



Legislative Update February 17, 2017

GENERAL

We're nearing halftime of the 65th North Dakota Legislative Session with today representing legislative day 32. Crossover is technically a week from today, but in talking with leadership from both chambers, they plan to be out of town Thursday afternoon. Both chambers will likely conduct multiple floor sessions at least part of next week as a number of bills await floor action including nearly a dozen gun bills and almost all of the budget bills.

The second of two speed limit increase bills was defeated in the Senate Tuesday as SB 2057 failed 18-28 after a lengthy debate. Senator Lonnie Laffen's bill would have raised the speed limits on North Dakota's interstate highways to 80 miles per hour and, as amended, included a boost in speeding fines. In talking with Senator Laffen Monday evening, he thought he might have the votes, but apparently not. Although a seemingly ridiculous fiscal note of nearly \$330 million by the DOT likely didn't help. Earlier in the session, the House voted down the other speed limit bill which would have boosted all highway speed limits by 5 miles per hour.

Also motorist related, HB 1203, which was another bill prompted by recent pipeline protests, was narrowly defeated in the House by a vote of 41-50 after spirited debate. This legislation would have limited civil and criminal liability for motorists who hit people intentionally blocking a road. As you might imagine, this bill garnered many creative tongue-in-cheek monikers. The fact that this bill gathered as much traction as it did is an indication of the mood in the legislature this session. Those wronged by protestors have found a sympathetic audience as evidenced by three protest-related bills which have already been approved by both chambers with two of them subject to House concurrence.

Finally, another interesting development in the Senate this week was passage of SB 2135 which would create a commission during the 2017-2019 legislative interim to review the initiated measure process and determine if any changes need to be made with it. There's much philosophical debate about whether complicated public policy should be created through a ballot vote. Proponents claim the bill's purpose is to preserve self-governance and provide appropriate scrutiny to complicated changes to law. Opponents claim it aims to dilute the power of the people. The House will take this up after crossover.

BILL UPDATES FROM THIS WEEK

HB 1219 – relates to the process for converting manufactured housing to real property. The amended bill would eliminate the need to transfer the certificate of origin or certificate of title once the process of affixing manufactured housing to real property is consummated. This will help alleviate secondary market financing issues for these types of properties. The bill requires the DOT to maintain a website an interested person may use to supply a vehicle identification number in order to confirm the status of a manufactured home as real estate and to confirm the department retired the manufacturer's certificate of origin or certificate of title. This would serve as the verification that lenders/investors need to ensure that certificate of title or certificate of origin issues don't arise at a later date. ICBND testified in support of this bill which ultimately passed the House on a 90-0 vote Wednesday.

HB 1352 – also referred to as the “towing bill” relates to the custody and disposition of abandoned motor vehicles. ICBND originally testified against this legislation. To their credit, proponents of the bill pulled the “pipeline protest” card and immediately garnered favor of the House Transportation committee. Amendments have been worked out, however, that address our concerns regarding appropriate notification standards to lienholders and capping daily storage fees. The bill was rereferred to the Transportation Committee primarily to address a technical issue related to vehicle weights. Those amendments have been made and the bill will be back on the House calendar in the next day or two.

SB 2014 – represents the legislature’s Industrial Commission budget. The amended bill has lots of moving parts as one might expect and was taken up on the Senate floor this afternoon. As it relates to community banking, the bill leaves the Bank of North Dakota budget pretty much as introduced including the current level of FTE’s. The measure also prescribes a \$140 million transfer to the General Fund during the next biennium along with other more traditional transfers. Interestingly, the bill was amended to incorporate part of SB 2130 which was defeated on the Senate floor earlier this session and which ICBND testified in support. The amendment outlined in Section 16 allows the Bank of North Dakota to recover collection fees from defaulted borrowers in an amount up to 13 percent of accumulated principal and interest. Relative to the ND Housing Finance Agency, the amended bill reauthorizes the Housing Incentive Fund and capitalizes the fund with \$5 million of tax credits. Most, if not all, of the budget bills will likely end up in conference committee later in the session so there’s much left to be hashed out on these. As a result of the passage of this bill 45-0, SB 2192 and SB 2234 were unanimously defeated as much of the substance of those bills was incorporated into SB 2014.

SB 2100 – was originally introduced by Commissioner Entringer to add “Virtual Currency” as a defined term within the North Dakota Money Transmitter Act. The Senate IBL Committee turned the bill into a study regarding the feasibility and desirability of regulating virtual currency such as bitcoin which passed the Senate 46-0. The bill was sent to the House and referred to the House IBL Committee which heard the bill Tuesday morning. After much discussion, head scratching and general confusion regarding virtual currency, the House IBL gave the bill a unanimous “do not pass” recommendation.

