



April 9, 2021 - No. 15

### **Legislature Working to Save Days as End of Session Nears**

The North Dakota Legislature is limited by the state's Constitution to meeting 80 days every two years, and legislative leaders are working to wrap up the session with at least eight days remaining for future use. Good Friday, April 2, would have marked the session's 58th day, but both chambers skipped a gavelled opening, and only Appropriations Committees met that day. During the first week of the session, the legislature also preserved two business days, as the full assemblies did not formally meet. The original end date of the session was April 28, but May 5 is now the adjournment date for the 67th Legislative Session due to days being saved.

Policymakers are saving legislative days due to redistricting and federal COVID-19 relief funds. The legislature will need to reconvene in the fall to redistrict, or draw new legislative district boundaries, based on the 2020 U.S. Census numbers. New district boundaries need to be adopted by the full legislature. In addition, legislative leaders want to address anticipated federal funds for pandemic relief and how those funds will be allocated in the state. Lawmakers also have the option to ask the Governor to call a special session, which would not count against the legislature's allotted 80 days.

Thank you to Corn Growers Association directors Drew Courtney and Brian Leier and Executive Director Brenda Elmer for spending their Thursday in the State Capitol representing corn producers in meetings with policy makers including Senate Majority Leader Wardner, House Majority Leader Pollert, Ag Committee Chairs Sen. Luick and Rep. Johnson, Lt. Governor Sandford and numerous other legislators.

The NDCGA delegation advocated to restore rural road funding and promoted value-added agriculture incentives. They also thanked legislators for the support in directing the Department of Transportation to use E15 and biodiesel in the state car and truck fleet. Be sure to touch base with your local legislators and to carry this same message.

### **Key Hearings (April 5-9)**

#### **HB 1380 Legacy Streams**

HB 1380 is a Legacy Fund Streams bill relating legacy earnings fund, and an income tax relief fund. Sen. Sorvaag introduced amendments which would to get the bill closer to the original version of the bill.

Sorvaag's proposed amendments can be found [here](#). On March 29 the amendments were adopted and the bill was referred to the Senate Appropriations committee, which heard the bill on March 31 and April 5.

#### **HB 1431 Bonding for Water and Road Projects**

HB 1431, the major water and road infrastructure bonding authority bill and includes a revolving loan fund, but no new money for townships was passed by the Senate unanimously on April 8 sending the bill to the Governor.

Legacy Fund earnings, found in HB 1380, will repay the bonds. The Senate removed amendments it had previously put on the bill, returning HB 1431 to the version that passed the House. Many of the projects and funding, including \$30 million of grants and distribution to townships will presumably be added to other funding bills. The amendments had included HB 1431 as passed by the Senate authorizes \$680 million in bonds. A list of projects that were considered as part of the bill are below, with strikethroughs through projects that were not included in the final bill:

- \$435.5 million for the Fargo Diversion Project
- \$74.5 million for the Mouse River Flood Control Project
- \$50 million to an infrastructure revolving loan fund
- \$70 million to the state highway fund
- \$50 million to NDSU for an agriculture products development center
- ~~\$250 million to the clean sustainable energy fund (coal power plant CO2 capture)~~
- ~~\$30 million the township highway aid fund~~
- ~~\$60 million to career and technical education~~
- ~~\$71 million state facility maintenance and ADA upgrades~~
- ~~\$10 million to the state park fund for deferred maintenance and improvements~~
- ~~\$4 million to Dickinson State University for a Pulver Hall~~
- ~~\$4 million to UND for a space command initiative~~
- ~~\$1 million to the art initiatives~~

### **HB 1452 Establishes a Renewable and Clean Energy Grant Fund**

HB 1452 creates a clean sustainable energy fund and authority to support research, development and technological advancements for large-scale development and commercialization of projects that reduce environmental impacts of energy production. HB 1452 was amended to provide \$40 million and add a second renewable energy council representative. On March 25 an amendment to create a clean sustainable energy revolving fund was adopted and the bill was referred to the Appropriations Committee.

HB 1452 was given a do pass recommendation, the amendment was adopted the bill was referred to the Senate Appropriations committee, which heard the bill on April 5. It is anticipated the \$250 million for loan guarantee for the Clean Sustainable Energy from 1431 will be added to HB 1452.

### **Status of Key Bills**

#### **HB 1009 Department of Agriculture Budget**

The Department of Agriculture's appropriation, as amended by the House Appropriations Committee, includes an increase of \$12 million in funding over the 2021-2023 biennium. This includes an additional \$2.7 million for APUC, \$5.5 million for bioscience innovation grants, \$5 million for environmental law impact review, and \$1.6 million for transfer of the ND trade office. It also adds a

study on the operations and selection of commission members for the ND Beef Commission. On April 6, HB 1009 passed the Senate 42-2.

