



## Legislative Update April 7, 2017

### **SECTION 1: GENERAL**

Today represents Legislative Day 64 and, in my opinion, we are well into the drudgery of the legislative session. Multiple floor sessions and conference committees consume most of the days as legislators grind through the remaining bills a number of which are budget bills. Legislative leadership's original plan to save ten days is clearly not going to happen. In fact, I think we will be closer to 80 days than 70 days.

Within the drudgery however there remain issues of interest and controversy. Monday, for example, there arose a wind versus coal debate on the House floor via an amendment to Senate Bill 2314. Originally, the measure sought a moratorium on wind projects. It didn't have enough support in the Senate so it was turned into a relatively benign legislative management study for a long term energy plan and sent on to the House. Majority Leader Carlson added an amendment that would have required the Public Service Commission evaluate the need for energy projects when pondering applications. And the fight was on. The wind lobby worked representatives early and often in an effort to kill the amendment arguing that the state shouldn't be in the business of picking winners and losers when it comes to energy projects. After much debate, the amendment was defeated. Supporters of the substantive amendment then asked the chamber to kill the rest of the bill. Final vote on the study sans amendment was 13-77. It's probably not wise to read too much into one 11<sup>th</sup> hour failed amendment, but it wasn't a good day for the coal industry and the wind industry seemed to gain a lot of momentum. Having spent much of my career in the energy business, I don't think we would have seen such an outcome ten years ago.

Another controversial bill introduced as a delayed bill late in the session is a measure that would allow for North Dakota to switch to self-funding of the state employee insurance plan. At a dinner meeting last week with House Majority Leader Carlson, he seemed intent on pushing this legislation as hard as necessary. The measure easily passed the House by a vote of 71-19, but got a cool reception in the Senate Government and Veterans Affairs Committee Monday morning as Senators questioned the late introduction of such a monumental undertaking. Legal questions also circulate related to Sanford Health's contract with the current insurance plan.

Finally, it wouldn't be an update if I didn't give you the latest on medical marijuana, guns and gambling! The medical marijuana bill (SB 2344) was amended in the House and passed 79-13. Even supporters of the original initiated measure are ok with this version of the measure, which is almost scary. It's destined to end up in conference committee. On the gun front, SB 2139 breezed through the House with a vote of 86-5 on Tuesday. The bill allows lawmakers and other qualified elected officials to carry concealed weapons into government buildings, including the state capitol, and at public gatherings, including sporting events and even schools. The bill was sent back to the Senate who refused to concur, so it's off to conference committee as well. Lastly, a bill to allow historic horse race wagering garnered a great deal of discussion before failing by a vote of 45-46 on Tuesday and a vote of 44-45 on Wednesday after being brought back for consideration!

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

**SB 2008** – is the DFI budget bill that was approved 82-8 in the House, but not before full House Appropriations hardened the language that now requires the governor conduct a study of merging the securities department and the DFI. We opposed the language but it became apparent that the Chairman of House Appropriations wanted that language to survive. Today, the Senate unanimously concurred with the changes made in the House so the DFI budget now goes to the governor. Other than the study language, the DFI budget went through relatively unscathed.

**SB 2014** – is the Industrial Commission budget (which includes the Bank of North Dakota and the Housing Finance Agency) and was assigned to a conference committee yesterday after the Senate withheld its concurrence on the changes that the House made to the budget. There’s lots of moving parts in this budget so it’s not unusual for it to be going to conference committee. Changes in the House version included the elimination of four FTE’s at the Housing Finance Agency and a cut of about \$200,000 to BND’s operations budget. Knowing that there would be pressure to make cuts and transfer capital (to the General Fund) we’ve advocated since before the session the importance of BND having the financial and human capital to efficiently implement the programs that are critical to our member banks. We will continue to voice that message with conference committee members.

**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 with the full House unanimously approving the measure late last week. Wednesday, the Senate provided its unanimous concurrence.

**SB 2340** – is the North Dakota Land Title Association’s bill to implement flat fees for certain document filings with the county recorders. The measure was further amended in the House and passed on the floor 85-5 on Monday and the Senate concurred 43-4 on Wednesday so it’s off to the governor. The bill prescribes a \$20 filing fee for documents up to six pages in length and \$65 for documents ranging in length from seven to 25 pages.