SB 2340 – was originally the ND Land Title Association’s bill to implement a flat fee for residential mortgages stamped as such. After significant deliberations amongst committee members and stakeholders, amendments were adopted prescribing a \$15 flat rate for 1-4 page documents and \$60 for documents in excess of 4 pages but not more than 25 pages thereby eliminating the need for a “residential” stamp. ICBND has been heavily involved in the numerous iterations and concepts that have been discussed the past year regarding this subject, but has ultimately taken a neutral position on this particular bill. The amended bill passed the Senate 46-0 Wednesday.

BILL HEARINGS NEXT WEEK – NONE RELATIVE TO ICBND PRIORITY TRACKING LIST

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 DETAIL

Bill	Status	Title
HB 1126	House: INTRODUCED 02/08 H Rereferred to Appropriations 02/14 H Reported back, do pass, place on calendar 20 0 1	Relating to public warehouse and grain buyer licensing and insolvencies of public warehouses and grain buyers; and to repeal sections 60-02-39 and 60-02.1-25, of the North Dakota Century Code, relating to warehouse closures.
HB 1162	House: PASSED 01/27 H Amendment adopted, placed on calendar 01/31 H Second reading, passed, yeas 83 nays 8	Relating to competition between the government and private industry and to require a report to the legislative management.
HB 1164	House: DEFEATED 01/16 H Reported back, do not pass, placed on calendar 11 2 1 01/19 H Second reading, failed to pass, yeas 14 nays 76	Relating to a corporate income tax credit for reimbursement of employee child care expenditures; and to provide an effective date.
HB 1169	House: INTRODUCED 01/06 H Introduced, first reading, referred Energy and Natural Resources Committee 01/26 H Committee Hearing - 09:00 AM	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	House: DEFEATED 01/19 H Amendment adopted, placed on calendar 01/23 H Second reading, failed to pass, yeas 9 nays 81	Relating to the collection of property by affidavit and the effect of the affidavit.
HB 1219	House: PASSED 02/07 H Amendment adopted, placed on calendar 02/15 H Second reading, passed, yeas 90 nays 0	Relating to the process for converting manufactured housing to real property.
HB 1223	House: DEFEATED 01/27 H Amendment adopted, placed on calendar 01/31 H Second reading, failed to pass, yeas 19 nays 72	Relating to allowing employers to purchase private insurance for worker's compensation coverage.
HB 1228	House: INTRODUCED 02/15 H Reported back amended, do pass, amendment placed on calendar 13 2 0 02/16 H Amendment adopted, placed on calendar	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	House: DEFEATED	Relating to the state's minimum wage.

	01/31 H Reported back, do not pass, placed on calendar 12 2 0 02/06 H Second reading, failed to pass, yeas 13 nays 77	
HB 1297	House: WITHDRAWN 01/20 H Request return from committee 01/20 H Withdrawn from further consideration	Relating to creation of the affordable housing revolving loan fund; to provide a continuing appropriation; and to provide for a transfer.
HB 1303	House: PASSED Senate: INTRODUCED 02/01 S Received from House 02/02 S Introduced, first reading, (emergency), referred Government and Veterans Affairs Committee	A BILL for an Act to prohibit state agencies from filling vacant employee positions; to provide for a report; and to declare an emergency.
HB 1327	House: DEFEATED 02/03 H Reported back, do not pass, placed on calendar 13 1 0 02/10 H Second reading, failed to pass, yeas 24 nays 66	Relating to exceptions from inspections for home repairs performed by a homeowner.
HB 1352	House: INTRODUCED 02/10 H Reported back amended, do pass, amendment placed on calendar 13 0 1 02/13 H Rereferred to Transportation	Relating to custody and disposition of abandoned motor vehicles and deposit of funds; and to declare an emergency.
HB 1382	House: PASSED 02/08 H Amendment adopted, placed on calendar 02/14 H Second reading, passed, yeas 72 nays 17	Relating to the establishment of an education savings account program.
SB 2008	Senate: PASSED 02/14 S Amendment adopted, placed on calendar 02/14 S Second reading, passed, yeas 45 nays 0	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
SB 2014	Senate: PASSED 01/19 S Committee Hearing - 01:30 PM 02/16 S Reported back amended, do pass, amendment placed on calendar 14 0 0 2/17 S Second reading, passed, yeas 45 nays 0	Relating to loan guarantee fees, suspension of occupational or professional licenses, the housing incentive fund, and coal development trust fund allocations; to repeal section 54-17-41 of the North Dakota Century Code, relating to housing incentive fund reports; to provide statements of legislative intent; to provide exemptions; to provide an effective date; and to provide an expiration date.
SB 2068	Senate: DEFEATED 01/26 S Reported back, do not pass, placed on consent calendar 14 0 0 01/27 S Second reading, failed to pass, yeas 0 nays 45	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
SB 2074	Senate: DEFEATED 01/26 S Reported back, do not pass, placed on consent calendar 14 0 0 01/27 S Second reading, failed to pass, yeas 0 nays 45	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.
SB 2100	Senate: PASSED House: INTRODUCED 02/09 H Introduced, first reading, referred Industry, Business and Labor Committee 02/14 H Committee Hearing - 09:00 AM	Relating to definitions under the North Dakota money transmitter Act.

