



## Legislative Update March 24, 2017

### **SECTION 1: GENERAL**

First, I want to remind you of the [2017 ICBA Capital Summit](#) scheduled for April 30-May 3 at the Grand Hyatt Hotel in Washington, DC. Join fellow ICBND member bankers as we take our community banking message to our congressional delegation and regulators in Washington. Registration for the event is free and details can be found at [2017 ICBA Capital Summit](#). Please let me know if you have any questions or would like further information.

Back to the update. Legislative day 54 is in the books. Sixteen legislative days remain if leadership is able to wrap things up in 70 days. That seems a lofty goal right now especially since bills haven't been moving very fast through the House this week.

Guns, marijuana and, more recently, casinos have been common themes at the Capitol these last three months and this week was no exception as all three saw committee and/or floor action. House Majority Leader Al Carlson's original casino measure was a House Concurrent Resolution that would allow voters to amend the constitution to allow up to six state-owned casinos away from Native American reservations and the state's larger cities. The House Judiciary Committee originally heard the bill early last week and gave it a 13-2 "do not pass" recommendation. Later last week, however, the bill was sent back to committee. On Monday, the committee entertained an amendment submitted by Representative Carlson that would allow up to six PRIVATELY owned casinos that couldn't be built within 40 miles of a reservation. While the committee approved the amendment, it gave the amended bill an 11-4 "do not pass" recommendation. Yesterday, the full House debated the measure. Proponents took an interesting approach intimating that this measure is actually a sort of "preemptive strike" because a similar initiated measure may be coming, and by approving this measure the legislature would maintain more control over the details if voters were to ultimately approve gaming expansion. Apparently, that argument was not compelling enough as the measure was defeated 28-63.

The Capitol's largest meeting room was again packed all day Tuesday for the Senate's turn with the medical marijuana bill. The Senate Human Services Committee heard testimony from legislative leadership as to why the initiated measure required significant amendments. Opponents of the amended bill again provided hours of impassioned testimony claiming the will of the people was being hijacked by the legislature's actions.

To me, the most impactful of the various gun bills is HB 1169 which is also referred to as the "constitutional carry" bill. Representative Rick Becker was the primary sponsor of this bill which was amended in the House. As amended, the bill says that you can carry a concealed weapon in North Dakota without a permit if you are 18 years of age, have had a state-issued identification for at least one year, and aren't otherwise precluded from having a Class 2 concealed carry license. The bill had limited debate on the Senate floor Tuesday and passed on a vote of 34-13. Governor Burgum signed the bill into law last night. Wherever you stand on this issue, it should probably prompt you to review your bank's firearms policy. I would be surprised if more customers and employees aren't carrying concealed weapons after this law goes into force August 1.

## **SECTION 2: BILL UPDATES FROM ICBND “PRIORITY” TRACKING LIST**

**SB 2212** – relates to the residency requirements for bank directors. Currently, two-thirds of the directors of a state chartered bank must be residents of North Dakota. The original Senate bill added a 100 mile buffer, but the House amended that eliminating the mileage buffer and instead stating two-thirds must be citizens of the United States which ICBND supported. The House passed the amended bill and the Senate gave its concurrence today by a vote of 35-12. Now it’s off to the Governor’s desk.

**SB 2266 and SB 2008** – SB 2266 was a wearily traveled amended bill that ultimately sought an interim study of possibly merging the state securities agency and the Department of Financial Institutions. I testified against this bill in the House IBL Committee and it was narrowly defeated on the House floor last week 43-48. So, it’s dead, right? *Well*, not exactly. The Government Ops Division of the House Appropriations Committee considered resurrecting the bill language into the DFI budget bill SB 2008. Legislators are searching mightily to find efficiencies in government which I certainly applaud, but we just don’t think this is an avenue that serves our members or produces meaningful savings. Yesterday, ICBND communicated concerns to the committee and individual members including reasons why. I was pleased that the Government Ops Division ultimately gave SB 2008 a “do pass” recommendation without the addition of the proposed amendment.

**SB 2276** – relates to prohibitions on nonprofit corporations pledging restricted assets as collateral. The bill was amended to our satisfaction in the House Judiciary Committee which gave the amended measure a 15-0 “do pass” recommendation Tuesday. It was placed on the 6<sup>th</sup> order for consideration of amendments, but was rereferred to committee during Wednesday’s floor session to clean up a technicality which should be finalized early next week.

**SB 2340** – is the North Dakota Land Title Association’s bill to implement flat fees for certain document filings with the county recorders. The bill was amended by the House Political Subdivisions Committee to the chagrin of the recorders and given a 9-5 “do pass” recommendation Tuesday and also placed on the 6<sup>th</sup> order for amendments. The recorders stormed House members and were successful in getting it sent back to committee for reconsideration Wednesday. ICBND has not taken a position on this bill but is monitoring it very closely because one never knows.

## **SECTION 3: BILL HEARINGS NEXT WEEK – *None for next week.***

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](http://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.

