revenues deposited in the charitable gaming operating fund for 3 FTE Gaming Division positions to address increased workloads related to increased electronic pull tabs activity in the state, of which \$611,147 is for salaries and wages and \$108,627 is for related operating expenses. The Senate provided this funding from the gaming tax allocation fund.

The Conference Committee amendments also adjust the funding source for \$959,699 approved by the House, of which \$814,863 is for salaries and wages of 4 FTE Gaming Division positions and \$144,836 is for related operating expenses, from the Attorney General operating fund to gaming tax revenues deposited in the charitable gaming operating fund to provide a total of 7 new FTE Gaming Division positions at a cost of \$1,679,473, of which

\$1,426,010 is for salaries and wages and \$253,463 is for related operating expenses. The Senate provided this funding from the gaming tax allocation fund.

The Conference Committee amendments also replace funding of \$1,113,993 from the Attorney General refund fund, of which \$956,356 is for salaries and wages, \$153,488 is for operating expenses and \$4,149 is for the Gaming Commission, and \$147,560 from the Attorney General operating fund, of which \$24,000 is for salaries and wages and \$123,560 is for operating expenses, with funding from the charitable gaming operating fund. The Senate provided this funding from the gaming tax allocation fund.

Total Gaming Division funding provided by the Conference Committee from the charitable gaming operating fund is \$5,926,068, of which \$4,125,469 is for salaries and wages, \$1,043,110 is for operating expenses, \$750,000 is for grants to cities and counties, and \$7,489 is for the Gaming Commission. The Senate provided this funding from the gaming tax allocation fund.

A section of legislative intent is added to the bill that the Attorney General's Gaming Division be paid from gaming tax revenues, the same as the Senate.

<sup>6</sup> Funding of \$242,732 is added from the general fund for 1 FTE data scientist position for the State Crime Laboratory, of which \$200,162 is for salaries and wages and \$42,570 is for related operating expenses. The House and Senate did not previously approve this item.

<sup>7</sup> Funding of \$1.2 million is added from the Attorney General refund fund for salaries and wages and operating expenses reduced from the general fund by the House. Of the total, \$283,227 is for salaries and wages of a BCI agent and a BCI administrative assistant, \$34,377 is for operating expenses of the State Crime Laboratory, \$271,889 is for operating expenses of the criminal justice information sharing system, and \$610,507 is for other operating expenses of the Attorney General's office, primarily related to information technology-related expenses. The Senate also provided \$1.2 million from the Attorney General refund fund for this purpose.

<sup>8</sup> Funding of \$447,790 from the general fund is restored for 1 FTE assistant attorney general position for the intellectual property attorney program, the same as provided by the Senate. The House removed this position and eliminated the program.

<sup>9</sup> One-time funding of \$1.65 million is added from the gaming tax allocation fund for a statewide litigation funding pool, to provide a total of \$4.65 million, of which \$3 million is from the strategic investment and improvements fund. The House provided a total of \$3 million from the strategic investment and improvements fund. The Senate provided a total of \$4 million from the strategic investment and improvements fund. A separate section of the bill is added to identify the \$1.65 million in Section 1 and to provide an exemption from North Dakota Century Code Section 53-06.1-12 to authorize the Attorney General to use the funding for litigation expenses.

The Conference Committee did not approve a section added by the Senate that would have amended Section 53-06.1-12 to authorize the Attorney General to use gaming tax revenues from the gaming tax allocation fund for the administration and operating costs of the Gaming Division. Due to the passage of House Bill No. 1212 (2021), the Attorney General is authorized to use gaming tax revenues deposited in the newly created charitable gaming operating fund for the administration and operating costs of the Gaming Division.

This amendment also:

- Adds a section to provide a 2019-21 biennium supplemental appropriation of \$355,000 to the Attorney General from federal funds, of which \$255,000 is for the development and implementation of a sexual assault evidence collection kit tracking system and \$100,000 is for drug analyzers to be received from the Department of Transportation. The section includes an exemption to allow the Attorney General to continue the funding into the 2021-23 biennium. This section is declared an emergency measure. The Senate included this section.
- Adds a section to provide a transfer of \$2 million from lawsuit settlement proceeds deposited in the Attorney General refund fund to the Department of Human

Services, which is appropriated to the Department of Human Services for defraying the expenses of an opioid addiction prevention and treatment program during the 2021-23 biennium. The Department of Human Services is required to consult with the Attorney General regarding the use of this funding. The Attorney General is required to notify the Legislative Council and the Office of Management and Budget of any lawsuit settlement proceeds that become available for transfer to the Department of Human Services for this program. The Senate included this section.