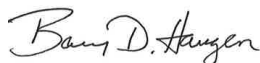
## **SECTION 3: CONFERENCE COMMITTEE HEARINGS NEXT WEEK:**

SB 2014 is the only ICBND priority bill that has been assigned to conference committee. No meetings have been scheduled as of this afternoon, but will certainly be on the schedule 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,



Barry D. Haugen  
President  
[barryh@icbnd.com](mailto:barryh@icbnd.com)  
cell: 701.955.4308  
office: 701.258.7121



## ICBND PRIORITY LIST AND BILL STATUS DETAIL

Bill	Status	Title
HB 1126	House: PASSED Senate: PASSED 04/05 H Concurred 04/05 H Second reading, passed, yeas 89 nays 0	Relating to public warehouse and grain buyer licensing and insolvencies of public warehouses and grain buyers; to repeal sections 60-02-39 and 60-02.1-25 of the North Dakota Century Code, relating to warehouse closures; and to provide for a legislative management study.
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 Governor: SIGNED 03/24 H Signed by Governor 03/23 03/27 Filed with Secretary Of State 03/24	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 approval of property tax incentives granted by a city; to amend and reenact subsection 7 of section 40-57.1-03, section 40-58-20.2, and subsection 3 of section 54-35-26 of the North Dakota Century Code, relating to approval of property tax incentives granted by a city and evaluation of economic development tax incentives; to provide for a legislative management study; and to provide an effective date.
HB 1219	House: PASSED Senate: PASSED Governor: SIGNED 03/23 H Signed by Governor 03/22 03/27 Filed with Secretary Of State 03/23	Relating to the process for converting manufactured housing to real property.
HB 1223	House: DEFEATED	Relating to allowing employers to purchase private

	01/27 H Amendment adopted, placed on calendar 01/31 H Second reading, failed to pass, yeas 19 nays 72	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: PASSED Senate: PASSED Governor: SIGNED 04/03 H Sent to Governor 04/06 H Signed by Governor 04/05	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: DEFEATED 03/31 S Amendment adopted, placed on calendar 03/31 S Second reading, failed to pass, yeas 15 nays 29	A BILL for an Act to protect the rights and privileges granted under the United States Constitution.
SB 2008	Senate: PASSED House: PASSED	A BILL for an Act to provide an appropriation for defraying the expenses of the department of financial institutions; to provide for a study; and to provide for a report to the legislative management.

SB 2014	Senate: CONF. COMM House: PASSED 04/06 S Refused to concur 04/06 S Conference committee appointed Sorvaag Hogue Mathern	Relating to loan guarantee fees, suspension of recreational licenses, the housing incentive fund, North Dakota mill and elevator profits, and coal development trust fund allocations; to repeal sections 6-09-50, 54-17-40, 54-17-41, and 54-18-20 of the North Dakota Century Code and sections 16, 26, and 27 of chapter 14 of the 2015 Session Laws, relating to a financial center project, the housing incentive fund, housing incentive fund reports, and a gain-sharing program; to provide statements of legislative intent; to provide for a report to the legislative management; to provide exemptions; to provide an effective date; to provide an expiration date; and to declare an emergency.
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 54-17-40 and 54-17-41

	calendar 14 0 0 02/17 S Second reading, failed to pass, yeas 0 nays 45	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 House: PASSED Governor: SIGNED 03/30 S Signed by Governor 03/29 03/31 Filed with Secretary Of State 03/30	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: PASSED 04/05 S Concurred 04/05 S Second reading, passed, yeas 47 nays 0	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 Governor: SIGNED 03/27 S Signed by Governor 03/24 03/31 Filed with Secretary Of State 03/24	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: PASSED Governor: SIGNED 04/03 S Sent to Governor 04/06 S Signed by Governor 04/05	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	Relating to the definition and endangerment or

	House: PASSED 04/05 S Concurred 04/05 S Second reading, passed, yeas 47 nays 0	exploitation of an eligible adult; and to provide a penalty.
SB 2340	Senate: PASSED House: PASSED 04/05 S Concurred 04/05 S Second reading, passed, yeas 43 nays 4	Relating to fees charged by a county recorder for filing mortgage disclosures.
SB 2344	Senate: INTRODUCED House: PASSED 04/04 H Emergency clause carried 04/04 S Returned to Senate (12)	Relating to medical marijuana; to amend and reenact section 54-60-03, paragraph 3 of subdivision a of subsection 15 of section 57-02-08, and paragraph 2 of subdivision b of subsection 15 of section 57-02-08 of the North Dakota Century Code, relating to primary sector business certification and property tax exemptions for farm buildings and residences; to repeal chapter 19-24 of the North Dakota Century Code, relating to medical marijuana; to provide a statement of legislative intent; to provide for a report; 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.