SB 2130	Senate: DEFEATED 01/27 S Amendment adopted, placed on calendar 01/30 S Second reading, failed to pass, yeas 8 nays 37	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.
SB 2159	Senate: PASSED 01/18 S Amendment adopted, placed on calendar 01/18 S Second reading, passed, yeas 45 nays 0	Relating to management of a limited liability company; and to provide for retroactive application.
SB 2160	Senate: PASSED 01/27 S Amendment adopted, placed on calendar 01/30 S Second reading, passed, yeas 45 nays 0	Relating to the duties of a recorder and providing notice of foreclosure of tax liens; and to provide an effective date.
SB 2167	Senate: DEFEATED 02/03 S Reported back, do not pass, placed on calendar 6 0 0 02/07 S Second reading, failed to pass, yeas 11 nays 33	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	Senate: DEFEATED 01/27 S Committee Hearing - 08:30 AM 02/16 S Reported back, do not pass, placed on calendar 14 0 0 02/17 S Second reading, failed to pass, yeas 0 nays 45	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.
SB 2212	Senate: PASSED 01/31 S Amendment adopted, placed on calendar 02/01 S Second reading, passed, yeas 46 nays 0	Relating to residency requirements of bank directors.
SB 2234	Senate: DEFEATED 02/13 S Committee Hearing - 09:00 AM 02/16 S Reported back, do not pass, placed on calendar 14 0 0 02/17 S Second reading, failed to pass, yeas 0 nays 45	Relating to the establishment of an essential service worker home ownership incentive program and essential service worker home ownership incentive fund; to amend and reenact subsection 3 of section 54-17-40 of the North Dakota Century Code, relating to the housing incentive fund; to provide an appropriation and transfer; and to provide a continuing appropriation.
SB 2260	Senate: DEFEATED 01/25 S Reported back, do not pass, placed on calendar 6 0 1 01/26 S Second reading, failed to pass, yeas 0 nays 46	Relating to exemptions from money broker regulation.
SB 2266	Senate: PASSED 02/03 S Amendment adopted, placed on calendar 02/03 S Second reading, passed, yeas 43 nays 2	Relating to the insurance commissioner taking over the duties of the department of securities and the securities commissioner; to provide for correction of statutory references; and to provide appropriation transfers.
SB 2276	Senate: PASSED 02/02 S Amendment adopted, placed on calendar 02/03 S Second reading, passed, yeas 45 nays 0	Relating to the prohibition of the diversion of restricted assets, the priority of those assets in a dissolution, and judgments imposing fines or assessing costs.
SB 2296	Senate: PASSED 02/02 S Reported back, do pass, place on calendar 6 0 0 02/03 S Second reading, passed, yeas 45 nays 0	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	Senate: DEFEATED 02/06 S Reported back, do not pass, placed on	Relating to a corporate income tax credit for reimbursement of employee child care expenditures;

	calendar 5 1 0 02/07 S Second reading, failed to pass, yeas 12 nays 32	and to provide an effective date.
SB 2317	Senate: DEFEATED 02/07 S Committee Hearing - 09:00 AM 02/15 S Reported back, do not pass, placed on calendar 4 3 0 02/17 S Second reading, failed to pass, yeas 13 nays 32	Relating to insurance producer charges for fees for services.
SB 2335	Senate: PASSED 02/01 S Amendment adopted, placed on calendar 02/02 S Second reading, passed, yeas 46 nays 0	Relating to the definition and endangerment or exploitation of an eligible adult; and to provide a penalty.
SB 2340	Senate: PASSED 02/14 S Amendment adopted, placed on calendar 02/15 S Second reading, passed, yeas 46 nays 0	Relating to fees charged by a county recorder for filing mortgage disclosures.
SB 2344	Senate: INTRODUCED 02/08 S Committee Hearing - 09:45 AM 02/21 S Committee Hearing - 08:30 AM	Relating to implementation of the North Dakota Compassionate Care Act to authorize medical marijuana; to amend and reenact sections 19-24-01, 19-24-02, 19-24-03, 19-24-04, 19-24-05, 19-24-06, 19-24-07, 19-24-08, 19-24-09, 19-24-10, 19-24-11, 19-24-12, and 19-24-13 of the North Dakota Century Code, relating to implementation of the North Dakota Compassionate Care Act to authorize medical marijuana; to provide a report to the legislative management; to provide a penalty; to provide a continuing appropriation; and to declare an emergency.
HCR 3009	House: PASSED 01/27 H Reported back, do pass, placed on consent calendar 13 0 1 02/14 H Second reading, adopted	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.