- Adds a section to identify \$475,000 appropriated in Section 1 for the continued development and implementation of the charitable gaming technology system is from the charitable gaming operating fund. The House provided this funding from the Attorney General operating fund. The Senate provided this funding from the gaming tax allocation fund.
- Amends a section to identify \$1,374,989 in the estimated income line item in Section 1 is for providing salary equity increases to Attorney General staff during the 2021-23 biennium, of which \$1,249,083 is from the Attorney General refund fund for BCI and MFCU positions and \$125,906 is from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund for Fire Marshal office positions. The Senate included this section.
- Amends a section to allow the Attorney General to invest up to \$2,577,624 of funding in the Attorney General refund fund, which is derived from lawsuit settlement proceeds received by the Attorney General and was deposited in the Attorney General refund fund in January 2021 (\$1,160,896) and March 2021 (\$1,416,728) and any investment earnings on the settlement amount, and \$251,812 of funding in the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, under the supervision of the State Investment Board for the 2021-23 and 2023-25 bienniums. Legislative intent is provided that this funding and any investment earnings on the funding be retained in the Attorney General refund fund and Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund for the purpose of providing salary equity increases for the 2021-23 biennium and for the cost to continue the salary equity increases during the 2023-25 biennium. The Senate included this section.
- Amends a section increasing the Attorney General's statutory salary to reflect salary increases of 1.5 percent and 2 percent approved for the 2021-23 biennium. The Senate included this section.
- Adds a section to amend House Bill No. 1212 (2021) to provide gaming tax revenue grants distributed to cities and counties are subject to legislative appropriations. This change will result in an estimated additional \$34,373 of gaming tax revenues being deposited in the general fund during the 2021-23 biennium.
- Adds a section to provide, notwithstanding Section 54-12-08.1, the Attorney General may contract for legal services that are compensated by a contingent fee arrangement, relating to ongoing multistate technology litigation, during the period beginning with the effective date of this Act and ending June 30, 2023. This section is declared an emergency measure. The Senate included this section.
- Adds a section to provide, notwithstanding Section 53-06.1-12, the Attorney General may distribute quarters seven and eight of 2019-21 biennium gaming tax revenue grants to cities and counties through October 31, 2021. The Senate included this section.
- Adds a section to provide, notwithstanding subsection 6 of Section 18-13-03, the Attorney General may invest \$125,906 from the Reduced Cigarette Ignition Propensity and Firefighter Protection Act enforcement fund, for the purpose of providing salary equity increases to Fire Marshal office positions during the 2021-23 biennium. The Senate included this section.
- Adds a section to allow the Attorney General to continue any remaining funding appropriated from other funds for the 2017-19 biennium and continued into the 2019-21 biennium for the statewide automated victim information and notification system into the 2021-23 biennium for the legal case management system, which is used to track attorney time and billing within the agency. The Senate included this section.

- Adds a section to allow the Attorney General to continue any remaining funding appropriated from the general fund for the 2019-21 biennium for the purchase of information technology equipment into the 2021-23 biennium. The Senate included this section.
- Adds a section to provide for a Legislative Management study regarding the feasibility and desirability of consolidating attorney and legal-related positions in state government. The Senate included this section.
- Adds a section to provide for a Legislative Management study regarding the feasibility and desirability of consolidating litigation-related funding in state government. The Senate included this section.
- Adds a section to provide for a Legislative Management study regarding the state's charitable gaming tax laws and the use of net proceeds for eligible organizations. The Senate included this section.
- Adds a section to provide for a Legislative Management study of gaming addiction and support. Neither the Senate nor the House included this section.

