



Legislative Update January 27, 2017

GENERAL

Ethics, guns, marijuana, Sunday shopping, masks, and feminine hygiene products. Welcome to week four of the 65th Assembly of the North Dakota Legislature. What did we learn this week? Well, Super Bowl pools that you might be participating in this next week will remain illegal given the narrow failure of HB 1179. And, feminine hygiene products will continue to be subject to sales tax as SB 2254 went down in flames. You cannot make this stuff up! By the way, sans a few delayed bills, all are in - 778 bills and 31 resolutions. Less than last session, but still far too many!

This week could have been dubbed “gun week” at the Capitol. No fewer than 9 gun bills were debated in the House Energy and Natural Resources Committee. Probably the most contentious of these is HB 1169 which was introduced by Representative Rick Becker. While ICBND does not take a position on this legislation, it’s been interesting to follow the so called “constitutional carry” bill which would make it legal for people 21 years old or older to carry a concealed firearm without a permit. Undoubtedly, an interesting floor debate awaits!

Also this week and certainly not unexpected, all of the budget bills prepared for former Governor Dalrymple’s budget have received “do not pass” recommendations out of the House and Senate Appropriations Committees and were moved to the Consent Calendar. Agencies and Appropriations Committees will now work off the budgets prepared and introduced by the legislature.

BILL HEARINGS AND UPDATES FROM THIS WEEK

HB 1177 – failed on the House floor Monday by a vote of 9-81. This bill would have extended collection of property by affidavit to include real property. ICBND opposed this bill, but said we could support of it was amended so “unencumbered” preceded each “real property” reference. Others, including the ND Land Title Association and the county recorders, opposed the bill because of the many issues that could result from attempting to transfer property by affidavit. The demise of this bill was the best possible result.

SB 2192 – would reauthorize ND Housing Finance Agency’s Housing Incentive Fund (HIF) resetting the priority in the annual allocation for individuals and families of low or moderate income as opposed to “essential service workers”. The bill also capitalizes the fund with \$20 million from tax credits and \$20 million transfer from the General Fund. The bill received a unanimous “do pass” out of the Senate IBL Committee and was heard in front of the Senate Appropriations Committee this morning. Whether this bill survives or not, reauthorization of HIF, for which ICBND has strongly advocated, seems likely, but capitalization of the fund might be a bridge too far this session.

SB 2212 – relates to the residency requirements of bank directors and was heard in the Senate Industry, Business and Labor Committee on Tuesday. North Dakota Century Code currently states that two-thirds of a bank’s directors must be residents of North Dakota. This bill adds the following language; “or reside within fifty miles of the main office...”. This bill was introduced by Senator Casper on behalf of BlackRidge Bank. While BlackRidge is not a member of our association, ICBND testified in support of

the bill. The committee had much discussion regarding the merits of “50 miles”. Senator Casper indicated he may offer an amendment changing “50” to “100”.

SB 2260 – was also heard in the Senate Industry, Business and Labor Committee on Tuesday and it too was sponsored by Senator Casper. This bill sought to provide an exemption from money broker licensure requirements for any person or entity that conducts money brokering limited to lending that in total does not exceed \$10 million annually; and the bill further sought as exemption of unlimited lending amounts to an accredited investor. Obviously, ICBND testified in heavy opposition to this bill. The other financial institution trade associations followed with additional testimony in opposition. After discussion, the bill received a 6-0 “do not pass” recommendation. Thursday, the bill was killed on the Senate floor by a vote of 0-46.