Sincerely,



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## ICBND PRIORITY LIST AND BILL STATUS DETAIL

Bill	Status	Title
HB 1126	House: PASSED Senate: INTRODUCED 02/22 S Introduced, first reading, referred Agriculture Committee 03/16 S Committee Hearing - 09:00 AM	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 Senate: DEFEATED 03/15 S Reported back, do not pass, placed on calendar 6 1 0 03/16 S Second reading, failed to pass, yeas 5 nays 41	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: PASSED Senate: PASSED 03/23 H Signed by Speaker 03/23 H Sent to Governor	Relating to carrying a handgun; to amend and reenact sections 62.1-04-02 and 62.1-04-04 of the North Dakota Century Code, relating to carrying concealed firearms or dangerous weapons; and to provide a penalty.
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 1182	House: PASSED Senate: INTRODUCED 02/20 S Introduced, first reading, referred Finance and Taxation Committee 03/01 S Committee Hearing - 02:00 PM	Relating to renaissance zone tax credits and exemptions; to repeal sections 40-63-06 and 40-63-07 of the North Dakota Century Code, relating to renaissance zone income tax credits; and to provide an effective date.
HB 1219	House: PASSED Senate: PASSED Governor: SIGNED 03/20 H Sent to Governor 03/23 H Signed by Governor 03/22	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: PASSED Senate: PASSED Governor: SIGNED 03/22 H Signed by Governor 03/21 03/23 Filed with Secretary Of State 03/22	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 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	Relating to the state's minimum wage.
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: DEFEATED 03/20 S Reported back, do not pass, placed on calendar 6 0 0 03/21 S Second reading, failed to pass, yeas 0 nays 47	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 Senate: PASSED 03/14 S Emergency clause carried 03/15 H Returned to House (12)	Relating to custody and disposition of abandoned motor vehicles; and to declare an emergency.
HB 1382	House: PASSED Senate: DEFEATED 03/09 S Reported back, do not pass, placed on calendar 6 0 0 03/10 S Second reading, failed to pass, yeas 14 nays 32	Relating to the establishment of an education savings account program.
HB 1425	House: PASSED Senate: INTRODUCED 02/22 S Introduced, first reading, referred Judiciary Committee 03/22 S Committee Hearing - 10:00 AM	A BILL for an Act to protect the rights and privileges granted under the United States Constitution.
SB 2008	Senate: PASSED House: INTRODUCED 03/02 H Committee Hearing - 08:30 AM 03/15 H Committee Hearing - 10:30 AM	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions.
SB 2014	Senate: PASSED House: INTRODUCED	Relating to the essential service worker home ownership program, housing incentive fund tax credits, and essential service worker home

	03/09 H Committee Hearing - 03:15 PM 03/15 H Committee Hearing - 08:30 AM	ownership fund tax credits; to amend and reenact sections 15-62.1-07, 28-25-11, 54-17-40, and 57-62-02 of the North Dakota Century Code, 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: DEFEATED 02/23 H Reported back, do not pass, placed on calendar 14 0 0 03/01 H Second reading, failed to pass, yeas 4 nays 84	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 House: PASSED Governor: SIGNED 03/17 S Signed by Governor 03/15 03/20 Filed with Secretary Of State 03/16	Relating to management of a limited liability company; and to provide for retroactive application.
SB 2160	Senate: PASSED House: PASSED Governor: SIGNED 03/14 S Signed by Governor 03/13 03/16 Filed with Secretary Of State 03/13	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 02/16 S Reported back, do not pass, placed on	Relating to the housing incentive fund tax credit; to amend and reenact sections 54-17-

	calendar 14 0 0 02/17 S Second reading, failed to pass, yeas 0 nays 45	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: INTRODUCED House: PASSED 03/14 H Second reading, passed as amended, yeas 89 nays 3 03/15 S Returned to Senate (12)	Relating to residency requirements of bank directors.
SB 2234	Senate: DEFEATED 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 House: DEFEATED 03/13 H Amendment adopted, placed on calendar 03/15 H Second reading, failed to pass, yeas 43 nays 48	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 House: INTRODUCED 03/21 H Reported back amended, do pass, amendment placed on calendar 15 0 0 03/22 H Rereferred to Judiciary	Relating to the prohibition of the diversion of restricted assets and the priority of those assets in a dissolution.
SB 2296	Senate: PASSED House: PASSED 03/22 S Signed by President 03/23 S Sent to Governor	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 2301	Senate: PASSED House: INTRODUCED 02/22 H Introduced, first reading, referred Industry, Business and Labor Committee 03/20 H Committee Hearing - 08:30 AM	Relating to specialty pharmacy services; to provide a penalty; and to provide for application.
SB 2305	Senate: DEFEATED 02/06 S Reported back, do not pass, placed on calendar 5 1 0 02/07 S Second reading, failed to pass, yeas 12 nays 32	Relating to a corporate income tax credit for reimbursement of employee child care expenditures; and to provide an effective date.
SB 2317	Senate: DEFEATED 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 House: INTRODUCED 02/20 H Introduced, first reading, referred Judiciary Committee 03/20 H Committee Hearing - 10:30 AM	Relating to the definition and endangerment or exploitation of an eligible adult; and to provide a penalty.
SB 2340	Senate: PASSED House: INTRODUCED 03/21 H Reported back amended, do pass, amendment placed on calendar 9 5 1 03/22 H Rereferred to Political Subdivisions	Relating to fees charged by a county recorder for filing mortgage disclosures.
SB 2344	Senate: PASSED House: INTRODUCED 03/01 H Introduced, first reading, (emergency), referred Human Services Committee 03/21 H Committee Hearing - 09:30 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 Senate: PASSED 03/22 H Signed by Speaker 03/22 H Filed with Secretary Of State 03/22	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.