**House Bill No. 1003 - DHS - Other - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Operating expenses			\$2,000,000	\$2,000,000	\$2,000,000	
Total all funds	\$0	\$0	\$2,000,000	\$2,000,000	\$2,000,000	\$0
Less estimated income	0	0	2,000,000	2,000,000	2,000,000	0
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

**Department 325 - DHS - Other - Detail of Conference Committee Changes**

	Adds One-Time Funding for Opioid Addiction Prevention Program <sup>1</sup>	Total Conference Committee Changes
Operating expenses	\$2,000,000	\$2,000,000
Total all funds	\$2,000,000	\$2,000,000
Less estimated income	2,000,000	2,000,000
General fund	\$0	\$0
FTE	0.00	0.00

<sup>1</sup> One-time funding of \$2 million is added from lawsuit settlement proceeds received by the Attorney General and transferred to the Department of Human Services for defraying the expenses of an opioid addiction prevention and treatment program during the 2021-23 biennium. The Senate also included this appropriation.

Engrossed HB 1003 was placed on the Seventh order of business on the calendar.

**REPORT OF CONFERENCE COMMITTEE**

**HB 1010, as engrossed:** Your conference committee (Sens. Oehlke, Erbele, Davison and Reps. Meier, Mock, Bellew) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1054-1059, adopt amendments as follows, and place HB 1010 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1054-1059 of the Senate Journal and pages 1354-1359 of the House Journal and that Engrossed House Bill No. 1010 be amended as follows:

Page 1, line 3, after the semicolon insert "to create and enact a new section to chapter 26.1-36 of the North Dakota Century Code, relating to examinations of health carriers;"

Page 1, line 4, after the semicolon insert "to provide for a legislative management study;"

Page 1, replace lines 13 through 16 with:

"Salaries and wages	\$8,149,998	(\$73,717)	\$8,076,281
Operating expenses	1,566,675	802,684	2,369,359
Capital assets	0	100,000	100,000
Total special funds	\$9,716,673	\$828,967	\$10,545,640"

Page 2, replace lines 1 and 2 with:

"State flexibility to stabilize the market grant	0	662,000
Coal and fossil fuel industry insurance study	0	200,000
Health care analysis	200,000	0
Total special funds	\$200,000	\$962,000"

Page 2, line 8, replace "\$18,818,030" with "\$20,728,540"

Page 2, line 11, replace "\$17,989,505" with "\$19,588,470"

Page 2, line 12, replace "\$828,525" with "\$1,140,070"

Page 2, line 14, replace "\$26,344" with "\$26,610"

Page 2, after line 16, insert:

**"SECTION 5. STRATEGIC INVESTMENT AND IMPROVEMENTS FUND - COAL AND FOSSIL FUEL INDUSTRY INSURANCE STUDY.** The appropriation in section 1 of this Act includes the sum of \$200,000 from the strategic investment and improvements fund for the insurance commissioner to study the availability, cost, and risks associated with insurance coverage in the lignite coal industry.

Page 2, line 22, remove "one"

Page 2, line 23, replace "hundred thirteen thousand nine hundred twenty-five" with "one hundred fourteen thousand four hundred eighty-six"

Page 2, after line 23, insert:

**"SECTION 7.** A new section to chapter 26.1-36 of the North Dakota Century Code is created and enacted as follows:

**Examinations.**

1. As used in this section, the terms "health carrier" and "health benefit plan" have the same meaning as provided under section 26.1-36.3-01.
2. Whenever the commissioner, in the commissioner's sole discretion, deems it appropriate, but at least once every five years, the commissioner or any of the commissioner's examiners shall conduct a comprehensive examination of a health carrier with a market share of twenty-five percent or more of health benefit plan covered lives in this state. The examination must be conducted in accordance with an examination conducted under chapter 26.1-03. In determining the scope of the comprehensive examination, the commissioner shall consider the criteria set forth in the market conduct handbook adopted by the national association of insurance commissioners and adopted by the commissioner which is in effect when the examination is initiated and any other matters deemed appropriate by the commissioner.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - MEDICATION OPTIMIZATION.** During the 2021-22 interim, the legislative management shall consider studying medication optimization. The study must include a review of the implementation of clinical pharmacist-led medication optimization programs in individual, large group, and small group plans, including provider credentialing, billing standards and procedures, providing standards of care, patient monitoring, consistent documentation of outcomes and efforts related to de-prescribing, and structuring an outcome reporting system for medication optimization programs. The study also must include a review of changes necessary to state laws and