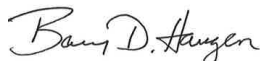
BILL HEARINGS NEXT WEEK

<u>Date and Time</u>	<u>Bill Number</u>	<u>Short Title</u>	<u>Committee</u>
01/30/2017 10:00	<u>SB 2335</u>	Relating to endangerment or exploitation of a vulnerable adult; and to provide a penalty.	Senate Human Services
01/31/2017 09:00	<u>SB 2305</u>	Relating to a corporate income tax credit for reimbursement of employee child care expenditures; and to provide an effective date.	Senate Finance and Taxation
01/31/2017 09:00	<u>HB 1263</u>	Relating to the state's minimum wage.	House IBL
01/31/2017 02:30	<u>HB 1382</u>	Relating to the establishment of an education savings account program.	House Education
02/02/2017 09:00	<u>SB 2296</u>	Relating to pledge of security in place of depository bond; and to repeal section 21-04-11 of the North Dakota Century Code, relating to records of securities.	Senate Political Subdivisions
02/02/2017 02:30	<u>HB 1352</u>	Relating to custody and disposition of abandoned motor vehicles.	House Transportation
02/02/2017 03:00	<u>HB 1219</u>	Relating to the process for converting manufactured housing to real property.	House Transportation
02/03/2017 10:00	<u>SB 2340</u>	Relating to fees charged by a county recorder for filing mortgage disclosures.	Senate Political Subdivisions

Legislator contact information can be found at <http://www.legis.nd.gov/contact-my-legislators> and you can check on any legislative activities through the Legislative Council’s web page at www.legis.nd.gov.

Thank you for your participation in the legislative process. Please call, email or text me with any questions or concerns. If you’d like to be taken off this distribution list or if there are others in your organization that should be on the distribution list for the legislative updates, please let me know or contact the office at info@icbnd.com or 701.258.7121.

Sincerely,



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ICBND PRIORITY LIST AND BILL STATUS

Bill	Title
HB 1126	Relating to public warehouse and grain buyer licensing, conditions and attributes of licensure and accepting delivery of grain when a licensee is insolvent, the insolvency process, the credit-sale contract indemnity fund and the grain indemnity fund; to repeal sections 60-02-02, 60-02-25.1, 60-02-39, 60-02.1-02, 60-02.1-25, 60-04-03.2, and 60-10-03 of the North Dakota Century Code, relating to duties of the commission, receiptholders' lien, warehouse closure, grain of insolvent warehouseman as trust asset, and suspension of indemnity fund assessments; and to provide for a transfer.
HB 1162	Relating to competition between the government and private industry and to require a report to the legislative management. BILL WAS AMENDED TO PROVIDE FOR A MANAGEMENT STUDY OF COMPETITION BETWEEN GOVERNMENT AND PRIVATE INDUSTRY AND GIVEN A 12-2 "DO PASS" RECOMMENDATION OUT OF HOUSE IBL.
HB 1164	Relating to a corporate income tax credit for reimbursement of employee child care expenditures; and to provide an effective date. FAILED IN THE HOUSE 14-76.
HB 1169	Relating to the possession of firearms and licensing of individuals to carry firearms; and to repeal sections 62.1-02-10 and 62.1-02-10.1 of the North Dakota Century Code, relating to the possession of firearms and licensing of individuals to carry firearms.
HB 1177	Relating to the collection of property by affidavit and the effect of the affidavit. FAILED IN THE HOUSE 9-81.
HB 1219	Relating to the process for converting manufactured housing to real property.
HB 1223	Relating to allowing employers to purchase private insurance or self-insurer for worker's compensation coverage. AMENDED BILL RECEIVED A 11-3 "DO NOT PASS" RECOMMENDATION OUT OF HOUSE IBL COMMITTEE.
HB 1228	Relating to actions to contest the validity of a trust, trust decanting, and directed trustees; to amend and reenact sections 47-02-27.4, 59-04.2-03, and 59-16-13 of the North Dakota Century Code, relating to exclusions from the rule against perpetuities and a trustee's duty to inform; to repeal sections 59-14-01, 59-14-04, and 59-16-08 of the North Dakota Century Code, relating to the capacity of a settlor of a revocable trust, actions contesting the validity of a trust, and powers to direct a trustee; and to provide for retroactive application.
HB 1263	Relating to the state's minimum wage.
HB 1297	Relating to creation of the affordable housing revolving loan fund; to provide a continuing appropriation; and to provide for a transfer.
HB 1303	A BILL for an Act to prohibit state agencies from filling vacant employee positions; and to declare an emergency.
HB 1352	Relating to custody and disposition of abandoned motor vehicles.
HB 1382	Relating to the establishment of an education savings account program.
SB 2008	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
SB 2014	A BILL for an Act to provide an appropriation for defraying the expenses of the industrial commission and