### **HB 1141 \$25 million of Legacy Fund earnings to the innovation loan fund for innovation technology loans**

HB 1141 would provide \$25 million to renew the Innovation Technology Loan Fund (LIFT). The program charges borrowers no interest for the first three years of the loan's term and a 2-percent interest rate in loan's fourth and fifth years. Data based on the \$15 million investment from the deployed LIFT funding is projected to increase ND GDP by \$92 million annually, deliver \$49 million in increased employee compensation, generate \$151 million in annual economic output increase, and create 750 new jobs. The bill was reported back amended back down to \$15 million (from \$30 million) by Senate Appropriations. The bill passed the Senate 46-1 on April 7.

### **HB 1437 Tile permit streamlining**

House Bill 1437, the subsurface water management (tiling) bill, which also includes a fix to allow for State Water Commission to cost share drain widening or deepening activities, was amended by the Senate Agriculture committee to remove the notification requirement on projects less than 80 acres unless the project drains into an assessment drain or a "tributary" of an assessment drain. The Senate passed the bill but the House refused to concur and is now in conference committee to work out the differences. The Conference Committee discussed the bill on April 8 and will meet again on April 13. Corn Growers are advocating a consensus that will not threaten the bill's ability to be accepted by both chambers.

NDCGA testified in support of this bill. Testimony presented at the hearing can be found [here](#).

### **HB 1475 Relates to an agriculture innovation fund**

The House had reduced the \$150 million bill to \$5 million. On March 19, the Senate Agriculture completely rewrote the bill to establish a \$20 million Agriculture Diversification and Development Fund to be administrated by the Bank of ND. Up to 25% of the fund can be used for grants and the remainder to support interest rate buydowns for new or expanding value-added agriculture businesses including food production or processing facilities; feed or pet food processing; agriculture product manufacturers; and animal production facilities. The NDCGA worked closely with legislative and agriculture leaders in preparing options to enhance the state's investments in value added agriculture. Though corn leaders advocated to keep the bill at \$20 million, the Senate Appropriations amended the bill to \$10 million this week.

### **SB 2012 Department of Transportation Budget- includes E15 directive**

On April 2, the House Appropriations Committee adopted an amendment to the Department of Transportation budget, SB 2012, offered by Representative Mike Brandenburg at Corn Growers' request, directs the DOT to use 15% ethanol in the state fleet and biodiesel in department trucks. The DOT operates nearly 3,000 vehicles. The amendment was promoted by the Corn Growers in partnership with the Soybean and Ethanol Associations.

The House Appropriations Committee also added \$750,000 to assist townships to match FEMA dollars for emergency repairs.

The bill is likely to be considered by the full House first thing in the morning April 12th .

### **SB 2019 Career and Technical Education Appropriation**

Before being passed to the House, the Senate Appropriations Committee passed an amendment providing additional funding for the Department of Career and Technical Education's programs including \$1.5 million to continue CTE course cost reimbursement rates at schools, \$1 million to reimburse schools and area CTE's for the cost of new and expanding CTE program course expenses, and \$630,119 for distance education. Executive budget cut recommendations were maintained that would remove \$50,000 for marketplace for kids, \$256,982 for post-secondary grants (eliminating the program) and \$100,000 for workforce training (TrainND). On April 8, SB 2019 was reported back amended, given a do pass recommendation and on April 9 the amendment was adopted.

### **SB 2020 2021-23 NDSU Research and Extension with SBARE Priorities**

This bill includes appropriations for NDSU Agriculture Research and Extension as well as the [2021-2023](#) SBARE priorities. The Senate restored the Governor's recommended cuts to budgets for the Research Extension Center (REC) network, ND Ag Experiment Station, NDSU Extension, and Northern Crops Institute. It also added \$500,000 plus two FTEs for Livestock Initiative for NDSU Extension, \$280,000 plus one FTE for the Big Data Initiative for NDSU Extension, and \$800,000 plus three FTE for the Big Data Initiative for the ND Ag Experiment Station.

The House Capital improvement projects are also included in the bill including the Carrington REC for a feedlot research facility and pen renovation, Langdon Research Center greenhouse and \$500,000 in one-time funds for deferred maintenance.

On April 8, SB 2020 was reported back amended, given a do pass recommendation and the amendment was placed on the House voting calendar.