administrative rules to implement effective medication optimization. The insurance commissioner shall assist the legislative management with the study and identify and request the participation of stakeholders needed to complete this study. The insurance commissioner shall collect and provide to the legislative management the data needed to complete the study. The data provided by stakeholders, not otherwise publicly disclosed, must be considered confidential pursuant to section 44-04-18.4. The legislative management shall report its findings and recommendations, together with any legislation required to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 9. LEGISLATIVE MANAGEMENT STUDY - FIRE-RELATED INSURANCE LINES.** During the 2021-22 interim, the legislative management shall consider studying fire-related lines of insurance, including the insurance premium tax revenue generated from fire-related lines of insurance and the appropriate amounts to be distributed to fire departments and the North Dakota firefighter's association pursuant to section 18-04-05. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1010 - Insurance Department - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$8,149,998	\$7,816,841	\$259,440	\$8,076,281	\$8,010,678	\$65,603
Operating expenses	1,566,675	1,507,359	862,000	2,369,359	2,414,359	(45,000)
Capital assets		100,000		100,000	100,000	
Fire department grants	18,818,030	18,818,030	1,910,510	20,728,540		20,728,540
Total all funds	\$28,534,703	\$28,242,230	\$3,031,950	\$31,274,180	\$10,525,037	\$20,749,143
Less estimated income	28,534,703	28,242,230	3,031,950	31,274,180	10,525,037	20,749,143
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	41.00	38.00	0.00	38.00	38.00	0.00

**Department 401 - Insurance Department - Detail of Conference Committee Changes**

	Adjusts Funding for Salary Increases <sup>1</sup>	Adds Funding for Salaries <sup>2</sup>	Increases Funding for Fire District Payments <sup>3</sup>	Adds One-Time Funding for a Study <sup>4</sup>	Adds Funding for the State Flexibility to Stabilize the Market Grant <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	\$6,633	\$252,807				\$259,440
Operating expenses				\$200,000	\$662,000	862,000
Capital assets						
Fire department grants			\$1,910,510			1,910,510
Total all funds	\$6,633	\$252,807	\$1,910,510	\$200,000	\$662,000	\$3,031,950
Less estimated income	6,633	252,807	1,910,510	200,000	662,000	3,031,950
General fund	\$0	\$0	\$0	\$0	\$0	\$0
FTE	0.00	0.00	0.00	0.00	0.00	0.00

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022. The House provided salary increases of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Funding of \$252,807 from other funds is added for salary equity and workload adjustments. Neither the House version nor the Senate version included this funding. The Senate version added \$79,204 to convert a position to an attorney, \$108,000 for temporary salaries, and \$45,000 for travel. Those increases are not included in this amendment.

<sup>3</sup> Funding of \$1,910,510 is added from the insurance tax distribution fund to provide a total of \$20,728,540 for payments to fire departments (\$19,588,470) and the North Dakota Firefighter's Association (\$1,140,070). The House provided \$18,818,030 for payments to fire departments and the North Dakota Firefighter's Association and the Senate provided

continuing appropriation authority for the payments. This increase will result in a general fund revenue reduction of \$1,910,510.

<sup>4</sup> One-time funding of \$200,000 from the strategic investment and improvements fund is added for the Insurance Commissioner to conduct a study of the availability, cost, and risks associated with insurance coverage in the lignite coal industry, as provided in Senate Bill No. 2287. The Senate also added \$200,000 from other funds for the study, but did not specify the source of funds.

<sup>5</sup> One-time funding of \$662,000 from federal funds is added for the state flexibility to stabilize the market grant program, which is intended to provide added flexibility in the private health insurance market through the implementation of market reforms, the same as provided by the Senate. The House did not provide funding for this purpose.

This amendment also:

- Adds a section to provide for examinations of health carriers by the Insurance Commissioner or any of the Insurance Commissioner's examiners, the same as the Senate version.
- Changes the section adjusting the Insurance Commissioner's annual salary to provide for a 1.5 percent increase on July 1, 2021, and a 2 percent increase on July 1, 2022, the same as the Senate version. The House had increased the Insurance Commissioner's salary by 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and maximum monthly increase of \$250.
- Adds a section to provide for a Legislative Management study of medication optimization, the same as the Senate version.
- Adds a section to provide for a Legislative Management study of fire-related insurance lines. The Senate did not include this section.