	the agencies under the management of the industrial commission; to provide for transfers; and to provide a statement of legislative intent.
SB 2068	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions. DFI BUDGET PREPARED FOR GOVERNOR VOTED 14-0 "DO NOT PASS" IN SENATE APPROPRIATIONS.
SB 2074	Relating to the infrastructure revolving loan fund, the housing incentive fund, the transfer of North Dakota mill and elevator profits to the general fund, and the coal development trust fund; to provide legislative intent; and to provide an exemption. BND AND INDUSTRIAL COMMISSION BUDGET PREPARED FOR GOVERNOR DALRYMPLE VOTED 14-0 "DO NOT PASS" IN SENATE APPROPRIATIONS.
SB 2100	Relating to definitions under the North Dakota money transmitter Act. AMENDED BILL PASSED THE SENATE 46-0.
SB 2130	Relating to defaulted student loan collection; to amend and reenact sections 15-62.1-04, 15-62.1-06, 15-62.1-07, and 15-62.1-10 of the North Dakota Century Code, relating to defaulted student loan collection; and to provide for a retroactive application. "DO PASS" VOTE OF 4-1-1 OUT OF SENATE EDUCATION.
SB 2159	Relating to management of a limited liability company; and to provide for retroactive application. AMENDED BILL PASSED THE SENATE 45-0.
SB 2160	Relating to the duties of a recorder and providing notice of foreclosure of tax liens; and to provide an effective date. AMENDED SATISFACTORILY AND RECEIVED 6-0 "DO PASS" OUT OF SENATE FINANCE AND TAXATION COMMITTEE.
SB 2167	Relating to the adoption of central standard time; and to repeal section 40-01-20 of the North Dakota Century Code, relating to daylight saving time.
SB 2192	Relating to the housing incentive fund tax credit; to amend and reenact sections 54-17-40 and 54-17-41 of the North Dakota Century Code, relating to the housing incentive fund and housing finance agency report; to provide a transfer; and to provide an appropriation. 7-0 DO PASS OUT OF SENATE IBL, REREFERRED TO APPROPRIATIONS.
SB 2212	Relating to residency requirements of bank directors.
SB 2234	Relating to the establishment of an essential service worker home ownership incentive program and essential service worker home ownership incentive fund; to provide an appropriation and transfer; and to provide a continuing appropriation.
SB 2260	Relating to exemptions from money broker regulation. 6-0-1 "DO NOT PASS" RECOMMENDATION OUT OF SENATE IBL. FAILED 0-46 IN THE SENATE.
SB 2296	Relating to pledge of security in place of depository bond; and to repeal section 21-04-11 of the North Dakota Century Code, relating to records of securities.
SB 2305	Relating to a corporate income tax credit for reimbursement of employee child care expenditures; and to provide an effective date.
SB 2317	Relating to insurance producer charges for fees for services.
SB 2335	Relating to endangerment or exploitation of a vulnerable adult; and to provide a penalty.
SB 2340	Relating to fees charged by a county recorder for filing mortgage disclosures.
HCR 3009	A concurrent resolution urging Congress to amend the 2014 farm bill to allow counties to use raw yield data from insurance companies to supplement the national agriculture statistics survey to calculate payments under the Agriculture Risk Coverage program when an insufficient number of surveys are returned to accurately calculate payments.