### **SB 2024 Department of Environmental Quality budget**

SB 2024 gives an overview of the Department of Environmental Quality. On April 8, SB 2024 passed the House 76-17.

### **SB 2026 Governor's Order Authorizing Excess Limits Regarding Road Trains**

This bill would allow the governor to permit and prescribe definite excess limitations as to size and weight for the operation of road trains. SB 2026 was heard before the House Transportation committee on March 4 and on March 25 the committee rewrote the bill to direct the DOT to study and conduct pilot projects on the feasibility and impact of long combination vehicle operations. The bill was passed as amended by the House. The Senate passed the bill as amended unanimously. Because of the amendments, the bill was returned to the House for further consideration. The House refused to concur and the bill will now go to conference committee to work out the differences between the House and Senate versions.

### **SB 2041 Commercial Property Tax Exemption for Grain Elevator and Potato Warehouse Property**

This bill creates a commercial property tax exemption for potato warehouse property used for personal use, like that of on-farm storage. SB 2041 was heard before the House Finance and Taxation committee on March 3 and several political subdivisions and the Association of Counties opposed the measure. The committee adopted a "hog house" amendment to the bill that updates a definition in the state tax code regarding gross farm income to match changes at the federal level and authorizes a study of the warehouse tax exemption issue. The change pertained to farm home exemptions pertaining to the definition of gross income does not include a gain from the sale farm machinery. Because of the amendments, the bill was returned to the House for further consideration. The House

refused to concur and the bill will now go to conference committee to work out the differences between the House and Senate versions. The Conference Committee discussed the bill on April 9.

### **SB 2065 Industrial commission to regulate the permitting of underground storage of oil and gas**

SB 2065 relates to the authority of the board of university and school lands to lease lands under its control for the underground storage of oil or gas and the jurisdiction of the industrial commission to regulate the permitting and amalgamation of the underground storage of oil or gas. On April 7, SB 2065 passed the House 72-19.

### **SB 2144 Criminal Trespass and Electronic Posting**

This bill establishes that an individual is guilty of a class A misdemeanor if they entered or remained in an enclosed fence, defined as a permanent structure on nonurban, private property which is maintained and capable of containing livestock, or otherwise enclosed as manifestly to exclude intruders, unless the individual is a licensed hunter or angler who is lawfully hunting or fishing. A peace officer may cite an individual who is not licensed or privileged to do so, who enters or remains in a place to which notice against trespass is given. The bill also allows the electronic posting of land in an online database or application maintained or authorized by the state and made available to the public, which identifies whether land is available to hunters. The name of the person posting the land must appear on each physical sign legibly or posting electronically. The House reduced the penalty from a class A to a class B misdemeanor for trespass into a fenced or posted area. Because of the amendments, the bill was returned to the House to establish a conference committee to work out the differences between the House and Senate versions.

### **SB 2208 Related to legal drain and waterway approval and maintenance**

As introduced, SB 2208 would have substantially modified assessment drain processes and maintenance authority. NDCGA opposed of SB 2208 in its original form. The Senate amended the bill into a study of the regulation of water and the study committee will include members representing agriculture, water resource districts, a county road engineer, and the Legislature. It will also include eight nonvoting members representing townships, counties, state's attorneys' association, ag commissioner's office, state water commission, department of transportation and citizens. With the conversion to a study, North Dakota Corn supported SB 2208. The House added additional members to the study committee. Because of the amendments, a conference committee will work out the differences between the House and Senate versions, and is expected to add irrigation water permit processes to the list of study topics. The Conference Committee is scheduled to meet on April 13.

### **SB 2218 Annually reconvened sessions of the legislature and interim committee meetings**

SB 2218 relates to introduction of bills and interim committees; to amend and reenact sections of the North Dakota Century Code, relating to annually reconvened sessions of the legislative assembly and interim committee meetings; and to provide an expiration date. On April 6, SB 2218 **defeated by the House 25-68**.

### **SB 2230 Value added loan guarantee**

This bill increases the value-added loan guarantee program, established in 2019, from \$50 million to \$80 million to support credit for value-added ag and energy ventures. Corn Growers had advocated for the program to offer \$100 million of loan guarantee funds. On April 6, SB 2230 was reported back amended, given a do pass recommendation and on April 7, the amendment was adopted.

### **SB 2245 Intermodal transportation assistance program**

SB 2245 as introduced, would have provided \$15 million of assistance to an intermodal facility operating in Minot. Earlier the Senate had approved \$10 million for the effort, but the House is anticipated to reduce the amount to \$2.5 million to specifically support in the installation of a rail siding required to take traffic away from the main line rail road. On April 7, SB 2245 passed the House 84-7.