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

#### REPORT OF CONFERENCE COMMITTEE

**HB 1018, as engrossed:** Your conference committee (Sens. Erbele, Krebsbach, Davison and Reps. Schatz, Monson, Schmidt) recommends that the **SENATE RECEDE** from the Senate amendments as printed on HJ pages 1566-1568, adopt amendments as follows, and place HB 1018 on the Seventh order:

That the Senate recede from its amendments as printed on pages 1566-1568 of the House Journal and pages 1293 and 1294 of the Senate Journal and that Engrossed House Bill No. 1018 be amended as follows:

Page 1, line 2, replace "and" with "to create and enact a new section to chapter 55-01 of the North Dakota Century Code, relating to artifacts located at the Lewis and Clark interpretive center; to provide for a legislative management study;"

Page 1, line 2, after "report" insert "; and to declare an emergency"

Page 1, replace lines 12 through 14 with:

"Salaries and wages	\$14,295,816	\$1,495,808	\$15,791,624
Operating expenses	3,941,585	557,078	4,498,663
Capital assets	1,225,542	4,225,473	5,451,015"

Page 1, replace lines 17 through 20 with:

"Total all funds	\$20,562,943	\$6,278,359	\$26,841,302
Less estimated income	<u>3,194,252</u>	<u>4,235,700</u>	<u>7,429,952</u>
Total general fund	\$17,368,691	\$2,042,659	\$19,411,350
Full-time equivalent positions	75.00	3.75	78.75"

Page 2, replace line 2 with:

"Historical site and extraordinary repairs	\$1,000,000	\$4,200,000"
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Page 2, replace lines 7 through 9 with:

"Total all funds	\$1,682,000	\$4,225,000
Total special funds	85,000	4,200,000
Total general fund	\$1,597,000	\$25,000"

Page 2, line 23, remove "STRATEGIC INVESTMENT AND IMPROVEMENTS"

Page 2, line 24, replace "FUND" with "FEDERAL CORONAVIRUS CAPITAL PROJECTS FUND - ONE-TIME FUNDING"

Page 2, line 24, replace "\$1,400,000" with "\$4,200,000"

Page 2, line 25, replace "the strategic investment and improvements fund" with "federal funds derived from the federal coronavirus capital projects fund"

Page 2, line 25, after the second "for" insert "capital project planning and"

Page 2, line 26, after the period insert "The federal funding provided under this section may be spent only to the extent the director of the office of management and budget, in consultation with the budget section, determines the use of the funding complies with federal guidance for the federal coronavirus capital projects fund."

**SECTION 6. ESTIMATED INCOME - DEPARTMENT OF TRANSPORTATION GRANT.** The estimated income line item in section 1 of this Act includes \$100,000 of grant funding from the department of transportation for the purpose of defraying expenses for the Lewis and Clark interpretive center.

**SECTION 7.** A new section to chapter 55-01 of the North Dakota Century Code is created and enacted as follows:

**State historical society responsible for the Lewis and Clark interpretive center.**

The society shall display, maintain, and protect the Lewis and Clark artifacts included in the transfer of the Lewis and Clark interpretive center from the parks and recreation department to the society at the Lewis and Clark interpretive center. A climate-controlled environment must be maintained to protect the artifacts as necessary.

**SECTION 8. LEGISLATIVE MANAGEMENT STUDY - ADVISORY BOARDS.** During the 2021-22 interim, the legislative management shall consider studying the feasibility and desirability of creating local advisory boards to the state historical society. The legislative management shall report its findings and recommendations, together with any legislation necessary to implement the recommendations, to the sixty-eighth legislative assembly.

**SECTION 9. EMERGENCY.** The \$4,200,000 from the federal coronavirus capital projects fund included in the capital assets line item in section 1 of this Act is declared to be an emergency measure."

Renumber accordingly

**STATEMENT OF PURPOSE OF AMENDMENT:**

**House Bill No. 1018 - State Historical Society - Conference Committee Action**

	Base Budget	House Version	Conference Committee Changes	Conference Committee Version	Senate Version	Comparison to Senate
Salaries and wages	\$14,295,816	\$14,548,481	\$1,243,143	\$15,791,624	\$15,983,049	(\$191,425)
Operating expenses	3,941,585	3,899,163	599,500	4,498,663	4,498,663	
Capital assets	1,225,542	2,651,015	2,800,000	5,451,015	5,601,015	(150,000)
Grants	600,000	600,000		600,000	600,000	
Cultural heritage grants	500,000	500,000		500,000	500,000	
<b>Total all funds</b>	<b>\$20,562,943</b>	<b>\$22,198,659</b>	<b>\$4,642,643</b>	<b>\$26,841,302</b>	<b>\$27,182,727</b>	<b>(\$341,425)</b>
Less estimated income	3,194,252	4,533,036	2,896,916	7,429,952	7,429,952	0
General fund	\$17,368,691	\$17,665,623	\$1,745,727	\$19,411,350	\$19,752,775	(\$341,425)
FTE	75.00	75.00	3.75	78.75	78.75	0.00

### Department 701 - State Historical Society - Detail of Conference Committee Changes

	Adds Funding for Salary Increases <sup>1</sup>	Transfers the Lewis and Clark Interpretive Center Operations <sup>2</sup>	Increases Funding for Temporary Salaries <sup>3</sup>	Restores Funding for Operating Expenses <sup>4</sup>	Increases One-Time Funding for Historic Site and Repairs <sup>5</sup>	Total Conference Committee Changes
Salaries and wages	\$5,474	\$1,029,094	\$208,575			\$1,243,143
Operating expenses		399,500		\$200,000		599,500
Capital assets					\$2,800,000	2,800,000
Grants						
Cultural heritage grants						
<b>Total all funds</b>	<b>\$5,474</b>	<b>\$1,428,594</b>	<b>\$208,575</b>	<b>\$200,000</b>	<b>\$2,800,000</b>	<b>\$4,642,643</b>
Less estimated income	342	287,999	(191,425)	0	2,800,000	2,896,916
<b>General fund</b>	<b>\$5,132</b>	<b>\$1,140,595</b>	<b>\$400,000</b>	<b>\$200,000</b>	<b>\$0</b>	<b>\$1,745,727</b>
FTE	0.00	3.75	0.00	0.00	0.00	3.75

<sup>1</sup> Funding is adjusted to provide salary increases of 1.5 percent on July 1, 2021, with a minimum monthly increase of \$100, and 2 percent on July 1, 2022, the same as the Senate. The House provided salary adjustments of 1.5 percent on July 1, 2021, and July 1, 2022, with a minimum monthly increase of \$100 and a maximum monthly increase of \$250.

<sup>2</sup> Funding and 3.75 FTE positions are added to transfer the Lewis and Clark Interpretive Center from the Parks and Recreation Department to the State Historical Society, the same as the Senate. The House did not provide for this transfer.

<sup>3</sup> Increases funding for temporary employees by \$400,000 from the general fund and removes \$191,425 of funding from other funds for temporary employees provided by the House. The Senate provided \$591,425 from the general fund.

<sup>4</sup> Restores \$200,000 from the general fund removed by the House for operating expenses. The Senate also restored this funding.

<sup>5</sup> Changes the funding source from the strategic investment and improvements fund to the federal Coronavirus Capital Projects Fund to provide a total of \$4.2 million for capital project planning and historic site and extraordinary repairs. The Senate provided \$4.2 million from the strategic investment and improvements fund. The House provided \$1.4 million from the strategic investment and improvements fund.

This amendment also:

- Adds a section to identify that \$100,000 of funding in the estimated income line item is from the Department of Transportation for defraying the expenses of the Lewis and Clark Interpretive Center for the 2021-23 biennium, the same as the Senate. The House did not include this section.
- Creates a new section to North Dakota Century Code Chapter 55-01 requiring the State Historical Society to continue to display, maintain, and protect the Lewis and Clark artifacts included in the transfer of the Lewis and Clark Interpretive Center from the Parks and Recreation Department to the society at the Lewis and Clark Interpretive Center. The artifacts are to be protected in a climate-controlled environment as necessary. Neither the Senate nor the House included this section.
- Provides for a Legislative Management study of the feasibility and desirability of creating local advisory boards to the State Historical Society. Neither the Senate nor the House included this section.
- Declares the \$4.2 million from the federal Coronavirus Capital Projects Fund to be an emergency. Neither the Senate nor the House included this section.

Engrossed HB 1018 was placed on the Seventh order of business on the calendar.

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

**Shanda Morgan, Secretary**