### **Bills of Interest**

- [HB 1009](#) Department of Agriculture Budget
- [HB 1015](#) Possible home to Governor's \$1.25 billion infrastructure bond proposal
- [HB 1026](#) Grain Licensing and Regulation
- [HB 1038](#) Legislative management legacy fund earnings committee
- [HB 1043](#) Ethics Commission Complaint Procedures
- [HB 1046](#) Advisory Committee on Sustainable Agriculture
- [HB 1079](#) Uniform Law regarding Environmental Covenants
- [HB 1087](#) Reauthorize North Dakota's Reinsurance program
- [HB 1113](#) Landowner's permission before baiting and trail cameras
- [HB 1115](#) Regulation of animal feeding operations by the agriculture commissioner
- [HB 1118](#) Limitation on Governor's Declaration of Disaster or Emergency
- [HB 1132](#) Republican leaders' \$1.1 billion infrastructure bonding bill
- [HB 1141](#) \$25 million of Legacy Fund earnings to the innovation loan fund for innovation technology loans
- [HB 1145](#) ND Soybean Council members
- [HB 1158](#) Mitigate adverse environmental impacts
- [HB 1172](#) Agricultural mediation and negotiation services
- [HB 1244](#) Permits direct sale of raw milk or raw milk products
- [HB 1353](#) Reorganize Office of the State Engineer to the Dept of Water Resources with the state engineer as a division
- [HB 1380](#) Legacy Streams
- [HB 1425](#) North Dakota Investment via State Investment Board
- [HB 1431](#) Water infrastructure revolving loan fund and bonded debt repayments
- [HB 1437](#) Tile permit streamlining
- [HB 1452](#) Establishes a Renewable and Clean Energy Grant Fund
- [HB 1464](#) Tax imposed on motor vehicle fuels and special fuels
- [HB 1475](#) Agriculture innovation fund
- [HB 1487](#) Beef Check Off
- [SB 2012](#) Department of Transportation Appropriation
- [SB 2019](#) Career and Technical Education Appropriation
- [SB 2020](#) 2021-23 SBARE Priorities
- [SB 2024](#) Department of Environmental Quality budget
- [SB 2026](#) Governor's Order Authorizing Excess Limits Regarding Road Trains
- [SB 2033](#) University system capital building fund
- [SB 2034](#) Advisory opinions regarding ethics
- [SB 2036](#) Access to Lands and Electronic Posting Study
- [SB 2037](#) Criminal Trespass and Electronic Posting
- [SB 2038](#) Electronic Posting of Land to Prohibit Hunting
- [SB 2041](#) Commercial Property Tax Exemption for Grain Elevator and Potato Warehouse Property
- [SB 2053](#) Adds Equipment to APUC Eligibility
- [SB 2058](#) Expands loan interest buydown program to livestock operations

[SB 2065](#) Industrial commission to regulate the permitting of underground storage of oil and gas  
[SB 2124](#) Virtual Special Session Authority During Emergency or Disaster  
[SB 2144](#) Criminal Trespass and Electronic Posting  
[SB 2171](#) Transfer of the international business and trade office for Dept of commerce to agriculture commissioner  
[SB 2208](#) Related to legal drain and waterway approval and maintenance  
[SB 2216](#) Definition of Location for Animal Feeding Operations  
[SB 2218](#) Annually reconvened sessions of the legislature and interim committee meetings  
[SB 2230](#) Value added loan guarantee  
[SB 2245](#) Intermodal transportation assistance program  
[SB 2324](#) Installation of culverts  
[SB 2342](#) Soil conservation, soil conservation district supervisor compensation, training, powers and duties, elections, and land use regulations; and to provide for a continuing appropriation.  
[HRC 3001](#) Regarding Road Trains

#### **Hearing Schedule** (April 12-16)

Hearings, Committee Work and Conference Committees will be scheduled on very short notice for the rest of the session.

#### **Bill Status Report**

A report on the status of all tracked bills is attached. This PDF has live links to all bills NDCGA is tracking.

#### **How to Contact Your Legislators**

During the session, legislators can be reached at the Capitol through [Contact My Legislators](#) or by leaving a message at 888-NDLEGIS (635-3447) or 701-328-3373 (local). A legislator can also be reached by email, phone or mail as listed in the legislator's online bio: [Senate](#) or [House](#). Details information on legislative activities is available on the [Legislative Assembly website](#).

#### **Legislative Calendar**

- May 5: Final day of session (limited to 80 days)